भारत पेट्रोलियम कॉर्पोरेशन लिमिटेड
भारत सरकार का उपक्रम

BHARAT PETROLEUM CORPORATION LTD.
A Govt. of India Enterprise

Sec.3.4.1(L)

26th September, 2018

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,

Sub: Annual Report for the Financial Year 2017-18

In terms of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Annual Report of the Company for the Financial Year 2017-18 for your information. The financial statements (standalone and consolidated) for the year ended 31st March, 2018 along with the Director's Report, Auditors Report etc were approved and adopted by the shareholders of the Company at the 65th Annual General Meeting held on 11th September, 2018.

Thanking you,

Yours faithfully,
For Bharat Petroleum Corporation Limited

M. Venugopal
(M Venugopal)
Company Secretary

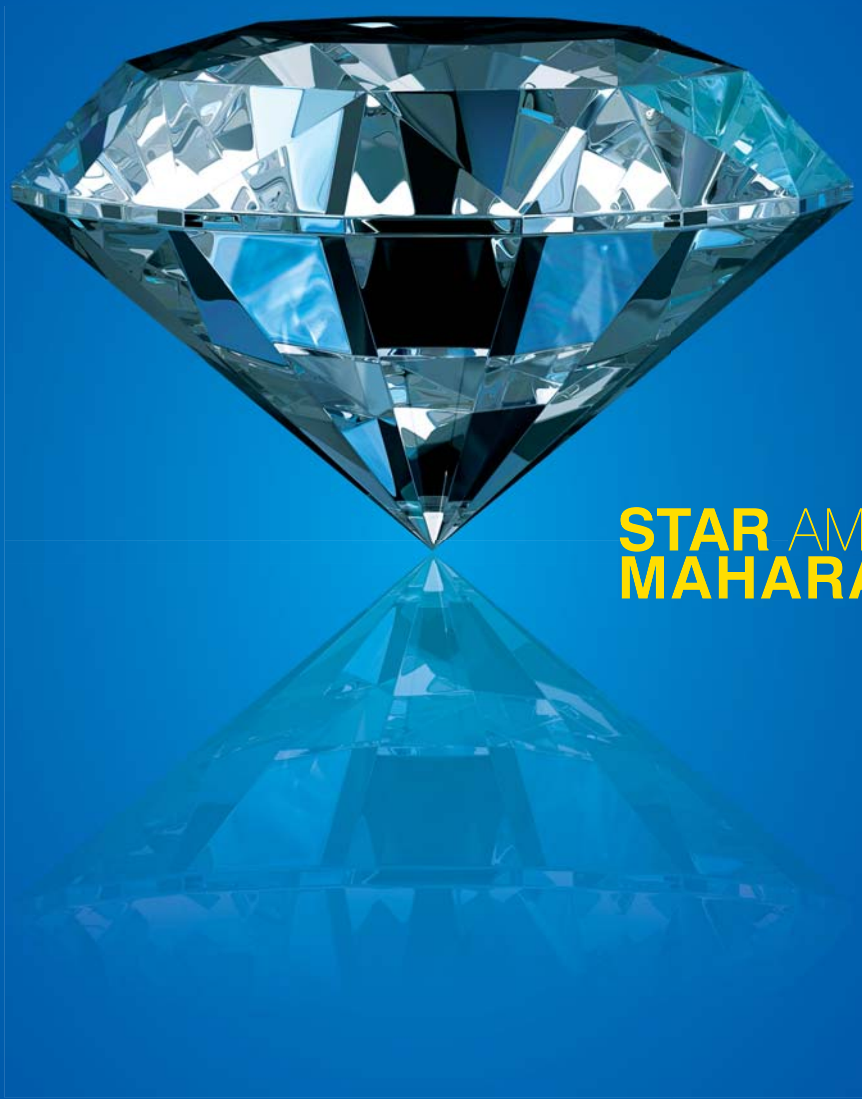
Encl.: A/a.

भारत भवन, 4 एवं 6, करीमभॉय रोड, बेलार्ड इस्टेट, पोस्ट बॉक्स क्र. 688, मुंबई - 400 001. फोन: 2271 3000/4000. फैक्स: 2271 3874

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

Bharat Petroleum
now
MAHARATNA

Bharat Petroleum
energising lives



STAR AMONGST MAHARATNAS

ANNUAL REPORT 2017-18

STAR AMONGST **MAHARATNAS**

Focussed vision, innovative growth strategies, dedicated employees, satisfied customers, global presence and being a good corporate citizen have been the bedrock of our journey to unprecedented heights.

Bharat Petroleum was recently conferred the coveted Maharatna status by the Government of India. We also received the much deserved Star PSU Award at the Business Standard Annual Awards for Corporate Excellence, signifying our vaunted status amongst the 300 strong PSU fraternity.

We take pride in maximising our business opportunities and delighting customers with innovative initiatives. Advanced technology and a resourceful workforce have been the catalysts in our pursuit of excellence.

Our commitment to corporate social responsibility, health, safety and care for the environment continues to energise lives across the nation.

We now look forward to meeting the challenges ahead with renewed energy and dedication to pursue our goals.

BPCL... passion to excel !

CONTENTS

CHAIRMAN'S LETTER

Dear Shareowners,

Your Company has transformed into a great organization over the past decades and the year 2017-18 has witnessed several significant milestones for BPCL. It's been a phenomenal year, flavoured with exceptional performance. BPCL has realized its dream of attaining the coveted Maharatna status and was declared a 'Maharatna' in September 2017. Adding to this achievement, BPCL has been conferred with the prestigious 'Star PSU' Award at the Business Standard Annual Awards for Corporate Excellence for 2017. Apart from outstanding financial metrics and competitive advantage, the criteria included scale, sustainability, leadership and innovation. Rightfully then, your Company is now a ***Star amongst Maharatnas!***

It is indeed my privilege to be sharing with you the results of the financial year 2017-18. While at a standalone level, there was a marginal reduction of less than 2% in the profit after tax of BPCL (primarily due to reduced inventory gains, increased operating costs on account of pay revision and increased effective tax rate on account of discontinuance of investment allowance), the Group Companies recorded the highest ever profit after tax of ₹ 9,009 crores. The Board of Directors announced a dividend of 210%, the highest amongst the PSU Oil Marketing Companies (OMC).

Concomitantly, the market capitalization of BPCL scaled a peak of ₹ 1.2 lakh crores in October 2017, signifying robust economic fundamentals and strong investor confidence.

On the performance front, your Company has regained the number one position in volume growth amongst OMCs with high growth in all major products. The Integrated Refinery Expansion Project at Kochi Refinery has stabilized and is expected to enhance BPCL's profitability in the coming years. The refineries have taken innovation to a new level, with Mumbai Refinery successfully implementing the production of superior quality hexane as a by-product from the Isomerization Unit.

Performance of the Group Companies has also been impressive. Numaligarh Refinery Limited recorded a profit after tax of ₹ 2,042 crores during 2017-18. Bharat Oman Refineries Limited is now on a growth trajectory, with profit after tax of ₹ 984 crores, which is a phenomenal increase of 22%as compared to last year. I had shared with you last year that BPCL's upstream subsidiary, Bharat PetroResources Ltd. (BPRL) has established itself as a revenue generating company, with assets in all phases of upstream, ranging from exploration to production. During the year, BPRL has made significant strides, by adding a high quality asset in the promising UAE region to its portfolio. Further, integrated development of the 12.88 MMTPA LNG project in Mozambique marks a critical milestone, which positions the consortium as a strategic global LNG supplier.

Petronet CCK Ltd. (PCCKL) was founded in 1998 as a Joint Venture Company with BPCL and Petronet India Ltd. as majority shareholders. Over the years, BPCL has consistently increased its investment in PCCKL and by July 2016, PCCKL had become a wholly owned subsidiary of BPCL. Ministry of Corporate Affairs has passed the Order for merger of PCCKL with BPCL with effect from 1st June 2018, consolidating our infrastructure and enhancing the operations.

BPCL has drawn up ambitious plans to become a significant player in the Gas Business, establishing its footprints across the entire Gas value chain. In the long term it is envisaged that BPCL shall have a focused presence in the downstream Gas business with enhanced effort on ensuring demand security. This shall be fully supported and enabled by a robust mid-stream presence through supply security and a trading function to maximize overall returns and manage risk. In order to successfully deliver on this Gas strategy, BPCL requires to internally restructure the Gas business to ensure agility and dedicated focus with enhanced decision making authorities. With immense pride, I announce the incorporation of Bharat Gas Resources Limited (BGRL) incorporated as BPCL's wholly owned Gas subsidiary on 7th June 2018 with an authorized capital of ₹ 2,000 crores. Formation of BGRL is, indeed, a significant milestone on the journey of BPCL, proving yet again, that the Company will continue to create and surpass unparalleled benchmarks and accelerate into the realm of exceptional performers.

BPCL has also decided to diversify into Petrochemicals in a big way to tap the immense potential in the market. As a strategy, all future expansion plans of BPCL Group refineries are oriented towards production of Petrochemicals, both Commodity and Niche derivatives. I am confident that soon BPCL will be a front-runner in this space to deliver enhanced performance.

With the aim to lead change from the front, BPCL had explored new avenues for enhancing profitability by pursuing initiatives in the domain of beyond fuel. I am delighted to share that our concerted efforts have started to bear fruit. The initiatives, namely Umang on the Rural Market Place, Fleet-genie on Integrated Fleet Management and Happy Roads on Personal Travel Offerings, are forerunners in the beyond fuel business. They have received a very encouraging response from customers and your Company is now in complete readiness to replicate these success stories across the country.

The proliferation of digital technologies has occurred at an unprecedented pace and can have diverse, fast changing and serious implications for our current businesses. While the need to act fast is higher than before, to gain the first mover advantage, the path is more ambiguous than ever. BPCL will embark on a comprehensive digital journey, as befits a pioneer in the adoption of digital technologies in the Indian Oil & Gas sector. Your Company is in the process of exploring a holistic approach to digital technologies, which includes the rapid digitalization of the core business of refineries and marketing units, building new digital businesses adjacent to or radically different from the core, transforming the organization to work in the digitally empowered environment, leveraging data analytics, artificial intelligence and internet of things to create value. While we are at a very nascent stage in this journey, we believe we have taken the first step towards a digitally enabled organization.

The keen focus of your Company on people orientation has also borne fruit. BPCL has relentlessly pursued the best HR practices through the Integrated Career Development Framework and several employee engagement initiatives that have led to a dedicated and energized workforce.

When I visualize the future, I see BPCL amongst the top Global Energy Companies, fully geared to meet the ever-changing dynamics of the business environment. This dream can be made a reality only with the steadfast support, relentless effort and focused contribution of all our stakeholders. I acknowledge and appreciate the faith reposed in the BPCL Management. I would also like to place on record our heartfelt thanks for the support of the business partners and the expert guidance of the Ministry of Petroleum & Natural Gas. I assure you, that together we shall propel your Company to achieve greater summits.

Warm regards,

D. RAJKUMAR
Chairman & Managing Director

BOARD OF **DIRECTORS**

D. RAJKUMAR
Chairman &
Managing Director

S. P. GATHOO
Director (Human Resources)
(up to 31.10.2017)

P. BALASUBRAMANIAN
Director (Finance)
(up to 30.4.2017)

S. RAMESH
Director (Marketing)

R. RAMACHANDRAN
Director (Refineries)

K. SIVAKUMAR
Director (Finance)
(w.e.f. 1.5.2017 up to 7.5.2018)

K. PADMAKAR
Director (Human Resources)
(w.e.f. 1.2.2018)

ANANT KUMAR SINGH
Additional Secretary &
Financial Advisor, MoP&NG
(up to 27.11.2017)

RAJIV BANSAL
Additional Secretary &
Financial Advisor, MoP&NG
(w.e.f. 28.11.2017)

PAUL ANTONY
Additional Chief Secretary
(Industries & Powers),
Govt. of Kerala
(w.e.f. 19.4.2017 up to 19.3.2018)

P. H. KURIAN
Principal Secretary
(Industries & IT), Govt. of Kerala
(up to 18.4.2017)

DR. K. ELLANGOVAN
Principal Secretary (Industries),
Govt. of Kerala
(w.e.f. 20.3.2018)

RAJESH K. MANGAL
Independent Director

DEEPAK BHOJWANI
Independent Director

GOPAL C. NANDA
Independent Director

VISHAL V. SHARMA
Independent Director

JANE MARY SHANTI SUNDHARAM
Independent Director
(w.e.f. 21.9.2017)

VINAY SHEEL OBEROI
Independent Director
(w.e.f. 21.9.2017)

DR. TAMILISAI SOUNDARARAJAN
Independent Director
(w.e.f. 28.9.2017)

(L to R) : Mr. R. Ramachandran, Director (Refineries), Mr. D. Rajkumar, Chairman & Managing Director, Mr. K. Padmakar, Director (Human Resources) and Mr. S. Ramesh, Director (Marketing)

BANKERS

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

AUDITORS

M/s. CVK & Associates
2, Samarth Apartments,
Ground Floor, D.S. Babrekar Road,
Off Gokhale Road (North),
Dadar (W), Mumbai 400 028

M/s. Borkar & Muzumdar
21/168, Anand Nagar Om C.H.S.,
Anand Nagar Lane, Vakola,
Santacruz (East), Mumbai 400 055.

SHARE TRANSFER AGENT

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

REGISTERED OFFICE

BHARAT PETROLEUM CORPORATION LTD.
CIN: L23220MH1952GO1008931
Bharat Bhavan, P. B. No. 688, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai 400 001
Phone: 2271 3000 / 4000 • Fax: 2271 3874
Email: info@bharatpetroleum.in • Website: www.bharatpetroleum.in

MANAGEMENT TEAM

Mr. Sunil Jain	Chief Vigilance Officer
Mr. A.K. Kaushik	ED (IS) Group Refineries
Mr. A. Krishnaswamy	ED (Corporate & Digital Strategy)
Mr. Arun Kumar Singh	ED (Retail)
Mr. Ashok K. Sharma	Chief Procurement Officer (Marketing)
Mr. C.J. Iyer	ED I/C (Mumbai Refinery)
Ms. Dipti Sanzgiri	ED (Internal Audit)
Mr. I. Srinivas Rao	ED (LPG)
Mr. J. Dinaker	ED (International Trade)
Mr. J.R. Akut	ED (Bus. Dev. Initiatives) CS & BD
Mr. J.S. Shah	ED (HR) Kochi Refinery
Mr. K.B. Narayanan	ED (Information Systems)
Mr. K. Ravi	ED (Refineries Coordination & Special Projects)
Mr. M.B. Pimpale	ED (Refinery Projects – Rasayani)
Mr. M.S. Patke	ED (HSSE & Biofuels)
Mr. M. Venugopal	Company Secretary
Ms. Monica Widhani	ED (Aviation)
Mr. N. Vijayagopal	ED (Corporate Finance)
Mr. Prasad K. Panicker	ED I/C (Kochi Refinery)
Mr. Pramod Sharma	ED (Business Development) HQ
Mr. P.S. Ramachandran	ED (Projects), Kochi Refinery
Mr. R.P. Natekar	ED (Gas)
Mr. R. R. Nair	ED HR (MR & JV Refineries)
Mr. Rajiv Bakshi	ED (Planning & Infrastructure)
Mr. Rajamani Ramaswamy	ED (Corporate Treasury)
Mr. S.K. Agrawal	ED (Corporate Affairs)
Mr. Sharad K. Sharma	ED (I & C)
Ms. Sujata N. Chogle	ED (Legal)
Mr. Suresh K. Nair	ED (Supply Chain Optimization)
Mr. V. Anand	ED (Lubes)
Mr. A.K. Gidwani	CGM (Network, Security & Projects)
Mr. Babu Joseph	CGM (Maintenance), Kochi Refinery
Mr. B.S. Parmar	CGM (Internal Audit)
Dr. D.C. Patra	CGM I/C (Planning)
Mr. Damien Gracious K.D.	CGM (HSE), Kochi Refinery
Mr. Debashis Ganguli	CGM (P & AD) Lubes
Mr. D.V. Mamadapur	CGM (SCO)
Mr. G. Ananthakrishnan	CGM (Finance) Kochi Refinery
Mr. G. Krishnakumar	CGM I/C (HRD)
Mr. K.A. Trivedi	CGM (International Trade) Crude
Mr. Kurian Parambi	CGM (HRD)
Mr. L.R. Jain	CGM Pipelines (Ops.& Projects)
Mr. M. A. Khan	CGM (Coordination)
Mr. Mahadevan Easwaran S.	CGM (Digital Strategy)
Mr. Mahesh Narain	CGM (Gas Projects)
Mr. Manoj Heda	CGM (Internal Audit)
Mr. Murali Madhavan P.	CGM (Operations) I/C, Kochi Refinery
Mr. M. Prasanna Kumar	CGM (Planning & Project Coordination)
Mr. M.V. Prabhakaran	CGM (HRS)
Mr. Nori Prabhakar	CGM (Brand & PR)
Mr. N. Shukla	CGM (Planning)
Mr. P. Anilkumar	Head (Infra T/F) HQ
Mr. P.G. Ganesh	CGM (Project Technical), Kochi Refinery
Mr. P.K. Mallick	CGM HR (LPG) HQ
Mr. Pius Mathew	CGM (Project Finance), Kochi Refinery
Ms. P. Rajeswari	CGM (Vigilance)
Mr. P.S. Ravi	Head (Retail) South
Mr. Priyotosh Sharma	CGM (Sales), Gas
Mr. Prabhu Venkatesh	CGM (Finance), Retail HQ
Mr. P.V. Ravitej	CGM (Operations) Mumbai Refinery
Mr. R. Narayanan	CGM (IS Applications)
Mr. Ravi Pratap Singh	CGM (Projects) Mumbai Refinery
Mr. R. Wadhawan	CGM (E & AS) Mumbai Refinery
Mr. S. Bhargava	CGM (Corporate R&D Centre)
Mr. S.K. Agrawal	Head Business Process Excellence Centre (Finance)
Mr. Sanjeeb K. Paul	CGM (Biofuels)
Mr. Santosh Kumar	Head (Retail) West
Mr. Subikash Jena	CGM Sales (I&C) HQ
Mr. Subramoni Iyer M.R.	CGM (Technical), Kochi Refinery
Mr. Sukhmal K. Jain	Head (Retail) East
Mr. Suresh John	CGM (Projects) Kochi Refinery
Mr. Surjeet Mahalik	Head (Retail) North
Ms. Teresa Naidu	CGM Finance (Pricing & Retirement Benefits)
Mr. T. Peethambaran	CGM Sales (LPG) HQ
Mr. T.V. Rama Rao	CGM (Digital Strategy) Mumbai Refinery
Mr. Varinder S. Chadha	CGM (Finance), Mumbai Refinery
Mr. Vijay Duggal	CGM (Taxation) CO
Mr. V. Jacob	CGM (Quality Control Cell)
Mr. V. Nagarajan	CGM Logistics & QC (Aviation) HQ
Mr. V. Ramachandran	CGM (Logistics) Retail HQ
Mr. V. Ranjan	CGM Operations & JVs (Aviation) HQ
Mr. Y.V. Apte	CGM (Engineering & Projects) HQ
Mr. Kani Amudhan N	GM I/C (Marketing Corporate)
Ms. Neenu Jain	DGM (Employee Satisfaction Enhancement)

VISION

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

CULTURE

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

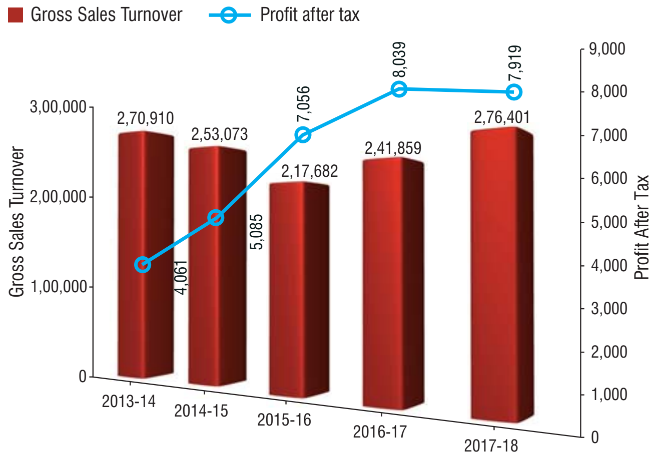
MISSION

- 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 liberalization of the economy to achieve a global presence
- Promote ecology, environmental upgradation and national heritage

PERFORMANCE HIGHLIGHTS

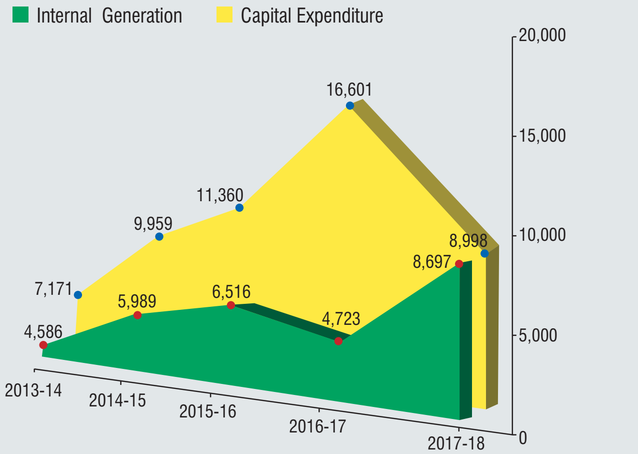
- Gross Revenue from Operations is ₹ 2,77,162.23 Crores
- Crude throughput increases to 28.54 MMT
- Market Sales including exports is 43.20 MMT
- Net Profit is ₹ 7,919.34 Crores
- Market Share surges to 23.8%

Gross Sales Turnover / Profit After Tax (₹ Crores)



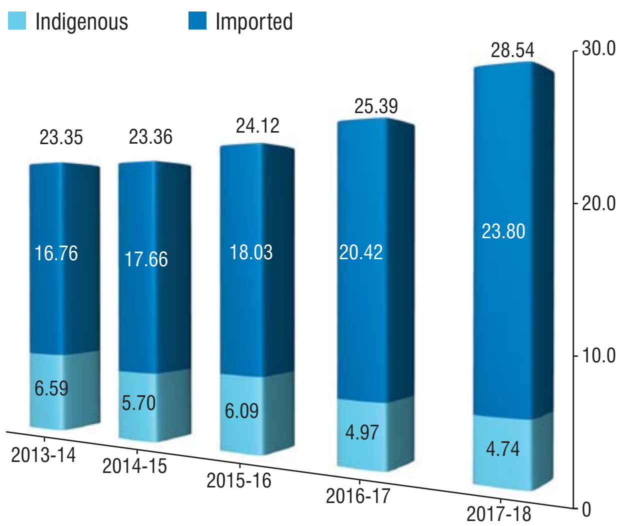
* Figures from FY 2015-16 onwards are as per Ind AS

Internal Generation / Capital Expenditure* (₹ Crores)

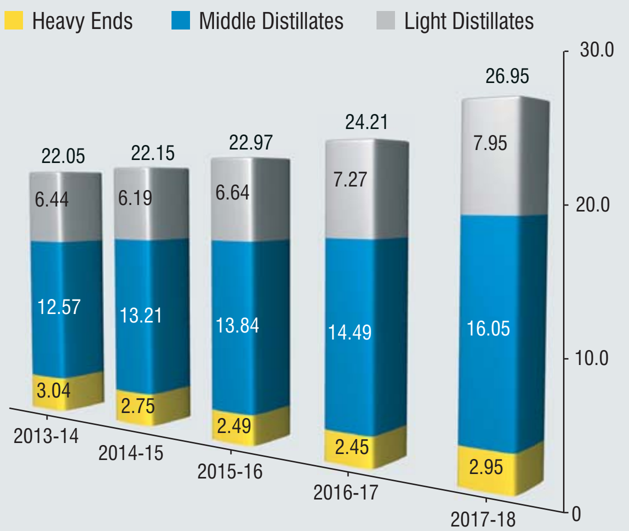


* Includes Capital Expenditure (net) incurred through 100% Subsidiary & investments in Joint Ventures

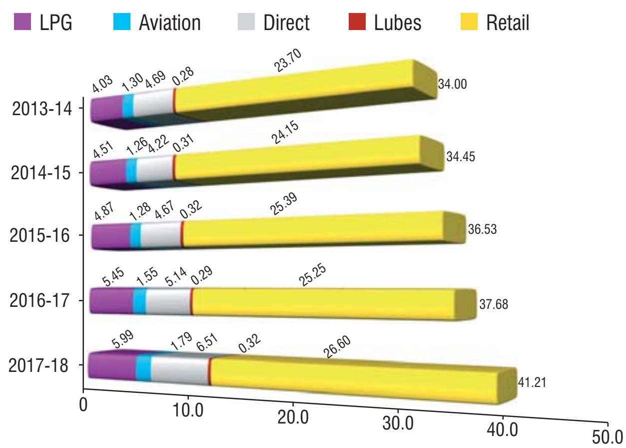
Refinery Throughput (Million Metric Tonnes)



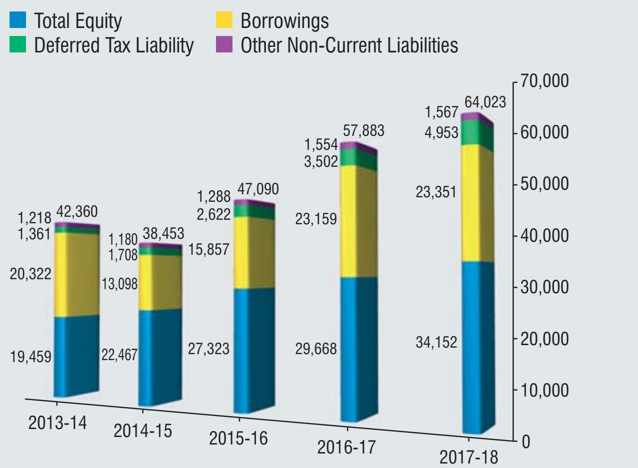
Production (Million Metric Tonnes)



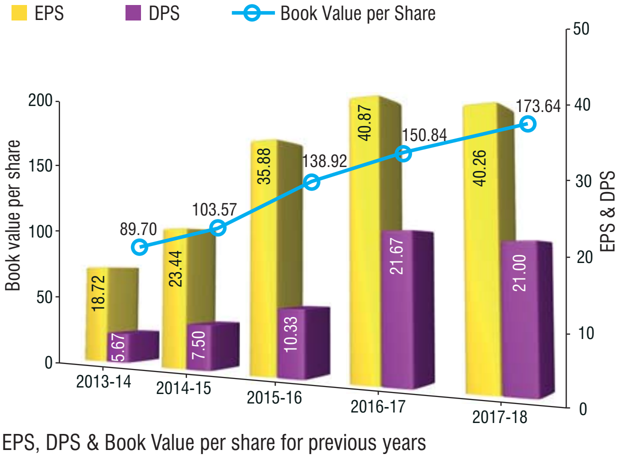
Market Sales Volume (Million Metric Tonnes)



Total Funds Employed (₹ Crores)

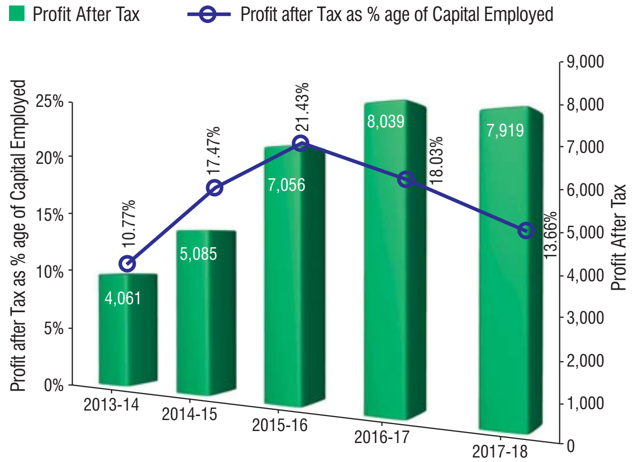


Earnings Per Share (EPS) / Dividend Per Share (DPS) / Book Value Per Share (₹)



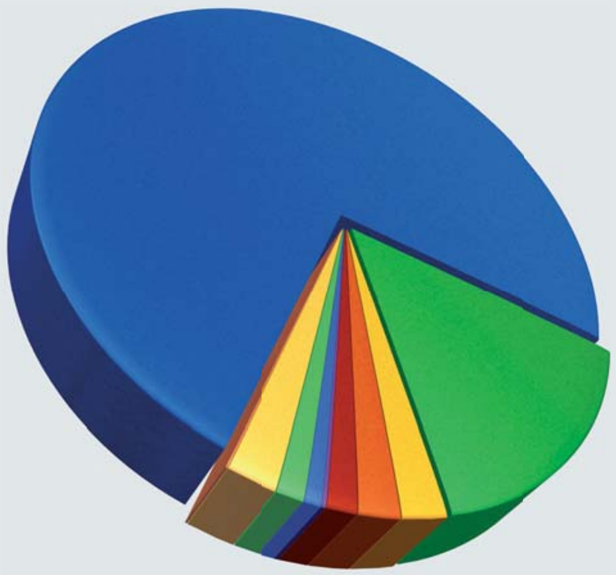
EPS, DPS & Book Value per share for previous years have been adjusted for bonus issue

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



Distribution of Each Rupee Earned

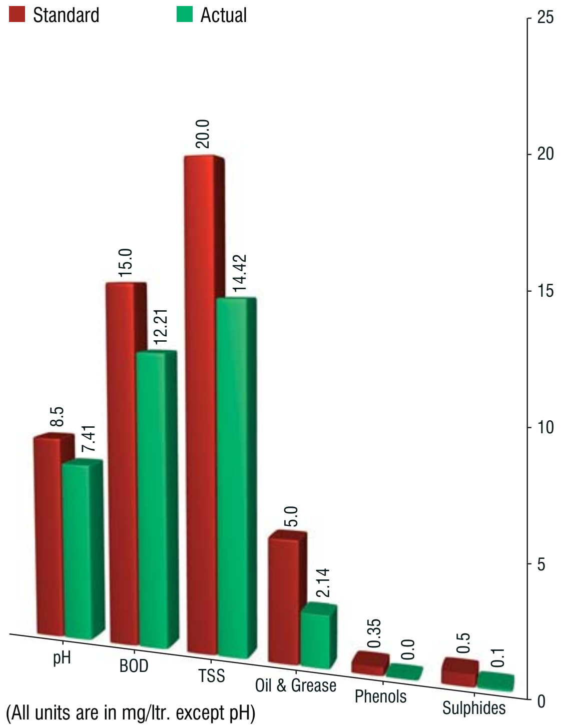
Financial Year 2016-17



Financial Year 2017-18

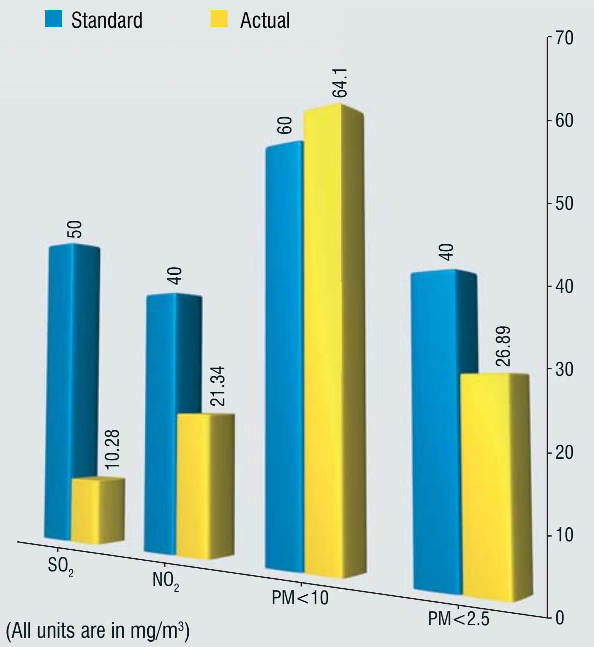
2016-17	2017-18	
72.84%	74.02%	Raw Materials, Purchase of Products for resale and packages
16.77%	14.91%	Duties, Taxes etc.
2.33%	2.24%	Transportation
2.05%	2.34%	Stores and other Operating Expenses
1.41%	1.22%	Employees' remuneration and other benefits
0.20%	0.30%	Finance cost
0.78%	0.95%	Depreciation & Amortisation
1.24%	1.17%	Income Tax
2.29%	1.89%	Dividend (including Corporate Dividend Tax)
0.09%	0.96%	Retained Profits (including Appropriation to Debenture Redemption Reserve)

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



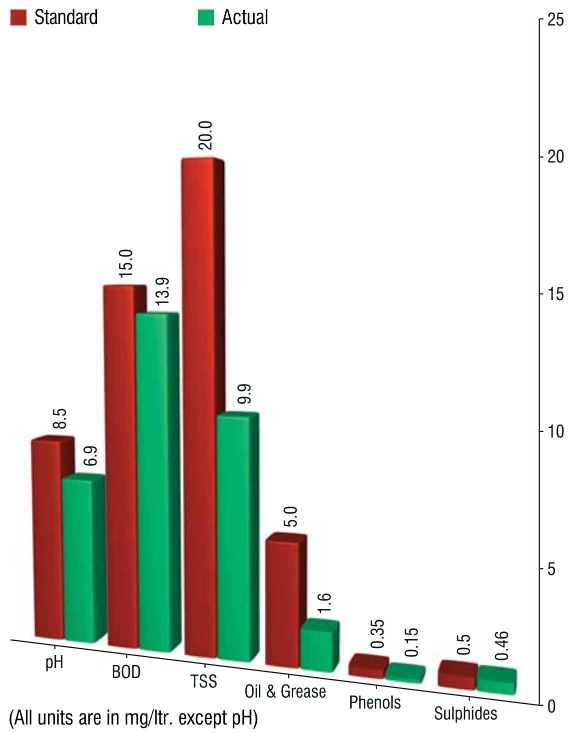
(All units are in mg/ltr. except pH)

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



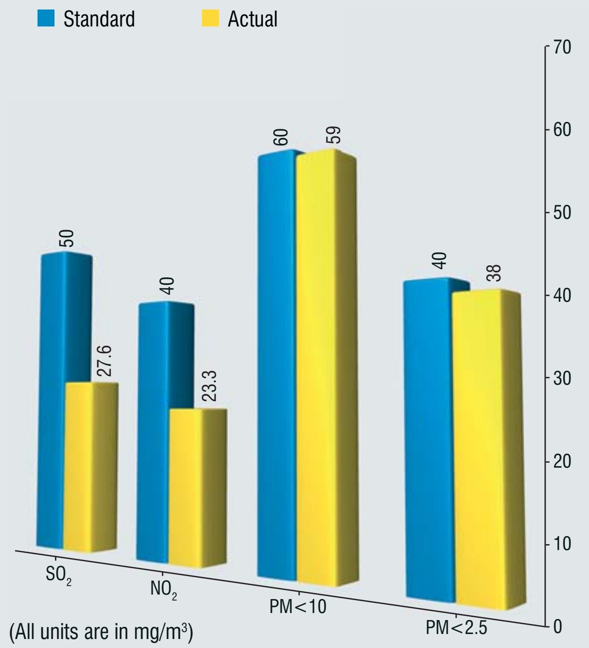
(All units are in mg/m[3])

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



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

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



(All units are in mg/m[3])

Bharat Petroleum
now
MAHARATNA

BPCL C&MD, Mr. D. Rajkumar receives the Star PSU Award from Hon'ble Defence Minister, Smt. Nirmala Sitharaman

Bharat Petroleum has been conferred with the coveted Star PSU award

NOTICE TO THE MEMBERS

Notice is hereby given that the 65th Annual General Meeting of the Members of Bharat Petroleum Corporation Limited will be held in the Y.B. Chavan Auditorium, Yashwantrao Chavan Pratishthan, General Jagannathrao Bhosale Marg, Mumbai 400 021, on Tuesday, 11th September, 2018, at 10.30 a.m. to transact the following Ordinary and Special Business:

A. Ordinary Business

1) To receive, consider and adopt (a) the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2018; and the Reports of the Board of Directors, the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.

2) To confirm the payment of Interim Dividend on Equity Shares and to declare Final Dividend on Equity Shares for the Financial Year ended 31st March, 2018.

3) To appoint a Director in place of Shri Ramamoorthy Ramachandran, Director (DIN: 07049995), who retires by rotation and being eligible, offers himself for re-appointment.

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 2018-19 in terms of the provisions of Section 139(5) read with Section 142 of the Companies Act, 2013 and to consider and, if thought fit, to pass the following Resolution, with or without modification(s), as an Ordinary Resolution:

   "RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to decide and fix the remuneration of the Joint Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India for the Financial Year 2018-19, as may be deemed fit by the Board."

B. Special Business

5) **Appointment of Smt. Jane Mary Shanti Sundharam as an Independent Director**

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

   "RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time, Smt. Jane Mary Shanti Sundharam (DIN: 06536055), who was appointed by the Board of Directors as an Additional Director with effect from 21st September, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years commencing from 21st September, 2017 up to 20th September, 2020 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier."

6) **Appointment of Shri Vinay Sheel Oberoi as an Independent Director**

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

   "RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time, Shri Vinay Sheel Oberoi (DIN: 07943886), who was appointed by the Board of Directors as an Additional Director with effect from 21st September, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years commencing from 21st September, 2017 up to 20th September, 2020 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier."

7) **Appointment of Dr. (Smt.) Tamilisai Soundararajan as an Independent Director**

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, read with Schedule IV of the Companies Act, 2013, as amended from time to time, Dr. (Smt.) Tamilisai Soundararajan (DIN: 07949616), who was appointed by the Board of Directors as an Additional Director with effect from 28th September, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of three years commencing from 28th September, 2017 up to 27th September, 2020 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier."

8) **Appointment of Shri Rajiv Bansal as Director**

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Rajiv Bansal (DIN:00245460), who was appointed by the Board of Directors as an Additional Director with effect from 28th November, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

9) **Appointment of Shri Padmakar Kappagantula as Director (Human Resources)**

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Shri Padmakar Kappagantula (DIN:08021800), who was appointed by the Board of Directors as an Additional Director and Director (Human Resources) with effect from 1st February, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director (Human Resources) of the Company, liable to retire by rotation, on terms and conditions as determined by the Government of India."

10) **Appointment of Dr. Ellangovan Kamala Kannan as Director**

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, Dr. Ellangovan Kamala Kannan (DIN:05272476), who was appointed by the Board of Directors as an Additional Director with effect from 20th March, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, liable to retire by rotation."

11) **Approval of Private Placement of Non-Convertible Bonds/Debentures and/ or other Debt Securities**

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

"RESOLVED THAT in accordance with the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), including Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, as amended from time to time and other applicable Securities and Exchange Board of India Regulations and Guidelines, the provisions of the Memorandum and Articles of Association of the Company and subject to the receipt of necessary approvals as may be applicable and such other permissions and sanctions, as may be necessary, including the approval of any long term lenders and trustees of Debenture Holders, and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such permissions and sanctions which may be agreed to by the Board of Directors of the Company ("Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, consent of the Company be and is hereby accorded to raise funds through Private Placement of Unsecured/Secured Non-Convertible Bonds/Debentures including but not limited to subordinated Bonds/Debentures and/or other debt securities etc. during the period of one year from the date of passing of the Special Resolution by the Members, within the overall borrowing limits of the Company, as may be approved by the Members from time to time in one or more tranches, to such person or persons, who may or may not be the Bond/Debenture holders of the Company, as the Board (or duly constituted Committee of the Board or such other authority as may be approved by the Board) may at its sole discretion decide, including eligible investors (whether residents and/or non-residents and/or institutions/incorporated bodies and/or individuals and/or trustees and/or banks or otherwise, in domestic and/or one or more international markets) viz. Non-resident Indians, Foreign Institutional Investors (FIIs), Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Companies, private or public or other entities, authorities and to such other persons in one or more combinations thereof, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to Private Placement of Unsecured/Secured Non-Convertible Bonds/Debentures including but not limited to subordinated Bonds/Debentures and/or other debt securities etc., the Board or any duly constituted Committee of the Board or such other authority as approved by the Board be and is hereby authorised to determine the terms of the Issue, including the class of investors to whom the Bonds/Debentures are to be allotted, the number of Bonds/Debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of Bond/Debenture holders, listing, issuing any declaration/undertaking etc. required to be included in the Private Placement Offer Letter and any other regulatory requirement for the time being in force and to do all such acts, things and deal with all such matters to take all such steps as may be necessary and to sign and execute any deeds, documents, undertakings and agreements as may be required in this regard."

12) Approval of Material Related Party Transactions

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Regulations") approval of the Company be and is hereby accorded for the contracts, arrangements and transactions entered into and/or to be entered into with Bharat Oman Refineries Limited, a Joint Venture Company and a Related Party under Section 2(76) of the Companies Act, 2013 and the Regulations for transfer or receipt of products, goods, materials, services or other resources and obligations for the Financial Year 2017-18 and subsequent Financial Years exceeding ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company relevant for the respective Financial Years on such terms and conditions as may be mutually agreed between the Company and Bharat Oman Refineries Limited;

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

13) **Approval of Remuneration of the Cost Auditors for the Financial Year 2018-19**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Cost Auditors viz. M/s. ABK & Associates, Cost Accountants, Mumbai and M/s Bandyopadhyaya Bhaumik & Co., Cost Accountants, Mumbai, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2019 be paid the remuneration as set out below:

Name of the Cost Auditor	Activities / Location	Audit Fees (₹)
M/s. ABK & Associates, Mumbai (Lead Auditor)	BPCL's activities where cost records are to be maintained including Refineries, product pipelines, etc. (other than Lubricants)	2,20,000/- plus applicable taxes and reimbursement of out-of-pocket expenses
M/s. Bandyopadhyaya Bhaumik & Co., Mumbai	Lube Oil Blending Plants: Wadilube; Tondiarpet; Budge Budge and Loni	1,00,000/- 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 take all such steps as may be necessary or expedient to give effect to this Resolution."

By Order of the Board of Directors

Sd/-
(M. Venugopal)
Company Secretary

Place: Mumbai
Date: 08.08.2018

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

Notes :

1. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 in respect of the items of Special Business are annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.

3. A person shall act as proxy for only 50 members and holding in the aggregate of not more than 10 percent of the total share capital of the Company carrying voting rights. A Member holding more than 10 percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 4th September, 2018 to Tuesday,11th September, 2018 (both days inclusive) for the purpose of payment of dividend on equity shares for the year ended 31st March, 2018, if declared at the Annual General Meeting as under:

   a) To all Beneficial Owners in respect of shares held in electronic form as per the data to be made available by NSDL/CDSL as of the close of business hours on 3rd September, 2018.

b) To all Members in respect of shares held in physical form after giving effect to transfer in respect of valid share transfer requests lodged with the Company/Registrar & Share Transfer Agent (RTA) viz., Data Software Research Co. Pvt. Ltd. as of the close of business hours on 3rd September, 2018.

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

6. As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief resume of persons seeking appointment/re-appointment as Directors under Item No. 3,5,6,7,8,9 and 10 of the Notice, are attached.

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

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

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

10. 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.

11. a) Pursuant to Section 205A(5) and Section 205C of the Companies Act, 1956, and 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 was required to be transferred to the Investor Education & Protection Fund (IEPF) established by the Central Government. Accordingly, the unclaimed dividends for the Financial Years from 1994-95 to 2009-10 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 2009-10 have been transferred to an IEPF Demat Account. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

c) Members of BPCL who have not yet encashed their dividend warrant(s) for the Financial Year 2010-11 or dividend warrants(s) for any subsequent financial years are requested to make their claims without any delay to the Registrar & Share Transfer Agent/Company. It may be noted that the unclaimed amount of dividend for the Financial Year ended 31.3.2011 becomes due for transfer to IEPF Authority on 22.10.2018. It may please be noted that if no claim/application is received by the Company or the Company's RTA for the Financial Year 2010-11 before the said date, the Company will be compelled to transfer the underlying shares to the IEPF.

d) SEBI has advised that securities of listed companies can be transferred only in dematerialised form from 5.12.2018. Accordingly, members are advised to dematerialise shares held by them in physical form at the earliest.

Instructions for Voting through electronic means:

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

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

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

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

4. The remote e-voting period commences on **Thursday, 6th September, 2018 (9:00 a.m.)** and ends on **Monday, 10th September 2018 (5:00 p.m.).** During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Tuesday, 4th September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on the Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast his vote again.

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

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

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

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

   Details on Step 1 are mentioned below:

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

   1. Visit the e-Voting website of NSDL. Open the web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

   2. Once the home page of the e-Voting system is launched, click on the icon "Login" which is available under the'Shareholders' section.

   3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Your password details are given below:

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

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

   c) How to retrieve your 'initial password'?

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

      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

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

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

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

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

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

8. Now, click on the "Login" button.

9. Then, the Home page of e-Voting will open.

Details on Step 2 are given below:

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

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

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **bpclagm2018@dholakia-associates.com** with a copy marked to **evoting@nsdl.co.in.**

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

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on the toll free number.: 1800-222-990 or send a request to **evoting@nsdl.co.in**

Other Instructions:

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

ii) The voting right of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of **Tuesday, 4th September 2018.** A person, whose name is recorded in the register of Members or in the register of Beneficial Owners maintained by the Depositories as on the cut-off date of **Tuesday, 4th September 2018** only shall be entitled to avail of the facility of remote e-voting at the Annual General Meeting.

iii) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of Notice and holding shares as on the cut-off date i.e. **Tuesday, 4th September 2018,** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or bpcl@dsrc-cid.in

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

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

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

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

ANNEXURE TO THE NOTICE

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

Item No. 5: Appointment of Smt. Jane Mary Shanti Sundharam as an Independent Director

Smt. Jane Mary Shanti Sundharam was appointed as Additional Director on the Board and as Independent Director of the Company under the provisions of Article 77A of the Articles of Association of the Company, effective 21.09.2017 for a period of three years up to 20.09.2020 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier.

Smt. Jane Mary Shanti Sundharam, being Additional Director holds office up to the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under Section 160 of the Act proposing her candidature for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Smt. Jane Mary Shanti Sundharam has given a declaration to the Board that she meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, she fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Director and she is Independent of the management and not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Companies Act, 2013.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Smt. Jane Mary Shanti Sundharam as Independent Director is now placed before the Members at the General Meeting for approval.

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

Smt. Jane Mary Shanti Sundharam has a degree in M.A. (English Literature), M.Phil. in Public Administration. She belongs to the 1977 batch of Indian Revenue Service (I.R.S.) (Indian Customs and Central Excise Services). She has attended seven out of the eight Board meetings held after her appointment during the financial year 2017-18. Her brief resume containing her age, qualifications, expertise etc. is annexed herewith.

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

Smt. Jane Mary Shanti Sundharam is interested in the Resolution to the extent as it concerns her appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 6: Appointment of Shri Vinay Sheel Oberoi as an Independent Director

Shri Vinay Sheel Oberoi was appointed as Additional Director on the Board and as Independent Director of the Company under the provisions of Article 77A of the Articles of Association of the Company, effective 21.09.2017 for a period of three years up to 20.09.2020 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier.

Shri Vinay Sheel Oberoi, being Additional Director holds office up to the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under Section 160 of the Act proposing his candidature for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Shri Vinay Sheel Oberoi has given a declaration to the Board that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Director and he is Independent of the management and not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Companies Act, 2013.

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

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

Shri Vinay Sheel Oberoi has a degree in M.A. (Economics) from University of Delhi with first division. He belongs to the 1979 batch of IAS. He has attended all the eight Board meetings held post his appointment during the financial year 2017-18. His brief resume containing his age, qualifications, expertise etc. is annexed herewith.

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

Shri Vinay Sheel Oberoi is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 7: Appointment of Dr. (Smt.) Tamilisai Soundararajan as an Independent Director

Dr. (Smt.) Tamilisai Soundararajan was appointed as Additional Director on the Board and as Independent Director of the Company under the provisions of Article 77A of the Articles of Association of the Company, effective 28.09.2017 for a period of three years up to 27.09.2020 or until further orders from the Ministry of Petroleum & Natural Gas, whichever is earlier.

Dr. (Smt.) Tamilisai Soundararajan, being Additional Director holds office up to the date of the ensuing Annual General Meeting. The Company has received a Notice in writing under Section 160 of the Act proposing her candidature for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

Dr. (Smt.) Tamilisai Soundararajan has given a declaration to the Board that she meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013. In the opinion of the Board, she fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Director and she is Independent of the management and not liable to retire by rotation pursuant to Section 149(13) read with Section 152 of the Companies Act, 2013.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Dr. (Smt.) Tamilisai Soundararajan as Independent Director is now placed before the Members at the General Meeting for approval.

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

Dr. (Smt.) Tamilisai Soundararajan holds a degree in M.B.B.S and Post Graduation in Gynecology. She has attended six out of the eight Board meetings held after her appointment during the financial year 2017-18. Her brief resume containing her age, qualifications, expertise etc. is annexed herewith.

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

Dr. (Smt.) Tamilisai Soundararajan is interested in the Resolution to the extent as it concerns her appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 8: Appointment of Shri Rajiv Bansal as Director

Shri Rajiv Bansal was appointed as Additional Director on the Board upon nomination by the Government of India as Government Director, under the provisions of Article 77A of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013, effective 28.11.2017 in accordance with the directions of the Government of India.

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

Shri Rajiv Bansal is a senior IAS officer and holds the post of Additional Secretary & Financial Advisor in MoPNG, Government of India. He holds a degree in Civil Engineering from IIT, Delhi, Diploma in Finance from ICFAI, Hyderabad and Executive Masters in International Business from IIFT, Delhi. He has attended five out of the six Board meetings held after his appointment during the financial year 2017-18. His brief resume containing his age, qualifications, expertise etc. is annexed herewith.

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

Shri Rajiv Bansal is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 9: Appointment of Shri Padmakar Kappagantula as Director (Human Resources)

Shri Padmakar Kappagantula was appointed as Additional Director on the Board and as Director (Human Resources) of the Company under the provisions of Article 77A of the Articles of Association of the Company effective 01.02.2018 in accordance with the directions of the Government of India.

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

Shri Padmakar Kappagantula has a Masters degree in HR from Tata Institute of Social Sciences. His brief resume containing his age, qualifications, expertise etc. is annexed herewith. He has attended all three Board meetings held post his appointment during the financial year 2017-18. The Board accordingly recommends the passing of the proposed Ordinary Resolution as contained in the Notice by Members of the Company.

Shri Padmakar Kappagantula is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No. 10: Appointment of Dr. Ellangovan Kamala Kannan as Director

Dr. Ellangovan Kamala Kannan was appointed as Additional Director on the Board upon nomination by the Government of India as Government Director, under the provisions of Article 77A of the Articles of Association of the Company read with Section 161 of the Companies Act, 2013, effective 20.03.2018 in accordance with the directions of the Government of India.

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

Dr. Ellangovan Kamala Kannan is a senior IAS officer and holds the post of Principal Secretary, Government of Kerala. He also has a PhD from IIT, Madras and MS from Bangalore Medical College. He has attended one Board meeting held post his appointment during the financial year 2017-18. His brief resume containing his age, qualifications, expertise etc. is annexed herewith.

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

Dr. Ellangovan Kamala Kannan is interested in the Resolution to the extent as it concerns his appointment. No other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Ordinary Resolution.

Item No.11: Approval of Private Placement of Non-Convertible Bonds/Debentures and/ or other Debt Securities

As per provisions of Section 42, 71 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, a Company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Members of the Company by a Special Resolution for each of the offers or invitations. However, in case of offer or invitation for "non-convertible debentures", it shall be sufficient if the Company passes a previous Special Resolution only once a year for all the offers or invitations for such debentures during the year. Non-Convertible Debentures (NCDs) and including subordinated debentures, bonds etc. issued on private placement basis constitute a significant source of borrowings for the Company. In view of the requirements and to meet the provisions of Section 42 of the Companies Act, 2013 read with applicable Rules, Private Placement of Unsecured/Secured Non Convertible Bonds/ Debentures including but not limited to subordinated Bonds/Debentures and/or other debt securities etc. during the period of one year from the date of passing the Special Resolution by the Members, within the overall borrowing limits of the Company, as approved by the Members, to such person or persons, from time to time in one or more tranches, require approval of the Members of the Company by way of a Special Resolution. Further, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board, shall be authorised to determine the terms of the Issue, including the class of investors to whom the Bonds/Debentures are to be allotted, the number of Bonds/Debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/discount to the prevailing market price, amount of issue, discount to issue price to class of Bonds/Debentures holders, listing, issuing any declaration/undertaking etc. required to be included in the Private Placement Offer Letter and any other Regulatory requirement for the time being in force.

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

None of the Directors or Key Managerial Personnel or their relatives in are any way concerned or interested financially or otherwise, in passing of the said Special Resolution.

Item No. 12: Approval of Material Related Party Transactions

Bharat Oman Refineries Limited (BORL) is a Joint Venture Company between Bharat Petroleum Corporation Limited (BPCL) and Oman Oil Company (OOC). The present shareholding of the Company as on 31.03.2018 is 50% each by BPCL and OOC. BORL is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

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

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

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

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

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

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

(e) Monetary value: The actual value of material transactions falling under Regulation 23(1) of the Listing Regulations for Financial Year 2017-18 was ₹ 33,832.34 Crores. The estimated value of material transactions falling under Regulation 23(1) of the Listing Regulations for Financial Year 2018-19 is ₹ 38,907.19 Crores. Ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company for the Financial Year 2017-18 is ₹ 27,931.27 Crores. The annual material related party transaction exceed/may exceed ten percent of the annual consolidated turnover of the Company as per the latest audited financial statements of the Company for the respective Financial Years based on the subsisting contracts, arrangements and transactions entered into or to be entered into;

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

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

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

Item No. 13: Approval of Remuneration of the Cost Auditors for the Financial Year 2018-19

The Board had approved the appointment and remuneration of M/s. ABK & Associates, Cost Accountants and M/s. Bandyopadhyaya Bhaumik & Co, Cost Accountants as the Cost Auditors on 16.04.2018 on the recommendation of the Audit Committee to conduct the audit of the Cost records for the Financial Year 2018-19. 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 2018-19 by way of an Ordinary Resolution is being sought from the Members as set out at Item No.13 of the Notice.

The Board 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 is, in any way, concerned or interested, financially or otherwise in passing of the said Ordinary Resolution.

By Order of the Board of Directors

Sd/-
(M. Venugopal)
Company Secretary

Place: Mumbai
Date:08.08.2018

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

BRIEF RESUME OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 65TH ANNUAL GENERAL MEETING

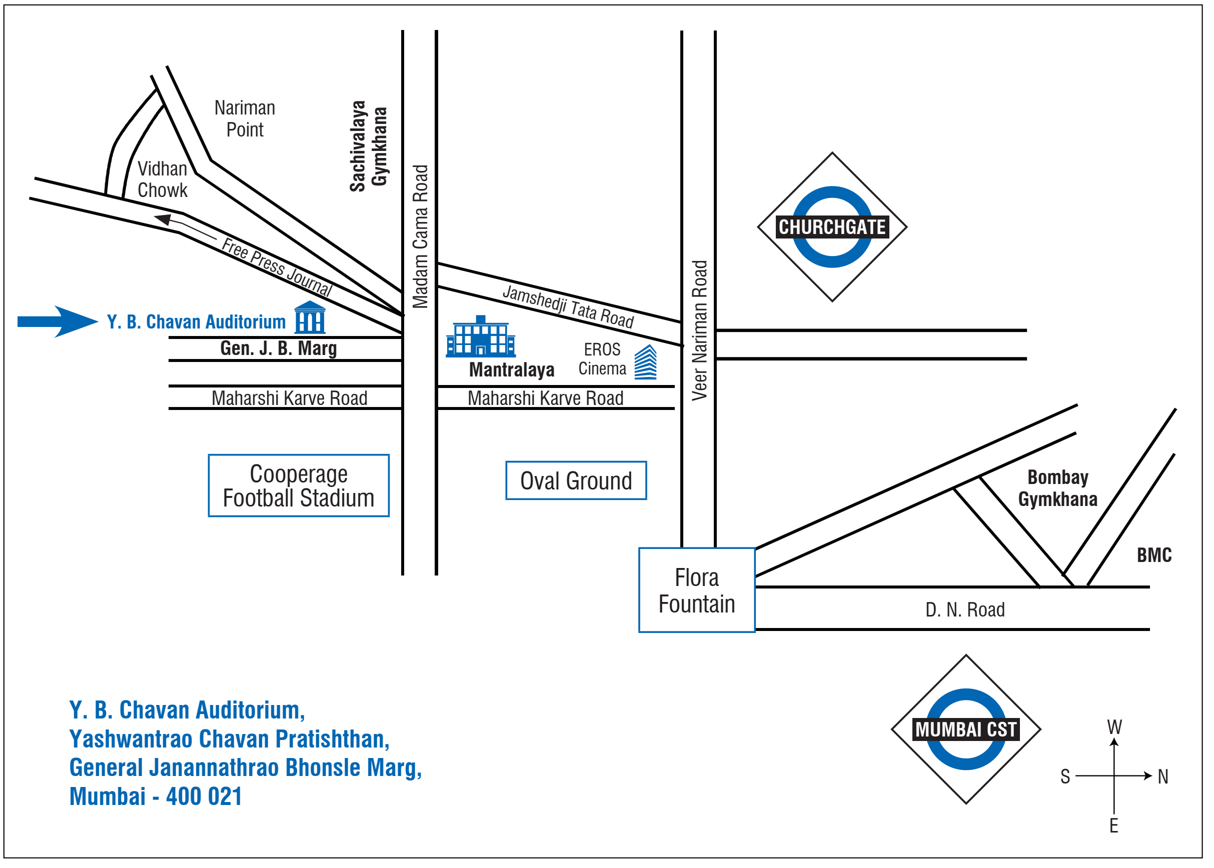
Name	Shri Ramamoorthy Ramachandran	Smt. Jane Mary Shanti Sundharam	Shri Vinay Sheel Oberoi	Dr. (Smt.) Tamilisai Soundararajan	Shri Rajiv Bansal	Shri Padmakar Kappagantula	Dr. Ellangovan Kamala Kannan
Date of Birth	27.08.1960	20.10.1954	18.02.1957	02.06.1961	02.08.1963	14.12.1961	12.01.1962
Date of Appointment	01.08.2016	21.09.2017	21.09.2017	28.09.2017	28.11.2017	01.02.2018	20.03.2018
Qualifications	B. Tech in Chemical Engineering	I.R.S. (Indian Customs and Central Excise Service), M.A. (English Literature), M.Phil. (Public Administration)	I.A.S., M.A. (Economics) from University of Delhi with first division	M.B.B.S, Post Graduation in Gynaecology	I.A.S., Civil Engineer from IIT, Delhi, Diploma in Finance in ICFAI (Hyderabad), Executive Masters in International Business from IIFT (Delhi)	Masters degree in HR from Tata Institute of Social Sciences	I.A.S., PhD from IIT, Madras, MS from Bangalore Medical College
Experience in specific functional areas	He is the Director (Refineries) of Bharat Petroleum Corporation Limited (BPCL) who has 36 years of experience in Refinery Operations, Debottlenecking of units, Technical Services, Project Development, Designing of Numaligarh Refinery, Modernisation of Mumbai Refinery and setting up of Bharat Oman Refineries Limited. He held the post of Managing Director of BORL prior to appointment as Director (Refineries) His current responsibilities includes, operations of Refineries, R&D, International Trade, Supply Chain Optimization, HSSE, Biofuels, Pipelines and Group Refineries Information Services.	She belongs to the 1977 batch of IRS and has held various senior positions in the Govt. of India. Her field of specialization includes policy formulation and framing of indirect tax legislations, finance and budgeting in the Govt. sector, investigations in taxation matters, public administration, Cadre and Human Resources Management, Personnel and Vigilance.	He belongs to the 1979 batch of IAS and has held various senior positions in the Govt. of India. and Govt. of Assam. He was also consultant to the World Bank and represented India in carrying out a financial review of the World Bank portfolio in India. He also represented UNESCO from 2010 to 2014.	She is involved in social services under women empowerment, preventive health programme and medical camps for women and was Vice- President of the Tamil Literacy Forum. She also worked as an Assistant Professor, Department of Gynaecology at Sri Ramachandra Medical College, Chennai.	He holds the position of Additional Secretary & Financial Advisor, MOP&NG. He was earlier in the Ministry of Electronics and Information Technology. During his career spanning almost 30 years, he has worked as Secretary, Central Electricity Regulatory Commission and Joint Secretary, Department of Heavy Industries, Director, Ministry of Civil Aviation.	He joined BPCL in the year 1984 and worked across the entire Human Resource Management landscape. He also held various positions of responsibility encompassing HR Policy and Strategy and was responsible for Organizational Learning and Talent Management. He has played a key role in the design and roll out of Enterprise Resource Planning in BPCL.	He holds the position of Principal Secretary, (Industries Dept), Govt. of Kerala He was also Secretary, Government of Kerala Department of Health and Family Welfare, Transport, Education. During his 26 years of service, he has held assignments in the Embassy of India in Abu Dhabi; Ministry of Shipping as Deputy Chairman, Ports; assignments in Ministry of Commerce as Executive Council for Leather Exports;.

Name	Shri Ramamoorthy Ramachandran	Smt. Jane Mary Shanti Sundharam	Shri Vinay Sheel Oberoi	Dr. (Smt.) Tamilisai Soundararajan	Shri Rajiv Bansal	Shri Padmakar Kappagantula	Dr. Ellangovan Kamala Kannan
	He also oversees the Joint Venture, Bharat Oman Refineries Limited, subsidiary - Numaligarh Refinery Limited and is a member of the Board of Ratnagiri Refineries & Petrochemicals Limited & wholly owned subsidiary Bharat Gas Refineries Limited. He is the Chairman of the company's joint venture, Petronet India Limited and Petronet Cochin Coimbatore Karur Limited (PCCKL).						Ministry of Overseas in Indian Affairs and District Collector, Palakkad
Directorships held in other Companies	**Chairman:** 1. Petronet India Ltd. **Director:** 1. Bharat Oman Refineries Ltd. 2. Ratnagiri Refinery & Petrochemicals Ltd. 3. Bharat Gas Resources Ltd		-	-	**Director:** 1. Oil and Natural Gas Corporation Ltd. 2. Indian Strategic Petroleum Reserves Ltd. 3. Bharat Yantra Nigam Ltd.	-	**Chairman:** 1. Malabar Cements Ltd. **Director:** 1. Kerala State Industrial Development Corporation Ltd. 2. Kerala Industrial Infrastructure Development Corporation 3. INKEL Ltd.
Membership/ Chairmanships of Audit and Stakeholders Relationship Committees	-	-	-	-	-	-	-
No. of shares held in BPCL	1,224 Equity Shares	-	-	-	-	-	-

ROUTE MAP TO ANNUAL GENERAL MEETING VENUE

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

LANDMARK : Matralaya



DIRECTORS' REPORT

The Board of Directors takes pleasure in presenting its Report on the performance of Bharat Petroleum Corporation Limited (BPCL) for the year ended 31st March, 2018.

PERFORMANCE OVERVIEW

Group Performance

During 2017-18, the aggregate Refinery throughput of BPCL's Refineries at Mumbai and Kochi, along with its Subsidiary Company, Numaligarh Refinery Limited (NRL) and considering 50% throughput of Joint Venture Company, Bharat Oman Refineries Limited (BORL), was 34.72 Million Metric Tonnes (MMT) as compared to 31.24 MMT during 2016-17. The BPCL Group ended the year with Market Sales of 41.38 MMT as compared to 37.74 MMT during 2016-17. During the year, BPCL Group's exported 2.02 MMT of petroleum product as against 2.50 MMT during 2016-17.

During this Financial Year, the Group achieved Gross Revenue from Operations of ₹ 2,79,312.70 Crores as compared to ₹ 2,43,747.46 Crores in 2016-17. The Net Profit attributable to BPCL stood at ₹ 9,008.63 Crores in 2017-18 as against ₹ 8,720.94 Crores in the previous year. The Group has recorded Earnings per Share of ₹ 45.80 in the current year, as against ₹ 44.34 in 2016-17 after setting off the minority interest.

CONSOLIDATED GROUP RESULTS	2017-18	2016-17
Physical Performance		
Crude Throughput (MMT)	34.72	31.24
Market Sales (MMT)	41.38	37.74
Financial Performance		₹ in Crores
Gross Revenue from Operations	2,79,312.70	2,43,747.46
Profit before Depreciation, Finance Costs and Tax	16,955.38	15,560.22
Finance Cost	1,185.74	696.36
Depreciation & amortization expense	2,885.00	2,107.64
Share of profit of equity accounted investee (net of income tax)	1,288.88	943.39
Profit before Tax	14,173.52	13,699.61
Provision for Taxation – Current Tax	3,195.36	3,168.28
Provision for Taxation – Deferred Tax	1,452.24	1,135.60
Short / (Excess) provision for Taxation for earlier years	(265.99)	(111.24)
Net Profit for the year	9,791.91	9,506.97
Minority Interest	783.28	786.03
Net Profit attributable to BPCL	9,008.63	8,720.94
Other Comprehensive Income attributable to BPCL	455.35	332.33
Total Comprehensive Income attributable to BPCL	9,463.98	9,053.27
Group Earnings per share attributable to BPCL (₹)	45.80	44.34

Company Performance

During the year 2017-18, the crude throughput at BPCL's Refineries at Mumbai and Kochi was 28.54 MMT as against 25.39 MMT achieved in 2016-17. The Market sales of the Corporation grew by 9% to 41.21 MMT in 2017-18 from 37.68 MMT in 2016-17.

BPCL's Gross Revenue from Operations for 2017-18 stood at ₹ 2,77,162.23 Crores reflecting an increase of 14.51% over the previous year's revenues of ₹ 2,42,047.82 Crores. The Profit before Tax for the year was ₹ 11,198.01 Crores as compared to ₹ 11,042.79 Crores in 2016-17. After providing for Tax (including deferred tax) of ₹ 3,278.67 Crores as against ₹ 3,003.49 Crores during the last year, the Profit after Tax for the year stood at ₹ 7,919.34 Crores as against ₹ 8,039.30 Crores in 2016-17.

COMPANY STANDALONE RESULTS	2017-18	2016-17
Physical Performance		
Crude Throughput (MMT)	**28.54**	25.39
Market Sales (MMT)	**41.21**	37.68
Financial Performance		₹ in Crores
Gross Revenue from Operations	**2,77,162.23**	2,42,047.82
Profit before Depreciation, Finance Costs and Tax	**14,679.74**	13,429.98
Finance Cost	**833.25**	495.87
Depreciation & amortization expense	**2,648.48**	1,891.32
Profit before tax	**11,198.01**	11,042.79
Provision for Taxation - Current Tax	**2,110.00**	2,210.00
Provision for Taxation - Deferred Tax	**1,434.66**	904.73
Short/(Excess) provision for taxation of earlier years	**(265.99)**	(111.24)
Net Profit for the year (A)	**7,919.34**	8,039.30
Other Comprehensive Income (OCI)	**9.11**	132.43
Total Comprehensive Income for the year	**7,928.45**	8171.73
Opening Balance of Retained Earnings (B)	**3,074.56**	1,422.46
Amount available for disposal (A+B)	**10,993.90**	9,461.76
The Directors propose to appropriate this amount as under:		
Towards Dividend:		
Final Dividend of previous year	**144.62**	1,084.63
Corporate Dividend Tax on Final Dividend of previous year	**-**	169.81
Interim Dividend	**3,036.95**	4555.43
Corporate Dividend Tax on Interim Dividend	**420.49**	828.23
For transfer to Debenture Redemption Reserve	**297.74**	224.58
For transfer to General Reserve	**2,400.50**	-
Income from BPCL Trust for Investment in Shares	**(296.81)**	(526.17)
Re-measurements of Defined Benefit Plans (Net of tax)	**(24.36)**	50.69
Closing Balance of Retained Earnings	**5,014.77**	3,074.56
Summarized Cash Flow Statement:		
Cash Flows:		
Inflow/(Outflow) from Operating Activities	**8,974.67**	7,896.93
Inflow/(Outflow) from Investing Activities	**(4,749.52)**	(10,129.68)
Inflow/(Outflow) from Financing Activities	**(4,203.77)**	566.56
Net increase/(decrease) in cash & cash equivalents	**21.38**	(1,666.19)

The Earnings per Share amounted to ₹ 40.26 in 2017-18 as compared to ₹ 40.87 in 2016-17. The Earnings per Share is after adjustment of Bonus Shares issued during 2017-18 and BPCL Trust for Investment in Shares. Internal Cash Generation during the year was higher at ₹ 7,139.42 Crores as against ₹ 5,716.10 Crores in 2016-17 mainly due to higher depreciation and Deferred Tax during 2017-18.

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

BPCL's contribution to the exchequer by way of Taxes, Duties and Dividend during 2017-18 amounted to ₹ 89,725.13 Crores as against ₹ 84,758.84 Crores in the previous Financial Year. As on 31st March 2018, BPCL's Total equity stands at ₹ 34,152.00 Crores as against the previous year's figure of ₹ 29,668.38 Crores.

Dividend

The Board of Directors has recommended a Final Dividend of ₹ 7 per equity share (i.e. @ 70% of the paid-up share capital) for the year on the paid-up share capital of ₹ 2,169.25 Crores, which amounts to ₹ 1,830.60 Crores inclusive of ₹ 312.12 Crores for Dividend Distribution Tax. In addition, Interim Dividend of ₹ 14 per equity share (i.e. @ 140% of the paid up share capital) totalling ₹ 3,457.44 Crores, inclusive of ₹ 420.49 Crores for Dividend Distribution Tax was declared and distributed during the year.

Bonus Shares

During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves.

Transfer to Reserves

It is proposed to transfer ₹ 2,400.50 Crores to the General Reserve and ₹ 297.74 Crores to the Debenture Redemption Reserve out of the amount available in Retained Earnings.

Divestment of Shares

During the year, the Government of India disinvested 1,35,05,341 equity shares in favour of Bharat 22 ETF (an exchange traded fund inclusive of PSU stocks). Consequently, the holding of the President of India in the equity share capital was reduced to 54.31% from 54.93%.

Borrowings

Borrowings from banks decreased to ₹ 11,364.43 Crores as at 31st March 2018 from ₹ 11,737.95 Crores as at 31st March 2017. Loans from Oil Industry Development Board stand at ₹ 1,357.94 Crores as at 31st March 2018 as compared to ₹ 1,795.13 Crores at the end of the previous year. Debentures worth ₹ 750 Crores were issued during the year 2017-18. The total Debentures outstanding as at 31st March 2018 were ₹ 1,299.52 Crores. 4.625% US Dollar International bonds issued during 2012-13 of USD 500 Million (equivalent to ₹ 3,238.55 Crores) remained outstanding as on 31st March 2018. 3% Swiss Franc International Bonds issued during 2013-14 of CHF 200 Million (equivalent to ₹ 1,363.01 Crores) remained outstanding as on 31st March 2018. 4% US Dollar International bonds issued during 2015-16 of USD 500 Million (equivalent to ₹ 3,227.22 Crores) remained outstanding as on 31st March 2018.

Deposits from Public

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

Capital Expenditure

Capital Expenditure (before Cenvat/Tax Credit) including investments in JVCs and exploration through a Subsidiary Company during the year 2017-18 amounted to ₹ 8,997.76 Crores (Budget estimate of ₹ 7,800.64 Crores), as compared to ₹ 16,600.85 Crores during the year 2016-17.

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 31st March 2018 is annexed as Annexure E.

As at 31.03.2018, there are five pending published paras related to the C&AG audit. These relate to extension of credit facility to a defaulter company, implementation of PAHAL (DBTL) Scheme for LPG, payment of stagnation relief to employees, payment towards encashment of employee leave together with employer's share of EPF contribution and payment of shift allowance to executives. The audit objections have been suitably replied to and the same are under their review.

REFINERIES

Mumbai Refinery

Mumbai Refinery achieved the highest ever crude processing of 14.1 MMT and total throughput of 14.29 MMT (crude oil and other feedstocks) as against crude processing of 13.54 MMT & total throughput of 13.60 MMT achieved in 2016-17. This represents a capacity utilization of 119%, as compared to 113.3% in the previous year. Mumbai Refinery achieved the highest ever Gross Refining Margin (GRM) for the year 2017-18 at USD 7.26 per barrel, as compared to USD 5.36 per barrel realized in 2016-17. The overall gross margin for the refinery in 2017-18 amounted to ₹ 5023 Crores (37% higher) as compared to ₹ 3671 Crores in 2016-17.

Kochi Refinery

Kochi Refinery achieved the highest ever crude processing of 14.1 MMT and total throughput of 14.25 MMT (crude oil and other feedstocks) with the successful commissioning of all the process units of the Integrated Refinery Expansion Project as against crude processing of 11.82 MMT & total throughput of 11.79 MMT achieved in 2016-17. This represents a capacity utilization of 115%, as compared to 107.5% in the previous year. The Gross Refining Margin (GRM) for the year also increased to USD 6.44 per barrel, as against USD 5.16 per barrel realized in 2016-17. The gross margin for the Refinery in 2017-18 is ₹ 4,333 Crores (41.5% higher), as against the previous financial year figure of ₹ 3,061 Crores.

PIPELINES

The BPCL Group owns a network of 2,241 km of multiproduct pipelines with design capacity of 17.84 MMT. BPCL Pipelines completed two decades of successful operations & service to Refinery & Marketing SBUs on 29th March 2018. Pipelines have achieved a throughput of 14.97 MMT in the year 2017-18, which is about 6% higher than the previous year. Petroleum product movement through pipelines was 5,728 MMTKM across northern, central, western & southern parts of the country.

In order to meet its commitment towards the environment, the first parcel of BS VI products for National Capital Territory (NCT) was launched from Bina on 30.01.2018. A total of 38 TMT of BS VI products were delivered to Delhi by 31.03.2018.

BPCL Pipelines started pumping ATF ex-Bina Refinery in August 2017 and 36 TMT of ATF has been delivered to the Delhi market till 31.03.2018. This has resulted in additional reduction of carbon footprint equivalent to movement of about 10 BTPN rakes from Bina to Bijwasan.

BPCL is in the process of finalizing its pipeline expansion plan to increase its share of pipeline transportation to 65% by the year 2029-30.

MARKETING

During the year 2017-18, BPCL's market sales volume increased by 9.37% to 41.21 MMT as compared to 37.68 MMT in the previous year. BPCL's market share amongst public sector oil companies stood at 23.75% as at 31st March 2018, as compared to 22.77% as at the end of the previous year.

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

MAJOR PROJECTS

LPG Import Facility at Haldia

Continuous growth in the demand of LPG in the eastern part of UP, requirement of a reliable product source for Eastern Region and evacuation of the additional production of LPG from Kochi Refinery after its expansion, were the triggers to have a dedicated coastal LPG storage facility with a capability of storing Propane, Butane & LPG for an average throughput of 1.0 MMTPA with facility of two 15 TMT Cryogenic storage, 8 Bay TLF Gantry, Flash Gas & Boil Off Gas Compressors and associated Cryogenic Facilities and two 18" Twin Refrigerated Pipeline from Haldia Oil Jetty- 3 to Haldia LPG Terminal.

The project has achieved overall physical progress of 78.6% and the cumulative expenditure on the project is ₹ 426.22 Crores as on 30.06.2018. The project is scheduled for mechanical completion by October 2018.

Irugur Railway Siding

A tank wagon loading Railway Siding at Irugur was envisaged to meet the demand of evacuation of MS / HSD due to expansion of Kochi refinery, with facilities of automated tank wagon loading gantry (621 M for 50 wagons) to handle MS / HSD Pump House & Siding Planning Room. The approval for the tank wagon loading railway siding was given on 22.07.2018 with an approved cost of the project of ₹ 89.90 Crores. The project has achieved overall physical progress of 100% and the cumulative expenditure on the project is ₹ 52.49 Crores as on 30.06.2018. The project is mechanically completed as per schedule on 30.06.2018.

Additional Tankage Works at Devangonthi

BPCL has an existing installation at Devangonthi, but doesn't have sufficient tankage to cater to the marketing & operational requirements of evacuation of MS/HSD due to expansion of Kochi Refinery. Therefore, it was envisaged to have 4 new tanks viz additional tanks of 2 X 17,500 KL (Floating roof) for MS and 2 X 20,000 KL (Cone roof) for HSD in Devangonthi along with construction of new pump house, associated pipelines, control room and terminal automation with integration of old facilities.

The approved cost of the project is ₹ 121.0 Crores. The project has achieved overall physical progress of 41% and the cumulative expenditure on the project is ₹ 16.92 Crores as on 30.06.2018. The project is scheduled for mechanical completion by December 2018.

POL Terminal, Haveli, Pune

In order to mitigate the supply limitation and infrastructure constraints and reduce dependency of Pune Retail Territory on hospitability arrangement of HPCL to meet BPCL's growing demand for MS/HSD, it was envisaged to have a rail fed POL terminal in Pune. Therefore, 67.93 acres of land was secured at Village Tarde, 25 KM from Pune for a rail fed POL terminal with a capacity of 45,846 KL to store MS, HSD, SKO, Ethanol and Biodiesel with tank wagon unloading railway siding and 12 bay tank lorry filling gantry to feed the Pune market.

The approved cost of the project is ₹ 267 Crores. The project has achieved overall physical progress of 12% and the cumulative expenditure on the project is ₹ 41.07 Crores as on 30.06.2018. The project is scheduled for mechanical completion by July 2020.

LPG Plant at Bolangir

Over the last five years, there has been continuous increase in capacity utilization of LPG bottling plants, primarily driven by BPCL's expansion of LPG supplies and distribution in eastern parts of India. In line with the requirement envisaged and to tap untapped potentials of Odisha market, it was proposed to construct a new 44 TMTPA LPG Bottling Plant at Bolangir. Therefore, 23.12 acres of land was secured at Bolangir (295 KM from Bhubaneshwar Airport and 12 KM from Bolangir Railway station) to set up an LPG plant with facilities i.e. (3 x 300 MT MSV, 8 Bay TLD, 24 Stn electronic carousel, fire water tanks of 1853 kl capacity).

After getting all the statutory & environmental approvals on 22.03.2018, the project started in September 2019. The approved cost of the project is ₹ 103.12 Crores. The project has started in March 2018. The project has achieved overall physical progress of 17% and the cumulative expenditure on the project is ₹ 2.13 Crores as on 30.06.2018. The project is scheduled for mechanical completion by March 2020.

Heat Traced Pipeline in Mumbai Refinery

The project envisages laying of a Heat Traced Pipeline and associated facilities in Mumbai Refinery for transporting High Pour products. The approved cost of the project is ₹ 193 Crores.

The project has achieved a physical progress of 73.3% and the cumulative expenditure on the project is ₹ 42 Crores as on 31.03.2018. The project is scheduled for mechanical completion by January 2019.

Gasoline Hydro Treatment Unit (GTU) at Mumbai Refinery

The project envisages installation of a Gasoline Hydro Treatment Unit (GTU) to produce 100% BS VI MS. The approved cost of the project is ₹ 554 Crores.

The project has achieved a physical progress of 34.10% and the cumulative expenditure on the project is ₹ 68 Crores as on 31.03.2018. The project is scheduled for mechanical completion by December 2019.

Propylene Derivative Petrochemical Project (PDPP) at Kochi Refinery

The project envisages production of niche petrochemicals utilizing Polymer Grade Propylene produced from the Petro FCCU being set up as part of IREP. The PDPP project envisages production of Acrylic Acid, Oxo Alcohols and Acrylates, utilizing approximately 250,000 MT per annum of Polymer Grade Propylene. The approved cost of the project is ₹ 5246 Crores.

The project has achieved an overall physical progress of 61% and the cumulative expenditure on the project is ₹ 1490 Crores as on 31.03.2018 with scheduled mechanical completion in February 2019.

Heat Traced Pipeline (HTPL) in Kochi Refinery

The project envisages laying of a Heat Traced Pipeline and associated facilities in Kochi Refinery for transporting High Pour products. The approved cost of the project is ₹ 337.06 Crores.

The physical progress is 70.40% and the cumulative expenditure on the project is ₹ 104 Crores as on 31.03.2018. Project is scheduled for mechanical completion by August 2018.

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

The Project MS Block envisages putting up facilities for the production of 100% BS VI grade MS from Kochi Refinery to meet the Auto Fuel Vision and Policy 2025 requirements. The approved project cost is ₹ 3,313 Crores.

The physical progress is 20.01% and the cumulative expenditure on the project is ₹ 142 Crores as on 31.03.2018. The project is scheduled for mechanical completion by October 2019.

Mumbai Manmad Pipeline Re-routing

The project envisages laying of a 50 km long 18" Dia API 5L x 65 pipeline for rerouting of the Mumbai Manmad Pipeline section, construction of 3 Sectionalising Valve stations (SV stations) and associated facilities. The approved cost of the project is ₹ 449.58 Crores

The project has achieved overall physical progress of 50.13% and the cumulative expenditure on the project is ₹ 103 Crores as on 31.03.2018. The project is scheduled for mechanical completion in June 2019.

RESEARCH & DEVELOPMENT

The energy sector is witnessing unprecedented developments and disruptive innovations such as electrical vehicles in the transport sector, biofuels and solar power, which can potentially change our business. Neverthless, there are burgeoning opportunities for value added petroleum products and petrochemicals. To keep pace with the changing market demand, the Research and Development Centers of BPCL are proactively engaged in development of innovative products / process technologies and cleaner fuels / fuel additives to reduce environmental footprints while improving the Company's profitability.

In line with this prelude, the Corporate R&D Centre at Greater Noida, Uttar Pradesh and Product & Application Development Centre at Sewree, Mumbai are continuously striving for value creation through research activities.

The research work is broadly divided into four categories, as per focus research areas: (a) Technical support to Strategic Business Units (SBUs) (b) Development of energy efficient technologies for fuel and chemical production (c) New product and additive development and (d) Alternative fuels and energy.

The benefits due to research activities are summarized in Annexure A.

The Product and Application Development setup comprises of R&D, Technical Services, Quality Assurance and Original Equipment Manufacturers (OEM) Teams. These units are the backbone for the Lubes Business Unit and provide competitive advantage to Business operations through continuous innovation in the areas of lubricants, new product development, value added services to customers and major OEM tie-ups.

R&D has contributed significantly to the business volume and profitability through development of new grades and alternate formulations. This has helped in increasing our product portfolio and reducing our input cost. The Technical Services Department expended tremendous efforts in the core sector and got our grades proven in core sector industries. Customized oil was developed for steel mills. MAK Center of Excellence Conducted 12 programs for the staff and channel partners and for the first time carried out MAK Tech Know League covering all lubes staff.

The Quality Assurance (QA) Department compiled an informative Laboratory HSSE Manual. They also provided seamless support for conversion of BS IV to BS VI fuel (MS & HSD) in the National Capital Region (NCR) area, resulting in the roll out of BS VI fuel within the stipulated time frame of 31st March 2018.

The OEM Team has obtained approval from a leading automotive company for automotive gear oil and engine oils.

NON-CONVENTIONAL ENERGY

To mitigate the climate change threats arising out of use of conventional power and also to meet the nation's target of developing 175 GW power from renewable energy sources, BPCL is now constructing rooftop and ground mounted captive solar plants in 5 installations / depots and 5 LPG plants. The total capacity of these plants will be about 4 MW.

BPCL is also developing hybrid solar plants in 18 Company owned large format retail outlets across India. These plants are being developed as pilot projects, where rooftop solar plants with battery storage will be incorporated. The detailed feasibility and system design study has already been completed and construction of these plants will commence soon.

Rooftop solar units were also installed in 216 retail outlets in FY 2017-18, taking the number of total solarized retail outlets to 1217.

START UP INITIATIVE

BPCL has initiated 'Project Ankur' to promote, develop and nurture a 'StartUp' ecosystem in India. BPCL has initially allocated ₹ 25 Crores for this purpose and this fund is being distributed as grants to deserving applicants. A process has been put in place whereby a six member Committee, consisting of three internal and three external members, decide on the recipients of the grant.

In May 2017, BPCL released a pan India advertisement asking for applications from Indian nationals. A website was created to receive these applications. BPCL has also signed a Memorandum of Understanding (MOU) for promotion and collaboration on Startups with Kerala Startup Mission, Indian Institute of Technology Madras, Invest India New Delhi, Kalinga Institute of Technology Bhubaneswar and Axilor Venture Bangalore. These MoUs have kept us supplied with a steady stream of applicants.

During the course of the year, BPCL has selected 19 Startups for grant funding of approximately ₹ 20 Crores over a period of 3 years. Some of the selected Startups are helping BPCL solve operational problems in areas such as Refinery shutdowns, inspections, corrosion monitoring, highway mapping, efficient lighting. In addition to the grant funding, BPCL is also providing mentoring and guidance to selected startups. Going forward, BPCL shall continue to support start-ups in a variety of ways including grant funding, exposure, mentoring and guidance.

INDUSTRIAL RELATIONS

The Industrial Relations climate was cordial and harmonious across all locations. BPCL continued its thrust towards maintaining industrial harmony with focus on increased communication, productivity enhancement and employee well-being. All organizational and employee related issues were handled with a collaborative approach and regular communication was established with all employees on all important issues influencing them and the Organization. The Unions and workmen demonstrated their commitment to achieve organizational objectives through constructive partnering in all the processes.

CORPORATE SOCIAL RESPONSIBILITY

In line with the vision of the Company, BPCL strives to 'energise lives' of the communities nationwide through various CSR initiatives. BPCL has contributed towards the goal of achieving sustainable development and made significant progress in the thrust areas of Education, Water Conservation, Skill Development, Health & Hygiene and Community Development. The Company partners with several capable organizations, thereby supporting projects that benefit the underprivileged and marginalised sections of society. CSR initiatives are undertaken based on social, environmental and economic considerations. While the Company continues to undertake new initiatives, BPCL has exited from those projects that have been completed successfully.

Sustaining BPCL's commitment to Education, its flagship projects have been replicated and scaled up where possible. Computer Assisted Learning (CAL) Project is one such project promoting education through digital literacy for students, up to 10th Std. in low income schools of Mumbai and Jaipur. This year, Project CAL has been replicated in 50 centres located in Municipal Corporation of Greater Mumbai (MCGM) school buildings and 20 schools in Washala, a tribal village in Thane district. The intervention focuses on improving children's learning levels in Mathematics and Language through the use of computers. More than 1 lakh children have been benefitted under this initiative so far. Further, valuing the importance of learning while reading, BPCL has set up 24 libraries covering 3,779 children in Zilla Parishad schools of Uran Taluka, District Raigarh in Maharashtra. These libraries are managed by Children Management Committees in the respective schools. In order to empower Mathematics teachers to facilitate conceptual learning in students, a Mathematics Enhancement Project, 'Ganit Shakti' was taken up in Government schools of Chhattisgarh.

One of BPCL's flagship programs for teacher and headmaster training, "Saksham" has completed its fifth batch successfully. This set of primary/upper primary teachers and headmasters from 64 low income/ Government schools of Mumbai were taken through a series of sessions on various topics, both pedagogical and management-related. This project encourages teachers to use new techniques for teaching, classroom management as well as developing new teaching materials according to the differential needs of the class.

Under Skill Development, the Company focuses on placement/employment-linked skilling of women, unemployed youth and the disabled. One such high impact project was the skilling of 396 leprosy affected youth in various trades like Motor Vehicle Mechanic, Welder, Computer Operator, Programming Assistant, at centres at Nashik, Champa, Faizabad, Bankura, Vadathorasalur and Vizianagaram. In a similar manner, projects have been undertaken for training visually impaired youth in Acupressure and Massage Therapy in Latur, rehabilitation and skilling of street youth in Mumbai and employment linked training to 30 adolescents with autism / intellectual disability in Mumbai.

Moreover, in line with the 'Skill India Mission' of Government of India, BPCL has taken the lead in setting up a state-of-the-art Skill Development Institute (SDI) in Kochi and also participated in and contributed towards other SDIs in Bhubaneshwar, Visakhapatnam, Raebareli and Guwahati. These SDIs have been set up to enhance their employability quotient for the Oil & Gas Industry as well as for other Industries requiring skills of a similar nature.

BPCL has nurtured Project BOOND - a water conservation project through rain water harvesting and continued with the same for almost a decade. The major achievement through this project is that it has transformed villages from water scarce to water positive. BPCL has engaged with communities by supporting formation of village level associations, children's clubs, micro-finance groups or farmer federations, therefore working towards ensuring sustainability. BPCL has successfully reached out, both directly and indirectly, to the communities in the villages through desilting of tanks, supply channels and link channels in the tank chain cascade, strengthening of bunds, check-dams, village ponds, repair /reconstruction of structures for water regulation, setting up roof rain-water harvesting, thereby increasing the availability of water. This project is in operation in the states of Maharashtra, Tamil Nadu, Karnataka and Rajasthan and has covered 38 villages during the year, helping to increase agricultural yield, floriculture and horticulture in the villages, thereby reducing migration.

The Company's Community Development projects are based on extensive need assessment and focuses on providing sustainable solutions that engage the community that is benefitted. BPCL has been supporting the construction of Bio-Gas Plants for rural households, promoting better life for womenfolk by providing a sustainable and non-polluting fuel. Creating similar impact are projects like installation of Solar Street lights in rural areas, which not only serve to electrify rural villages, but also improve safety and convenience for the villagers.

BPCL is conscious that Health and Development are inseparable and the overall economic growth of a community is dependent on its health. The Company has continued sustained efforts in improving access to quality primary healthcare services, which also include projects that reach out to the cancer affected, provide free surgeries and also strengthen the existing healthcare infrastructure across the country. With an objective of reducing the burden of avoidable disability in rural communities, BPCL supported the world's first hospital on a train, the 'Lifeline Express' in providing over 9000 patients with both surgical and non-surgical medical aid, in addition to training healthcare providers. Alongside the targeted healthcare interventions, projects have been undertaken for providing clean drinking water to communities and nutrition to underprivileged children.

BPCL has been relentlessly working towards making the Swachh Bharat programme a great success. The Company's contribution in creating an 'Open Defecation Free' country has been impressive through the construction and renovation of more than 1,950 toilets in schools and communities till date. In an effort to make cities cleaner, BPCL has supported an end to end Solid Waste Management project involving collecting, segregating/processing and recycling of waste at 33 micro-composting centres.

BPCL has also supported preservation of Indian heritage by adoption of the Sri Adi Sankaracharya Janmasthan-Kalady to make it a 'Swachh Iconic Place'. The project includes the management and disposal of sewage/waste water, development of a cultural walkaway at Kalady town, creating public sanitation facilities, and provision of clean drinking water.

BPCL was adjudged as the 12th Best Company in Responsible Business Rankings (First among PSUs and the oil industry). Another notable achievement for BPCL was receiving the prize for the 'Best Swacch Iconic Place in India' from the Ministry of Drinking Water and Sanitation for supporting the 'Madurai Meenakshi Temple project.

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

PROMOTION OF SPORTS

The year 2017-18 was a good year for BPCL sportspersons as they continued to excel in the National as well as International sports arena.

BPCL's renowned Badminton player, Saina Nehwal won the Bronze medal in the World Badminton Championship 2017 at Glasgow, Silver Medal in the Indonesian Open Badminton Tournament and also won the Senior National Badminton Championship 2017 held at Nagpur. Upcoming Badminton player Sameer Verma won the Swiss Open Badminton Tournament at St. Jakobshalle, Switzerland in February 2018. Also, Ruthvika Shivani Gadde won the Gold medal in the Tata Open India International Challenge Badminton Tournament held at Mumbai in December, 2017.

Abhijeet Gupta, an Arjuna Awardee won the Gold Medal in the Commonwealth Chess Championship held at New Delhi. BPCL's leading Chess player, P. Harikrishna is ranked 25th in the World Chess rankings. He continues to be the second highest ranked Indian in the world after the legendary Vishwanathan Anand.

The Company's Snooker player, Manan Chandra won his maiden Gold Medal in the World Team Snooker Championship held at Qatar in March 2018. BPCL's lone archer, Atanu Das has been performing commendably and represented the country in all the major Archery events. BPCL'S Bridge player, Marianne Karmarkar won the Silver Medal in the Bridge Federation of Asia and Middle East Championship and the Bronze Medal in the Asia Cup.

Athlete Joby Mathew won two Gold medals, three Silver medals and one Bronze medal in the World Dwarf Olympic Games held at Canada in August 2017.

Four of BPCL's Hockey players namely Harmanpreet Singh, S.V. Sunil, Lalit Upadhyay and Varun Kumar were part of the Indian team which won the Gold medal at the Asian Championship held at Dhaka in October 2017. Harmanpreet Singh, S.V. Sunil, Lalit Upadhyay, Varun Kumar and Birendra Lakra won the Bronze medal by defeating Germany 2-1 in World Hockey League held at Bhubaneshwar in December,2017.

In Kabaddi, seven of the Company's players viz. Nilesh Shinde, Kashiling Adake, Rishank Devadiga, Nitin Madane, Girish Ernak, Rohit Rana and Vishal Mane were part of the successful Kabaddi Premier League- Season 5. Rishank Devadiga, Girish Ernak and Nitin Madane were part of the Maharashtra Kabaddi team which won the Senior National Championship held at Hyderabad in January,2018.

In Cricket, Shreyas Iyer was selected in the Indian team for the test match against Australia. The new recruit, Kuldeep Yadav represented the Indian Cricket team in all formats of the game. Manish Pandey, Shreyas Iyer, Sanju Samson represented the Indian team for One Day and T-20 Internationals.

The Volleyball team comprising Tom Joseph, Vibin George, Kiran Philip, Rohith P., Jithin K., Jerome Vinith, Akhin G.S., Ajith Lal and A. Muthu Samy gave an excellent performance by winning all domestic tournaments including the Petroleum Sports Promotion Board (PSPB) Championship. They won the All India Open Volleyball tournaments held at Meerut and Sultanpur.

BPCL's young scholarship players excelled at national and international events in the Junior as well as Open categories. S. Shrikrishna is currently ranked at the no. 1 position in India in both, Junior Billiards and Junior Snooker categories. BPCL also bagged the Second Runners-up "President's Trophy" of PSPB during the year.

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

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

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

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

IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

The Official Language Implementation Committees continued to function at the Corporate, Regional, Refinery and location levels to take initiatives based on the annual program issued by the Ministry of Home Affairs, besides implementing the provisions of the Official Language Act and Rules. These Committees perform the task of reviewing the progress made in Official Language Implementation on a quarterly basis. All committees have organized meetings as per the rules during this year.

The First Sub-Committee of the Parliamentary Committee on Official Language held inspection visits at six BPCL establishments and the Joint Director of Ministry of Petroleum & Natural Gas held inspection visits at ten BPCL establishments. "Hindi Fortnight" was celebrated during 14^{th} to 28^{th} September, 2017 across all Regions and Refineries. Various contests and cultural programs were organized during this period. For encouraging Hindi language among employees' children, 208 children who obtained 60% or more marks in Hindi in 10^{th} and 12^{th} standard were felicitated with Rajbhasha Awards. BPCL's Annual Report, in-house journal 'Petro Plus' and newsletter 'Journeys' were issued in bilingual format. A majority of the advertisements were also published in bilingual format. Hindi Coordinators' Seminars were organized by all the Regions and Refineries for promotion of Hindi language. Representatives from the Ministry of Petroleum & Natural Gas also participated in these seminars. "World Hindi Day" was organized on 10^{th} January 2018 across all the Regions and Refineries. During the year, Hindi Training and Indic Software Unicode training were conducted for the employees.

BPCL's Co-ordination department at Delhi received a special award from Town Official Language Implementation Committee (TOLIC), Delhi for Best Implementation of Hindi language during the year. Bareilly LPG Plant, Panipat Installation and Bijwasan Installation received Rajbhasha Awards from their respective TOLICs. Kochi Refinery received the Rolling Rajbhasha Trophy, Overall Champion's Trophy and the Best House Journal Award from TOLIC, Kochi. Southern Regional Office received the first award from TOLIC, Chennai and Chairman's Office received the second award from TOLIC, Mumbai. Eastern Regional Office received the second Rajbhasha Trophy from Department of Official Language, Ministry of Home Affairs.

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

Citizen's Charter

In pursuit of excellence, BPCL is constantly upgrading the service levels offered across every customer interface. Various initiatives are driven by the commitment and desire to enhance customer experience. The Citizen's Charter published on the BPCL website www.bharatpetroleum.in provides details of a range of services offered to the customers, with an overview of the marketing activities of the Corporation, policy guidelines and processes on marketing of petroleum products. It covers the mandate of the Corporation, customer rights with respect to standards, quality, time-frame for service delivery, the grievance redressal mechanism and other such topics. These service levels are revisited from time to time and updated in line with the changing business environment/ customer's expectations. In the Corporate Website, there is a separate section on the Citizen's Charter under Important Links.

Public Grievance Redressal (PG)

During the year, BPCL has received 4445 PG references all over India and ensured all replies within the stipulated time as a part of compliance. This was possible at BPCL as there is a well-established grievance redressal framework in each Strategic Business Unit and the same is also being monitored from the Corporate Office. It is an internet based Grievance Redressal Mechanism – centralized Public Grievance and Monitoring System of Government of India, which helps BPCL in speedy redressal of public grievances.

Customer Care System (CCS)

BPCL also has a centralized Customer Care System (CCS) Portal named Smartline where a customer can log complaints, suggestions and feedback and timely redressal of complaints is ensured. CCS is designed to track every interaction with an in-built escalation matrix. It is an interactive platform to customers through dedicated toll free numbers as well as web based access connect with BPCL. Regular feedback is taken from customers to meet their requirements and enhance service standards.

Right to Information (RTI)

The RTI Act, 2005 was implemented on 12th October 2005 and since then, in this journey of effective RTI implementation of over 12 years, BPCL has handled 33,500 RTI applications, 4,867 first appeals and 880 second appeals to Central Information Commission (CIC). In the beginning, there was a single Central Public Information Officer (CPIO) handling all RTI related matters. With growing awareness, the numbers of RTI applications were increasing and to handle such a large number of RTI applications, BPCL has inducted 88 CPIOs and 12 Appellate Authorities spread across the length and breadth of the country covering major SBUs like Retail, LPG, Aviation, HR, International Trade, Mumbai Refinery and Kochi Refinery. This has been implemented with a view to serve the RTI applicants in an effective manner without any delay.

BPCL is now aligned to the RTI Online Portal of Department of Personnel and Training (DoPT) and also continues to use its old in-house RTI package to attend to old RTI cases which have gone for second appeal. All CPIOs and Appellate Authorities (AAs) along with their staff have been trained to independently handle the RTI Online Portal for addressing RTI applications.

During the year 2017-18, BPCL had received 3,874 RTI queries and replied to them on time. The Company also organized 6 RTI Workshops/training programs for the new and existing CPIOs/AAs and for deemed PIOs to stress the importance of RTI and equip them to handle RTI in true spirit.

Regular interactions are carried out with the CPIOs by providing Guidelines, Circulars, Newsletters and case studies from Corporate Office and on various CIC Decisions to keep them updated, thus ensuring that there is no penalty or stricture passed by CIC. In the Corporate Website, BPCL has a separate section on RTI for better understanding of the public at large.

MICRO & SMALL ENTERPRISES

BPCL has been fully abiding by the Public Procurement Policy (PPP) for MSEs Order 2012 and more than 20% of the annual Goods and Service procurements are done through MSEs as against a target of 20%. All the high value tenders at BPCL are through the press tender route. The General Conditions of Contract (GCC) and General Purchase Conditions (GPC) of press tenders have the Purchase Preference Clause for MSEs. As per the existing PPP for MSEs Order 2012, in any tender, participating MSEs, who are within a price band of L1+15% will get a portion of the order, provided they match the L1 price. This allocation to MSEs is at least 20%. Further, 20% of this 20% portion i.e. 4% of the total tender quantity is reserved for SC/ST entrepreneurs in the MSE category. The PPP 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 the tender requirement and match the L1 price, 4% sub-target shall be met from other MSEs.

BPCL organized 98 vendor meets/ workshops across India at Retail locations, Regional Offices and Refineries to promote the Public Procurement Policy for MSEs. BPCL teams participated in 13 Vendor Development Programmes cum Exhibitions conducted by Micro, Small and Medium Enterprises - Development Institute (MSME-DI), National Small Industries Corporation (NSIC) at Mumbai, Navi Mumbai, Pune, Chandigarh, Panipat, Bhubhaneshwar, Ernakulum, Trivandrum and other places. BPCL representatives also put up a stall during the National Vendor Development Programme at Bhubhaneshwar, Kalady and Palakkad to showcase various products and Services to the vendors. A "Premier Vendor Workshop" was held during November 2017 wherein Dy. Director, MSME-DI, Mumbai made a detailed presentation of benefits of PPP for MSEs Order 2012 to the vendors. A month long "Entrepreneurship Development Programme" was conducted by Mumbai Refinery during April-May 2017 to encourage budding SC/ST entrepreneurs to develop in their respective fields.

The MSE procurement plan for 2017-18 was put up in the BPCL website. It can be viewed at https://bharatpetroleum.com/Bharat-Petroleum-For/Business-Associates/Vendors.aspx.

As per mandate of PPP for MSEs Order 2012, a nodal officer in BPCL is already appointed since the year 2012 and the contact details and name is communicated regularly to the MSME Ministry.

For the year 2017-18, the total procurement value for BPCL for Goods and Services, excluding Works Contracts, where MSEs could have participated was ₹ 7,071.94 Crores and the actual procurement value from MSEs was ₹ 1,916.87 Crores, i.e. an achievement of 27.11% as against the target of 20%.

The procurement for Goods and Services excluding Works Contracts from MSE-SC/ST vendors during the year 2017-18 was ₹ 87.85 Crores, i.e. an achievement of 1.24% as against the sub- target of 4%. However, in line with the PPP for MSEs Order 2012, the sub-target was met from other MSEs. BPCL could not achieve the 4% sub-target from MSE-SC/ST since such vendors did not bid/ qualify in as many tenders as may have been required to achieve the desired procurement volumes.

VIGILANCE

As hitherto, Vigilance has focused on and intensified proactive and preventive efforts to promote good governance and ethical standards in all business processes in the organization. Raising awareness has been quintessential and therefore there has been a focus this year on regular interactions with employees and other stakeholders. Vigilance sessions have been held for the new officer trainees to create awareness of various guidelines and standard operating procedures with a purpose of inculcating good governance and an ethical mindset. Discussions and interactions have also being carried out during visits to various Company office locations. These sessions have been taken as a platform to provide guidance and clarifications to officers on Company circulars and guidelines vis-à-vis the guidelines issued by the Central Vigilance Commission (CVC) and the Ministry of Petroleum & Natural Gas. The essence has been to convey the content and rationale for ensuring good governance.

Vigilance has continued its efforts towards preventive vigilance. Surprise inspections, tender files scrutiny, various system studies, Chief Technical Examiner (CTE) type inspections of procurement processes, scrutiny of annual property returns filed by employees and other such activities, have been carried out throughout the year. Complaints with specific reference to those having vigilance overtones followed by investigations have been carried out diligently. The Vigilance function has closely interacted with the Businesses / Entities to ensure all facets are covered while arriving at justified conclusions of cases. In matters referred by CVC and MOP&NG, necessary investigations were carried out and recommendations were given within the prescribed time-frame.

A summary of cases handled by Vigilance during the Financial Year 2017-18 is given below. These complaints/ cases broadly cover issues like Selection of Retail outlet Dealers/ LPG distributors, irregularities committed by Retail outlet Dealers / LPG distributors, Tender / material – service procurement related issues, allegation of misuse of official positions, and similar issues.

Opening Balance (as on 01.04.2017)	Received during the Year	Total	Disposed during the Year	Closing Balance (as on 31.03.2018)
42	64	106	59	47

During the year, Vigilance Officers were deputed for Training Programs for enhancing their knowledge / skills in the work arena. These were focused programs conducted by various Institutions like the Central Bureau of Investigation Training Academy, LNJN National Institute of Criminology & Forensic Science, Transparency International India.

Vigilance Awareness Week, an annual outreach program instituted by Central Vigilance Commission for the staff of the organizations / departments and general public to rededicate their commitments towards Honesty, Probity and Ethical values every year. This week long observance coincides every year with the birth anniversary of Lohpurush Sardar Vallabh Bhai Patel on 31st October. Shri Vivek Sahai (IRTS) Former Chairman Railway Board and Principal Secretary to Government of India inaugurated Vigilance Awareness Week on 30.10.2017, which was attended by Directors and other senior functionaries.

The integrity Pledge was administered to 15,500 employees on the first day. Efforts were maximized to give wide coverage and enhance participation of the public for their commitment to the vision of 'Corruption Free India' by taking the E-Integrity Pledge on the CVC Website by sending 4 Crore SMS messages in Hindi & English to more than 4 Crore customers, vendors and business associates; playing the message in Hindi & English at Customer Helpline and other IVRS systems, providing the E-Integrity Pledge link on all our corporate websites; printing e-pledge message on all LPG refill invoices and organising several competitions at various Company offices and many schools across the country. These included quizes, slogans, debates, elocution, crossword programs, besides contests relating to real life incidents of fighting corruption under the broad CVC Vigilance Awareness Week (VAW) 2017 theme 'My Vision - Corruption Free India.' Activities under the "Integrity Clubs "in schools in Kochi, Mumbai, Delhi and Kolkata were intensified and the "Young Champions of Ethics" were rewarded for inculcating righteousness in society. This year, the 8th edition of Vigilance Plus was released and was well received by the stakeholders. This magazine contains articles on good governance, ethics & values, experiences of individuals, poems and highlights of the activities conducted during the year as well as an overview of Vigilance Awareness Week 2017.

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Group consists of 5 Indian subsidiaries and 6 foreign subsidiaries as on 31st March 2018. Further, the Company has 23 Joint Venture Companies and Associate Companies within the meaning of Section 2 (6) of the Companies Act 2013 ("the Act").

Details of Company that has become a Subsidiary during the financial year 2017-18	i) BPRL International Ventures BV
Details of Company that has become a Joint Venture/ Associate during the financial year 2017-18	i) Ratnagiri Refinery and Petrochemicals Ltd ii) Ujjwala Plus Foundation
Details of Company that has ceased to be a Joint Venture/ Associate during the financial year 2017-18	Nil

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

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

The policy for determining material Subsidiaries is posted on the Company's website at the link :

https://www.bharatpetroleum.com/about-bpcl/our-policies.aspx

SUBSIDIARY COMPANIES

NUMALIGARH REFINERY LIMITED (NRL)

NRL was incorporated in 1993 with an authorized share capital of ₹ 1,000 Crores. It is a Category I Mini Ratna company and has a 3 MMTPA refinery at Numaligarh in Assam. Besides the refinery, NRL has two marketing terminals, one at Numaligarh & the other at Siliguri for evacuation of product. NRL also has a 10 TMTPA LPG Bottling Plant at Numaligarh for which capacity was increased from 10 to 42 TMTPA in 2017-18. As on 31st March 2018, the paid up capital of NRL was ₹ 735.63 Crores of which BPCL holds 61.65%. During 2017-18, NRL Crude throughput was 2.81 MMT as compared to 2.68 MMT in the previous year. NRL Revenue from Operations was ₹ 15,923.19 Crores for the financial year ending 31st March 2018 as compared to ₹ 13,946.92 Crores in the previous year. The company's consolidated profit after tax for the year stood at ₹ 2,041.95 Crores as against profit of ₹ 2,049.83 Crores in the previous year. The earnings per share (EPS) for the year 2017-18 was ₹ 27.76, as compared to ₹ 27.86 in 2016-17. An interim dividend of ₹ 16 per share of face value ₹ 10 each has been paid and the Board of Directors of NRL have recommended a dividend of ₹ 2.50 as final dividend, which will result in total dividend declared of ₹ 18.50 for the current financial year as compared to ₹ 18.60 per share in the previous year. NRL had a net worth of ₹ 4,967.66 Crores as at 31st March 2018.

BHARAT PETRORESOURCES LIMITED (BPRL)

BPRL was incorporated in October 2006, as a 100% subsidiary of Bharat Petroleum Corporation Limited, to cater to the upstream activities of BPCL with an authorized capital of ₹ 3,000 Crores, which has now been increased to ₹ 5,000 Crores. As on 31.03.2018, BPCL's investment is ₹ 4,448 Crores in equity. In addition to this, BPCL has given a loan of ₹ 1,275 Crores to BPRL. BPRL has recorded consolidated income of ₹ 215.95 Crores and a consolidated loss of ₹ 68.72 Crores for the financial year ending 31st March 2018.

BPRL has Participating Interests (PI) in 24 blocks in eight countries along with equity stake in two Russian entities, holding the license to 4 producing assets in Russia. Of the blocks, twelve blocks are in India, six in Brazil, and one each in UAE, Mozambique, Indonesia, Israel, Australia and Timor Leste. All the above blocks are in various stages of exploration, appraisal, pre-development and production. BPRL and its consortia have a total of 26 discoveries in respect of blocks held in five countries i.e. Brazil, Mozambique, Indonesia, Australia and India. BPRL's total acreage holding is around 25,359 sq km, of which approximately 77% is offshore acreage.

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 50% stake in IBV Brasil Petroleo Limitada, which currently holds PI ranging from 20% to 40% in six blocks in offshore Brazil. BPRL Ventures Mozambique BV has PI of 10% in a block of Mozambique and BPRL Ventures Indonesia BV holds PI of 12.5% in a block in Indonesia. In the Financial Year 2017-18, BPRL, through BPRL International BV, has formed a wholly owned subsidiary located in the Netherlands i.e. BPRL International Ventures BV. BPRL International Ventures BV, along with respective subsidiaries of consortium partners comprising ONGC Videsh Ltd. and Indian Oil Corporation Ltd. (IOCL), formed a Special Purpose Vehicle (SPV) i.e. Falcon Oil & Gas BV in the Netherlands, to hold 10% stake in the offshore producing concession in Abu Dhabi namely Lower Zakum Concession. BPRL, through BPRL International Ventures BV, has 30% stake in Falcon Oil and Gas BV. The wholly owned subsidiary (WOS) of BPRL i.e. BPRL International Singapore Pte. Ltd. (BISPL), incorporated in Singapore, along with WOSs of Oil India Ltd. (OIL) and IOCL formed two Joint Venture Companies as SPV i.e. Taas India Pte Ltd and Vankor India Pte Ltd. BISPL holds 33% stake in both the SPVs, which hold stakes in Russian Companies. BPRL has a wholly owned subsidiary company, Bharat PetroResources JPDA Limited in India which holds PI in Block-JPDA06-103, in Timor Leste. The PI in respect of blocks in India and Australia are held directly by BPRL.

PETRONET CCK LIMITED (PCCKL)

PCCKL was originally floated as a Joint Venture Company of BPCL with Petronet India Limited with an authorised capital of ₹ 135 Crores and paid up share capital of ₹ 100 Crores. It became a subsidiary of BPCL in May 2015 and later in July 2016, it became a wholly owned subsidiary of BPCL. The company owns and operates a 292 km long multi product Kochi-Karur pipeline from BPCL's installation of Irimpanam to Karur for transportation of MS, HSD and SKO. The pumping volume during the year 2017-18 was 2.65 MMT as against 2.78 MMT in the previous year. PCCKL registered a turnover of ₹ 105.88 Crores and net profit of ₹ 56.95 Crores for the financial year ending 31st March 2018, as compared to a turnover of ₹ 109.78 Crores and net profit of ₹ 58.41 Crores in the previous year. The EPS for the year stood at ₹ 5.70 as against ₹ 5.84 in 2016-17. During the year, PCCKL filed with Ministry of Corporate Affairs, an application for merger of PCCKL with BPCL. Ministry of Corporate Affairs has approved the same and PCCKL stands merged with BPCL with effect from 01.06.2018. The appointed date of merger is 01.04.2018

BPCL-KIAL FUEL FARM PRIVATE LIMITED (BKFFPL)

BPCL has signed a Joint Venture Agreement with KIAL (Kannur International Airport Ltd.) for implementation of a Fuel Farm at the newly developing Kannur International Airport at Kannur on a 74:26 equity basis. The company has been incorporated on 18.5.2015 and the authorized capital of the company is ₹ 18 Crores. As of now, BPCL has contributed ₹ 5.55 Crores to the BPCL-KIAL venture. The project is nearing completion and will be commissioned along with Kannur International Airport Ltd.

BHARAT GAS RESOURCES LIMITED (BGRL)

BGRL, a wholy owned Subsidiary Company, was incorporated on 7th June, 2018 primarily to undertake Gas related business, activated with a view to capture the upcoming oppourtinities and to evolve as a prominent player in the Natural Gas market in future.

JOINT VENTURE COMPANIES AND ASSOCIATES

BHARAT OMAN REFINERIES LIMITED (BORL)

Bharat Oman Refineries Ltd. (BORL) is a Joint Venture between BPCL and Oman Oil Company S.A.O.C (OOC). As on 31st March 2018, it had authorized share capital of ₹ 7,000 Crores and paid up equity share capital of ₹ 1,777.23 Crores, with both BPCL and OOC holding equity stake of 50% each. BPCL has given a loan of ₹ 1,254.10 Crores and subscribed to Share Warrants of ₹ 1,585.68 Crores. Further, the State of Madhya Pradesh has also subscribed to ₹ 26.90 Crores of share warrants in BORL. BPCL has also subscribed to Zero Percent Compulsorily Convertible Debentures of ₹ 1,000 Crores in March 2017.

BORL operates a refinery of 6 MMTPA capacity at Bina, Madhya Pradesh. Infrastructure for a crude oil import/ supply system consists of a Single Point Mooring (SPM) System, Crude Oil Terminal (COT), at Vadinar, Gujarat and 935 km long cross country crude oil pipeline from Vadinar to Bina (VBPL). The Refinery commenced its commercial operations in June 2011. BORL meets BPCL's product requirements in the northern and central regions of the country.

BORL has undertaken a debottlenecking project to increase its refining capacity from the existing 6 MMTPA to 7.8 MMTPA and to meet BS VI product quality specifications. The total cost of the project, as approved by the BORL Board, is ₹ 3,072 Crores. As on 31st March 2018, the project is approx. 90% complete. Post commissioning in October 2018, BORL will produce 100% fuels confirming to BS VI standards.

During the year, Bina refinery recorded a crude throughput of 6.75 MMT and an average capacity utilization of 112%. The company has reported Revenue from Operations of ₹ 31,287.48 Crores in the financial year ended as on 31st March 2018, as compared to ₹ 27,059.03 Crores recorded in the previous financial year. The EPS for the year stood at ₹ 2.96, as against ₹ 3.49 in 2016-17. The net profit for the year 2017-18 stood at ₹ 983.71 Crores, as compared to ₹ 808.13 Crores in the previous year.

PETRONET LNG LIMITED (PLL)

PLL was formed in April 1998 for importing LNG and setting up an LNG terminal with facilities like jetty, storage, regasification etc. to supply natural gas to various industries in the country. The company has an authorised capital of ₹ 3,000 Crores and paid up capital of ₹ 1,500 Crores. PLL was promoted by four public sector companies viz. BPCL, IOCL, Oil and Natural Gas Corporation Limited (ONGC) and GAIL (India) Limited (GAIL). Each of the promoters holds 12.5% of the equity capital of PLL. BPCL's equity investment in PLL currently stands at ₹ 98.75 Crores. As at 31st March 2018, PLL had net worth of ₹ 9,811.29 Crores. PLL recorded Revenue from Operations of ₹ 30,598.62 Crores in this financial year, as compared to ₹ 24,616.03 Crores recorded in 2016-17. The net profit for the year stood at ₹ 2,110.44 Crores, as compared to ₹ 1,723.13 Crores in the previous year. The EPS for the year 2017-18 is ₹ 14.07, as compared to ₹ 11.49 in 2016-17. PLL has recommended a dividend of ₹ 4.50 per share for the financial year 2017-18, as against a dividend of ₹ 5 per share in the previous year. The company allotted bonus shares in the ratio of 1:1 in July 2017.

INDRAPRASTHA GAS LIMITED (IGL)

IGL, a Joint Venture Company with GAIL as the other co-promoter, was set up in December 1998 with an authorised capital of ₹ 220 Crores for implementing the project for supply of Compressed Natural Gas (CNG) to the automobile sector and Piped Natural Gas (PNG) to households in Delhi. The paid up share capital of the company is ₹ 140 Crores. BPCL invested ₹ 31.50 Crores in IGL for 22.5% stake in its equity. As on 31.03.2018, IGL has 446 CNG stations and approx. 8.92 lakhs domestic PNG customers in Delhi and NCR. The company is also extending its business in the geographical areas of Rewari, Karnal and Gurugram in Haryana. IGL holds 50% of equity in M/s. Central UP Gas Limited, Kanpur & M/s. Maharashtra Natural Gas Limited, Pune, Joint Venture Companies promoted by BPCL and GAIL. IGL has registered Revenue from Operations of ₹ 5,071.57 Crores and a profit after tax of ₹ 721.72 Crores for the financial year ending 31st March 2018, as compared to a revenue of ₹ 4,222.51 Crores and a profit after tax of ₹ 606.34 Crores in the previous year. The EPS for the year stood at ₹ 10.31, as against ₹ 8.66 in 2016-17. During the year, each equity share having face value of ₹ 10 was sub-divided into five equity shares of ₹ 2 each. IGL has recommended a final dividend of ₹ 2 (previous year interim dividend of ₹ 3.50 and final dividend of ₹ 5) on equity shares of ₹ 2 (previous year ₹ 10) each for the year ending March 2018. IGL's net worth was ₹ 3,646.95 Crores as at 31st March 2018.

SABARMATI GAS LIMITED (SGL)

SGL a Joint Venture Company promoted by BPCL and Gujarat State Petroleum Corporation (GSPC) was incorporated on 6th June 2006 with an authorized capital of ₹ 100 Crores for implementing the City Gas distribution project for supply of CNG to the household, automobiles, industrial and commercial sectors in the districts of Gandhinagar, Mehsana, Aravali, Sabarkantha and Patan of Gujarat. The paid up share capital of the company is ₹ 20 Crores. As at 31.03.2018 BPCL has a stake of 49.94% in the equity capital of SGL. SGL has set up 70 CNG stations. SGL has achieved turnover of ₹ 839.87 Crores and a net profit of ₹ 74.54 Crores for the financial year ending 31st March 2018, as against ₹ 687.49 Crores and ₹ 42.56 Crores respectively for the previous year. The EPS for the year stood at ₹ 37.29 as against ₹ 21.27 in 2016-17. The company has recommended a dividend of ₹ 2.50 per share for the financial year ending 31st March 2018, as against ₹ 2 per share in the previous year.

CENTRAL UP GAS LIMITED (CUGL)

CUGL is a Joint Venture Company set up in March 2005 with GAIL as the other partner, for implementing the project for supply of CNG to the household, industrial and automobile sectors in Kanpur and Bareilly in Uttar Pradesh. The company was incorporated with an authorised share capital of ₹ 60 Crores. The joint venture partners have each invested ₹ 15 Crores for an equity stake of 25% each in the company, the balance 50% being held by IGL. CUGL has set up 25 CNG stations. CUGL has achieved Revenue from Operations of ₹ 268.79 Crores and net profit of ₹ 46.10 Crores for the financial year ending 31st March 2018 as against ₹ 240.61 Crores and ₹ 48.49 Crores respectively for the previous year. The EPS for the year stood at ₹ 7.64 as against ₹ 8.06 in 2016-17.

MAHARASHTRA NATURAL GAS LIMITED (MNGL)

MNGL was set up in January 2006 as a Joint Venture Company with GAIL for implementing the project for supply of natural gas to the household, industrial/ commercial and automobile sectors in Pune and its nearby areas. The company was incorporated with an authorised share capital of ₹ 100 Crores. The paid up capital of the company is ₹ 100 Crores. BPCL and GAIL have invested ₹ 22.50 Crores each in MNGL's equity capital. MIDC, as a nominee of the Maharashtra Govt., has taken 5% equity in the month of June 2015. The balance 50% is held by IGL, JVC. The company has set up 52 CNG stations so far. MNGL has achieved Revenue from Operations of ₹ 660.64 Crores and profit of ₹ 97.69 Crores for the financial year ending 31st March 2018 as against ₹ 535.83 Crores and profit of ₹ 76.56 Crores respectively in the previous year. The EPS for the year stood at ₹ 9.77 as against ₹ 7.66 in 2016-17.

HARIDWAR NATURAL GAS PRIVATE LIMITED (HNGPL)

BPCL has signed a Joint Venture Agreement with GAIL Gas Limited for implementation of a City Gas Distribution project in the geographical area of Haridwar and formed a Joint Venture Company HNGPL on a 50:50 basis. HNGPL was incorporated on 20th April 2016. So far BPCL has paid ₹ 7.50 Crores as equity contribution.

GOA NATURAL GAS PRIVATE LIMITED (GNGPL)

BPCL has signed a Joint Venture Agreement with GAIL Gas Limited for implementation of a City Gas Distribution project in North Goa and formed a Joint Venture Company on a 50:50 basis. GNGPL was incorporated on 13.01.2017. The project cost for the first five years is ₹ 120 Crores, which will be funded through 30% equity and 70% debt. So far BPCL has paid ₹ 7.50 Crores as equity contribution, with equivalent contribution from GAIL Gas Limited.

BHARAT STARS SERVICES PRIVATE LIMITED (BSSPL)

BSSPL, a Joint Venture Company promoted by BPCL and ST Airport Pte Limited, Singapore was incorporated in September 2007, for providing Into Plane Fuelling services (ITP) at the new Bengaluru International Airport. The authorised and paid up share capital of BSSPL is ₹ 20 Crores. The two promoters have each subscribed to 50% of the equity share capital of BSSPL and BPCL's present investment stands at ₹ 10 Crores. The company commenced operations at the new international airport in Bengaluru from May 2008 and has also incorporated a wholly owned subsidiary, Bharat Stars Services Pvt. (Delhi) Ltd. for implementing ITP services exclusively at the new T3 Terminal of Delhi International Airport. BSSPL is presently providing ITP Services at three open access airports viz. Bengaluru, Mumbai & Delhi T3. It has also taken over the complete operatorship of two BPCL Aviation Fuel Stations (AFS) at Jaipur and Durgapur. In addition, BSSPL also provides ITP Services to BPCL at Calicut, Chennai, Vizag, Ahmedabad, Trivandrum and Delhi T1 Airports. BSSPL has achieved a turnover of ₹ 40.93 Crores and profit of ₹ 5.35 Crores for the financial year ending 31st March 2018, as against ₹ 35.54 Crores and profit of ₹ 5.81 Crores respectively for the previous year. The EPS for the year stood at ₹ 2.58 as against ₹ 2.89 in 2016-17.

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 terminal at Delhi International Airport. The authorized and paid up share capital of the company is ₹ 170 Crores and ₹ 164 Crores respectively. BPCL and IOCL each have subscribed to 37% of the share capital of the joint venture while the balance 26% has been held by DIAL. DAFFPL has registered a Revenue from Operations of ₹ 139.96 Crores and net profit of ₹ 48.96 Crores for the financial year ending 31st March 2018, as against revenue of ₹ 117.09 Crores and net profit of ₹ 38.34 Crores respectively during the previous year. The EPS for the year stood at ₹ 2.99 as against ₹ 2.34 in 2016-17. The company has paid an interim dividend of ₹ 1.50 per equity share and recommended final dividend of ₹ 0.50 per share for the financial year ending 31st March 2018, as against ₹ 2 per share paid for the previous year.

MUMBAI AVIATION FUEL FARM FACILITY PRIVATE LIMITED (MAFFFPL)

MAFFFPL has been incorporated on 26th February 2010 under the provisions of the Companies Act, 1956 in Maharashtra to implement and manage fuel farm facilities at Chhatrapati Shivaji International Airport (CSIA), Mumbai, including ITP services. It is a Joint Venture Company of Mumbai International Airport Private Ltd. (MIAL), HPCL, BPCL and IOCL each holding 25% stake in the company. Presently, BPCL has invested an amount of ₹ 41.89 Crores towards equity. The company has started its operations from 1st February 2015. MAFFFPL has registered a Revenue from Operations of ₹ 132.09 Crores and net profit of ₹ 47.22 Crores for the year ending 31.03.2018, as against revenue of ₹ 119.49 Crores and net profit of ₹ 26.58 Crores during the previous year. The EPS for the year stood at ₹ 2.97 as against ₹ 1.74 in 2016-17. MAFFFPL has paid a maiden dividend of ₹ 1/- per share during the year.

KANNUR INTERNATIONAL AIRPORT LIMITED (KIAL)

The Government of Kerala has promoted Kannur International Airport Limited (KIAL) as a public limited company to establish and operate airports and allied infrastructure facilities at Kannur and/or other parts of India. KIAL would initially set up an Airport at Kannur in the state of Kerala at an estimated project cost of ₹ 2,418 Crores, of which ₹ 1,500 Crores will be financed through equity and the balance sum of ₹ 918 Crores will be financed by way of borrowings. The paid up share capital of the company as at 31.03.2018 is ₹ 1,059.70 Crores, out of which BPCL has made a contribution of ₹ 216.80 Crores. As on 31st March 2018, the overall physical progress of the airport is close to 96% from the operational perspective and commencement of the Airport is planned in September 2018.

MATRIX BHARAT PTE LIMITED (MXB)

MXB is a Joint Venture Company incorporated in Singapore on 20th May 2008 for carrying out the bunkering business and supply of marine lubricants in the Singapore market, as well as international bunkering including expanding into Asian and Middle East markets. The company has been promoted by BPCL and Matrix Marine Fuels L.P. USA, an affiliate of the Mabanaft group of companies, Hamburg, Germany. The authorised capital of the company is USD 4 million. The company has subscribed 20 lakh shares for an equivalent sum of ₹ 8.41 Crores. Both the partners have contributed equally to the share capital. Matrix Marine Fuels L. P. USA has subsequently transferred their share and interest in the joint venture in favour of Matrix Marine Fuels Pte Limited, Singapore, another affiliate of the Mabanaft group. MXB has achieved revenue of USD 220.24 million and earned a profit of USD 1.88 million for the year ending 31.12.2017 as against USD 263.31 million revenue and a profit of USD 2.71 million in the year 2016.

KOCHI SALEM PIPELINE PRIVATE LIMITED (KSPPL)

BPCL has 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. BPCL has paid an amount of ₹ 75 Crores towards equity in this JV. The project is presently underway.

GSPL INDIA TRANSCO LIMITED (GITL)

BPCL has signed a Joint Venture Agreement on 30th April 2012 with Gujarat State Petronet Ltd, IOCL and HPCL for laying a 1,747 km Mallavaram-Bhopal-Bhilwara-Vijaipur (MBBVPL) Gas Pipeline. BPCL's equity contribution to this project will be 11% of the total equity capital. The other JV partners will contribute GSPL 52%, IOCL 26% and HPCL 11%. BPCL has made an initial contribution of ₹ 37.40 Crores so far. The company is in the process of acquiring the Right of Way for the pipeline and land for the SV/ RT/ DT stations.

GSPL INDIA GASNET LIMITED (GIGL)

BPCL has signed a Joint Venture Agreement on 30th April 2012 with Gujarat State Petronet Ltd, IOCL and HPCL for laying of a Gas Pipeline to Mehsana-Bhatinda (MBPL) (Pipeline length 1654 km) and Bhatinda-Jammu-Srinagar (BJSPL) (Pipeline length 460 kms). BPCL's equity contribution to this project will be 11% of the total equity capital. The other JV partners will contribute GSPL 52%, IOCL 26% and HPC 11%. BPCL has made an equity contribution of ₹ 42.57 Crores so far. The company is in the process of acquiring the Right of Way for the Pipelines and land for SV/ RT/ DT stations.

FINO PAYTECH LIMITED (FINO)

BPCL signed a Subscription Agreement with FINO PayTech Ltd. and Shareholders Agreement with FINO and other Investors on 29.07.2016. Pursuant to the said agreements, BPCL had made an investment of ₹ 251 Crores for a 21.1% stake in FINO PayTech Limited. The final RBI License for FINO Payments Bank (FPB) was received on 30.03.2017. FPB has commenced its banking operations with effect from 30.06.2017 and has operationalized 422 branches across India during the year ending 31.03.2018. Revenue from Operations during the year stood at ₹ 360 Crores and consolidated loss for the year 2017-18 was ₹ 167.21 Crores.

PETRONET INDIA LIMITED (PIL)

BPCL has 16% equity participation with an investment of ₹ 16 Crores in PIL which was formed as a financial holding company to give impetus to the development of a pipeline network throughout the country. PIL has promoted Joint Venture Companies for pipelines viz. Vadinar-Kandla, Kochi-Coimbatore-Karur and Mangalore - Hassan- Bangalore. PIL earned other income of ₹ 2.90 Crores and a net profit of ₹ 2.07 Crores for the financial year ending 31st March 2018 as against other income of ₹ 6.21 Crores, exceptional items of ₹ 61.47 Crores and a net profit of ₹ 59.32 Crores during the previous year. The entire stake of PIL in the Joint Venture Companies has been purchased by respective promoter companies viz. PCCKL stake has been taken over by BPCL, PMHB stake has been taken over by HPCL and ONGC and PVKL stake has been taken over by IOCL and RIL. During the year, the paid up share capital was reduced from ₹ 100 Crores to ₹ 1 Crore and ₹ 99 Crores was returned to its promoters. Now, the company would be wound up following the normal legal process.

BHARAT RENEWABLE ENERGY LIMITED (BREL)

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

RATNAGIRI REFINERY & PETROCHEMICALS LIMITED (RRPL)

RRPL was incorporated on 22nd September 2017 as a Joint Venture Company between BPCL, IOCL and HPCL with an authorised capital of ₹ 400 Crores and paid up capital of ₹ 100 Crores. BPCL has made an initial equity contribution of ₹ 25 Crores. An MOU was signed in April 2018 with Saudi Aramco, who has shown interest in partnership. Further, in June 2018, an MOU was signed between Saudi Aramco and ADNOC to co-invest in the project as overseas investors. Process of acquisition of land through MIDC has begun. Pre-project activities have commenced.

UJJWALA PLUS FOUNDATION (UPF)

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

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

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

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

MEMORANDUM OF UNDERSTANDING WITH MINISTRY OF PETROLEUM & NATURAL GAS

BPCL, for the 29th successive year, has entered into a Memorandum of Understanding (MOU) for the year 2018-19 with the Ministry of Petroleum & Natural Gas. BPCL has been achieving an "Excellent" performance rating since 1990-91. In 2016-17, BPCL has achieved an "Excellent" rating with a composite score of 90.14%.

BOARD EVALUATION

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

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

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

CORPORATE GOVERNANCE

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

SOCIAL, ENVIRONMENTAL AND ECONOMIC RESPONSIBILITIES AND BUSINESS RESPONSIBILITY REPORT

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

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

TRANSACTIONS WITH RELATED PARTIES

During the financial year, the Corporation has entered into contracts or arrangements with related parties, which were in the ordinary course of business and on an arm's length basis. These transactions are not falling under the provisions of Section 188(1) of the Act.

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

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

The Policy on materiality of related party transactions and dealing with related party transactions are available on the Corporation's website at the link.

https://www.bharatpetroleum.com/about-bpcl/our-policies.aspx

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Corporation has provided Loans/Guarantees to its Subsidiaries/Joint Ventures and has made Investments in compliance with the provisions of the Companies Act, 2013. The details of such investments made and loans/ guarantees provided as at 31st March, 2018, are given in the notes to the standalone financial statements and in the Disclosures under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in Annexure H.

RISK MANAGEMENT

The Risk Management Committee of the Board has defined roles and responsibilities, which includes reviewing and recommending of the risk management plan and reviewing and recommending the risk management report for approval of the Board with the recommendation of the Audit Committee. The Audit Committee evaluates internal financial controls and risk management systems. 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.

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. In the preparation of the Annual Accounts for the year ended 31st March, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

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

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

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

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Vinay Sheel Oberoi and Smt. J. M. Shanti Sundharam were appointed as Additional Directors with effect from 21.9.2017. Further, Dr. (Smt.) Tamilisai Soundararajan was appointed as Additional Director with effect from 28.9.2017. As they have been appointed as Additional Directors, they will hold office till the ensuing Annual General Meeting (AGM). Notices under Section 160 of the Act have been received proposing their names for appointment as Directors at the ensuing AGM.

Shri Rajiv Bansal, Additional Secretary & Financial Advisor, Ministry of Petroleum & Natural Gas, was appointed as Additional Director from 28.11.2017. As he has been appointed as Additional Director, he will hold office till the ensuing AGM. Notice under Section 160 of the Act has been received proposing his name for appointment as Director at the ensuing AGM.

Shri K. Padmakar was appointed as Additional Director and as Director (Human Resources) with effect from 1.2.2018. As he has been appointed as Additional Director, he will hold office till the ensuing AGM. Notice under Section 160 of the Act has been received proposing his name for appointment as Director at the ensuing AGM.

Dr. K. Ellangovan, Principal Secretary (Industries & IT), Govt. of Kerala, was appointed as Additional Director from 20.3.2018. As he has been appointed as Additional Director, he will hold office till the ensuing AGM. Notice under Section 160 of the Act has been received proposing his name for appointment as Director at the ensuing AGM.

Shri K. Sivakumar was appointed as Additional Director on the Board and as Director (Finance) with effect from 1.5.2017. The Shareholders have appointed him as Director (Finance) of the Company at the AGM held on 12.9.2017. He relinquished from the post of Director with effect from 8.5.2018 and took over as ED (Finance) I/c. He was appointed as CFO effective 29.5.2018 by the Board till the position of Director (Finance) is filled in.

Shri P. H. Kurian, Government Nominee Director relinquished the office of Director on 18.4.2017. Shri P. Balasubramanian, Director (Finance) superannuated at the close of office hours on 30.4.2017. Shri Anant Kumar Singh, Government Nominee Director ceased to be a Director on the Board from 28.11.2017. Shri S. P. Gathoo, Director (Human Resources) superannuated at the close of office hours on 31.10.2017.

Shri Paul Antony, Additional Chief Secretary (Industries & Power), Government of Kerala, was appointed as Additional Director on the Board and Government Nominee Director with effect from 19.4.2017. The Shareholders have appointed him as Director of the Company at the AGM held on 12.9.2017. He relinquished the office of Director on 20.3.2018.

The Directors have placed on record their deep appreciation on behalf of the Board for the valuable contributions made and guidance given by them for the development and progress of the Company's business.

Shri R. Ramachandran, Director (Refineries) will retire by rotation at the ensuing AGM as per the provisions of Section 152 of the Act and being eligible, has offered himself for re-appointment as Director at the said Meeting.

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

DECLARATION OF INDEPENDENCE

Independent Directors of the Company have provided declarations confirming that they meet the criteria of independence as prescribed under the Act.

FAMAILIARISATION PROGRAMMES

The Company has adopted a policy for the training requirements of Board Members. The details thereof with the programmes sponsored for familiarisation of Independent Directors with the Company are available at the Company's web link: https://www.bharatpetroleum.com/about-bpcl/our-policies.aspx

AUDIT COMMITTEE

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

VIGIL MECHANISM

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

The vigil mechanism provides for adequate safeguards against victimisation of persons who use a mechanism and has provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The details of establishment of such a mechanism are disclosed in the Company's web link:
https://www.bharatpetroleum.com/about-bpcl/our-policies.aspx

NUMBER OF MEETINGS OF THE BOARD

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

EXTRACT OF ANNUAL RETURN

As required under Section 92 (3) of the Act, extract of Annual Return of the Company is annexed herewith in specified Form MGT-9 as Annexure G to this Report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

STATUTORY AUDITORS

M/s CVK & Associates, Chartered Accountants, Mumbai and M/s. Borkar & Muzumdar, Chartered Accountants, Mumbai were appointed as Statutory Auditors for the year 2017-18 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 AGM. The Auditors' Report does not contain any qualification, reservation or adverse remark. The said firms have been reappointed as the Statutory Auditors for the financial year 2018-19 by the C&AG.

COST RECORD AND COST AUDIT

The Corporation has prepared and maintained cost records as prescribed under section 148(1) of the Companies Act, 2013 for the Financial Year 2017-18. The Cost Audit Report for the year 2016-17 has been filed with the Ministry of Corporate Affairs on 05.10.2017 in XBRL Format. The due date for filing the Cost Audit Report was 11.10.2017. The Cost Auditors for financial year 2016-17 were M/s ABK & Associates, Mumbai and M/s Bandyopadhyaya Bhaumik & Company, Mumbai.

The same Cost Auditors have been appointed for the year 2017-18. The Cost Auditor shall, within a period of 180 days from the closure of the financial year, forward the Cost Audit Report and the Corporation is required to file the Cost Audit Report within 30 days of receipt of the same.

SECRETARIAL AUDITOR

The Board has appointed M/s Dholakia & Associates, LLP, Company Secretaries to conduct a Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed herewith in Annexure I to this Report.

The Secretarial Audit Report does contain an observation that

a. The Company did not have sufficient number of Independent Directors on its Board as required under Regulation 17(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR) for the period from 1.4.2017 to 27.9.2017.

b. The Company did not have a Woman Director on its Board pursuant to second proviso of Section 149(i) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules 2014 and under Regulation 17 of SEBI (LODR) for the period from 1.4.2017 to 20.9.2017.

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

"Bharat Petroleum Corporation Ltd is a Government Company under the Administrative Control of Ministry of Petroleum and Natural Gas. The nomination/appointment of all categories of Directors are done by Government of India in accordance with the laid down guidelines of Department of Public Enterprises. Accordingly, the subject matter of nomination/appointment of adequate number of Independent Directors including Woman Director falls under the purview of the Government of India. We have from time to time communicated to the Ministry of Petroleum & Natural Gas with respect to the requirements of Independent Directors. After receipt of communication from Government of India, BPCL has appointed three Independent Directors including two woman Independent Directors i.e. 2 Independent Directors on 21.9.2017 and one Independent Director on 28.9.2017. Pursuant to these appointments, BPCL has complied with the requirements under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and DPE guidelines."

GENERAL

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

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

BPCL has complied with the provisions relating to the constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Accordingly, Internal Complaint Committees have been constituted across the Corporation in all Regional Offices and Refineries. A Committee at the Corporate Level also overseas the functioning of these Committees.

During the year under review, there was one complaint of sexual harassment in respect of our employee. The matter was taken up by the ICC and an enquiry was conducted by them. The report of ICC in the matter is awaited.

ACKNOWLEDGEMENTS

The Directors commend the indefatigable efforts of the employees, which has contributed immensely to the outstanding performance of the Company this year. Their dedication and commitment will stand the organisation in good stead to meet the challenges of the disruptive environment in future.

BPCL has also enjoyed unstinting support and guidance from all the Ministries of the Government of India, particularly the Ministry of Petroleum & Natural Gas. All the stakeholders, especially the customers, business partners and shareowners, have extended tremendous support always, underpinning the success of the Organisation.

The Directors assure of their unwavering focus on the strategic plans of the Company to steer it responsibly to stellar heights.

For and on behalf of the Board of Directors

Sd/-

D. Rajkumar

Chairman & Managing Director

Place: Mumbai

Date: 08.08.2018

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Economic Developments : Surging Ahead

As the world economy surges ahead, leaving behind the legacy of the global financial crisis of the past decade, it provides policy makers world over, a welcome opportunity to focus on the long-term issues pertaining to economic, social and environmental dimensions of sustainable development. While growth has been fuelled, primarily by increased investment and world trade, in many parts of the world, there is anxiety over the sustainability of the current trends. This stems particularly from the apprehensions around protectionism, trade wars, unconventional fiscal and monetary policies of advanced economies, debt conditions in emerging economies, declining labor supply in many countries due to changing demographic profiles, sudden surge in oil prices, security concerns in many geographies, geopolitical strains, cyber-security breaches and climatic changes.

With supportive financial conditions, new patterns of trade, increased global demand for commodities and services (especially from emerging economies) and rapid adoption of technological advancements, it is expected that the global growth remains steady at around 3% over the next couple of years. However, it is interesting to observe that the interplay of contradictory forces is ushering in a new era of technological disruptions in world economics.

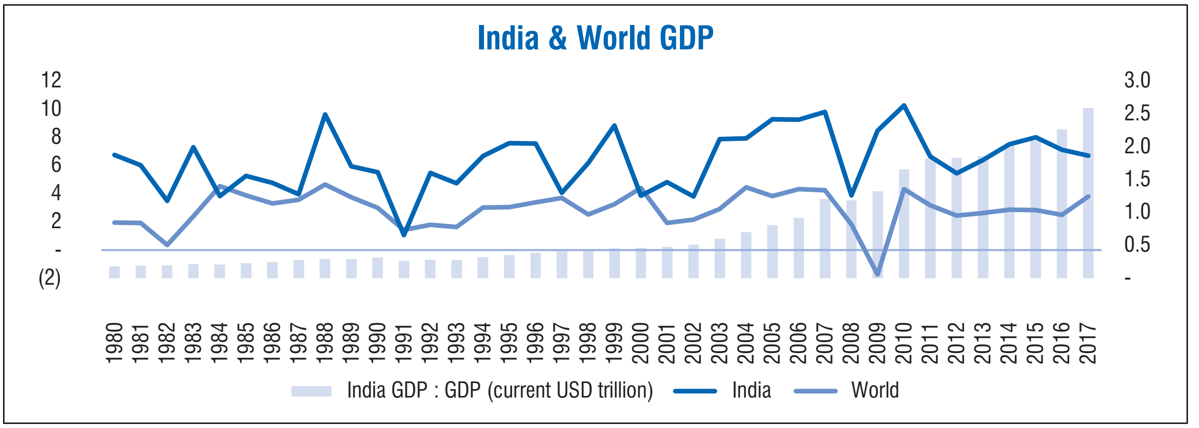
World growth is predominantly influenced by the firm growth in developed economies, but it is the dynamism of East and South East Asia that has accelerated global recovery.

Advanced economies like the United States (US) have experienced impressive growth characterized by domestic demand, especially investment, and aided by fiscal stimulus, improving labor markets, enhanced capacity utilization and inflation expectations. The Euro Area has witnessed the highest growth since the financial crisis, primarily due to strong consumption, investments and exports. Japan too, benefited from an accommodative monetary policy, positive economic conditions, strong exports, declining unemployment levels with increased participation of women and stable wages and inflation expectations. China remained resilient, even though growth in China is gradually slowing. Growing consumption contributed to growth, while investment growth rate reduced. Financial sector vulnerabilities (increased debt) and intensification of trade tensions due to increased protectionism in key trading partners will be a challenge that China will have to effectively deal with.

Though this has been the year for advanced economies, there is much in store for them given the challenges around calibrating their fiscal, monetary and trade policy standpoints to elongate recovery and avoid disorderly financial adjustments. Additionally, there is an urgent requirement to review the structural reforms that will boost productivity, labor force participation and fiscal sustainability amid rising demographic pressures. It is expected that growth in advanced economies will gradually decline given the waning effects of policy expansion, decelerated capital spending and increased energy prices, adversely affecting consumption.

Emerging and developing economies have been leveraging access to cheap credit that has aided consumer sentiment and accelerated consumption and investment. Rapid growth in emerging economies has contributed immensely to boost the global demand for commodities over the past several years. While Asia continues to be the most promising market, the outlook is less impressive and challenging for Latin America, the Middle East and sub-Saharan Africa.

While potential to grow is maximum in the emerging and developing economies, they are saddled with risks that



can have a significant impact on their growth. Policy shocks from advanced economies top the list as they would have a direct correlation to the interest costs and consequent debt positions of most emerging / developing economies. Average corporate debt in these economies has been steadily increasing and any normalization/ rationalization in the monetary policy of advanced economies would affect their financial stability and growth prospects. Building monetary and fiscal buffers will provide some relief to deal with the monetary policy tightening in advanced economies. Socio-economic issues such as poverty and unemployment will also have to be effectively dealt with. Further, concerns pertaining to consumption are also heightened, due to increasing oil prices that have a spiraling effect on developing economies.

The year gone by has been an eventful one for India in several ways. India witnessed a number of key structural initiatives fortifying major economic parameters for ensuring sustainable growth in the coming years. The conscious efforts taken by the Government of India towards fundamental shifts in the economic architecture of the country have started affecting yield. Chief amongst these have been the Goods & Service Tax (GST) launched in July 2017 to consolidate all forms of indirect taxes (except a few) and form a harmonized tax structure, the Insolvency & Bankruptcy Code, launched in December 2016, for easy and quick insolvency resolution, the proliferation of Jan Dhan Yojana, to ensure financial inclusion, especially in the rural areas, the Ayushman Bharat scheme launched in the health sector, covering prevention, cure and insurance, aimed primarily at the poor and vulnerable families and Recapitalization of public sector banks to aid the recognition of stressed assets and hence the resolution of non-performing loans, in order to enhance the quality of the banks' portfolio and support the recovery in investments.

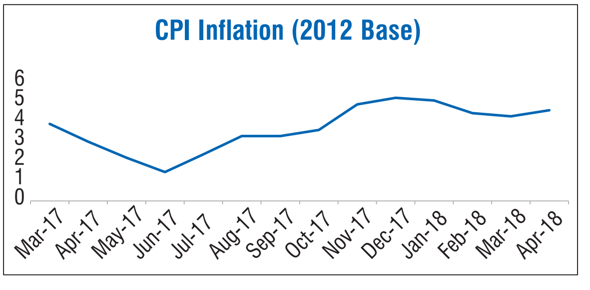
Data reveals that slowly, but surely, hovering around 7%, India's growth is decoupling from that of the world.

With a GDP exceeding USD 2.5 trillion, India is the world's sixth largest economy and as per estimates from the World Economic Forum, India is expected to be the world's second largest economy by 2050, second only to China.

India's growth has been driven mainly by the agricultural industry, service industry and manufacturing activity. Agriculture is expected to grow higher than current estimates, on the back of a bumper harvest, and the Government's thrust on rural housing and infrastructure. This coupled with increase in private consumption, especially improved rural demand, and Government spending has been a major stimulant for growth.

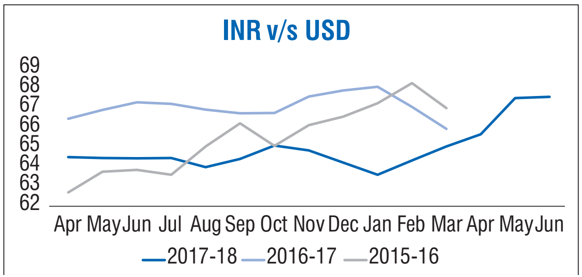
Financial year 2017-18 saw Indian CPI inflation touch multi-year lows of 1.46% in June 2017, primarily due to stable global commodity prices. However, the index started rising sharply, touching 5.21% in December 2017, mainly on account of implementation of pay revision in the public sector and gradual increase in crude prices.

Going forward, it is expected that inflation will rise, given the guidelines for Minimum Support Price (MSP) of agricultural produce, increase in customs duty for a number of items, and impact of increasing crude/oil prices in Q1 of the current fiscal. This can further be aggravated in the event of fiscal slippages, especially



when combined with an increasing demand trend. It is estimated to hover around RBI's long term target of 4%.

The Indian Rupee performed remarkably well during fiscal 2017-18 averaging ₹ 64.45 against the US dollar, thus appreciating by almost 4% over the previous year. This could have been prompted by buoyant capital inflows, proactive policy initiatives and a relatively weak dollar.



However, starting February 2018, the rupee started to depreciate, in the light of stronger than expected US wage data suggesting interest rate increase by the US Federal Reserve, concerns over the impact of higher crude oil prices on India's trade deficit and introduction of long term capital gains tax in India. This was further aggravated by strengthening of the US dollar and exit of capital funds from the Indian equity and debt markets. The Indian rupee finally touched levels of the previous fiscal. It is expected that the Indian rupee is likely to witness a certain degree of stability in the near term, while it will depreciate gradually over the year.

India will continue to be the fastest growing economy in the world. However, the sustainability of this growth is largely dependent on effective implementation of structural and financial policies, resilience of the Indian rupee, a stable political scenario and stability in oil prices.

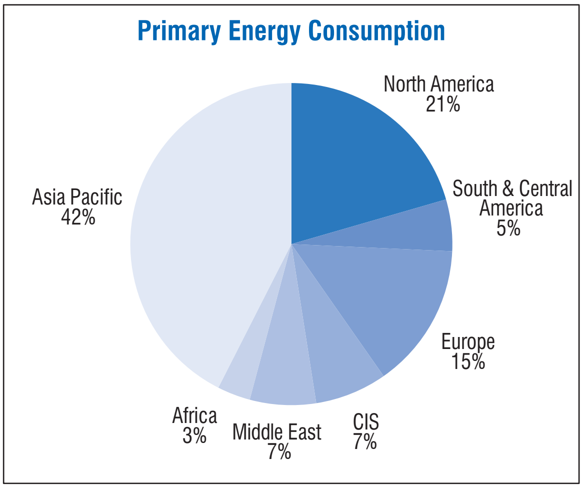
Albeit the above, in many parts of the world, strong economic growth, improving labor markets, low to acceptable levels of inflation, positive consumer sentiment, increased consumption and enhanced investments, have created near perfect opportunities for businesses to thrive.

The current scenario also provides an opportunity to review policies and reforms and create a natural resilience to several pressures opposing growth in the medium and long term. Chief amongst these would be to strengthen and encourage more inclusive growth to deal with issues of poverty, unemployment and demographic pressures, hedge against financial risks (especially monitoring exposure to foreign currency debt), foster cooperation amongst advanced and emerging / developing countries to create and enhance prospects for low-income economies, strengthen financial architecture, tackle institutional deficiencies pertaining to governance, build resilience against climatic changes and restrict the pace of environmental degradation.

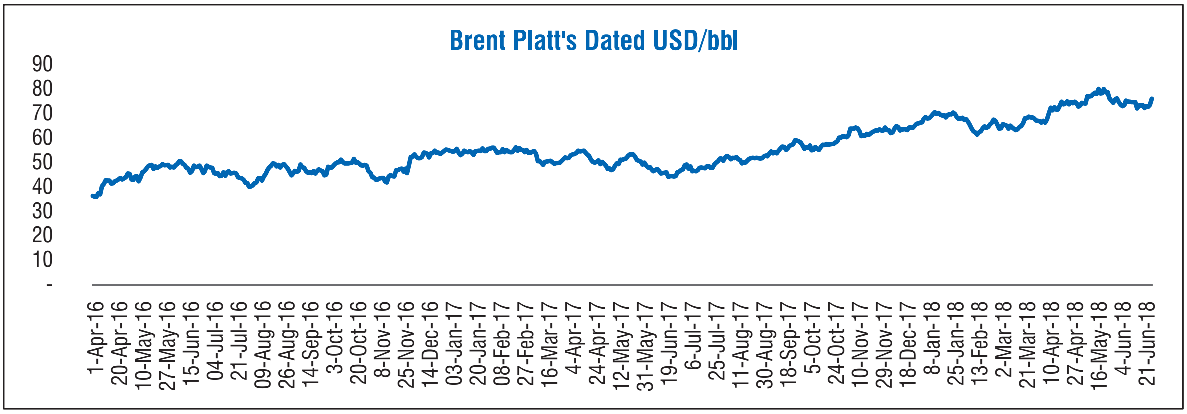
Trends in the Oil and Gas Sector

The last few years have been characterized by technological advancements leading to energy efficiency, enhanced acceptability and growth of renewable energy and reduction in coal consumption across the world. This had resulted in improvements in the fuel mix and consequently, a muted or zero growth in carbon emissions from energy consumption. The year 2017, however, signaled a reversal in these trends. Gains from energy efficiency peaked and hence slowed down, consumption of coal increased, especially due to markets such as India, and carbon emissions from energy consumption started recording an increase. However, the structural shifts made in the renewable energy space continued to make inroads with notable gains in solar energy, indicating a diversified fuel mix.

Global primary energy consumption recorded a robust growth of around 2.2%, led primarily by growth in natural gas and renewables. While the share of coal continues to decline in the energy mix, 2017 witnessed an increase in the consumption of coal, for the first time in four years.



China continued to be the largest market for energy consumption growing at around 3%, followed by the US, growing by less than 1% and then by India, growing by almost 5%. China, US, India and Russia consume more than half of primary energy world over. China's share in the energy consumption stood at around 23%, followed by the US at around 16%, India at 5.5% and Russia at 5%. Overall about 42% of the energy consumption is attributed to the Asia Pacific region, with North America contributing about 21% and Europe 15%.



During 2017-18, the benchmark Brent hovered around USD 57 per barrel, 18% more than the average in the previous year. From a low of USD 44.80 per barrel in June 2017 to a high of USD 70.71 in January 2018, oil prices surged almost 60% in a 7 month period. Prices did stabilize at USD 60 levels in February 2018, only to rise to highs of USD 80 levels in May 2018.

The Brent-Dubai differential during 2017-18 averaged around USD 1.70 per barrel in favour of Brent, marginally lower than the USD 1.73 recorded in the previous year. The highest differential was registered in March 2018 at USD 5.08 per barrel, marginally higher than the USD 4.98 of the previous year. The Dubai benchmark surpassed the Brent prices in the first quarter of the financial year, with the differential peaking at USD 1.78 per barrel in favour of Dubai.

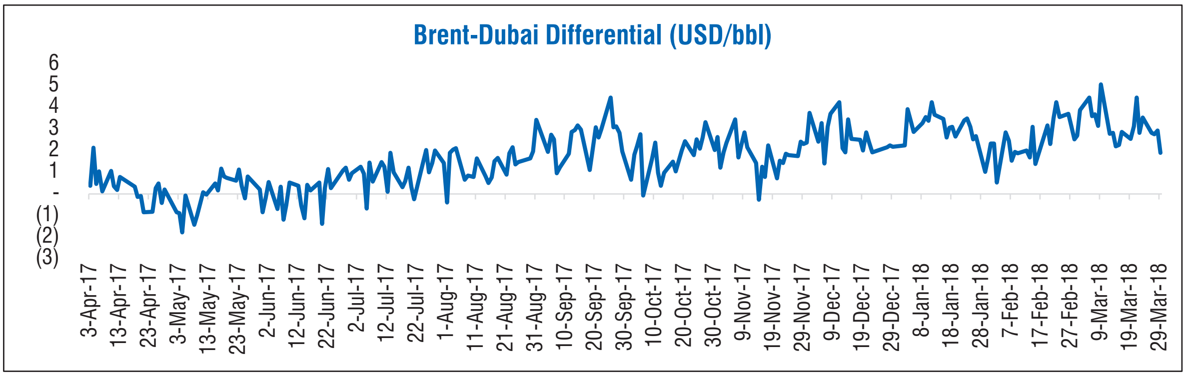
Product prices have increased during 2017-18 as compared to the previous two years. The average prices of Motor Spirit (MS) (Unleaded Singapore Platts) recorded an increase of close to 17% as compared to the average prices in the previous year. Prices of Naphtha too increased by almost 20% over the previous year. Jet Fuel / Kerosene (SKO) and High Speed Diesel (HSD) witnessed an increase of around 19% as compared to the average prices in the previous year.

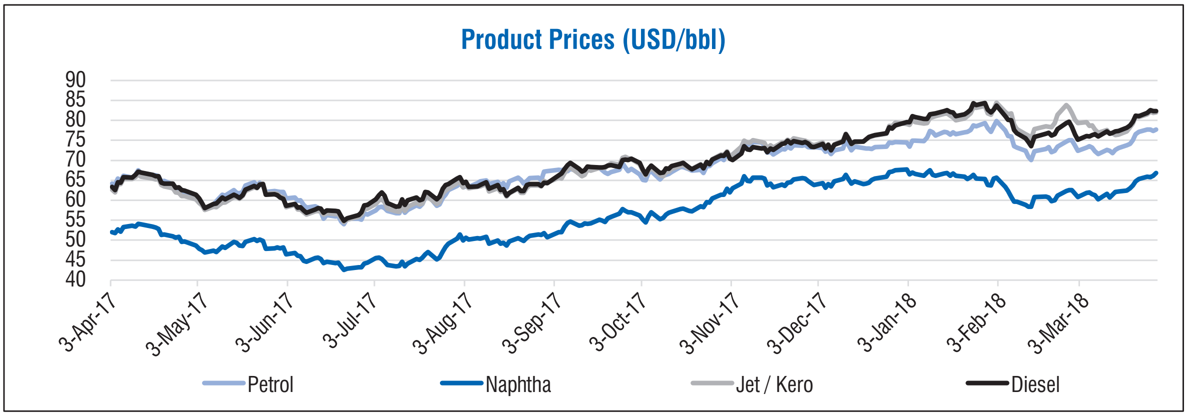
2017-18 witnessed an increase in product cracks as compared to the previous year. MS cracks averaged almost USD 12 per barrel, 7% more than the average cracks of the earlier year. Naphtha cracks averaged at around USD 0.29 per barrel as against the average of only USD 0.04 per barrel in 2016-17. The average of Jet Fuel / Kero and HSD cracks hovered around USD 13 per barrel, 16% and 19% more than the average of the earlier year, respectively.

During 2017, the oil prices witnessed significant volatility. Conscious efforts by the OPEC to control supplies in the earlier parts of the year, in order to curtail free fall of oil prices, did result in oil prices stabilizing. However, due to increasing geopolitical risks, especially in Venezuela, Iran, Libya and Nigeria and aggravated by the inventories declining to 5 year averages, oil prices started increasing rapidly over a very short period of time. While the recent intervention by OPEC and non-OPEC suppliers to enhance oil output is expected to yield the desired impact of stabilizing prices, much will depend on the outcome of US sanctions on Iran that will take effect by November 2018 and the impact of increasing demand for oil and oil products that continues to witness robust growth.

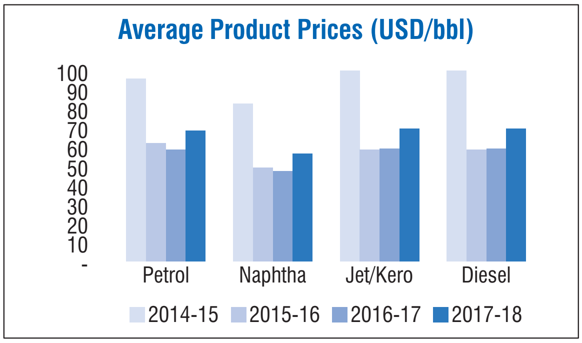
Indian Petroleum Sector

While low and stable energy prices will always be welcome for a growing country, India has effectively



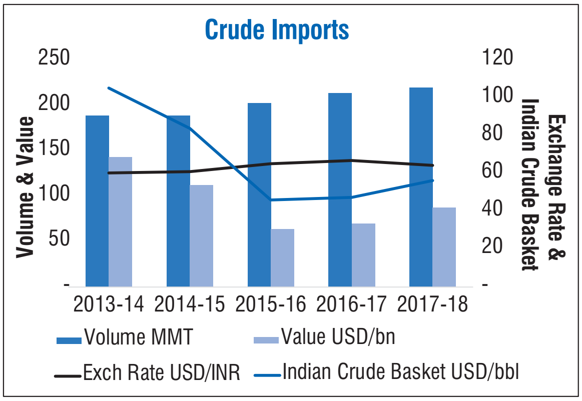


absorbed the recent volatility in international oil prices. The third largest consumer of primary energy and one of the fastest growing economies in the world, India renders itself as the perfect example of resilience, structural robustness, political stability and strong economic fundamentals. With a per capita consumption of primary energy of only 0.57 ton of oil equivalent (toe), India is

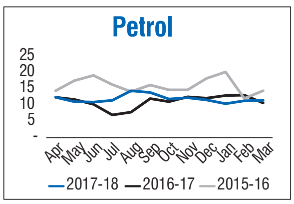


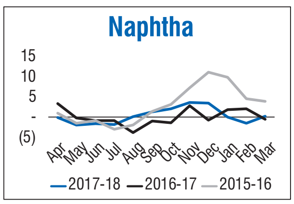
way behind the per capita consumption in the US of 6.92 toe and the world average of 1.82 toe. Interestingly, if the world average per capita consumption were to be applied to the Indian population, total world primary energy consumption would increase by 12% and India's share would increase to 16%. As trends suggest, India offers tremendous potential and has positioned itself as the world's fastest growing energy market for years to come.

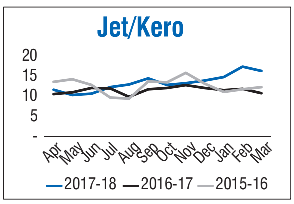
India produces less than 1% of the world's crude oil but consumes almost 5% of the world's crude oil. With more than 80% of the crude processed being imported, India's import bill has increased by 25% from USD 70 billion in the previous year to almost USD 88 billion in 2017-18. While the increase in crude volumes has been only 3%, higher crude prices are the reason for an increased import bill. The Indian crude basket was at around USD 56 per barrel during 2017-18, 19% higher than the USD 47 (approximate) per barrel during the previous year. A 4% appreciation in the Indian rupee vis-à-vis the US dollar has aided in containing the import bill for the 220 MMT imported during 2017-18.

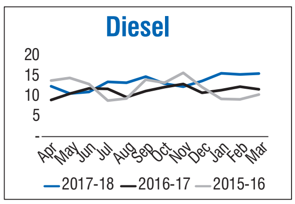


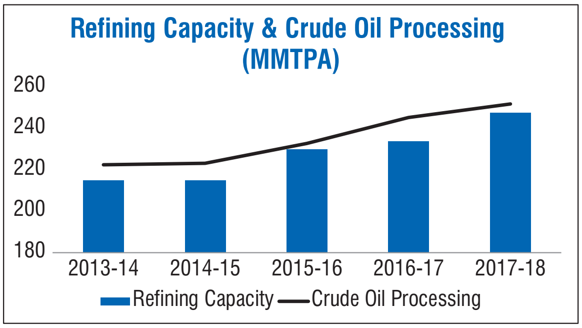
Indigenous crude oil production during 2017-18 stood at 35.7 MMT, marginally lower than the 36 MMT of last year. While the contribution from onshore fields has been declining over the past several years, contribution from off-shore fields has also started declining in the past two years, causing an overall decline in the share of indigenous crude in the crude requirements of the country.









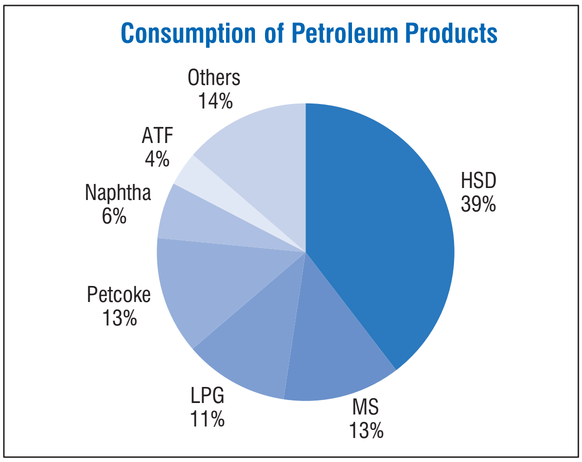


As the Indian economy grows, so does its appetite for energy. Over the past decade, India has added refining capacity of close to two thousand barrels per day, increasing its share in the world's refining capacity to 5%. As on 1st April, 2018 India's installed capacity stands at 247.6 MMTPA, an increase of 6% over the previous year. The increase in refining capacity is primarily due to capacity enhancement and stabilization at BPCL's Kochi Refinery, HPCL-Mittal Energy Limited (HMEL)'s Bhatinda Refinery and Reliance Industries Limited (RIL)'s Jamnagar Refinery. The Indian refineries processed crude close to 252 MMTPA, 3% up from the previous year, with almost 75% of the crude processed being high sulphur crude.

The consumption of petroleum products increased by 5.3% to 204.90 MMT with LPG, petrol, diesel and petcoke accounting for almost 77% of the total consumption. Diesel contributed 50% to the increased consumption, followed by petrol that contributed 23%.

Comparing the retail selling prices (RSP) of petrol and diesel in various countries in Indian rupees (INR), reveals that the tax structure for petroleum products in India is a healthy average of the tax structures in the European and North American markets.

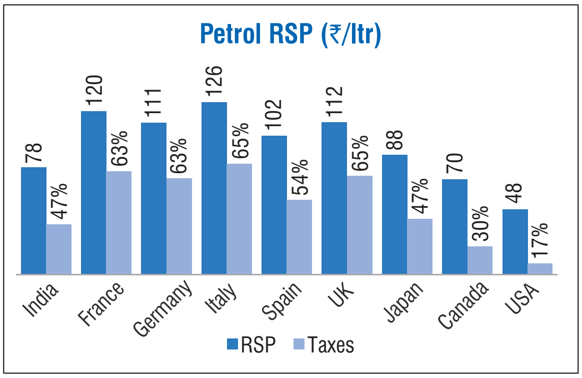
In the case of petrol, the Indian RSP includes taxes of 47% as compared to the 54%-65% range prevalent in Europe, 30% in Canada and 17% in the US. Similarly, in

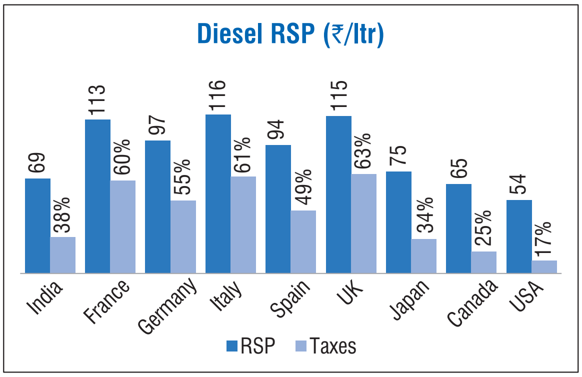


the case of diesel, the Indian RSP includes 38% of taxes, as compared to the 50%-63% range in Europe, 25% in Canada and 17% in the US.

Energy Access, Energy Efficiency, Energy Sustainability and Energy Security are the cornerstones identified by the Government of India in prioritizing its plans for the oil & gas sector in India.

With the huge growth in India's future energy demand and rising climatic concerns, it will be imperative for India to balance the twin objectives of expanding energy supplies and sustainable development by promoting the use of cleaner





energy sources and development of a green transportation network. The flexibility of Natural Gas as a fuel, together with its energy security and environmental attributes, makes it an attractive fuel option for sustainable growth.

The future gas market, globally as well as in India, is poised to become both complex and competitive. Particularly for India, the Government of India has undertaken the objective of reducing the carbon emission intensity of its GDP by 33% – 35% by 2030 and to increase the share of Natural Gas in the country's overall domestic energy mix from the present 6.5% to 15%. This would require major investments in development of gas infrastructure (Pipelines, Terminals and City Gas Distribution (CGD) Networks). Petroleum & Natural Gas Regulatory Board

(PNGRB) is expected to come up with bidding for around 140 geographical areas for CGD Networks in 2018.

In order to promote a gas based economy and enhance the share of Gas in the energy basket, the Government has made aggressive plans of developing a Gas pipeline network. At present, the Natural Gas grid in the country predominantly connects the western, northern and south-eastern Gas markets with major Gas sources. Attempts are being made to provide clean energy in the eastern parts of the country through capital infusion and grants. Further, the Government is promoting the usage of CNG as an environment friendly transportation fuel.

As a next step towards protecting the environment, the Government had decided to leapfrog directly from BS-IV to BS-VI fuel standards which were to be implemented in the country w.e.f. 1st April, 2020. However, with increasing levels of pollution being recorded in Delhi and the National Capital Region (NCR), supply of BS-VI has already been made available in the National Capital Territory of Delhi with effect from 1st April, 2018. A detailed schedule covering various pockets of the country has been drawn up for speedier implementation.

The Pradhan Mantri Ujjwala Yojana (PMUY) launched in May 2016 to empower millions of poor women in India, who are forced to inhale unhealthy emissions from burning coal, wood and other unclean fuels while cooking, continues to make good progress. Under PMUY, 5 Crore LPG connections will be provided to below poverty line (BPL) families with a support of ₹ 1,600 per connection by 2018-19 and ₹ 8,000 Crores is being earmarked for the scheme by the Government of India. More than 4 crore LPG connections have already been released across the country since the scheme was launched. With this scheme, LPG has been made available to the hinterlands of the country. To extend the opportunity to Indian citizens to contribute to the welfare of the country, an initiative termed “Ujjwala Plus” was launched. Under this, any Indian could donate an LPG connection to the under privileged sections of rural India. Further, since PMUY focuses largely on BPL households, it is imperative to focus on the safety and security of first-time LPG users. Accordingly, the concept of LPG Panchayat was introduced in order to bring together around 100 LPG customers in the immediate vicinity on an interactive platform, to discuss the safe and sustainable usage of LPG, its benefits and the linkage between use of clean fuel for cooking and women empowerment. It is proposed to conduct one lakh LPG Panchayats across India before 31st March, 2019. With an LPG penetration of more than 80%, India is well on its path towards a healthier, cleaner and safer environment.

In an attempt to ensure the quality and quantity of fuel dispensed from petrol pumps, the Oil Marketing Companies (OMC) have automated 92% of their petrol pumps selling more than 100 kl per month. This has been an important endeavor to enhance customer confidence and minimize the likelihood of fraudulent transactions.

On the same lines, there has been rapid expansion of digital infrastructure at retail outlets, covering more than 95% of the sales volumes. OMCs continue to absorb 0.75% of the transaction value as digital cost and support the country’s initiative of a cashless economy.

As a measure of energy security and insulation of the economy from supply side disruptions, the Indian Government had decided to establish Strategic Petroleum Reserve facility (SPR) at three locations, namely, Visakhapatnam (Andhra Pradesh), Mangalore and Padur in Karnataka with a total capacity of 5.33 MMT, managed by Indian Strategic Petroleum Reserve Limited (ISPRL). These strategic storages would be in addition to the existing storages of crude oil and petroleum products with the oil companies. While the facility in Visakhapatnam is operational, ISPRL has firmed up definite agreements with ADNOC for Oil Storage and Management. In addition, the Government has also announced SPR facilities at two more locations with a combined capacity of 10 MMT - at Chandikhole in Odisha and at Bikaner in Rajasthan. The locations have been decided based on technical, geological, security and commercial aspects.

In order to reduce oil dependency by 10% by 2021-22, several studies have been undertaken in consultation with various stakeholders. The final outcome has been a roadmap proposing a five-pronged strategy, which broadly comprises of increasing domestic production of oil and gas, promoting energy efficiency and conservation measures, giving thrust on demand substitution, capitalizing untapped potential in biofuels and other alternate fuels/ renewables and implementing measures for refinery process improvements.

While India’s energy consumption might seem to be high in absolute terms, it is one of the lowest per capita primary energy consuming countries among the developing economies of the world. With economic activity picking up across various sectors, the Indian economy is expected to benefit from increased infrastructure spending and easing policy norms. It is expected that India will overtake China as the largest growth market for energy by the late 2020s and have a share of 11% in global energy consumption by 2040. With rising global energy demand, the oil and gas industry has a wide range of challenges and opportunities.

Opportunities and Threats

The oil & gas sector, the world over, is in a constant state of complexity. Geopolitical forces are influencing the sector in an unprecedented manner. Moreover, the simultaneous impact of unrest in Venezuela and Libya causing supply disruptions, coupled with US sanctions on Iran requiring oil importing countries to realign their import plans, are resulting in a rapid rise in prices. The lowering of global inventory levels and healthy global demand has further pressurized the market equilibrium. While conscious attempts by oil producing nations to enhance output and compete for market share does balance the trend of rising prices, the uncertainty in the markets seems to be intense. This, by far, is the most powerful threat that the oil & gas sector has to manage.

One significant element that has started taking effect is that of inadequate infrastructure supporting the sector. Even though certain countries have surplus product that can be exported to maintain oil prices, lack of infrastructure prohibits this intervention. A classic example that may be cited is that of the US being unable to enhance its oil exports due to inadequate port infrastructure. Natural disasters such as Hurricane Harvey in Texas further magnified this infrastructure deficit. While investments in this area have become crucial, cost reductions achieved and sustained by oil and gas producers have been remarkable. Notwithstanding this, another factor to be recognized is that a healthy industry needs a robust ecosystem of producers, service providers, manufacturers, financiers and others. While producers in the ecosystem may be surviving, or even growing and flourishing, many service providers continue to strive for sustenance, pushing towards a new equilibrium.

Another ostensible situation that the oil & gas sector is compelled to deal with is that of renewable energy. Consumption of renewables recorded the highest increase in the world's energy basket as compared to the previous year. Renewables increased by 17% from 417.40 mtoe in 2016 to 486.80 mtoe in 2017, constituting 3.6% of the global energy mix.

India has taken several steps to encourage proliferation of renewables. Many regions in India have potential to generate both solar and wind energy. Locations have been identified for bids for solar-wind hybrid projects. India has Waste to Energy (WTE) units with installed capacity of around 300 MW. Under the Swachh Bharat Mission, the Government has set a target to achieve scientific solid waste management in 4041 cities/towns by FY 2019. The National Tariff Policy has also made it mandatory for utilities to procure 100% of power generated from waste-to-energy projects. Further, the environmental concerns around NCR have prompted companies to plan investments in bio-power in neighboring states.

While increase in consumption of renewables indicates migration towards cleaner and more efficient forms of energy, there is a concern with respect to leveraging large investments in conventional energy to their full potential.

Today, digital is a key enabler for cost reduction, enhanced decision making and increased workforce productivity. Despite a deluge of digital advancements, the Oil and Gas sector has been slow to seize the opportunity. Efficiency, flexibility and predictability are the most important tools required by this sector in the current business environment. With miniscule levels of equipment connectivity and utilization of data in decision making, companies have significant potential to optimize assets and operations. As the industrial world becomes more connected, the ever-increasing amount of information presents an opportunity to improve safety, reliability, asset health, operational efficiency and profitability.

India is home to more than 17% of the world's population, but stands at a primary energy consumption level of merely 5.5%, with the world's average per capita primary energy consumption being more than thrice that of India. Owing to growing impetus on infrastructure development and manufacturing, India is expected to remain one of the fastest growing economies of the world. Increased economic activity, urbanization and industrialization will enable India's energy consumption to grow at the fastest rate amongst all major economies. Natural Gas demand in India is poised for robust growth. 6-10% CAGR demand growth is projected across end consumers and industries. At the same time, domestic gas supply is also projected to grow in the range of 6-12% CAGR. To cater to this demand, major investments in development of gas infrastructure (Pipelines, Terminals and CGD Networks) will be required. These avenues together form an attractive pool of greater profitability by 2025.

Petrochemicals is another industry set to boom in India. World over, consumption of petrochemicals is benchmarked in terms of polymer per capita consumption. India's per capita polymer consumption of approximately 8 kg, is far below the world average of 35 kg, USA's 90 kg and China's 46 kg, indicating high potential for growth of Petrochemicals in India. India's Petro Chemical Vision 2030 envisages investments to the order of USD 40 – 60 billion to meet the growing Petrochemical demand in India. As a strategy, expansion plans of most refineries entail production of Petrochemicals producing both commodity and niche derivatives.

Carbon emissions from energy consumption increased by 1.6%, after little or no growth for three consecutive years. Consumption of coal too, grew for the first time in four year Increasing demand for oil and oil products has caused environmental degradation at several levels. While technological advancements and improved efficiency in vehicle performance does reduce the burden on the environment, it does little when compared to the ecological imbalance created in previous years. Threat to the environment is possibly one of the most severe forms of challenges that the oil & gas sector needs to effectively manage.

Threats and challenges notwithstanding, the oil & gas industry, world over is inundated with opportunities that very few industries can boast of. With a value chain covering a gamut of activities that support multiple ecosystems, the oil & gas sector has the propensity to alter scales in global economics. Considered to be the world's largest sector in terms of dollar value, the oil and gas industry is a global powerhouse of technology, talent and capital, so vital that it often contributes a significant amount towards national GDP in most large economies.

Risks, Concerns and Outlook

The recent increase in price trends has signaled towards a regime of reduced operating costs, enhanced efficiencies and increased interest in renewable sources of energy. After several years of oversupply, the oil and gas industry could very well be moving headlong into a supply crunch. While the OPEC and other oil producing nations have committed to enhanced production to ensure supply outages caused by geopolitical factors do not raise prices to exceptionally high levels, the uncertainty prevailing in the oil markets cannot be undermined. Further, though the high oil prices will provide a stimulus to the oil & gas sector, in the form of renewed interest in upstream investment, an aspect that cannot be ignored is that continuously increasing prices would eventually result in demand destruction, pushing down the price to equilibrium levels.

2017 witnessed the growing status of the US as an energy exporter. With the ban on crude oil export being lifted by the US in late 2015 / early 2016, American crude has become freely available in the international oil markets. Daily exports have already exceeded 2 mbpd with Asia accounting for approximately 50% of the volumes. It is expected that with the existing infrastructure, exports can reach a level of 3mbpd in the near future and will increase significantly in late 2020 with the commissioning of augmented infrastructure. In the coming years, it is anticipated that the US will be a significant player in oil.

The oil & gas sector is in dire need of improved integration, enhanced infrastructure and a conducive fiscal and regulatory landscape. This would be a key to attract investments across the value-chain. India has made significant strides in this regard. The previous year witnessed the integration of two of the largest domestic oil companies into an integrated major - the ONGC–HPCL deal. This is expected to be the first step in the consolidation of the oil & gas sector in India. Further, with India's improved rating in the 'Ease of Doing Business' index and active steps in improving the country's oil & gas infrastructure through fiscal incentives and policy reforms, the coming era is expected to be that of augmented growth in energy consumption coupled with increased investments in the Indian oil & gas sector.

Growing urbanization and evolving demographics in the Indian economy are likely to play a critical role in the socio-economic development of the country, thereby having a positive impact on the Indian oil & gas sector.

The trend depicting urbanization, resulting in enhanced purchasing power is one of the growth engines. There has been considerable growth in urbanization over the last two decades and approximately 33% of the Indian population is currently urban. Economic growth coupled with increased employment opportunities across industries is likely to accelerate the process of urbanization. Going forward, it is expected that the urbanization rate will reach 50% for many states in the country.

In the coming decade, India is likely to contribute more that 50% of the increase in Asia's workforce, having a considerable impact on the disposable income of the already burgeoning middle class. This is likely to result in growth in white goods and vehicle penetration, ultimately leading to growing energy demand.

In order to ensure safe, reliable, affordable and sustainable energy systems for the future, it is important to encourage and incentivize energy efficient standards. Not only would this be the quickest route towards easing environmental concerns, but it would also go a long way in addressing challenges pertaining to rising costs of energy. The Indian Government has committed to ensuring conducive regulatory and policy reforms for fostering innovative and sustainable business models for strengthening the case for energy efficiency.

With paradigm shifts in the technology space and advancement in digitization, there is an urgent need to address the changing talent profile required by the oil & gas industry. While traditional disciplines will continue to hold their ground, they will have to be complemented by expertise in analytics and digital operations. A fine balance between technical skills and technological proficiency will necessarily have to be maintained for the growth and profitability of the sector.

The outlook for the oil & gas sector in the country and the world over indicates a positive inclination towards reduced costs, enhanced efficiency, increased investments, cleaner fuels and greater likelihood of sustainability, supported by an evolving energy mix with an increasing share of renewable energy.

PERFORMANCE

REFINERIES

Mumbai Refinery

Mumbai Refinery (MR) achieved the highest ever crude processing of 14.1 MMT and total throughput of 14.29 MMT (crude oil and other feedstocks) as against crude processing of 13.54 MMT & total throughput of 13.60 MMT achieved in 2016-17. This represents a capacity utilization of 119%, as compared to 113.3% in the previous year.

The distillate yield achieved was 84.3 wt% on total throughput. The sulphur content and API of crude mix processed during the year were 0.81 wt% and 38.0 in comparison to the previous year's figures of 0.67 wt% and 39.1 respectively.

MR achieved its highest ever production of Motor Spirit (MS) (2467 TMT, higher by 10.6% than the previous year), Aviation Turbine Fuel (ATF) (983 TMT, higher by 6% than the previous year) and High Speed Diesel (HSD) (6560 TMT, higher by 6% than the previous year) during the year 2017-18. With optimized crude mix and successful commissioning of the Diesel Hydrotreater Unit (DHT) & Tail Gas Treatment Units (TGTU), MR has demonstrated its constant endeavour to meet market demand and strive for emission reduction.

MR achieved the highest ever Gross Refining Margin (GRM) for the year 2017-18 at USD 7.26 per barrel, as compared to USD 5.36 per barrel realized in 2016-17. The overall gross margin for the refinery in 2017-18 amounted to ₹ 5,023 Crores (37% higher), as compared to ₹ 3,671 Crores in 2016-17.

MR adopted several initiatives to improve refining margins in 2017-18 like higher capacity utilization of secondary process units such as the Hydrocracker Unit (HCU) and Continuous Catalytic Regeneration Reformer Unit (CCR), commissioning of DHT in a record time of 23 months from environmental clearance and implementation of Advanced Process Control (APC) in process units and High Efficiency Boilers. Apart from crude processing and crude throughput, the major achievements during 2017-18 are the highest ever production of transportation fuel (73.5% on throughput against 71.7% in FY 2016-17).

The highest ever record of 31 million man-hours without Lost Time Accident was completed on 30th January 2018 and all targets related to safety were met. MR bagged the 2nd position in the Swachhata Index Award instituted by MOP&NG to recognise cleanliness measures. A total of 3070 HSSE man-days training was imparted to BPCL employees during the year. Implementation of safety audit recommendations was 96.2% as against the business plan target of 95.3% during the year.

As a part of its Integrated Management System, MR was recertified on ISO 9001:2015, 14001: 2015 and OHSAS 18001:2007 standards for Quality, Environment & Occupational Health and Safety Management Systems, which are valid till November, 2019.

The MR Quality Assurance laboratory is equipped with state-of-the-art facilities and strives to achieve the highest quality standards through meeting the requirements/ standards of reputed external certifying agencies and accreditation bodies like National Accreditation Board for Testing and Calibration (NABL), ISO/IEC 17025, Directorate General of Civil Aviation (DGCA), Directorate General of Aeronautical Quality Assurance (DGAQA), Centre for Military Airworthiness Certification (CEMILAC) etc. The Refinery laboratory continued to perform well in the international laboratory proficiency testing scheme run by M/s ASTM International USA.

The Quality Assurance Laboratory commissioned and installed the equipment and instruments required to carry out testing Pharma grade and Polymer grade Hexane as a part of the Isomerization project. The Lab has upgraded the Laboratory Information Management System (LIMS) to the higher version with various new features.

Paramount importance was accorded to energy conservation efforts and MR has in place, a sound and effective Energy Management System (EnMS), accredited with ISO 50001:2011 certification by M/s DNV. Continuous monitoring of energy performance and keeping abreast of the latest technologies for energy conservation have helped MR achieve robust energy performance during the year. The relentless efforts of energy conservation, which includes 36 energy conservation schemes implemented across the refinery, resulted in reduction of specific energy consumption from 71.4 in 2016-17 to 66.7 in 2017-18.

MR has been adjudged as the winner of the Refinery Performance Improvement Award 2016-17, which was presented during the Refining & Petrochemicals Technology Meet at Bhubaneswar. This award by CHT is based on refinery performance parameters like crude throughput, MBN, specific energy, water and steam consumption, carbon emission intensity and operating cost.

On the environmental conservation front, a number of significant environmental projects were undertaken as part of the Environmental Management System (EMS) in 2017-18. The following are the major highlights of various environment conservation and protection activities undertaken:

- Tail Gas Treatment Units have been installed for improving efficiency of the Sulfur Recovery Unit (SRU) from 99% wt to 99.9% wt.
- As a part of the Environment monitoring system, Ambient Benzene Monitoring GC Analyser Systems have been installed on 23.3.2018 at 11 locations in the ARU Complex to monitor the Benzene concentration levels inside the plant and strengthen awareness towards environment protection.
- Effluent Treatment Plant Analyzer (COD, BOD, TSS & PH) was installed at the ETP outlet line and the output of these analyzers has been connected to the Central Pollution Control Board (CPCB) server in June 2017.
- Bio-remediation was completed for 1200 m^3 of oily sludge in Tk-114 pit.
- As a part of compliance to CPCB guidelines, output from stack analysers (CO, SOx, NOx & SPM) of Isomerization & DHT was connected to the CPCB/ Maharashtra Pollution Control Boards (MPCB) server.
- Volatile Organic Compounds (VOC) monitoring was carried out inside BPCL MR (i.e. Process Plant & Off-site) with the help of MOE&F approval and NABL accredited third party M/s Netel (India) Ltd. VOC monitoring was carried out for 24 hrs at 50 locations, 21 parameters were checked and it was within the prescribed limit at all the 50 locations.
- The Toluene loading bay was connected to the existing Benzene Vapour extraction system on 8.8.2017 so that Toluene emissions were recovered while lorry filling is carried out along with existing Benzene Vapour Recovery.
- MR installed a state-of-the-art waste water treatment plant based on Powdered Activated Carbon Treatment (PACT) and Wet Air Regeneration (WAR) with a design capacity of 240 m^3/hr. The process eliminates chemical and biological sludge formation. The activated carbon is regenerated and there is no pollution caused by this treatment method. The treated water from ETP is being recycled as make up water to various cooling towers in the Refinery and has helped in reducing intake of fresh water from the Municipal Corporation.
- Flare Gas Recovery system (FGRS) for emission reduction and energy conservation is in operation. Ultrasonic Mass Flow Meters are installed for continuous monitoring of flare.

Other Significant “Go Green Initiatives” by MR are :

- On 1.7.2017, BPCL participated in a tree plantation drive with Maharashtra Government’s mission to plant four crore trees in 2017-18 to celebrate ‘Vanmohotsav’. BPCL’s Environment Dept. & HR Team actively participated in the drive and planted 5000 saplings at Village Kolshet, Thane. Also, on the occasion of “World Environment Day” celebration, 200 saplings were planted in BPCL Staff Colony, Chembur.
- Fully utilizing rainwater harvesting facilities, more than 66,000 KLs were achieved in 2017-18.

Under the Government of India Start-up initiative, which is aimed towards a pragmatic approach to promote development through innovation and entrepreneurship, BPCL has been collaborating with many start-up companies which are incubated by renowned institutes like IIT. Some of the key initiatives taken up with IIT Chennai include inspection of furnace/flare stacks, pipes, jetty under water structure; Laser Optic Tube Inspection System (LOTIS), an advanced NDT technique was used for the first time to inspect Reformer Heater tubes; Advanced NDTs like Time of Flight Diffraction (TOFD) and Phased Array Ultrasonic Testing (PAUT) was carried out on High Pressure Reactors in Hydrocracker and LOBS units.

MR has proven its capability to train overseas personnel by successfully imparting training to 30 Chemical Engineers from M/s Dangote Oil Refining Company Ltd. (DORC,) Nigeria for 3 months on Field / Panel operations in the Crude unit (CDU), Catalytic Cracking (CCU) and Continuous Catalyst Regeneration Reforming Unit (CCR).

Mumbai Refinery Learning Centre (MRLC) has aggressively pursued a “Suggestion Scheme” to encourage employees to generate ideas for innovation and improvement. During 2017-18, MRLC received a record number of 1,246 suggestions.

In order to encourage development of vendors from SC/ST category, MRLC, MR (HR) along with CPO (Refineries) conducted a unique training and mentoring program for budding SC/ST entrepreneurs i.e. Entrepreneurship Development Program. 24 candidates were selected and given one month free residential training with specific modules to equip them with hard and soft skills. MSME Udyog Aadhar Certificates were presented to candidates who completed their MSME registration.

MR has organized several learning and development initiatives based on individual, functional and organizational needs viz. strategy workshops, functional programs, MDP programs, people management skills, and on the job training. A total of 9,562 man-days of training were organized catering to all sections of employees, to upgrade their learning and skills during the year. Employees were also exposed to various technical programs and seminars organized by premier institutions in India & abroad to enhance their personal, managerial and functional expertise. A learning opportunity was provided for operating personnel by arranging a comprehensive educational program through BITS, Pilani. In addition to bi-monthly Movie Mantra that is now open to all management and non-management staff, Guest speaker series was also introduced at MRLC.

With 40 projects, MR has achieved its highest ever CSR spending of ₹ 6.56 Crores, which is approx. 330% increase over the previous financial year. Some of the major interventions are: Women's empowerment initiative for Mahul Gaon - enabling Self Help Groups of women for a Bakery Project - Vijima Bakers; 13 community sanitation projects in Refinery and Thane District; Linear Accelerator Machine at Tata Memorial Centre for treatment to cancer patients; Thousand Cataract surgeries at Palgarh and Thane districts; Computer Assisted Learning (CAL) and "Amchi E Shala" projects for promoting Digital education for children in neighbourhood; Free MRI scan to patients at Sion and KEM Municipal Hospitals; Rainwater harvesting project at ITI Karjat and Family Medical Insurance for Mahul fishermen; Kohinoor Scheme - a BPCL education sponsorship project for bright students of Govt./Govt. aided schools at Chembur.

KOCHI REFINERY

Kochi Refinery achieved the highest ever crude processing of 14.1 MMT and total throughput of 14.25 MMT (crude oil and other feedstocks) with the successful commissioning of all the process units of the Integrated Refinery Expansion Project (IREP) as against crude processing of 11.82 MMT & total throughput of 11.79 MMT achieved in 2016-17. This represents a capacity utilization of 115% as compared to 107.5% in the previous year.

The distillate yield achieved was 83.94 wt% on total throughput and production of transportation fuel was 76.2 vol% on crude oil charge.

KR has achieved the highest ever production of Liquefied Petroleum Gas (LPG) (954.6 TMT higher by 60.6% than the previous year), MS (2386.9 TMT-10% higher than previous year), ATF (622.8 TMT higher by 11.5% than the previous year) and HSD (7001.4 TMT higher by 26.6% than the previous year). Two new products viz. Pet-coke and Polymer grade Propylene were added to KR's portfolio.

The GRM for the year also increased to USD 6.44 per barrel as against USD 5.16 per barrel realized in 2016-17. The gross margin for the Refinery in 2017-18 is ₹ 4,333 Crores (41.5% higher), as against the previous financial year figure of ₹ 3,061 Crores.

Apart from crude processing and crude throughput the major achievements during 2017-18 were seamless and successful commissioning of IREP by September 2017 (it started operating at 15.5 MMT equivalent capacity from October 2017) and commissioning of Asia's largest single mounded LPG storage facility. The sulphur content and API of crude mix processed during the year were 1.83 wt% and 33.45 in comparison to the previous year's figures of 0.66 wt% and 39.32 respectively.

Sticking to its core value of 'Safety first, Safety must', KR surpassed yet another milestone by achieving 4,475 days without Lost Time Accident till 31st March 2018, which is equivalent to 53.57 million man-hours. There was no reportable accident during the year.

The old Fluid Catalytic Cracker Unit (FCCU) control room was retrofitted and made blast resistant in compliance to OISD recommendations. Safety audits were conducted and 100% compliance with both, Internal and External audit recommendations was achieved.

The LPG product pipeline from KR to IOCL's bottling plant at Udayamperoor was commissioned during the year, contributing towards safe movement of LPG.

While Fire & Safety training was imparted to 2,153 employees, HSSE training was imparted to 8,856 contract employees in the Refinery area and 18,898 contract employees at the project site during the year.

KR has embarked on an inspiring initiative to implement Occupational Health and Safety Assessment Series (OHSAS) / Risk Based Process Safety (RBPS) – Process

Safety Management (PSM) principles throughout the Refinery. Implementation of PSM will help to set new benchmarks in process safety at par with global standards. This would also give an opportunity to balance safety and process, which in turn could enhance profitability.

During the year, KR adopted innovative and state-of-the-art technologies for the inspection and health monitoring of its plant facilities. A few among them are Direct Assessment, to ascertain the health of all old non-piggable jetty pipelines, development and successful implementation of an in situ repair and stress relieving procedure for an amine vessel of 102 mm thickness for the first time in BPCL refineries, on-stream monitoring of amine vessels using Phased Array Ultrasonic Testing, implementation of protection guard in place of insulation to eliminate corrosion under insulation (CUI), health assessment of non-accessible pipelines using Long Range Ultrasonic Testing, on-stream inspection of flare stack using drone and inspection of SPM buoy and under water hoses using a Remote Operated Vehicle (ROV).

KR also has an Integrated Management System certified under ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007. The system was recently recertified for a period of three years starting October 2017.

KR Quality Control (QC) Lab repeated its excellent performance in the International Laboratory Proficiency Testing Scheme run by M/s ASTM International USA. The QC lab complies with requirements of NABL, ISO/ IEC 17025, DGCA, DGAQA and CEMILAC. The CEMILAC approval got extended for ATF produced from DHDT commissioned as part of IREP. Apart from process stream testing, the QC Lab also monitors effluent quality and blend header performance and extends analytical support for corrosion monitoring, additive quality evaluation and raw material inspection.

In pursuit of excellence, a dedicated Quality Assurance facility and crew started functioning during the year. The QC Lab is now equipped for testing Polymer grade Propylene and is in the process of setting up a segregated Laboratory for Petrochemicals.

The energy conservation and loss control measures taken up by KR during the year have given thrust to newly commissioned IREP units and the Crude Distillation Unit 2 (CDU2). Through various schemes, steam and power consumption could be reduced from design conditions. The major initiatives towards energy conservation and efficiency improvement implemented during the year resulted in specific energy consumption of 79.2, which is superior to the previous year's 86.17.

KR also continued its efforts in enhancing usage of solar energy by installing more natural day lighting systems at the Main Workshop and Main Warehouse. A new solar power plant of 85,000 KWHr capacity was inaugurated during April 2017.

The IREP which has been fully commissioned during the year has the following salient features for environment protection:

- Sulphur Recovery Unit (SRU) and Tail Gas Treating Unit (TGTU) with 99.9% efficiency to minimise the SO2 emissions.
- DHDT, VGO, HDT units were commissioned to meet BS IV and partly BS VI norms for HSD/ MS.
- Petro Fluidised Catalytic Cracker unit is provided with 3 stage cyclones and Electro-Static Precipitator (ESP) for minimizing the particulate matter emission.
- Delayed Coker Unit (DCU) can handle the entire sludge generated from the Refinery. Fully covered Petcoke handling system commissioned.
- Fuel oil sulphur is maintained below 0.5% to minimize emissions.
- A state-of-the-art Effluent Treatment Plant (ETP) with minimum sludge generation and chemical consumption.
- Reverse Osmosis based De-Mineralised water ((RO-DM) plant, could recycle 70% of the treated effluent, cooling tower blow downs and boiler blow downs.
- Waste heat boilers for heat recovery are added in the new units.

Other significant Go-green initiatives of KR during the year are listed below:

- Rainwater harvesting of around 76,933 KL through roof top collection systems and open quarries
- Waste paper recycling of 69.65 tons equivalent to around 1,161 trees with the assistance of the NGO agency M/s Plan@ Earth
- Planting of 25,000 trees to increase the green cover inside the Refinery
- Safe disposal of E-waste through authorized recycling agency, M/s TEF-AMM India Pvt. Ltd.

KR continued its efforts to build awareness on environment protection among different stakeholders and students though its awareness classes and innovative ENCON clubs instituted in 70 educational institutions spread all over Kerala.

KR stacks are connected to CPCB/ Kerala State Pollution Control Board (KSPCB) servers, updating online SO_2, CO, NOx & PM emission values. KR hosted the CPCB Online Connectivity Emission Monitoring System Meet at its Learning Centre, Kundanoor in November 2017.

KR also conducted World Environment Day celebrations at Chottanikara School with free sapling distribution. Magic shows with the environmental awareness theme were conducted in three schools.

Oil and Gas conservation mass awareness campaign SAKSHAM was observed with various programmes like pollution check-up of vehicles, Nitrogen change over drive in vehicles for better mileage and less pollution, environmental quiz for truck drivers to make them aware about better driving habits for increased mileage and thus, less pollution and various programmes for Encon club members.

KR is certified on Energy Management System, ISO 50001:2011 and its Environmental Management System Standard, ISO 14001:2004 got upgraded to ISO 14001:2015 during the year.

As in the past, KR in its endeavor to nurture its most valuable asset, its human capital, has imparted a series of training programs. During 2017-18, 1,640 employees were given training to upgrade their learning skills and performance, which is equivalent to 7,289 training man-days. This includes external training programs organized by professional bodies /other premier institutions in India.

Out-bound training was conducted for members of the Propylene Derivatives Petrochemical Project and fire crew to bring about a transformation in 'individual behavioural patterns and team processes'.

Other initiatives to benefit external stakeholders were Industry Academia Interaction, in which 425 Engineering/ Management students have done project work/industrial training and there were six industrial visits by officials from the Air force/Navy/College of Defence.

KR has achieved CSR spending of ₹ 14.13 Crores, which is approx. 355% increase over the previous financial year 2016-17. The CSR activities of KR during the year have been mainly focusing on Health, Education, Skill Development, Swachh Bharat and Community Development. The details of activities/ initiatives during the year are given below:

- Support extended to Govt of India's Swachh Iconic project at Kalady, a new initiative called 'First Meal' project was rolled out with a view to improve the intellectual capacity, health and enrollment in schools by providing a healthy and nutritious breakfast to students.
- Bala Janaagraha Civic Learning Programme was carried out through Janaagraha Centre for Citizenship & Democracy to provide civic learning to students and create awareness about their role and Govt.'s role.
- Supported NGO Nanma, which helps poor students realise their innate potential.
- NGO Adarsh, which helps a host of differently abled children who cannot even make it to the special schools
- NGO Friends of Tribal Society to run Ekal Vidyalayas
- Set up Vocational training labs for tribal students through NGO Wayanad Girijana Seva Trust.

As part of the community development initiatives, KR joined hands with Government of Kerala in the Total Electrification Project (for street lighting in the neighborhood) and Marine Ambulance project.

The Skill Development Institute (SDI) established by BPCL along with other oil companies at INKEL Business Park, Angamaly, Kerala is grooming 360 students every year, keeping in tune with our Hon'ble Prime Minister's 'Skill India Campaign'. The courses are aligned to the National Skills Qualification Framework (NSQF) of the Central Government with affiliation to respective sector skill councils and National Skill Development Corporation (NSDC). Certificates are issued at the end of the course after external evaluation and certification by Sector Skill Council / NSDC. The SDI has an excellent track record of placement, having placed the first two batches of students in leading MNCs like IFB Bosch, Schindler, St. Gobain Glass, Concert Pneumatics and Robotics etc. SDI also helped 22 students get placement abroad. A full-fledged institute is in the making on 8 acres of Government of Kerala leased land at ITI Campus, Ettumanoor. It is planned to train 1000 students every year in 20 different trades at this world class institute, which is expected to commence operation by end of 2019.

RETAIL

BPCL Retail sales of petroleum products during the financial year 2017-18 grew at 6.1% while the major products, petrol and diesel, put together grew at 6.5%, with corresponding PSUs growth at 5.7%.

The initial phase of the year witnessed the impact of private player entry into the competitive landscape of the Indian Retail market. The phase was typically characterized by a decrease in market share of existing players as new entrants' gradual opening of Retail Outlets carved out a share from the existing industry size. PSU market share dropped from 94.2% last year to 92.1% this year, due to network expansion by one of the private players and revival of closed Retail Outlets by another private player. Amidst such a business environment, the Retail business of BPCL has relatively performed the best amongst PSUs and consequently, was the growth leader in both MS and HSD. The focus of the BU remained on customer-centricity in existing markets, enabling BPCL to retain its foothold where it is traditionally strong, capture new markets and grow organically.

BPCL's Retail business registered a total sale of 26.5 MMT with an overall growth of 5.4% in the year 2017-18 against PSU growth of 3.7%. The sales volume of MS at 6.9 MMT was 8.9% higher than 6.4 MMT achieved last year. HSD sales volume stood at 18.6 MMT, as against 17.6 MMT last year, reflecting growth of 5.6%. In the alternate fuels segment, BPCL recorded a growth of 11.2% on the sale of Compressed Natural Gas (CNG) and the sales volumes for the year stood at 383 TMT. Auto LPG grew at 3.4%, recording a sales volume of 33 TMT. Government policy linked SKO performance stood at 554 TMT, de-growing at 31.0%.

Focus on sale of core Retail products was coupled with a sustainable focus on environmentally friendly endeavours. Premium branded fuel 'Speed' sales were 567 TKL with a conversion of 5.7%. The 'Speed 97' network was expanded to 40 and the product was repositioned as the highest Octane Unleaded Petrol. 32 CNG stations have been added across the country.

In 2017-18, 464 New Retail Outlets (NROs) were commissioned, 129 of which were in key priority rural markets. The total Retail Outlet network after the annual addition stood at 14,447 at the end of 2017-18. Besides NRO commissioning, 120 Retail Outlets have been revived towards creating a healthier and more effective network.

At the end of 2017-18, 8,046 Retail Outlets across the country offer Pure for Sure (PFS) service standards. These certifications are given by an independent agency to the Retail Outlets, maintaining the business promise of quality and quantity assurance in refuelling. Retail Outlets that not only ensure quantity and quality, but surpass prevalent standards of high-tech facilities are awarded the PFS Platinum certification. As of 31st March 2018, BPCL has 1,506 PFS Platinum Outlets across India, equipped with fully automated and computerized offerings monitored through CCTV, assuring the promise of purity with higher service levels.

BPCL's footprint for enhanced customer convenience extends to over 2,000 Outlets in the Retail network and is ever expanding. It manifests in various ways, primarily through its shopping and food verticals. The convenience stores, under the brand name 'In & Out', operate at 143 Retail Outlets and another 250 small alternate shopping options exist like florist, vehicle repair shops etc. There is a wide network of over 121 Quick Service Restaurants in alliance with leading Indian and International food chains and many dhabas for the convenience of the trucking community. A new tie-up was done with Energy Efficiency Services Limited (EESL) for sale of LED appliances. BPCL actively took part in Government efforts by selling the LED appliances at over 350 Retail Outlets. To give a push to the Agri Sector, tie-ups with Mother Dairy and Amul were entered into with the support of the local farmers and the dairy industry. Towards environment protection, a new product named Adblue has been made available at Retail Outlets for new generation HCVs.

BPCL made a strategic investment of ₹ 251 Crores by acquiring a 21.1% stake in Fino Paytech Limited (FINO) in 2016-17. During 2017-18, BPCL has used this investment to pilot a series of financial inclusion products with a focus on the rural and highway customer. As a first step, over 15,000 dealers and distributors have been brought onto the BPay platform. The platform has now been expanded to include Bhim UPI too. Apart from this, the Fino Payments Bank financial operations are functioning at over 250 ROs and about 100 OSTS Outlets. These include AEPS (Aadhar Enabled Payment System), Micro ATMs and API based DMT (Domestic Money Transfer) and bill payment services. The value of the Retail customer's financial transactions at these Outlets has crossed ₹ 36 Crores. BPCL is also in the process of establishing Fino Payments Bank branches at ROs. About 370 ROs have been shortlisted for possible branch openings and about 100 ROs have already been jointly surveyed for suitability. One branch has already started operating at a BPCL RO, while another two are in an advanced stage of commissioning. FINO is currently building an Integrated Payments Solution for BPCL, which will enable multiple modes of payments from one platform.

The Retail BU achieved an "Excellent rating" in all the MOU parameters for the business. 97.41% RO network was enabled with three modes of digital payments (Debit card & credit card, UPI & USSD) against a target of 95%. Further, there was a focused approach in promoting digital transactions in the forecourt with 24.4% of total transactions being through digital means. Monthly digital transaction value increased by 25.28% and the transactional value jumped to ₹ 4,678 Crores in March '18 from ₹ 3,734 Crores in March '17. 26% ROs have the option of accepting payments through Mobile wallets and the monthly wallet transactions increased to ₹ 55 Crores in March '18 from ₹ 25 Crores in March '17. Customer awareness campaigns were carried out at 12,134 ROs and standees for cashless facilities were displayed at 13,497 ROs to create awareness amongst customers for digital payment.

There are 225 Company Owned and Company Controlled (COCO) Outlets, where the customer experiences supreme quality as well as a wide array of services that are expected of a model BPCL Outlet. The signature brand of COCO Outlets on highways - the One Stop Trucker Shops (OSTSs), are strategically positioned on major highways, to give transporters and drivers an experience of 'a home away from home.' These Outlets, in addition to services of COCO, offer SmartFleet services for a fleet customer, a Customer Care Centre, truckers' air gauge and greasing facility, driver rest rooms and secured parking. There was a lot of focus brought in last year on upgrading the facilities in our OSTSs.

After piloting Daily Price change in five cities, it has been implemented across the country, making the BPCL Retail network fully equipped to respond to daily price changes. In an attempt to reach a step closer to the customer, the mobile app SmartDrive was enhanced for a more user-friendly experience. New & improved Microsites have been developed for veteran products like SmartFleet, PetroCard, Speed and In & Out.

BPCL's existing Loyalty programs - PetroBonus and SmartFleet, operating for over 15 years, have bolstered relations and played an important role in addressing the need of cashless and secured transactions and offering loyalty points which can be exchanged for rewards. The Company offers multiple options like mobile, email, website and Call Centre to stay connected with the members and dealer network. A pioneer in Fuel Loyalty, BPCL Retail has also enhanced its existing loyalty program, SmartFleet, to tailor it to the growing needs of its fleet customers. To further improve repeat buying behaviour, a web-based Driver Loyalty program has been introduced at OSTSs to bring drivers or single truck owners-cum-drivers also into the BPCL envelope. A co-branded credit card with SBI was launched to increase the target group of customers to encompass the urban fueller as well.

Early this year, 'Project Rainbow Rise' was launched to regain and maintain a foothold in our highway markets. The upgradations done throughout the year under this project have been aimed at giving the common traveller a better, more convenient experience on his journey. Further, engagement with all the stakeholders took place by design under this project, which actually rejuvenated the dealership network.

Through the 'Umang' Initiative, BPCL Retail has provided focused services catering to the targeted rural sector. 362 dealerships were enrolled under this initiative and 123 Umang ROs have been commissioned so far.

An Integrated Fleet Management initiative by BPCL was successfully piloted during 2017-18 on National Highway 8. Fleetgenie's six offerings, namely Business Development, Operations Management, Vehicle Maintenance, Finance and Insurance, Driver Verification and Driver Services, were designed to address the pain points of fleet owners. Within a short span, post pilot launch in July 2017, the Fleetgenie team could enrol 1,560 Fleet owners, and 750 shippers. Post the success of its pilot phase, Fleetgenie is all set for pan-India scale-up in association with BPCL Retail in a phased manner.

The automation system in place allows integration of payment with fuelling, translating into customer trust, customer identification and acquisition, good governance, better asset utilization, inventory management and effective Outlet management. All the Multi Product Dispensers (MPDs) display real time Retail Selling Prices, and are enabled with No Print No Delivery (NPND) feature, where the delivery of fuel does not happen without the bill being issued to the end customer. Post the Uttar Pradesh incident 1,237 MPDs have been replaced and the configuration of 11,993 MPDs have been changed to include tamper-proof, self-destructive pulsars.

BPCL has developed a Corporate Safety Management Framework (CSMF) including Life Saving Rules and Technical Guidelines for ensuring the highest level of safety standards. In line with the corporate philosophy of "Safety First and Safety Must", Retail Operations could achieve the targets of Nil LTA. Also, tank lorry in-transit accidents were reduced by a significant 31% over last year and were the lowest in the last six years. Fully equipped ambulances were positioned at ten remote locations.

Retail Operations expanded the implementation of an Integrated Management System (IMS) from Western Region locations to all operating locations across India. Comprehensive Audits, Governance Audits and Interlock Assessment Audits were conducted extensively. On the sustainability front, ISO 50001 was implemented at 22 additional locations, Energy Audit at 36 more locations, and 5S certification at 17 more locations.

Infrastructure has been the focus area for some years now. BPCL signed an MOU with M/s. KPCL for putting up the Krishnapatnam terminal. The works at Ennore terminal are almost complete and it is getting ready for commissioning. Works at Pune terminal have commenced. Tankage augmentation was completed at Gonda, Kanpur, Muzaffarpur, Balasore and Srinagar. New Railway Tank Wagon loading gantry works have commenced at Irugur and Unloading siding work has commenced at Jobner.

A total of 33 transport contracts were finalised for safe and secure transportation of products to Retail Outlets. A pilot has been conducted for implementation of the electronic locking system. RFID tags for payment of toll tax through digital mode was initiated. BPCL has remained the front runner as far as Terminal Automation is concerned and the number of "No Automation No Operation" (NANO) certified locations has increased to 50, which is 85% of the automated locations.

INDUSTRIAL AND COMMERCIAL (I&C)

The year 2017-18 became momentous, as Industrial and Commercial (I&C) business crossed the 5 million tonne mark in sales volume during its journey this year. The SBU recorded an overall sales of 5,301 TMT and registered an unparalleled growth of 24.3% to become the industry growth leader. Further, the BU's market share in the industry, including private players, saw a quantum leap from 8.9% in 2016-17 to 10.6% in 2017-18, a phenomenal increase of 1.7% in a single year.

During the year, I&C tied up with different organizations and institutions for the sale of fuels and other petroleum products, the most significant being the renewal of supply agreement with Karnataka State Road Transport Corporation. Further, MoUs were signed with major customers like FACT, Larsen & Toubro, Aditya Birla Group, Singrani Collieries, Haldia Petrochem, St. Gobain, ACC, Ultratech Cement, to name a few.

I&C also commissioned 108 consumer pumps for its customers covering core sectors like mining, infrastructure, State Transport Undertakings etc. This also included commissioning of kerbside pumps for the Indian Army in difficult terrains of Yongdi, North Sikkim and Tangtse, Leh at an altitude of 14,500 ft., which is the highest petroleum infrastructure dedicated to the Indian Army by any marketer.

Maintaining a clear focus on the Railways business, I&C introduced Total Fuel Management at Railway Diesel Installation at Jaipur as a tool to effectively optimize the use of fuel at the customer premises. The pioneering initiative, the first of its kind, is a conscious attempt to leverage technology to improve process efficiencies.

The business unit achieved significant milestones in its logistics capabilities this year. With the closure of Furnace Oil production from KR post IREP, the markets in the South and East were catered with coastal movement of the product from Mumbai Refinery using bigger vessels, thus optimizing the cost and retaining the market share at the same time.

In order to augment the storage capacity in the South, additional tankages were hired at Kochi and Ennore. With commissioning of the Bitumen Contract Operated Depot at Muzaffarpur, Bihar and Hexane tankage at Kanpur, Uttar Pradesh, I&C intends to improve the availability of products in these regions as well.

Sourcing of Bulk Bitumen in the east coast was initiated to explore and gain footsteps into the almost virgin markets of the I&C BU in the developing eastern economy. In times to come, I&C intends to establish itself in this geography and contribute to the growing economy.

The BU also converted an additional 0.8 MMT quantity of Petcoke and Sulphur from Kochi Refinery effectively into sales, thereby establishing itself as a major supplier and a name to reckon with in the Southern Region.

BPCL is working consistently towards improving the product offerings to its customers. As a step in this direction, I&C introduced Pharma grade and Polymer grade Hexane to the markets. With a market potential of 80 TMT per year, the Pharma and Polymer grade Hexane market greatly appeals to the BU and I&C is set to differentiate its products from the competition by offering superior quality at comparable prices. A range of petrochemical products are also planned to be added to its portfolio and marketed in the imminent future.

Continuing with its customer-centric approach in business, I&C conducted a major safety campaign across the length and breadth of the country, covering various sectors and industries, engaging major I&C customers and creating awareness on the safe handling of petroleum products. The year also witnessed Corporate Social Responsibility being given a significant thrust, by identifying social issues from a customer perspective and implementing solutions. Convenience to Customer has been at the forefront of innovation in the I&C BU. I&C initiated a B2B interface with premier customers and launched the mobile app, Mob-e-connect, which would empower the customer with in-depth product and business knowledge in times to come.

A new vision has been created to charge I&C's growth, by conceiving powerful ideas, believing and relentlessly working with them to achieve its goals. "Conceive, Believe, Begin and Achieve" is the ideology with which the I&C business continues to grow swiftly amidst new emerging challenges and uncertainties.

GAS

BPCL handled 1,872 TMT of Gas in the year 2017-18, as against 1,371 TMT in the previous year, a growth of approx. 26%. Out of 1,872 TMT, 357 TMT of Gas was supplied to Mumbai Refinery and 479 TMT was supplied to Kochi Refinery to meet their internal requirements. The remaining 1,036 TMT of Gas was supplied to various customers in Fertilizer, Power, City Gas Distribution (CGD), Steel and other industries across the country and for the first time since inception, the Gas BU surpassed 1 TMT in customer sales.

BPCL imported 5 cargoes of LNG in the last financial year at Dahej Terminal in 2017-18. Around 99% of BPCL's supply has been through pipelines to its various consumers. However, to take care of customers who are located at a distance from the pipelines, BPCL has also supplied around 12 TMT of LNG through Tank Trucks from Dahej and Kochi to some of the customers such as Mahindra & Mahindra, Modern Insulators, Tetrapak etc.

This year, BPCL has also started supplying LNG by tank trucks to M/s. Bhuruka Gas, BPCL's second road fed customer from PLL's Kochi Terminal in the Southern Region, where the pipeline infrastructure network is yet to be fully developed.

Continuing efforts to expand the Gas Business, BPCL is developing CGD Networks in the geographical areas (GAs) of Saharanpur (Uttar Pradesh), Yamunanagar (Haryana) & Rupnagar (Punjab). Physical execution work in these GAs are in full swing. As on 31st March 2018, 244 Inch KM of pipeline is laid in GA of Saharanpur, 137 Inch KM pipeline laid and 177 Piped Natural Gas (PNG) (Domestic) connections completed in Rupnagar GA and 105 Inch KM pipeline laid in Yamunanagar GA.

As on date, 90 GAs are authorized by PNGRB, out of which BPCL has a presence in 16 GAs through JVCs and its own projects.

LUBRICANTS

The "MAK" brand delivered a strong performance in FY 2017-18, with a higher growth rate as compared to PSU industry members, with market share increase of 0.9%. Apart from the domestic markets, MAK lubricants have fared well in a challenging and competitive environment by recording a growth of 8.9% in exports during the year. Seamless transition to the GST regime demonstrated the ability of Supply Chain Management (SCM) to overcome challenges and deliver growth in a changing environment.

Network management and expansion ensured that the Reseller channel grew by 4.5% in FY 2017-18. The Retail channel, comprising over 14,000 petrol pumps and the Bazaar channel comprising over 700 active distributors, who further cater to Retailers and Mechanics, ensured spread and reach across the country. Marketing in the Direct channel with supplies to flagship customers like Hero, TVS, Munjal Showa, Marico, Elgi Equipment & TATA Motors and many others further consolidated the presence of "MAK" in the B2B segment. BPCL was awarded as the Best & Consistent Quality Supplier Globally at Bangkok by Showa Japan for supplies to their Indian partner.

The Lubricants market, apart from being highly competitive with more than 30 established players, has now become very dynamic with more advanced products being continually introduced in the market. MAK lubricants is at the forefront of capturing these new opportunities with a very robust and innovative Product and Application Development (P&AD) department. New products like MAK Steel EP100, MAK Knit22 plus, MAK Textrol EE10, MAK EDM Oil, MAK Film bear, MAK Drillol were introduced to tap the potential in the direct market. The new products introduced to OEM customers were KOEL care premium, ELGI Airlube ECO, TVS Tru4 Skutta etc. P&AD has contributed significantly to the business volume and profitability through development of new grades and alternate formulations. This has helped in increasing the product portfolio and reducing input cost.

Value added services to customers was a key focus area in the Retail and Bazaar channels. The Quick Oil Change (QOC) corner has been established as a strong service initiative for 2 wheeler and 4 wheeler customers. "MAK Quik", a mobile application designed to capture customer details during such changes, automatically reminds the customer of his next oil change (through SMS), apart from a host of other value added facilities like information on Lubricants, recommendation of grades, book appointments, current promotional offers etc. In a category of low customer involvement, MAK envisages this combined set of offerings to be a game changer in future.

In the Bazaar segment, Mechanics from Non Franchise Workshops (NFW) are key influencers in the customers' buying decision of Lubricants. A series of programs have been designed at various levels, to educate this set of influencers and enhance their knowledge of Lubricants - MAK Shagun, MAK Milan and culminating with 'MAK Manthan'.

'MAK Manthan', designed with an intention to create a core set of brand advocates, embarks upon a two day journey on the Lubricants blending process and imparting of technical knowledge on lubricants. Witnessing the blending and packaging of lubricants and exposure to the intricacies of lubricants by the experts enhances their knowledge quotient and builds their competency to understand new products as well. With increased technical awareness, these Non Franchise Workshops are a set of brand advocates that the MAK brand will rely upon to influence the customers.

MAK lubricants have been strengthening their presence in the established markets of South Asia. BPCL has been pursuing relentlessly to expand its presence in advanced markets of the Middle East and is also tapping emerging opportunities in Africa, meeting with consistent success in these markets. Subsequent to the foray in Bahrain and Kuwait during the year, the BU has also commenced distribution in the state of Oman. In Africa, inroads have been made into Tanzania, Rwanda, Burundi and Congo.

High end Synthetic products for the personal mobility segment, launched recently in the Middle East as well as South Asian markets, have also been doing well and the Lubricants BU expects to grow aggressively in this segment. MAK has lined up a comprehensive plan to proliferate in the industrial segments in emerging markets.

The consolidation in the domestic and exports market has been backed by a robust SCM department, which has consistently assisted the business in generating value through efficiency initiatives. Health, Safety, Security and Environment (HSSE) practices have been strongly driven across the plants and product delivery interfaces. Extensive Training programs and Safety audits ensured Nil accidents and also, readiness of the personnel to deal with any eventuality.

Leveraging the strength of the MAK brand through effective brand communication has been a key area for the business. Visibility and promotion of the MAK brand was done throughout the year with focus on both Above the Line (ATL) and Below the Line (BTL) activities. Advertisement through radio jingles and print advertisements, with focus on automotive and industrial magazines, was a key Brand initiative. Digital presence through static and animated banners, branding at Retail Outlets, extensive outdoor branding through wall paintings, Retailer boards, glow signs etc. improved the brand visibility at the ground level. Participation in exhibitions (agricultural and industrial), college fests and events, bike events, rural melas and activations promoted customer awareness.

The Indian Lubricants market is expected to grow at a CAGR of 2.5% - 3% as per the KLINE report, a leading consulting firm specializing in market research in the energy sector. Projections for the automotive as well as the industrial sector remain strong. MAK Lubricants has a well thought out strategy to tap into this growth. Offering world class products and top-in-line services at all customer touch points will ensure that MAK remains a leading brand in the lubricants sector.

LPG

The LPG SBU registered a sale of 6 MMT and for the second consecutive year, registered the highest growth of 9.98% amongst the PSU Oil Marketing Companies, thereby increasing market share by 0.36% during the year 2017-18. The year also saw the LPG business creating record performances in the areas of new distributorship commissioning, customer enrolment, commercial sales, plant filling etc. The 'Pradhan Mantri Ujjwala Yojana' (PMUY) this year as well, has continued the momentum of new customer acquisition in rural areas, enabling extensive enrolment of new customers. The use of digital technology and social media on a mass scale enabled the business in expanding LPG footprints across the country.

Making clean cooking fuel available to households in every part of the country assumes topmost priority of the LPG SBU. New customer enrolment of 76 Lakhs during 2017-18 has taken the domestic customer base to 670 Lakhs by the end of the financial year. Second cylinders were supplied to 19.90 Lakh customers during the year. BPCL added 406 new distributorships, taking the total Distributor Network to 5,084 as on 31.03.2018.

Under the successfully accomplished PAHAL project of the Government of India, so far 202.05 million customers have been enrolled on an Industry basis as Cash Transfer Compliant, out of which BPCL enrolled 51.41 million customers. By March 2018, BPCL had transferred ₹ 17,221 Crores directly into customer accounts.

As extending benefits of the PMUY scheme to the entitled BPL women was of prime importance, BPCL released approx. 40 Lakh new connections during the year 2017-18. Propagating safe use of LPG in the rural hinterland through several modes, like Nukkad Nataks, Safety Clinics and House to House safety education by Ujjwala Suraksha Mitra, remained focus areas.

BPCL coordinated the national launch of "Pradhan Mantri LPG Panchayat" in the village Isanpur Mota near Ahmedabad on 23rd September, 2017. LPG Panchayat is a community meeting which would serve as a platform for LPG consumers to interact with each other, promote mutual learning and share experiences. Thus, the concept is based on the premise that peer learning, coupled with looping in of local eminent persons like School Principal, Lady Doctor, Head Panchayat / Sarpanch etc. would help the existing and prospective beneficiaries to switch over to clean cooking fuel.

With a view to provide efficient and friendly services to its customers and to proactively join in the Digital India program of the Government, BPCL embarked upon several customer-centric initiatives under the guidance of the Ministry of Petroleum & Natural Gas:

- Effectively implemented the facility of 24x7 Emergency Helpline 1906 (toll free) to attend to the leakage complaints of LPG consumers.
- SmartLine 1800224344 to attend to all complaints of LPG customers has since been effectively implemented.
- Launched the facility of releasing new LPG connections with online payment and issuance of e-SV. The facility, under the Digital India initiative, was launched in Delhi on 1st May 2015 and it has been rolled across the country since then. Online tracking option with SMS/Email alerts to the customer at each stage enhances system efficiency, besides eliminating multiple visits to the distributor's showroom by the prospective consumers for completing formalities.
- Launched two Mobile Apps – Bharatgas Consumer App and Last Mile App for Distributors enabling consumers to book refills and make payments through these Apps.

LPG Plants in BPCL continue to maintain their record of best practices in HSSE coupled with improvement in productivity and cost leadership. For the 8th consecutive year, BPCL was awarded the 'Best LPG Marketing Organization' by Oil Industry Safety Directorate (OISD).

Vehicle Tracking System (VTS) was installed in the entire fleet of Bulk LPG Tankers for monitoring and avoiding night driving. Creating a pool of trained drivers through imparting training to Bulk LPG Tanker drivers was one of the focus areas of the Safety Initiative.

BPCL is progressing well towards commissioning a 1.0 MMTPA LPG Import Terminal at Haldia that would take care of energy security in the Eastern Region and consolidate its market presence. During the year 2017-18, BPCL achieved Plant bottling of 5,452 TMT recording growth of over 10% and achieving a capacity utilization of more than 100% from the 51 bottling plants across the country. To improve supplies in North Karnataka and Kerala markets, a second carousel was commissioned in Mangalore LPG Plant, thereby doubling its capacity. A Greenfield LPG Bottling plant at Raipur is ready for commissioning post OISD audit anytime during the second quarter of the financial year 2018-19.

AVIATION

The Aviation BU has recorded the highest ever sales of 1,790 TMT in FY'17-18 with an increase in market share to 25.66% from 25.03% in the previous year amongst PSUs. Sales growth of 15.7% was achieved against the PSU growth of 13.0% during FY'17-18.

In the civil segment, BPCL's market share grew from 26.61% to 27.13% with a growth of 26.6% in the domestic segment and 11.0% in the international segment. The defence segment had negative growth due to reduction in flying operations.

All major customers have been retained this year and the BU has expanded its customer portfolio with acquisition of new customers i.e. Alitalia, China Eastern, Air China, KAM Air and Atlas Air. Additional volumes have been gained of Indigo Airlines, Jet Airways and Air Asia (India) in the domestic segment and Lufthansa Group, Turkish Airlines Air Canada in the international segment. These gains compensated the loss of share in Air India and Spice Jet, including loss of Silk Air and Tiger Air business.

During FY'17-18, a new Aviation Fuelling Station at Varanasi was commissioned with commercial operations. At Ranchi airport, mechanical completion has been done and statutory approvals are in progress. Under the ambit of UDAN – "Ude Desh Ka Aam Naagrik" scheme of Government of India, BPCL has commenced ATF supplies with Into Plane Services at 7 new locations out of 12 locations awarded i.e. at Nanded, Kandla, Diu, Mysore, Salem, Shillong and Bhavnagar.

In FY'17-18 the highest capital expenditure of ₹ 36 Crores was achieved with the major portion of Capex being on account of procuring new refuellers to cater to the growing demand of the domestic airline business. A pilot project on automation at AFS and refuelling vehicles is in progress. It is proposed to be implemented at all locations in a phased manner.

ATF tanks of capacity 4 x 9000 KL were commissioned at Piyala installation leading to ATF movement from Bina Refinery to Delhi through the Bina Kanpur (BKPL) pipeline. Construction of ATF tanks of 2 x 2000 KL capacity at Kanpur depot & 1 x 5000 KL capacity at Devangonthi have been mechanically completed.

The first phase launch of the Account Receivable Cell was implemented at Noida office towards creation of a centralized cell wherein invoicing, submission of invoices to customers, payment collection, SOA reconciliation etc. for pan India operations will be dealt with.

Various training programs were conducted on Quality Control/HSSE/Aviation Operations for officers in the Aviation BU. Senior officials of the Indian Air Force were imparted training at BPCL's Centre of Excellence in Kochi. Members from the Aviation BU also attended specialized training programs abroad on aviation topics benchmarked to international standards by aviation experts.

The Aviation BU accords the highest priority to safety and the environment. Nil LTA has been recorded during FY '17-18. Live fire fighting training was conducted for 13 officers of the BU at the designated training center in Vadodara.

CORPORATE STRATEGY AND BUSINESS DEVELOPMENT (CS&BD)

CS&BD has been set up to track the strategy implementation and explore new strategic opportunities across the value chain to enhance efficiencies, find new business models and act as a catalyst for innovation and excellence in execution. The set-up has been continuously working along with BUs to analyze long term trends and suggest requisite interventions to overcome the imminent business challenges, use digital innovations and disruptions to stay connected with all customers and ultimately, deliver performance on a sustained basis.

Along with charting out strategies for BPCL to ensure sustainable growth, CS&BD is also strengthening a few of the initiatives like Analytics, Project Nishchay, Customer Care System and BPCL Start-up.

Analytics, Big Data and Machine Learning are now considered to be strategic trends in the corporate world and are considered critical for making a difference in the market. In this context, BPCL has taken a lead and has embarked upon a new journey in the field of "Predictive Analytics". The project was initiated in 2017 and is being driven by a joint project team from BPCL and Accenture. As on date, user-friendly dashboards showing BU performance across various dimensions, actionable insights to BUs using statistical models and building a secured cloud-based data warehouse, consolidating information from various data sources, have been made operational. The team is also working on few advanced analytics projects, based on various challenges faced by businesses while remaining competitive in the marketplace.

Project Nishchay (a non-fuel initiative) was launched in 2015-16 with a vision to create multiple non-fuel businesses and achieve disruptive growth through pathbreaking business ideas. Four non-fuel offerings were identified for different customer segments viz "Umang" – a rural marketplace for rural customers, "Fleetgenie" - an Integrated Fleet Management Solution for the unorganized fleet segment and "Happy Roads" for NextGen holiday trippers for scaling up and "Shopongo" a one shop - Omni channel solution for regular grocery needs of urban households.

Through **"Umang"** BPCL aspires to bring to the rural population a wide range of services round the clock through technology, thereby making their lives easier as well as meeting the corporate vision of financial inclusion. During the year, Umang has been expanded across Maharashtra, Uttar Pradesh, Madhya Pradesh, Rajasthan, Tamil Nadu and Odisha. The result has shown a good traction for various offerings, leading to increased footfalls at all Umang Retail Outlets. BPCL is now expanding this offering to other states and enrolled another 500 dealers and distributors during 2018-19.

A technology driven Integrated Fleet Management (IFM) platform under the brand name **"Fleetgenie"** – was rolled out as a solution to address various pain points of fleet-owners with its bouquet of integrated services and aims to be a unique one stop shop for all stakeholders. It is a freight management marketplace for fleet owners, shippers and drivers with services like return load, road-side assistance, vehicle maintenance, cash management, advanced telematics, insurance, telemedicine etc.

"Happy Roads" is designed as an end-to-end travel guide for the weekend road traveller. Post market research's positive response on the core propositions of Destination Discovery and Trip Assurance, the Happy Roads app went live on Google Play Store in May 2017. With more than 80,000 downloads, it has reached an audience of over 8 lakhs and has more than 40,000 followers on social media till March'18. The platform has helped to remain connected with urban customers and provided a tool to Retail and Lubricants to disseminate information about marketing campaigns more effectively, making the campaigns more successful than ever in the past. Around

56 weekend destinations in 7 states namely Karnataka, Kerala, Himachal Pradesh, Uttarakhand, Jammu & Kashmir and Rajasthan are presently being featured with many more being curated to be added where avid road travelers would like to go.

Based on the learnings from the pilot projects of above three initiatives, corrections have been applied and BPCL is now on the cusp of scaling up the activities to cover and extensive pan-India footprint.

The Urban Household solution **"Shopongo"**, after the pilot in Pune, had to be discontinued after the existing partner had expressed their inability to continue with the partnership due to a shift in their business strategy.

BPCL's **Customer Care System (CCS)** is a technology driven initiative for providing a single window to address the concerns of its customers across all BUs and geographies. It is an integrated platform for customer interactions across all channels such as email, website, social media, Vigilance, National Consumer Helpline as well as walk-ins. CCS has registered its highest ever 0.9 million (with 38% CAGR) interactions during 2017-18. It has now evolved into a robust platform and certainly the most preferred choice of customers, resulting in substantial improvement in the Customer Satisfaction Index.

BPCL's Start-up initiative "Project Ankur" aims to develop a supportive ecosystem that nurtures entrepreneurship in the country, by backing innovative ideas and concepts that have the potential to grow and become a successful commercial venture. During the year 2017-18, twenty proposals have been shortlisted by the steering committee for funding, out of which six start-up initiatives have been provided with a cumulative funding of ₹ 4.2 Crores. Also, to build the ideas pipeline, BPCL has entered into MOUs with Incubation hubs such as KSUM (Kerala Start-Up Mission), Invest India, IIT Madras and KIIT Bhubaneshwar.

BPCL is charting out the growth trajectory and developing a business case for future investment by working on key areas of future growth such as Petrochemicals, Gas marketing etc. and creating a robust business plan for each of the identified areas. Strategies in these areas have been finalised and processes have been initiated for execution.

One of the most significant developments in recent years is Government's commitment to reduce pollution levels across cities in the coming years and Electric Vehicles (EV) are expected to play a significant role in achieving this target. The world is also fast moving from fossil fuels to alternative energy in mobility, especially on the electric vehicle front. In order to grab this opportunity and enjoy the first mover advantage, BPCL has been deliberating on various options to play in the EV value chain.

BPCL is also working on scenario planning to visualize and plan for the changed macro-economic environment 15 years into the future. Several scenario-planning workshops have been conducted to identify future scenarios affecting the energy business, BPCL's strategic choices in various scenarios and making BPCL future ready.

HUMAN RESOURCES

With a vision of being the most admired global energy company leveraging talent and technology, the Human Resources Function endeavors to be a strategic business partner, building organizational capabilities to deliver breakthrough performance and create sustained value.

To translate the Company's vision into reality, significant investments have been made to create a robust leadership pipeline and build organizational capabilities aligned to business goals. All the people processes are based on the core value of 'Development of People'. The same philosophy is reflected in the commitment of senior leadership to nurture talent. To build a robust leadership pipeline across all levels and be future ready, multi-pronged leadership development interventions were rolled out during the year, covering 596 staff across mid and senior levels. These include BPCL's flagship 3-Tier Leadership Programs, customised high quality domain specific programs at premier Institutes like IIMs/ IITs, Executive Management Programs and leadership development programs abroad at reputed global business schools like Harvard, Wharton and INSEAD.

Taking the employee development agenda forward, to empower employees to take charge of their development, 'CATALYZ', a first of its kind initiative, was launched in 2017-18. 500 'Leadership Group Facilitators' (LGFs) were mapped to 2,900 staff across mid and senior levels. The LGF is a development coach assigned to each staff to provide integrated developmental feedback with inputs from the robust potential assessment process (ASCEND) and Talent Review Panels (TRPs). This process culminates into a meaningful individual development plan created and owned by each employee. 1,888 employees who have completed the LGF process shared extremely encouraging feedback; 95% believe that the development areas identified will enable them to achieve their goals/ aspirations in the Corporation.

Leveraging talent to sustain competitive advantage, 'IDEAS' is an innovation platform providing employees an opportunity to unleash their potential and fuel organisation's growth. During 2017, an overwhelming 1,832 ideas were received from across different levels within the Company. Several institutionalized platforms aimed at building organizational capability and agility have run through the year, attracting active participation from employees all over the country. These include 'Mercurix' – inspiring leadership through the art of storytelling, 'Socratix' – The Case Study Challenge & Business Simulation challenges to build strategic thinking and problem-solving capabilities, 'Rytink' – Write a winning case, capturing critical success stories of BPCL, and 'YouNGAGE' – an engagement initiative designed exclusively for Gen Y officers.

In addition, 'VIZDOME', a video learning platform was launched in 2017, to create and share learning videos, thus creating a rich repository of educational videos based on critical organizational themes such as Standard Operating Practices, Safety, Brand and Customer Service. During the year, 118 video learning repositories were created through this unique initiative.

To continue to engage and energize young employees in various business units, many interventions were anchored at the SBU level. These include 'U-RISE'- an initiative in LPG for new employees to foster collaboration, innovation and engagement, 'LIA (Leadership In Action) Incentive Scheme Awards'- an initiative in Retail, where awards were instituted in sales, engineering, performance of locations etc. to recognize and energize employees; INIZIO (Passion Club), an initiative in Kochi Refinery that provides opportunities for employees to pursue their passion, thereby creating an overall positive impact and energy.

BPCL's initiatives in Learning and Development have been acknowledged and recognized, with the ISTD award for "Innovative Training Practices" and Skillsoft Perspectives award for "Creating an impact through e-learning" in the PSU category.

For playing a strategic partnering role, recognizing the importance of building capabilities within the HR team, 'CONFLUENCE' and 'TRANSCEND' were two interventions organized during the year. 'CONFLUENCE' was a workshop that brought together leading Learning & Development practitioners from the industry and academicians to share the best practices, while 'TRANSCEND – Leading Beyond Boundaries' was an HR competency building workshop aimed at facilitating development of new age HR competencies based on Dave Ulrich's HR Competency Model.

The total manpower strength as at 1.04.2018 was 12,019. During the financial year 2017-18, 555 employees were recruited in the Corporation.

EMPLOYEE SATISFACTION ENHANCEMENT

The Employee Satisfaction Enhancement (ESE) Cell continued its endeavors towards its vision 'to be an active facilitator towards a healthy, productive, vibrant and energized workforce by working towards 360 degree wellness and living up to the core purpose of energizing lives to make "BPCL – a great place to work". ESE followed a plan of enhancing employee satisfaction through employee wellness, employee connect and prompt grievance redressal.

A total of 34 grievances were received and all were redressed in time. There were no open cases from the past year. Towards proactive grievance identification and resolution, ESE conducted 70 awareness sessions and visited 40 locations to proactively interact with employees.

Championing Employee Wellness

International Yoga Day was celebrated by ESE at all regional offices, refineries and locations, in association with HRS with quality programs and practical demonstrations. More than 1100 employees participated in the yoga programs. A 'Dance Movement Therapy' program was organized on the occasion of Mothers' Day.

On World Mental Health Day an 'ESE Fest' was celebrated to connect with employees, add joy and energize their lives. To drive home the theme of emotional fitness, a campaign on 'Stress Proof Yourself - Build Resilience' was conducted, with counselling sessions. A thought provoking program, 'Rendezvous with Dr. Vikas Amte', the renowned social entrepreneur, was conducted to learn and share the joy of giving.

Interdependence of emotional and physical well-being was highlighted through various programs on pilates, strokes, trancendental meditation, diabetes, etc. Programs were also organized to create positivity and improve engagement. Yoga sessions were held at CO with focus on stress management, specific ailments, personality development and meditation. The program 'It takes two to Tango - Building Relationships' was held at Bina Refinery and "Reboot and Recharge" – a team building workshop was organized at Lonavala for the WR LPG Ops team. Apart from exhibitions on books and organic products, sale of products from "Maithree" and "Kripa" Foundation, which are products made by specially abled children, was organized.

Establishing Employee Connect

World Earth Day and World Environment Day were celebrated to create awareness on water conservation, planting trees, recycling of kitchen waste/E-waste and conservation of natural resources. The project, Zero Waste at Zero Cost, was executed at Sinnar LPG plant, wherein all the biodegradable waste is being converted to good quality manure at no cost.

A Peer Counselors network was created at MR, KR, NR, WR & ER as an emotional first aid at plants/locations. Motivational talks on a happy retired life were organized at ER. A session on 'Professional Image & Positive Networking" was held at Mumbai. ESE organized awareness camps on National Pension Scheme (NPS) at CO, Sewree & Regional Offices – NRO, ERO, SRO, MR & KR in association with M/s Stock Holding Corporation of India, to assist employees on the tax saving options available under NPS.

ESE is connecting with employees in many ways. Employees are sent greetings along with positive messages on special occasions such as their birthday, long service, promotion and retirement. The quarterly e-magazine, 'ESE CONNECT' had themes of "Power of Positivity to Change your Life", "Gratitude", "Building Resilience to Stress" & "Building Positive Relationships". EAP registrations crossed 5600, 231 counselling sessions and 10 manager referrals took place and 6 suicidal tendency cases were handled. To motivate employees positively, ESE organized quizzes and published many good write-ups through Corporate Broadcasts. A pilot project, WE CARE for field officers wellness was anchored and executed for 50 sales officers from Retail and LPG SBUs. All the ESE activities received an enthusiastic response from employees.

HEALTH, SAFETY, SECURITY & ENVIRONMENT

The oil industry is one of the most challenging and vulnerable industries prone to hazards due to operational conditions, chemicals and volatile products. Thus, management of health and safety for the workforce becomes one of the most indispensable constituents. 'Safety First, Safety Must' is the vital principle at BPCL, to which all its Business Units and Entities adhere.

The business processes in the petroleum industry are very complex. To ensure smooth and safe operations across locations, the implementation methodology and system of each critical process is thoroughly reviewed. In addition to that, bringing in coherence in responsibilities and accountabilities, the governance practices and monitoring systems are also enhanced.

Asset Integrity and Process Safety are of paramount importance to BPCL. The assets are carefully examined, monitored during operations, regularly inspected and maintenance is carried out periodically to secure their integrity. For all assets to render safe operations, there is strict adherence to the standard operating procedures and guidelines across all locations.

In BPCL, at the Corporate level, there is a standard procedure for incident reporting. This system is investigated, analysed and reviewed thoroughly for the current financial year's internal and external incidents. Recommendations from the periodic mock drills conducted are also captured regularly. Detailed Root Cause Analysis is carried out of major incidents and reported accordingly. These analyses lead to deriving a comprehensive procedure and organization wide adherence, which helps prevention of any recurrence of minor or major incidents.

Knowledge sharing is another eminent factor at BPCL. Implementation of suggestions given on external and internal audits is considered to be very important. The HSSE workshops conducted serve as a forum for capacity building, sharing of best practices, and discussion on the adoption of systematic improvements in aspects related to safety and security. There is an initiative to increase the collaborative learning for safer operations across locations where the incident Root Cause Analysis is shared along with the best practices.

Climate change has become a cause of global concern and the trend lines for increase in temperature will spur it further. BPCL comprehends the fact that intensive actions are required to minimize and adapt to the impacts of climate change. BPCL feels that the use of innovative technology to improve energy efficiency and find more carbon neutral solutions is imperative.

BPCL uses an online sustainability development software which is used to capture data parameters like energy, water and waste across all locations and refineries in India. BPCL is expanding its capacities for rainwater harvesting.

The total catchment area under rainwater harvesting was 7,22,800 Sqm. which has been increased to 7,73,427 Sqm. during the year. Energy efficient lighting capacity has been increased from 6.2 MW to 7.54 MW in the year 2017-18. Similarly, Renewable Energy capacity has increased from 22.17 MW to 26.36 MW by March 2018. These initiatives have resulted in an annual reduction of emission by 43,660 Metric Tons of CO_2 equivalent.

The fresh water consumption and waste water generated is monitored regularly. Effluent treatment plants are installed at all the locations of BPCL; the treated water is used for floor cleaning, gardening and other utilities. BPCL in its aspiration to reduce its environmental impact, is participating in initiatives to convert solid municipal waste to electricity and use the waste water recycled by the Municipal Corporations.

It has been a decade for BPCL, publishing its Sustainable Development Report. The journey of sustainability started since 2007-08, by adopting to Global Reporting Initiative (GRI) - G3, then transitioning to GRI - G4 and now to GRI Standards. BPCL is one of the first Oil and Gas companies to publish its report in accordance with the latest framework. All these reports were assured by an independent third-party Assurance Provider as per Accounting Ability (AA) 1000 Assurance Standard (AS) 2008 and International Standards of Assurance Engagement (ISAE) 3000.

Sustainability has been an integral part of BPCL's philosophy. BPCL has put forth sustained efforts towards making its Sustainability Development performance visible in the public domain with increased transparency.

Biofuels

In order to cut Greenhouse Gas emission and advance closer to cleaner fuels, Ethanol blending in Petrol has been increased to 10% by the Government, but the total blending has reached only 3.3%. It is also planned for 20% Ethanol blending in Petrol by 2030.

To meet the above requirement, BPCL is setting up Ethanol producing plants using multi-feed stocks like lignocellulose feedstocks viz. rice straw, cotton stalk, wheat straw, soya stalk and using indigenous technologies for production of Second Generation (2G) Ethanol.

The objective of setting up 2G Ethanol Bio-refineries is to reduce environmental pollution. Greenhouse Gas emission saving from farm (burning), Ethanol production and Ethanol blending shall be 1,21,000 MT of CO_2 equivalent per year for a 100 KLPD 2G ethanol plant.

As part of a Biofuel venture, BPCL is setting up three agricultural biomass based Ligno-cellulosic 2G Ethanol Plants at Bargarh (Odisha), Bina (Madhya Pradesh) and Khamgaon (Maharashtra). The technology for the 2G Ethanol process is evolving and indigenous technologies are being encouraged for the project.

Surplus Biomass assessment for all three locations is completed and location and feed of the Bio-refinery has been finalized based on availability of Biomass feed in the region. Subsequently, the Feasibility Reports for Bargarh and Bina projects are completed.

The Bargarh 2G Ethanol Project has been progressing on a fast track basis. The Technology Licensor and PMC have been selected. Land has been allotted in June 2018. The Basic Engineering Design Package (BEDP) has been received from the technology licensor. Environment Clearance has been applied for the project and EIA/RRA study has been completed. Other tendering activities for the project are in an advanced stage.

INTERNATIONAL TRADE & RISK MANAGEMENT

The International Trade and Risk Management (ITRM) set-up is responsible for sourcing crude oils from indigenous as well as imported origins through term and spot contracts for BPCL refineries. ITRM also bridges gaps in supply and domestic demand of petroleum products by importing deficient products and exporting surplus products, charters ships for imports as well as carries out commodity price risk management activities.

During the year 2017-18, ITRM procured 4.38 MMT of crude oil from indigenous sources, as compared to 4.92 MMT in 2016-17. After completion of expansion of Kochi Refinery, with increased appetite for high sulphur crude oils, the crude oil processing requirement of BPCL's refineries increased to 28.49 MMT during 2017-18, as compared to 25.10 MMT during the previous year. ITRM therefore, imported the deficit quantity of 24.11 MMT of crude oil during 2017-18, as compared to import of 20.17 MMT of crude oil during 2016-17. Most of the high sulphur crude oils were imported on FOB (Free on Board) basis from the Middle East Gulf region through term and spot contracts. Consequently, import of low sulphur crude oils on FOB basis from the Far East and West Africa regions decreased somewhat, while that from the Mediterranean region remained nearly unchanged. The ratio of term to spot procurement was 69.3:30.7 in the year 2017-18 as compared to 72:28 in 2016-17, which is indicative of increased flexibility in sourcing.

In order to enhance cost effective sourcing of crude oils and improve refining margins, BPCL has entered into a strategic alliance with M/s. Shell to gain competency in international trading and is in the process of opening a trading arm in Singapore, as a wholly owned subsidiary.

In addition to import of crude oil, ITRM also imported LPG to meet domestic demand. Import of LPG was 2.81 MMT during the year 2017-18, as compared to 2.71 MMT during the previous year. The total import of LPG (including high sea sales and excluding high sea purchases) during the year 2017-18 was 2.68 MMT, as compared to 2.82 MMT during 2016-17. ITRM also imported 75 TMT of HSD BS IV during 2017-18, to meet the shortfall between the market demand and availability of the product from indigenous sources, as compared to nil import of HSD BS IV in 2016-17.

ITRM in-charters vessels for import of crude oil and LPG on FOB basis. In order to attain shipping security and optimize freight costs, a mix of ship chartering options were used. Out of the total 23.71 MMT crude oil imported on FOB basis during the year 2017-18, Contract of Affreightment vessels transported 2.91 MMT (12%), Time Charter (TC) vessels transported 4.27 MMT (18%) and Voyage Charter (VC) vessels transported the remaining 16.53 MMT (70%). In case of import of LPG, out of the total 2.17 MMT of LPG imported on FOB basis, during the year 2017-18, TC vessels transported 1.12 MMT (52%) and VC vessels transported the balance 1.05 MMT (48%).

The freight cost incurred for import of crude oil during the year 2017-18 was lower at USD 165 million (₹ 1,061 Crores) as compared to USD 190 million (₹ 1,274 Crores) during the previous year. The freight cost incurred on import of LPG, on both FOB and CIF basis, was also lower at USD 99 million (₹ 636 Crores) during 2017-18, as against USD 146 million (₹ 978 Crores) during 2016-17. The reduction achieved in freight costs for crude oil imports were due to subdued freight rates, more cargo liftings through VLCCs from the Middle East Gulf, reduced cargo liftings from West Africa and Far East and continual efforts by ITRM to optimize freight costs by exploiting market opportunities.

ITRM exports surplus refined petroleum products after meeting domestic demand. During the year 2017-18, ITRM exported 1,877.72 TMT of refined petroleum products, as compared to 2,398 TMT during the previous year. Naphtha exports decreased marginally to 1,138.73 TMT during the year 2017-18, as compared to 1,175 TMT in 2016-17, due to increase in domestic sales of Naphtha, higher conversion to Gasoline and lesser processing of light sweet crudes. Fuel oil exports decreased significantly to 407.99 TMT in the year 2017-18 as compared to 805 TMT in the previous year 2016-17 due to higher conversion into value added distillates. Export of Benzene decreased to 10.71 TMT in the year 2017-18, as compared to 40 TMT in the previous year, due to higher domestic sales. During the year 2017-18, export of HSD was 209.08 TMT, as compared to 233.55 TMT during the previous year. ITRM also exported 85.22 TMT of Vacuum Gas Oil (VGO) and 25.99 TMT of Gasoline during the year 2017-18, against nil exports of these two products in the previous year 2016-17.

As domestic prices of petroleum process are benchmarked to international prices, BPCL is exposed to the highly volatile prices of crude oil and petroleum products. BPCL is also exposed to volatile shipping freight rates for its imports. In order to protect BPCL from such adverse price movements, the commodity derivatives team in ITRM follows a Committee based, structured approach to carry out commodity hedging activities by hedging price risks in the international market through various instruments of hedging. Commodity hedging activities carried out during the year 2017-18 were within the approved mandate, in compliance of regulatory guidelines and resulted in hedging objectives being fully achieved.

RESEARCH AND DEVELOPMENT

During 2017-18, BPCL-R&D centres continued to offer novel, cost effective solutions for business development and sustainability. As a part of this, efforts were made to commercialize R&D products/processes.

In this context, commercial trials of the indigenous dewaxing catalyst, Bharat-HiCat, at the LOBS unit in Mumbai Refinery (MR) were initiated. Such effort has helped BPCL to become the third company in the world to develop such niche catalyst technology and also added impetus for development of improved versions of the catalyst for its commercialization. On similar lines, commercial use of Gasoline Sulfur Reduction additive, developed with patented know-how, is initiated on a continuous basis in the Fluid Catalytic Cracking Unit at MR. Further, commercial trials for cost effective Diesel Lubricity Additive and Drag Reducing Additive have been successfully completed. Additionally, novel additive development for liquid yield improvement in the Delayed Coker Unit has been accomplished and its demonstration is planned during next year.

Furthermore, the use of BPMARRK®: a tool developed for rapid crude assay, is popularized within the Corporation and its features have been further enhanced. These efforts have been recognized by MoP&NG by conferring the "Innovation Award 2015/16 – Best Innovation in R&D" for development of BPMARRK® during the 21st Refinery Technology Meet (RTM) at Visakhapatnam. The continuous improvements in unique features of BPMARRK® also brought its commercialization step closer. In this regard, discussions are in progress with a leading software provider.

As a part of disruptive innovation, efforts have continued to develop novel process technologies based on the process intensification principle. In this context, work on cross flow reactor technology for the hydroprocessing application, Higee Deaerator for one of the Crude Distillation Units at MR has continued. Such an approach is envisaged to offer a platform for process unit miniaturization with moderate process conditions leading to substantial savings in CAPEX and OPEX. Further, novel configuration based on the divided wall column concept for the Naphtha Splitter column at KR has been developed and its implementation has been initiated.

Efforts have been made to foster new business development through valorization of refinery streams namely Benzene and Light Diesel Oil for lithium ion battery and mosquito repellent application respectively. Likewise, focused collaborative efforts have been made to develop process know-how for production of Super Absorbing Polymer (SAP). In this context, potential hygiene SAP recipes, as per requisite specifications, have been developed.

During the year, as a part of green initiatives, Biodegradable Metal Cutting Oil: Mak®-Biocut has been developed in collaboration with Sewree-R&D and its field trials have been successfully completed. In order to improve the environment, a novel concept of waste plastic utilization in road pavements has been successfully demonstrated by laying roads at MR and KR.

The requisite technical support to set up a Bargarh Lignocellulosic refinery for 2G Ethanol production under the biofuel program has been continuously provided and in-house process development for the 2G Ethanol process continued. During the year innovative indigenous bio-remediation solution was provided to MMBPL to facilitate soil rehabilitation at the HSD leak affected site near Nashik (Maharashtra).

On similar lines, focused efforts have been made to develop niche and novel lubricant product segments. In this context, R&D activities have been carried out to develop a) High performance Engine Oil for 4 Stroke 2 wheelers, b) Synthetic Engine Oil for high performance passenger cars, c) High performance energy efficient Hydraulic Oil, d) Synthetic transmission fluid and e) Water resistant grease for industrial application.

All the aforementioned activities have been performed by adhering to safety compliance and all requisite measures have been performed to ensure implementation of Corporate HSSE guidelines.

These activities have been carried out through financial support, with total expenditure of ₹ 83.23 Crores (₹ 32.40 Crores-CAPEX and ₹ 50.83 Crores- REVEX, unaudited figures including salaries) against a target of ₹ 83 Crores. The implementation of Dewaxing catalyst, Bharat Ecochem for Ethanol MS blend, support on analytical / technical within the Corporation and outside and Solar plant operations have led to total savings of ₹ 15.24 Crores.

EXPLORATION AND PRODUCTION OF CRUDE OIL AND GAS

Bharat PetroResources Limited (BPRL) has participating interest (PI) in 24 blocks, of which 12 are located in India and 12 overseas, along with equity stake in two Russian entities holding the licence to four producing blocks in Russia. Seven of the twelve blocks in India were acquired under different rounds of New Exploration Licensing Policy (NELP) and five blocks were awarded under the Discovered Small Fields bid round 2016. Of the overseas blocks, six are in Brazil and one each in the United Arab Emirates (UAE), Mozambique, Indonesia, Australia, Israel and Timor Leste. The blocks of BPRL are in various stages of exploration, appraisal, pre-development and production. The total acreage held by BPRL and its subsidiaries is around 25,359 km^2 of which approx. 77% is offshore.

The PI in respect of Blocks in India and Australia are held directly by BPRL. BPRL has wholly owned subsidiary (WOS) Companies in the Netherlands, Singapore and India. The PI in Block-JPDA 06-103 in Timor Leste is held by BPRL's WOS Company in India, i.e. Bharat PetroResources JPDA Limited. The WOS in the Netherlands, i.e. BPRL International BV, in turn has four WOS Companies in the Netherlands, i.e. BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures BV. BPRL Ventures BV has 50% stake in IBV Brasil Petroleo Limitada, which currently holds PI ranging from 20% to 40% in six blocks in offshore Brazil. BPRL Ventures Mozambique BV has PI of 10% in a block in Mozambique, and BPRL Ventures Indonesia BV holds PI of 12.5% in a block in Indonesia. In the Financial Year 2017-18, BPRL, through BPRL International BV has formed a WOS in the Netherlands, i.e. BPRL International Ventures BV. BPRL International Ventures BV, along with the respective subsidiaries of the Indian Consortium partners comprising ONGC Videsh Ltd. (OVL) and Indian Oil Corporation (IOC) formed a Special Purpose Vehicle (SPV), i.e. Falcon Oil & Gas BV in the Netherlands, to hold 10% stake in the offshore producing concession in UAE, i.e. Lower Zakum Concession. BPRL, through BPRL International Ventures BV, has 30% stake in Falcon Oil and Gas BV. Further, BPRL's Singaporean subsidiary, i.e. BPRL International Singapore Pte Ltd (BISPL), along with respective subsidiaries of Oil India Ltd (OIL) and IOC have two Special Purpose Vehicles (SPV) i.e. Taas India Pte Ltd and Vankor India Pte Ltd. These, in turn hold 29.9% and 23.9% stake respectively in two Russian entities holding license to four producing blocks in Russia. BPRL International Singapore Pte Ltd holding 33% stake in each of the SPVs, to hold stakes in the Companies in Russia.

In Russia, BPRL along with OIL and IOC, jointly referred to as the Indian Consortium (IC), through their Joint Venture Companies formed by their wholly owned subsidiaries in Singapore, completed two transactions on 5th October 2016. One was acquisition of 23.9% shares of the charter capital of JSC Vankorneft, a Company organised under the laws of the Russian Federation, (which is the owner of Vankor and North Vankor Field licenses), from Rosneft Oil Company (Rosneft), a National Oil Company of Russia. The second was acquisition of 29.9% of the participatory share in the charter capital of LLC Taas Yuryakh Neftegazodobycha ("TYNGD"), from LLC RN Razvedka I Dobycha, a wholly owned subsidiary of Rosneft.

In Vankorneft, Rosneft holds about 50.1% shares in JSC Vankorneft, OVL (through its subsidiary) holds 26% shares of JSC Vankorneft and IC (through subsidiary companies) holds the remaining 23.9%. In TYNGD, Rosneft (through its subsidiary) holds 50.1% shares, BP (through a subsidiary) holds 20% shares and IC (through subsidiary companies) holds the remaining 29.9% shares. The Vankor field, located in East Siberia is Russia's second largest field by production and accounts for around 4% of Russian production. During the year 2017, the Vankor field produced approx. 17.6 MMT of oil and 8.5 BCM of gas (BPRL's effective share being 1.38 MMT oil and 0.67 BCM gas). During the year 2017, TYNGD produced approx. 1.24 MMT of oil and 0.2 BCM of gas (BPRL's effective share being 0.12 MMT Oil and 0.02 BCM Gas). TYNGD is expected to ramp up the oil production to 5 MMTPA by 2021. IC has started receiving dividends from the Vankor field. During the year 2017, IC received dividend amounting to approx USD 220 Million (with BPRL's effective share of approx. USD 72 Million).

In the UAE, BPRL along with OVL and IOC as a consortium, acquired 10% stake in the offshore producing oil asset, Lower Zakum Concession. IC's share in the Lower Zakum Concession is held through Falcon Oil & Gas B.V, a SPV incorporated in the Netherlands where BPRL holds 30% shares through its step down subsidiary BPRL International Ventures B.V in the Netherlands. IC's share in the concession was awarded by the Supreme Petroleum Council (SPC), on behalf of the Abu Dhabi government, to Falcon Oil & Gas B.V. Falcon Oil & Gas BV executed the transaction documents with respect to the Lower Zakum Concession on behalf of IC. The Concession has a term of 40 years effective from March, 2018.The international shareholders in the Lower Zakum concession are the IC represented by Falcon Oil & Gas B.V (10%), JODCO (10%, a wholly owned subsidiary of Japan's INPEX Corporation), China National Petroleum Corporation (10%), Italy's ENI (5%) and France's Total (5%). ADNOC retains a majority 60% stake in the concession. The Lower Zakum field is located in Abu Dhabi Offshore shallow water and has been producing since 1967, with a cumulative oil production of 4.1 billion barrels till 2016. The current production of this field is about 400,000 barrels of oil per day and IC's share is about 40,000 barrels of equity oil per day (approx. 2 MMTPA), with BPRL's entitlement approximately 12,000 barrels of equity oil per day being marketed as Das Blend. With this acquisition, BPRL has entered into UAE, which is a very attractive geography for sourcing oil for India and also into a producing field with a 40-year old track record, having supporting infrastructure for production and evacuation already in place.

In Mozambique, BPRL, through its Netherlands based subsidiary company, i.e. BPRL Ventures Mozambique B.V, holds 10% PI in the Rovuma Offshore Area 1 concession in Mozambique. Anadarko Mocambique Area 1 Limitada, a wholly owned subsidiary of Anadarko Petroleum Corporation, USA, is the Operator with 26.5% PI and the other consortium partners are Mitsui E&P Mozambique Area 1, Limited (20%), ENH Rovuma Área Um, S.A. (15%), OVL (10%), Beas Rovuma Energy Mozambique Limited (10%) and PTTEP Mozambique Area 1 Limited (8.5%). With the discovery of approximately 75 trillion cubic feet of recoverable natural gas, the Area 1 partnership is going ahead with the plan for development of an initial onshore LNG project consisting of 2 LNG trains with total nameplate capacity of 12.88 MMTPA (2x6.44 MMTPA) in the Cabo Delgado province, northern Mozambique. During the year 2017-18, the consortium has continued to advance towards a Final Investment Decision (FID) and further reinforced its position as a future global energy leader. The focus of the Area 1 partnership has been on the key elements required for FID i.e. Legal and Contractual Framework, Resettlement, Marketing and Project Financing. During the year, the partnership has successfully completed the core components of the Legal and Contractual Framework with the execution of the Marine Concession Agreements with the Govt. of Mozambique. Following the Mozambican Government's announcement of the Moratorium in November last year, the partnership commenced the implementation of the Resettlement program and onshore site preparation activities to de-risk the project schedule as much as possible ahead of FID. The focus of the partnership remains on carrying out the resettlement program safely, efficiently and with the utmost respect for the affected people. The partnership has, till date, executed a long-term LNG Sale and Purchase Agreement (SPA) for 1.2 MMTPA. Additionally, the partnership is in advanced negotiations with several buyers to secure the remaining volume to reach FID. With respect to project financing, Lenders are keenly engaged and have indicated willingness to support the initial project with the necessary levels of project finance commitments. The partnership is at present actively negotiating the terms and conditions of the project financing. During the year, two-train Golfinho-Atum Field Development Plan has been approved by the Govt. of Mozambique in the month of March, 2018. This Development Plan outlines the integrated onshore LNG project from the reservoir to the LNG market and is a culmination of the progress made to date on the technical and commercial aspects of the LNG development. This marks the achievement of a critical milestone which positions the Area 1 consortium and Mozambique as a strategic global LNG supplier. With the approval of the Development Plan on the back of other recent achievements, including completion of the core components of Legal & Contractual framework agreements and commencement of the implementation of resettlement program, the Area 1 consortium continues to progress towards a FID on the LNG project. This is anticipated once sufficient SPAs and financing arrangements are concluded for the Area 1 project.

In Brazil, IBV Brasil Petroleo Limitada (incorporated in Brazil), a JV Company of BPRL Ventures BV, and Videocon Energy Brazil Ltd, a foreign subsidiary of Videocon Industries Limited, holds PI in 6 blocks in 3 concessions in Brazil. Five out of six blocks are operated by Brazil's National Oil Company Petrobras, and one block is operated by Anadarko Petroleum Corporation, USA. In Sergipe Alagoas basin, all the minimum work program activities for the two exploration periods in these blocks have been completed. During the exploration periods, four discoveries of Oil & Gas i.e. 'Barra', 'Farfan', 'Cumbe' and 'Barra#1' have been made in this concession. Presently, the consortium is carrying out activities in four appraisal plans namely "Barra", "Farfan", "Cumbe" & "Verde" and the area under the "Papangu" appraisal plan, in SEAL-M-569 block has been relinquished after completing the firm activities. During appraisal, two additional oil and gas discoveries have been made. ANP has approved the proposal for extension of all BM-SEAL-11 appraisal plans up to 1st December 2020. The Operator i.e., Petrobras is taking steps for assessing reservoir extent including extended well testing in Farfan and based on the results of the appraisal, further development activities would commence. Petrobras has formed a Joint Working Team to interact closely for expediting the Sergipe Project development.

In Potiguar basin, during the first exploration period (2006-mid 2014), the minimum commitment activities have since been completed, including drilling of an exploration well called "Ararauna" in POT-M-760. Based on the oil and gas shows observed in the Ararauna well, ANP has approved the Ararauna appraisal plan, covering both the blocks in BM-POT-16 concession, consisting of firm commitment of drilling one well & G&G studies. The Regulator ANP has approved the extension of the Ararauna Appraisal Plan till November 2021. There are a number of sizable prospects identified based on the old 3D seismic data interpretation. To mature these prospects to drilling, the consortium has completed acquisition of new 3D seismic data and the same is being analyzed for better understanding of fault entrapment. The new 3D seismic study will help to reduce the risk/ uncertainty involved in fault entrapment.

In the Campos basin, during the exploration periods, the Wahoo discovery was announced. After completion of the exploratory periods in November 2010, the consortium decided to move on to the Appraisal phase. Under the Appraisal plan, the drilling of two firm Appraisal wells, screening of Development concepts and Pre-FEED engineering studies on identified facility options have been completed. In March 2016, ANP has approved the extension of the Wahoo Appraisal Plan from 30th September, 2015 to June 2022 with commitment of a Long Term Test (LTT) by 30th November, 2018. The consortium is in the process of studying various available options, including a possible tie back arrangement with nearby developed oil fields, before any firm commitment is made towards field development. The objective is to address all the uncertainties involved in the project to facilitate a commercially viable field development option.

In Israel, the BPRL led consortium comprising OVL designated as Operator, OIL and IOC submitted a successful bid for the offshore exploration block in Israel leading to award of Block 32. The block is located in the Eastern Mediterranean Sea where large gas discoveries have been made in the recent past. The total area is approximately 356.98 km^2 and the license is for an initial period of 3 years. The work program envisaged during this period consists evaluation by re-processing of available data. BPRL holds 25% PI in Block 32.

In Indonesia, a subsidiary of BPRL, i.e. BPRL Ventures Indonesia BV, has PI of 12.5% in Nunukan Block PSC. Other Joint Venture (JV) partners are PT Pertamina Hulu Energi with 64.5% PI as Operator; and Videocon Indonesia with 23% PI. There has been discovery of oil and natural gas in the Badik 1 well and hydrocarbon discovery confirmed in all appraisal wells. The Plan of Development (POD) for the Badik & West Badik prospects have been approved by the Ministry of Energy and Mineral Resources, Indonesia. The exploration work program for the Parang-1 well was completed in 2017-18 with the tests resulting in gas in five zones and oil in one zone. The Parang-1 discovery was also ranked amongst the Top Ten Discoveries of the World for 2017 by IHS Markit. The Operator proposes to carry out the appraisal of the Parang discovery and further exploration in the adjoining prospects.

In Timor Leste, BPRL through its wholly owned subsidiary, Bharat PetroResources JPDA Limited currently holds 20% PI in this block. The other consortium members are Videocon JPDA 06-103 Limited & GSPC JPDA Limited, both holding 20% PI, Pan Pacific Petroleum (JPDA 06-103) Pty Limited holding 15% PI, Oilex Limited (as Operator) holding 10% PI and Japan Energy E&P JPDA Pty Limited holding 15% PI in the said block. The Joint Venture (JV) had submitted its request to ANP for termination of PSC without claim or penalty. ANP, however rejected the claim of the JV and delivered its notice to terminate the PSC imposing Contractors Liability upon Termination. The JV, while accepting the termination, requested for negotiation for amicable settlement of contractor's liabilities upon termination, which is still under consideration.

In Australia, BPRL currently has a PI of 27.803% in Block EP - 413 (on land) in consortium with Norwest Energy NL, (Operator) and ARC Energy, 100% subsidiary of Australia Worldwide Exploration. This Block is being explored for Shale gas/tight gas. As a part of the Renewal Phase work commitment, acquisition of 3D seismic data has been carried out over 105 sq kms of the block area. The processing and interpretation of 3D Seismic data that was acquired earlier has been completed during the year. The work commitments of permit year 3 have been swapped by the work commitment of permit year 4. The permit is currently due to expire on 22nd February 2020.

In India, under NELP-IX bid round, the BPRL led consortium has been awarded on-land block CB-ONN-2010/8, in the 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. At present, the Consortium has completed drilling of six wells and testing of five wells in the Initial Exploration Period. During testing, Pasunia#01 (PA#01) and Pasunia#02 (PA#02) wells flowed oil of about 25-30 barrels of oil per day with approx. 290 API to the surface on self-flow and were accepted by DGH as discovery wells. The Field Development Plans (FDP) for the above two discoveries were submitted to DGH on 27.11.2017 for approval. DGH has approved the said FDP on 11.06.2018. Further, BPRL has started conducting Environmental Impact Assessment (EIA) studies in the block for carrying out development activities and would be submitting the application to Ministry of Environment & Forests (MOEF) for granting Environmental Clearance (EC).

BPRL has also been awarded five contract areas (two offshore and three onshore) through the Discovered Small Field (DSF) bid rounds of 2016. The two offshore blocks (B15 and B127E) are in the Mumbai Offshore basin, two in Rajasthan (Bakhri Tibba & Sadewala) and one in the Karaikal – Cauvery Basin, Tamil Nadu. Petroleum Mining Leases (PML) have been received for all fields except for Karaikal. Based on the discoveries and the G&G data available, commercial viability on further developing these fields is being evaluated.

BPRL has a PI of 40% in on land Block CY-ONN-2002/2 in the Cauvery Basin wherein ONGC is the Operator. The consortium has been successful in drilling three exploratory wells under the exploration phase of the field development and has flown an oil @ 115 cubic metre per day and gas @ 11,500 cubic metre per day. The block then moved to the appraisal phase and drilled two appraisal wells, which also produced hydrocarbons during testing. Accordingly, the Field Development Plan (FDP) was prepared by the Consortium and was approved by the Management Committee (MC) on 16.10.2015 based on which the block has entered into the Development Phase. The Consortium has been successful in completing five producing wells as of now and is currently producing oil with a combined daily average of 270 m^3 per day from these wells under the block. As part of the ongoing field development activities, drilling of the sixth one along with the other developmental activities like Construction of Crude Processing Facilities, pipeline works are currently in progress.

The Government of India (GOI), during 2004, awarded on-land block, CY-ONN-2004/2, to the joint consortium of ONGC and BPRL. A PI of 20% is held by BPRL in this block, with ONGC as the operator of the block. The consortium has completed drilling of four exploratory wells and two appraisal wells as on date. Out of the four exploratory wells drilled, one well (PN#8) produced oil and gas during testing and was declared as a discovery well. During the year, based on the testing results of PN#8 Well, the Consortium has prepared a FDP, which was submitted to the MC. FDP submitted was approved by the MC and the block has accordingly entered into the Development Phase effective 13.7.2017. As per the approved FDP, a total of eight development wells are proposed to be taken up along with facilities required for handling oil and gas produced from the field. The drilling of the first development well has already commenced and is under progress.

BPRL has a PI of 33.33% in RJ-ONN-2005/1, an onland block in Rajasthan, as Joint Operator with Hindustan Oil Exploration Corporation (HOEC). IMC is the other partner in the block. Phase I of the exploration period including all granted extensions expired on 12.10.2015. The drilling of exploratory wells was delayed because of inordinate delay in obtaining Ministry of Defense (MoD) clearance and Environmental Clearance (EC). A relinquishment proposal was submitted by the Operator to DGH seeking waiver of MWP commitment without Liquidated Damage under the revised policy framework released by MOP&NG on 10.11.2014, which was turned down by DGH. The Consortium Partners are in discussion with DGH for the way forward in the block.

In the Cambay basin, CB-ONN-2010/11, an onland block was awarded by GOI to a Consortium consisting of GAIL, BPRL, EIL, BFIL and MIEL. GAIL with 25% PI is the Operator of the block. and BPRL with 25% PI is the Joint Operator of the block. The block is currently in the exploration phase. Drilling of seven MWP wells has been completed. DGH has approved hydrocarbon discovery made in two wells. BPRL has agreed to join the Operator for appraisal work Program of both the discovery wells, i.e. Dugari#1 and Galiyana#1.

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

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

BUSINESS PROCESS EXCELLENCE CENTRE

During FY 2017-18, BPEC processed 4.3 Lakh invoices amounting to ₹ 11,000 Crores. There was a marked improvement in the processing cycle, with almost 80% of the invoices being processed within 15 days of receipt at BPEC. The last financial year brought about the biggest change in the Indian Tax Regime with introduction of GST. This presented a new challenge for the BPEC team with respect to collection of GST registration details of suppliers/ contractors. However, the team rose to the challenge and successfully collected GST Registration details for 21,568 suppliers/ contractors. Introduction of GST also brought a sunset clause for the erstwhile Service Tax Regime. Input Tax Credit for Service Tax could be availed only till June 2017. With the focused approach and dedicated efforts, BPEC managed to avail Service Tax Credit worth ₹ 255 Crores in the period April-June 2017, as compared to ₹ 289 Crores for the entire FY 2016-17. BPEC showcased its state-of-the-art infrastructure, process as well as technology to officials from IOCL and HPCL who visited BPEC during the year.

To take forward its quest for digital transformation, BPEC has undertaken a project to take over various transactional processes in the Order to Cash cycle i.e. Accounts Receivable (AR) process. The project is one of a kind in BPCL, since the data and processing will be hosted on the Cloud platform. The activities undertaken as a part of the project include matching and clearing of customer open items, customer credit management, processing of debit – credit notes, collections & dispute management, processing of customer refund requests and meeting inter/intra customer/SBU requests.

BRAND & PUBLIC RELATIONS

BPC Tarang

The main objective of BPC Tarang, our customized In-house Radio service, is to engage, entertain and energize our employees across the country. This powerful medium has been utilized to communicate various initiatives and corporate messages across the country. With a view to enlighten young officers about our corporate culture, we have broadcast interviews of some of our senior management. Opportunities were also provided to retiring staff to express their thoughts and memorable experiences through this medium. The latest addition in BPC Tarang was the series under the banner 'BPC's Got Talent' that was launched on 6th November 2017. The purpose of this initiative was to unleash the latent talent of our staff across the country - both management and non-management. We have received a huge response of performances in various Indian Regional languages besides Hindi. Staff have participated in the categories of singing, instrumental music, poetry, mimicry, storytelling and dialogues.

Fleet Visual Manifestation

BPCL operates through a fleet of over 22,000 transport vehicles in different businesses - Retail, LPG, Lubes and Aviation. These vehicles carry petroleum products from supply locations to Retail Outlets, bottling plants, LPG distributors, direct customers and Aviation Fueling Stations, covering the length and breadth of the country. In order to strengthen BPCL's corporate brand equity, a common branding for the entire BPCL fleet has been developed. While preparing the new VM design, due consideration has been given to flexibility for adapting the artwork for various sizes and shapes of vehicles, ease of application and above all, creating a distinct and unique identity for the entire BPCL fleet. In the new branding world class paint and vinyl specifications have been incorporated which would give the BPCL fleet a grand and attractive look. The new age customers would also see Bharat Petroleum in a new light. From the Corporate Branding perspective, it is important to have a standard and uniform look of the BPCL fleet across businesses.

Active Social Media Presence

Various digital initiatives and campaigns have helped Bharat Petroleum enhance and amplify its presence on social media. BPCL owned social media assets like Twitter, Facebook, LinkedIn and YouTube were leveraged to promote digital content for enhancing Brand BPCL. Major campaigns like 'Jaanchen Parkhein Phir Bharein' for Quality and Quantity awareness, MAK Lubricants for product awareness, BPCL Maharatna and Star PSU were launched on social media and they generated more than 68 Lakh impressions. BPCL could develop a positive and active social media culture with a strong follower base of over 2.9 Lakhs.

Online Reputation Management

With customers shifting to the conveniences of digital and social media, resolutions of complaints raised via these modes have to be given top priority. Online Reputation Management is a powerful online listening and responding tool to improve the equity of Brand BPCL. With the robust ORM tool, BPCL is equipped to monitor and respond to around 20,000 conversations across the Internet every month. The ORM tool helps in monitoring feedback, suggestions and complaints and also generates reports on parameters like demographics and sentiment analysis. The ORM assures 24x7 tracking of conversations and ensures resolution within 48 hours. Competitor information and insights are also tracked on a daily basis with the ORM tool.

MoPNG e-Seva

BPCL has been chosen to coordinate a Digital Initiative 'MoPNG e-Seva', a Social Media based grievance redressal platform of Ministry of Petroleum & Natural Gas to resolve Oil & Gas complaints. A total of 17,148 queries were received and resolved on MoPNG e-Seva as on 31st March 2018.

Exhibitions

Urja Utsav - a major event and exhibition for development in the areas of Biofuel was organised at Pune on 7th July 2017. The Bio-fuel model at the BPCL Pavilion was a major attraction.

'Advantage Assam'- the Assam Global Investors' Summit scheduled during 3rd/4th February 2018, was the largest ever investment promotion and facilitation initiative by the Government of Assam. The Summit aimed at highlighting the state's geostrategic advantages offered to investors by Assam. The MoP&NG pavilion at the exhibition showcased the Hydrocarbon Vision 2030 for the Northeast and opportunities available in the upstream and downstream sectors. BPCL signed a MoU with the Government of Assam for a POL Terminal and LPG Bottling Plant at Sonapur, Dist. Guwahati.

Pradhan Mantri Ujjwala Yojana (PMUY) and PM LPG Panchayat Campaigns

Various campaigns were launched to disseminate information and create awareness about PMUY and PM LPG Panchayat. These effectively helped to achieve release of over 4.5 Crore LPG Connections under PMUY since 1st April 2016.

Community Building

The following activities were undertaken during the year :

As a good corporate citizen, BPCL has sponsored many events like the North East ASEAN Summit, SCOPE Communications Summit, NDE 2017 Conference & Exhibition on Non- Destructive Evaluation, International Customs Day, CII Industrial Relations Summit, 14th National Competition for Young India by AIMA, Half Marathon by Border Security Force and PASBAN E ADAB by Maharashtra Police, among several others.

BPCL has also participated in many major conferences like NIPM's 36th Annual National Conference; 22nd Refinery Technology Meet (RTM) by Centre for High Tech, FIPI International Energy Conference, 17th London Global Convention, Petrochemical InvestorsConclave, Foundry Technology Event and National Level Vendor Development Program NATCON 2017.

As a corporate working towards uplifting the weaker sections of society, BPCL regularly contributes to various fund-raising events organized by NGOs and cultural events organized by various associations like The Blind Welfare Organization, Tamana Fashion show for the specially abled, Indian Trust for Rural Heritage and Development, National Society for the Blind, India Deaf Society, HURT Foundation, Antarchakshu by Xavier's Resource Centre for the visually challenged and Umeed 2018 Fund raising for cancer patients by Medigene Homeopathic Research & Development.

On the sports front, BPCL has sponsored various tournaments such as the Federation Cup Kabaddi Championship, National Carrom Championship, FIVC Forza International Veteran Cup Table Tennis Tournament Goa amongst others.

In addition, BPCL has sponsored many college festivals to encourage the youth to participate in cultural activities and organize such events on campus such as Moneta Fest by Podar College, Lokmanya Tilak Municipal Medical College & General Hospital for Trinity Conference 2018, Symphony by K.J. Somaiya College of Engineering, Prarambh by Hinduja College, International Research Conference by Jamnabai Bajaj Institute, Unmaad by IIM Bangalore, Cycle to Change by Sydenham Institute of Management Studies, Bitotsav 2018 by Birla Institute of Technology, Media Mahakumbh by Indian Institute of Mass Communication, amongst many others.

AWARDS & RECOGNITION

BPCL has been conferred with the coveted Star PSU Award at the Business Standard Annual Awards for Corporate Excellence 2017. Apart from financial metrics and competitive advantage, the criteria for selection included scale, sustainability, leadership and innovation, bearing testimony to BPCL's capabilities in these diverse spheres.

In the prestigious Fortune Global 500 list for 2017, BPCL's rank is 314 and in the Forbes Global 2000 list for 2018, BPCL's rank is 672. For its outstanding global, financial and industry performance, BPCL has been ranked among the top 20 Oil and Gas Refining and Marketing companies in the Platts Top 250 Global Energy Company Rankings for 2017. BPCL ranks 5th in Oil & Gas Refining and Marketing in the Asia/Pacific Rim, 7th in Oil & Gas Refining and Marketing globally and 10th in overall performance in the Asia/Pacific Rim. On an overall global performance, Bharat Petroleum has been ranked 27th.

BPCL was honoured with the prestigious Federation of Indian Petroleum Industry (FIPI) 'Project Management (₹ 500-2,000 Crore) Company of the Year – 2016' Award for completing the CDU-4 Project of Mumbai Refinery within the time schedule and cost while maintaining quality and safety standards during implementation.

Supply Chain Optimization obtained the Winner Award in the Category, "Strategy Excellence in Raw Material Procurement" at the Manufacturing Supply Chain Summit 2018, conducted by KamiKaze B2B Media. Internal Audit has been conferred with the Award of Excellence under the category of 'Agile Technology in Internal Audit' for their innovative initiative: - "Project Smart Watch – Continuous Assessment of Risk".

Mumbai Refinery bagged the Refinery Innovation Award 2016-17 for being the first in India in the history of refining, to produce world class quality hexane as a byproduct along with isomerate – a MS blend component - from its Isomerization unit. MR has been adjudged as the winner of "MQH – Best Practices Competition", under the Manufacturing Category, conducted by IMC Ramkrishna Bajaj National Quality Award Trust (RBNQA), Mumbai. In recognition of its commitment towards Business Excellence and Sustainability, Mumbai Refinery was conferred the 'Gold Award' (Special category) under the prestigious 'National Awards for Manufacturing Competitiveness (NAMC) 2016-17' conducted by the International Research Institute for Manufacturing (IRIM).

For the second consecutive year, Kochi Refinery has been declared winner of the National Institute of Personnel Management (NIPM) Kerala Chapter Best Corporate Citizen Award in recognition of their efforts in integrating and internalizing CSR into their core business operations. For the 12th consecutive year, Kochi Refinery has won the Kerala State Pollution Control Excellence Award instituted by Kerala State Pollution Control Board (KSPCB) for pollution control measures in the category of very large industries. Kochi Refinery bagged the Construction Industry Development Council (CIDC) Viswakarma Award for the second consecutive year for the "Best Construction

Project for the year 2017-18" for the Integrated Refinery Expansion Project.

Kochi Refinery also secured the CIDC Green Performance Award for its numerous environment friendly initiatives. Kochi Refinery has been adjudged winner of the FACT MKK Nayar Productivity Award for Large Scale Industries for 2015-16 instituted by the Kerala State Productivity Council (KSPC). Kochi LPG plant was awarded first for Outstanding Performance in Industrial Safety, under Category – III, Sub Category-I (Medium Factories) from Department of Factories & Boilers, Government of Kerala. Kochi LPG plant was also awarded Runner-Up for Outstanding Safety Performance, under the category of Medium Sized Chemical Industries from National Safety Council (Kerala Chapter).

BPCL won the Silver Award for its In-house Magazine, Petro Plus, at the Annual Awards of the Association of Business Communicators of India (ABCI). BPCL received the Best Corporate Communication Campaign / Program - (Internal) for the Brand Quiz Baadshah initiative and the Best Annual Report at the SCOPE Corporate Communication Excellence Awards 2017.

While Integrated Data Center's (IDC) case study - "Advanced Racks and Energy Management in Data Center" was adjudged as the Winner in the 'Data Center – Energy Efficiency' category organized by UBS Transformance, their case study - "Enhancement of Data Center Electrical Redundancy System with Modular UPS Architecture" was declared the Winner in the "Data Center – Power Management" category. BPCL was also awarded the Leader Dx – IDC Digital Operational Transformation Award for successfully planning and executing the digital transformation (DX) of one or multiple areas of their business through the use of digital and disruptive technologies within Asia/ Pacific.

Bhubaneshwar AFS was awarded by Odisha State Safety Award Committee as winner of the Government award for the 'Lowest Weighted Frequency Rate of Accidents in 2017, in man-hours worked between 20,000 to 1,00,000 category' for maintaining the highest level of safety management system.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Corporation has a robust internal control system (including Internal Financial Controls over Financial Reporting) that facilitates efficiency, reliability and completeness of accounting records and timely preparation of reliable financial and management information. The internal control system ensures compliance with all applicable laws and regulations, facilitates in optimum utilization of resources and protects the Corporation's assets and investor's interests. The Corporation has a clearly defined organizational structure, well documented decision rights and 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 state-of-the-art ERP solutions (SAP) and Business Information Warehouse in the Corporation has inbuilt controls including the authorization controls. This further enhances controls and seamless exchange of information with access controls. The SAP systems will provide an audit trail of the transactions. The Corporation has a whistle blower policy and anti-fraud policy to address fraud risk.

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

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

ANNEXURE A

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

A. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy

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

MUMBAI REFINERY

A concept of "Energy Champion" was introduced since 31st July 2017 to establish collective participation of all concerned personnel (Operations, Maintenance, Utility & Technology) for identification and execution of energy saving schemes for meeting short, medium and long term energy conservation targets.

As a part of Oil & Gas Conservation Campaign, SAKSHAM-2018, M/s. Centre for High Technology had organized a "Furnace / Boiler Efficiency Survey" in the Refinery along with industry experts. In addition, various awareness programs under the theme of "Indhan Sanrakshan ki Jimmedhari, Jan Gan ki Bhagidari" were conducted, both inside & outside the refinery.

Mumbai Refinery has accorded high importance to energy conservation and environment protection. The following energy conservation and loss control measures were adopted by Mumbai Refinery during the year 2017-18 which have resulted in significant fuel savings:

- "Chemical decontamination" technique has been adopted during refinery turnarounds. This resulted in reduction of turnaround duration and also improved heat exchanger cleaning.
- Excellent Hydrogen Management was achieved by processing of hydrogen rich off gas ex CCR (Continuous Catalytic Reforming Unit), in Hydro-cracker-PSA (Pressure Swing Absorption Unit) and Hydrogen Unit to recover valuable hydrogen from the off gases.
- On-line chemical cleaning of furnaces to clean off fouling and deposits on the radiation tubes leading to better heat absorption in radiation section.
- Implementation of "Steam Trap & Leak Management" project to achieve zero steam leaks in FCCU (Fluidized Catalytic Cracking Unit /CCR/DHDS (De-hydro De-sulphurisation) Complex.
- Continuous monitoring & control of all parameters of Furnaces & Boilers.
- Continuous recovery of flare gas with the help of FGRS and strict monitoring of process conditions to control flare loss.
- Survey of Pressure Safety Valves/ Pressure Control Valves to identify passing valves and rectification to reduce flare loss.
- Periodical Survey of Compressed air and Nitrogen leaks and rectification.
- Superior insulation was provided on steam headers to reduce surface heat loss.
- Availability of a robust "Energy Portal" for on-line monitoring of refinery process performance and energy consumption, including monitoring of "significant energy uses".
- Implementation of various Advance Process Control (APC) strategies in CDU3/4, HCU, CCR, Boiler house, DHDS, ARU complex & CCG splitter.
- Effective usage of Advance Process Control (APC) in High Efficiency Boilers (HEB) and "Online Utility Planner and Optimizer", a first of its kind in the country.
- Replacement of AFC fan blades with energy efficient FRP (Fibre-Reinforced Plastic) blades in CCR and ARU.

KOCHI REFINERY

The following energy conservation and loss control measures were adopted during the year 2017-18, resulting in significant fuel savings:

- Installation of Plate Type Heat Exchangers in Crude/ Vacuum Residue service in CDU2 to improve Crude Pre Heat Temperature.
- Usage of Very High Pressure (VHP) steam in Integrated Refinery Expansion Project (IREP) instead of High Pressure (HP) steam, along with back pressure turbines.
- Installation of Power Recovery Turbine for Diesel Hydro-treater (DHDT) unit feed pump in IREP
- Installation of Power Recovery Turbine for Vacuum Gas Oil Hydro-treater (VGO-HDT) unit feed pump in IREP
- Installation of Power Recovery Turbine for VGO HDT unit Amine pump in IREP
- Installed Power Recovery Expander for Petro Fluidised Catalytic Cracker unit (PFCCU) in IREP
- Installation of Vapour Absorption Machine in Air conditioning systems of sub-stations and Satellite Rack Rooms (SRR).

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

Mumbai Refinery

- A Solar power plant has been installed at Refinery Admin building to harness solar energy. In the year 2017-18 solar power generated was 50.46 MWH. During the year 2017-18, Mumbai Refinery has added 614 KW of solar power generating capacity to the existing capacity of 40 KW, taking the total generating capacity of solar power to 654 KW. 13 separate units have been added during the year 2017-18 alone.
- Installation of energy efficient LED light fittings is currently in progress at the refinery. During the year 2017-18, 5315 fittings were installed with a cumulative power saving of 115.5 KW. Further, during the year 2018-19, all the 125 Watt and 250 Watt HPMV (FLP) fittings in the entire refinery will be replaced with 45 Watt and 105 Watt LED fittings respectively, with an overall savings of 1452.5 KW.

Kochi Refinery

- Installed 60 kW solar plant on top of the CDU2 substation. The annual electricity generation was 46.8 MWh.
- Installed 56 Natural Day- Lighting systems in the Main Workshop and Main Warehouse in place of fluorescent tubes resulting in annual electricity savings of 25 MWh.

iii) The capital invested on energy conservation and estimated savings

Mumbai Refinery

S. No	Description of Scheme Implemented	Capital Investment in ₹ Crores	Energy savings	
			Fuel (MT/year)	Power MWH/year
1.	Replacement of third stage ejector system by LRVP (Liquid ring vacuum pump) in VDU3: Around 60 MTPD of steam could be saved consuming around 145 KWh electricity.	Part of CDU3 revamp		0.145
2.	Heat Recovery from diesel stream in HCU: It helped in generating MP steam of around 125 MTPD and reducing diesel rundown temp by around 10^{0}C.	Part of Hydrocracker revamp	2976	
3.	Reduction in MP steam consumption of HCU Feed steam heater, E201: Steam consumption dropped by around 110 MTPD.	Part of Hydrocracker revamp	2619	
4.	Provision of Plate type heat exchanger in RMP ARU: This resulted in 25 MTPD of MP steam saving in reboiler.	2.4	595	

S. No	Description of Scheme Implemented	Capital Investment in ₹ Crores	Energy savings	
			Fuel (MT/year)	Power MWH/year
5	Increase in preheat to CCG splitter: It resulted in reduction of MP steam to pre-heater from 120 to 112 MTPD.	Nil	190	
6	Stoppage of Stripping steam to LGO4 stripper (144-C-105): It resulted in saving of 10 MTPD of MP steam.	Nil	238	
7	Reduction of steam in product stripper (C 203) of HCU: MP steam was reduced from 70 MTPD to 60 MTPD (10 MTPD reduction)	Nil	238	
8	Steam trap & leak management scheme in RMP Complex: The implementation has resulted in LP steam savings of 7.6 MT/hr.	3.5	4333	
9	CDU4 column pressure reduction from 1.8 kg/cm2 to 1.65 Kg/cm2: This helped in stripping steam reduction of 10 MTPD and fuel savings of around 3.7 MTPD without any effect on the product quality.	Nil	1471	
10	CDU3 Deaerator steam reduction: Around 35 MTPD of LP steam could be reduced.	Nil	833	
11	FCCU Deaerator steam reduction: Around 30 MTPD of LP steam could be reduced.	Nil	714	
12	Replacement of AFC fan blades with EFRP blades in ARU: Power saving	0.30		0.04
13	Replacement of AFC fan blades with EFRP blades of CCR splitter O/H: Power saving is about 30 KWh.	0.25		0.03
14	Provision of Step less control in DHDS MUG compressor: By installing Hydro-COM step less capacity control system, power consumption reduced	1.33		0.112
15	Reduction in steam consumption of HCU RGC by correction in gas/oil ratio based on current molecular weight: Steam reduction of 35 MTPD could be realized.	Nil	833	
16	Revision in HCU Fractionator (C204: 132P213B) and Product stripper (C203: 132P211B) reflux turbine pumps rpm: This resulted in reduction of 25 MTPD of steam consumption.	Nil	595	
17	Energy saving benefits as achieved and sustained from APC: From various strategies implemented in CDU3/4, HCU, CCR, Boiler house, DHDS, ARU complex & CCG splitter, 22.5 MTPD of fuel was saved.	Nil	7500	

Kochi Refinery

S. No	Details of energy conservation equipment and division	Capital Investment in ₹ Crores	Energy savings	
			Fuel (MT/ year)	Power MWH/year
1	Installation of Plate Type Heat Exchanger in Crude/ VR service in CDU2 to improve Crude Pre Heat Temperature by 25^{0}C.	2.16	8238	
2	Usage of VHP steam in Integrated Refinery Expansion Project (IREP) instead of HP steam, along with back pressure turbines, reducing steam condensing by 98 Mt/Kh	Included in IREP cost	58880	
3	Installed Power Recovery Turbine (PRT) for VGO HDT feed pump saving power by 582 KW	Included in IREP cost		4819
4	Installed Power Recovery Turbine for DHDT feed pump saving power by 359 KW	Included in IREP cost		2972.5
5	Installed Power Recovery Turbine for VGO HDT Amine pump saving power by 859 KW	Included in IREP cost		7112.5
6	Installed Power Recovery Expander in PFCCU	Included in IREP cost		9.8
7	Replaced 4880 conventional lighting by LED lighting in Plant, Control Rooms, substations, Lab Warehouse and office rooms resulting in power saving of 177 KW	NIL		1129

B. TECHNOLOGY ABSORPTION

Mumbai Refinery

(i) The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution

- Revamp of CDU3, New Hydrogen Generation Unit (NHGU) and Hydrocracker units completed successfully resulting in higher crude processing capability and reduced energy consumption.
- New exchanger commissioning and adopting LRVP technology in CDU3 helped in reducing energy consumption.
- NHGU R301 (Hydrogenator) online Sulphiding in gas phase was completed in the presence of M/s HTAS. Mumbai Refinery is the first refinery to go for this along with HTAS. This helped to process CCR Inlet gas in NHGU.
- Started using indigenously developed and cost effective Gasoline Sulphur Reduction catalyst which was developed by R&D.
- Developed a novel, cost effective and indigenous dewaxing catalyst (BHARAT-HiCAT) as a part of the 'Make in India' initiative and started using it in the LOBS de-waxing reactor for Lubes production.
- Tail Gas Treatment Units-2 and 1 successfully commissioned in Nov and Dec 2017 respectively.
- Implemented APC in all major units in Mumbai Refinery. With this, APC implementation reaches 85% from the earlier 65% coverage for the Refinery, with a sustained KPI of 97% uptime which has improved yield and reduced energy to a great extent.
- Inline crude blender was commissioned for CDU-4 which feeds the unit with consistent quality (Density, Sulphur & Viscosity) and will able to process low cost opportunity crudes. This is the first Inline Crude blender in BPCL Group Refineries.

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 (b) the year of Import

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

(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

(i) The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution

- Integrated Refinery Expansion Project (IREP) units and associated facilities were commissioned and stabilized. The new units commissioned under IREP are CDU3, DHDT, VGO HDT, PFCC, DCU, SRU, Sour Water Stripper (SWS) unit and TGTU. Further, Kochi Refinery has the capability to process 100% high sulfur crude oil.

- Newly developed Platforming catalyst -R264 from M/s UOP was loaded in the Continuous Catalytic Reformer (CCR) unit. R-264, a more robust catalyst will help in increasing CCR capacity by additional 5%.
- In VGO –HDT, for exchanger leak detection, BARC developed Tracer technics were used.
- In Kero Merox unit, UOP Merox -10 catalyst was loaded, which is pre-impregnated catalyst and can handle feed mercaptans up to 200 ppmw.
- CDU2 capacity was enhanced from 4.5 MMTPA to 5 MMTPA through revamp. In CDU2 revamp, for the first time, plate type exchangers were used in vacuum column bottom/ crude oil service.

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

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

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

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.

C. EXPENDITURE ON R&D DURING 2017-18

Particulars	(₹ in Crores)
Expenditure	**2017-18**
Capital Expenditure	35.81
Revenue/Recurring Expenditure	47.38
Total	**83.19**

RESEARCH & DEVELOPMENT (R&D)

1. Specific areas in which R&D is been carried out by the Company :

Developing the following grades/products:

1. High Performance Engine Oil compatible with Ethanol blended petrol (up to E85) for 4 Stroke 2 Wheelers
2. Synthetic Engine Oil for high performance passenger cars
3. High performance Hydraulic Oil
4. Cutting Oil for new generation materials
5. Fully synthetic transmission fluid for passenger cars.
6. Water resistant grease for industrial applications.
7. Alternate formulations for existing products

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

a) High Performance Engine Oil for 4 Stroke 2 wheelers would be suitable for ethanol blended petrol (up to E85) as it enhances the engine & engine oil life, provides support to the Government initiative of ethanol blending in petrol and helps us to generate new business.

b) Synthetic Engine Oil for high performance passenger cars would offer better flow at low temperatures and excellent engine protection at high temperatures, hence a trouble free & smooth driving experience for end customers and helps us to generate new business.

c) High performance energy efficient Hydraulic Oil would enable manufacturing facilities using hydraulic systems to operate at maximum efficiency, increase production output and reduce fuel consumption. This would help us in generating new business.

d) Environmental friendly, multi-purpose soluble metal working fluid designed for a multitude of machining operations on metals which are being widely used in Automobile and Aerospace applications respectively. This would help us in generating new business.

e) Synthetic transmission fluid enables smooth shifting of gears and provides better overall protection. The synthetic transmission fluid sustains its viscosity over a wide range of operating temperatures ensure in a better lubrication of manual transmission.

f) Water resistant grease for industrial application provides effective protection for bearings and other moving parts in industries where moisture ingress affects lubrication longevity and corrosion resistance, thereby reducing overall grease consumption.

g) Alternate formulation for existing grades would provide operational flexibility, besides reducing the input cost of respective grades.

3. Future Plan of Action

1. High performance engine oil for high powered racing bikes
2. Heavy duty diesel engine oil for ultra-low emission BS VI engines.
3. Bio degradable cutting oil
4. Fire resistant hydraulic fluid for coal sector.
5. Universal Tractor Transmission Fluid for Farm tractors.
6. Long life wheel bearing grease for heavy commercial vehicles
7. Alternate formulations for existing products

D. FOREIGN EXCHNGE EARNINGS/ OUTGO

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

(₹ Crores)

Particulars	2017-18	2016-17
Earnings in Foreign Exchange	**10,370.81**	10,152.12
- Includes receipt of ₹ 1,390 Crores (previous year ₹ 1,277.23 Crores) in Indian currency out of the repatriable funds of foreign airline and ₹ 535.17 Crores (previous year ₹ 418.07 Crores) of INR exports to Nepal and Bhutan of I&C, Retail and Lubes Customers.		
Foreign Exchange Outgo	**77,477.92**	62,084.76
- on account of purchase of Raw Materials, Capital Goods, Chemicals, Catalysts, Spare Parts, International Trading Activities.		

ANNEXURE B
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

- In every financial year, at least 2% of average net profits of the Company made during the three immediately preceding financial years will be earmarked for undertaking CSR activities.
- BPCL has a CSR Committee of the Board headed by an Independent Director, which regularly reviews and monitors all CSR projects.
- A robust governance structure with a dedicated team of CSR professionals strives towards identifying and implementing impactful social projects, which are in alignment with the areas specified under Schedule VII of the Companies Act, 2013 of which the Company takes up CSR projects largely in the 5 core thrust areas of:
  - Education
  - Water Conservation
  - Skill Development
  - Health/Hygiene and
  - Community Development.

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

2) The composition of the CSR Committee : The CSR Committee of Directors comprises -

1. Shri Rajesh Kumar Mangal, Chairman of the Committee – Independent Director
2. Shri Anant Kumar Singh, Government Nominee Director (up to 27.11.2017)
3. Shri Rajiv Bansal, Government Nominee Director (w.e.f. 15.12.2017)
4. Shri P.H. Kurian, Government Nominee Director (Up to 18.04.2017)
5. Shri S.P Gathoo, Director (HR) (up to 31.10.2017)
6. Shri K. Padmakar, Director (HR) (w.e.f. 01.02.2018)
7. Shri P. Balasubramanian, Director (Finance) (Up to 30.04.2017)
8. Shri Paul Antony, Government Nominee Director (w.e.f 29.05.2017 up to 19.03.2018)
9. Dr. K. Ellangovan, Government Nominee Director (w.e.f. 20.03.2018)
10. Shri K. Sivakumar, Director (Finance) (w.e.f. 01.05.2017 up to 07.05.2018)

3) Average net profit of the Company for the last three financial years : ₹ 9,166.48 Crores

4) Prescribed CSR Expenditure for 2017 -18 : ₹ 183.33 Crores

5) Details of CSR Spend during the financial year 2017-18

a. Total Amount to be spent : ₹ 310.56 Crores (including the carry forward of ₹ 127.23 Crores of previous years)

b. Amount unspent : ₹ 144.54 Crores

c. Details of the manner in which the amount was spent : Enclosed in Attachment

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

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

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

BPCL provided a budget of ₹ 183.33 Crores in 2017-18 and has allocated the entire budget for various projects within the items enumerated in Schedule VII, which includes several initiatives of national importance. In addition, BPCL has also carried forward ₹ 127.23 Crores unspent budget from previous years.

Against the above allocation of ₹ 183.33 Crores and carry forward amount of ₹ 127.23 Crores, an expenditure of ₹ 166.02 Crores was incurred. The shortfall from the stipulated prescribed spends is on account of the following reasons:

1. In the beginning of the financial year, BPCL had strategized to commit funds for major projects within identified thrust areas that were envisaged to begin in the financial year 2017-18 e.g. Swachh Iconic Place-Kalady, Project Akshar, 'Waste to Fuel' Project, maintenance of toilet blocks, some infrastructure projects and others. Due to delay on various fronts for commencement of the projects, the major activities of these projects are anticipated to happen in the coming year.
2. Significant shared value creation in the development sector becomes constructive and concrete through efficient implementation partners, sustained long term and continued intervention. Majority of its projects span between one to five years. A number of projects were approved in the 2nd, 3rd and 4th quarters of the financial year 2017-18 with implementation spread over more than one year. Furthermore, as per the Company's CSR Policy, projects are executed in a project mode with payments being linked to achievement of key deliverables. The actual expenditure against approved projects rolls beyond the financial year. Hence, payments for projects committed during the reported financial year, will be released over the subsequent months.
3. CSR as a practice has grown exponentially bringing with it an increasing demand of transparency. Over the years, BPCL has been focusing on continuous improvement in social, environmental and economic performance that are both measurable and sustainable. This is also reflected in its CSR projects due to established diligence process for approving the projects. Hence, BPCL does not disburse funds on projects which are not 'sustainable' or not delivering 'results'.

As a responsible corporate BPCL's constant endeavour is to complete projects which have been initiated while ensuring the impact envisioned. In the process funds may have to be carried forward, sometimes even reallocated. The CSR funds that were unspent in the year 2017-18, despite being allocated, for the reasons mentioned above are being carried forward to the next year and will be rightfully spent/ reallocated as the case may be.

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

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

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

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

Date: 20.07.2018

Attachment

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

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Local area or other	State & District where project or program was undertaken	Amount Outlay (Budget) project or programwise in ₹	Amount spent on projects or programs in ₹		Cumulative expenditure up to the reporting period ₹	Amount spent : Direct or implementing agency
						Direct Expenditure	Programs Overhead		
1.	BOOND - Rain water harvesting project -Tuticorin	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Local	Dist. Tuticorin, Tamil Nadu	2,53,60,684	29,53,961	-	1,43,78,277	Implementing agency
2.	BOOND - Rain water harvesting project -Kolar Ramanagara		Local	Dist. Kolar & Ramanagara, Karnataka	3,02,64,000	37,22,900	-	1,72,49,420	Implementing agency
3.	Proposal for water conservation under project `Silt-free dam and silt-filled field in 19 villages	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Local	Dist. Nashik, Maharashtra	25,00,000	5,00,000	-	5,00,000	Implementing agency
4.	Green Pilgrimage Programme in Erumely		Local	Dist. Kottayam, Kerala	12,40,000	10,53,960	-	10,53,960	Implementing agency
5.	Rejuvenation of river Periyar and Kadambrayar		Local	Dist. Ernakulam, Kerala	6,25,000	6,25,000	-	6,25,000	Implementing agency
6.	Need Assessment Study for the Integrated Water Resource Development Project in 2 Villages		Local	Dist. Thane, Maharashtra	3,76,000	3,45,642	-	3,45,642	Implementing agency
7.	Water Provision through Rain Water Harvesting Structures at ITI, Karjat		Local	Dist. Raigad, Maharashtra	42,12,000	41,02,898	-	41,02,898	Implementing agency
8.	Clean drinking water & allied facilities for village Asalpur		Local	Dist. Jaipur, Rajasthan	3,91,92,000	2,21,00,153	-	2,21,00,153	Implementing agency
9.	Support Medical camps through mobile medical units and Diagnostic equipment		Local	Dist. Dehradun, Uttarakhand	53,69,000	2,65,500	-	53,69,000	Implementing agency
10.	Anganwadi Nutrition Programme in Thiruvaniyoor Grama Panchayat		Local	Dist. Ernakulam, Kerala	23,46,875	3,45,863	-	8,66,958	Implementing agency
11.	Noon meal nutrition programme in Thiruvaniyoor Grama Panchayat		Local	Dist. Ernakulam, Kerala	40,89,843	15,21,836	-	21,35,309	Implementing agency
12.	Anganwadi Nutrition Programme in Vadavucode Puthencruz Grama Panchayat		Local	Dist. Ernakulam, Kerala	43,73,063	6,81,690	-	13,36,393	Implementing agency
13.	Cancer care at government general hospital		Local	Dist. Ernakulam, Kerala	1,00,00,000	10,00,000	-	1,00,00,000	Implementing agency
14.	Swachh Bharat - Swachha Vidyalaya Sanitation Block including maintenance cost		Other	Dist. Surguja, Chhattisgarh	14,64,79,125	1,42,50,000	-	5,15,36,386	Implementing agency
15.	Swachha Bharat - Swachha Vidyalaya Sanitation Block including maintenance cost		Other	Dist. Burdwan-Howrah, West Bengal	10,13,63,555	23,10,000	-	3,87,09,608	Direct or Implementing agency
16.	Contribution towards LPG Connections for BPL households		Other	Across India	36,67,00,000	36,67,00,000	-	36,67,00,000	Implementing agency
17.	Sanitation Block Construction in Schools & Colleges		Other	Dist. Dharwad, Karnataka	99,62,082	65,019	-	58,35,422	Implementing agency
18.	Cleanliness and Sanitation activities at Madurai Meenakshi Temple surrounding under Swachh Bharat Clean India Mission Iconic Places		Local	Dist. Madurai, Tamil Nadu	11,36,25,000	6,81,75,000	-	9,09,00,000	Implementing agency
19.	Bio waste management Project		Local	Dist. Ernakulam, Kerala	25,00,000	6,37,500	-	6,37,500	Implementing agency
20.	Construction & repair of toilet blocks in Govt. Schools		Local	Dist. Purba Bardhaman, West Bengal	2,95,70,000	2,51,34,500	-	2,51,34,500	Implementing agency
21.	Construction of community sanitation units in Mahul & Chembur		Local	Dist. Mumbai, Maharashtra	1,60,48,259	48,14,477	-	48,14,477	Implementing agency
22.	Construction of Bio toilet		Other	Dist. Sri Muktsar Sahib, Punjab	44,86,190	13,45,857	-	13,45,857	Implementing agency
23.	Construction of community sanitation units		Local	Dist. Thane, Maharashtra	1,63,63,004	40,90,751	-	40,90,751	Implementing agency
24.	Construction of individual toilets for BPL families & awareness generation activities on sanitation		Local	Dist. Madurai, Tamil Nadu	94,89,960	23,72,490	-	23,72,490	Implementing agency

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						Direct Expenditure	Programs Overhead		
25.	Construction of toilet blocks at Kishangarh		Local	Dist. Ajmer, Rajasthan	7,24,486	1,08,673	-	1,08,673	Implementing agency
26.	Construction of toilets blocks at school		Local	Dist. Gwalior, Madhya Pradesh	6,58,189	6,26,847	-	6,26,847	Implementing agency
27.	Ensuring access to clean drinking water to Tribal villages		Local	Dist. Udaipur & Rajsamand, Rajasthan	79,14,500	15,82,900	-	15,82,900	Implementing agency
28.	Open Defecation Free & Clean		Local	Panvel, Dist. Raigad, Maharashtra	4,84,58,214	1,21,14,553	-	1,21,14,553	Implementing agency
29.	Renovation of toilet blocks & library in a senior secondary school hostel		Local	Dist. Mathura, Uttar Pradesh	13,24,462	3,31,116	-	3,31,116	Implementing agency
30.	School Sanitation awareness project in Govt. schools		Other	Dist. Araria, Bihar	7,05,500	1,05,825	-	1,05,825	Implementing agency
31.	Solid Waste Management project in municipality areas		Local	Dist. Chennai, Tamil Nadu	10,96,00,000	5,48,00,000	-	5,48,00,000	Implementing agency
32.	Sanitation facilities at Statue of Unity		Other	Dist. Narmada, Gujarat	10,00,00,000	10,00,00,000	-	10,00,00,000	Implementing agency
33.	Support for Hydraulic elevated platform for Sanitation activities		Other	Dist. Mayurbhanj, Odisha	26,80,000	5,36,000	-	5,36,000	Implementing agency
34.	Swachh Iconic Project Kalady		Local	Dist. Ernakulam, Kerala	8,53,80,507	2,13,45,127	-	2,13,45,127	Implementing agency
35.	Construction of individual toilets & awareness generation activities		Other	Dist. Dindigul, Tamil Nadu	1,56,68,640	47,00,592	-	47,00,592	Implementing agency
36.	Swachh Bharat Activities		Local	Across India	21,35,067	15,24,499	-	15,24,499	Direct or Implementing agency
37.	Distribution of Hygiene Kit to School Children		Local	Dist. Mumbai, Maharashtra	65,000	56,000	-	56,000	Implementing agency
38.	Ambulance support for timely emergency care		Other	Dist. East Champaran, Bihar	14,00,000	11,01,995	-	11,01,995	Direct
39.	Facilities for training mental health professionals		Local	Dist. Madurai, Tamil Nadu	57,99,995	46,39,996	-	46,39,996	Implementing agency
40.	Mobile primary health, Cancer Screening, Palliative Care Unit for the poor and disadvantaged		Other	Dist. Faridabad, Haryana	99,38,091	7,36,472	-	7,36,472	Implementing agency
41.	Pre-operative Eye screening camps & cataract surgeries		Local	Dist. Amethi, Raebareli, Lucknow, Unnao, Kanpur, Uttar Pradesh	49,93,937	9,98,787	-	9,98,787	Implementing agency
42.	Mobile medical Services for the Community		Local	Dist. Purulia, Bankura, West Midnapur, West Bengal	9,56,288	9,56,288	-	9,56,288	Implementing agency
43.	Providing quality medical services to the underprivileged through MRI machine		Local	Dist. Kolkata, West Bengal	4,60,00,000	69,00,000	-	69,00,000	Implementing agency
44.	Support for medical equipment to provide quality eye-care services		Other	Dist. Nagpur, Maharashtra	10,00,00,000	2,50,00,000	-	2,50,00,000	Implementing agency
45.	Reducing avoidable disability through medical services on the Lifeline Express-hospital on a train		Other	Dist. Palamu, Jharkhand	91,81,762	81,36,385	-	81,36,385	Implementing agency
46.	Advanced life support Ambulance for Govt. General Hospital		Local	Dist. Ernakulam, Kerala	19,40,287	19,40,287	-	19,40,287	Implementing agency
47.	Support for Cardiology medical Camp		Local	Dist. Ernakulam, Kerala	5,00,000	5,00,000	-	5,00,000	Implementing agency
48.	Facilities for Casualty/Trauma Care Centre		Local	Dist. Ernakulam, Kerala	25,00,000	25,00,000	-	25,00,000	Implementing agency
49.	Enhancing facilities in Homeopathy Hospital		Local	Dist. Ernakulam, Kerala	5,00,000	4,97,838	-	4,97,838	Implementing agency
50.	Enhancing lab facilities at Taluk Hospital		Local	Dist. Kannur, Kerala	24,99,640	24,99,640	-	24,99,640	Implementing agency
51.	Eye & Dental healthcare Camp in Thiruvankulam		Local	Dist. Ernakulam, Kerala	4,00,000	4,00,000	-	4,00,000	Implementing agency
52.	First Meal Project for students		Local	Dist. Ernakulam, Kerala	49,50,000	35,51,161	-	35,51,161	Implementing agency
53.	Group medi-claim insurance for underprivileged		Local	Dist. Ernakulam, Kerala	75,00,000	63,42,133	-	63,42,133	Implementing agency
54.	Jagrithi Health project		Local	Dist. Ernakulam, Kerala	95,50,000	23,87,500	-	23,87,500	Implementing agency
55.	Marine Ambulance for emergency services		Local	Dist. Ernakulam, Kerala	6,08,00,000	3,04,00,000	-	3,04,00,000	Implementing agency

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56.	Medical camps for the poor		Local	Dist. Ernakulam, Kerala	15,00,000	9,00,000	-	9,00,000	Implementing agency
57.	Multi-specialty medical camp		Local	Dist. Ernakulam, Kerala	9,00,000	9,00,000	-	9,00,000	Implementing agency
58.	Rural Eye Care Project		Local	Dist. Kasargod, Kerala	20,56,000	20,56,000	-	20,56,000	Implementing agency
59.	Rural Health Enhancement Project		Local	Dist. Ernakulam, Kerala	28,66,520	26,88,411	-	26,88,411	Implementing agency
60.	Rural Medical Assistance Project		Local	Dist. Ernakulam, Kerala	39,85,551	39,85,551	-	39,85,551	Implementing agency
61.	Support for MRI Scans for the poor and needy patients for appropriate diagnosis and proper treatment - KEM Hospital		Local	Dist. Mumbai, Maharashtra	24,50,000	12,25,000	-	12,25,000	Implementing agency
62.	Support for MRI Scans for the poor and needy patients for appropriate diagnosis and proper treatment - LTMG Hospital		Local	Dist. Mumbai, Maharashtra	24,50,000	12,25,000	-	12,25,000	Implementing agency
63.	Cataract Surgeries for Rural and Tribal People		Local	Dist. Thane & Palghar, Maharashtra	99,00,000	99,00,000	-	99,00,000	Implementing agency
64.	Health insurance for Fishermen & spouse 2016-2017		Local	Dist. Mumbai, Maharashtra	25,23,296	3,29,126	-	25,23,296	Implementing agency
65.	Health insurance to cover Mahul Fishermen community		Local	Dist. Mumbai, Maharashtra	17,11,000	17,11,000	-	17,11,000	Implementing agency
66.	Mid Day meal programme for 6 schools		Local	Dist. Mumbai, Maharashtra	24,99,525	17,46,868	-	17,46,868	Implementing agency
67.	Mid Day Meal Project for 22 schools		Local	Dist. Mumbai, Maharashtra	24,89,300	17,12,044	-	17,12,044	Implementing agency
68.	Project 'Drishti' - eye camp for Community		Local	Dist. Mumbai, Maharashtra	2,90,400	43,560	-	43,560	Implementing agency
69.	Enhancing facilities for Physiotherapy		Local	Dist. Mumbai, Maharashtra	24,75,000	19,75,168	-	19,75,168	Implementing agency
70.	Support for cataract operations		Local	Dist. Mumbai, Maharashtra	90,000	27,000	-	27,000	Implementing agency
71.	To provide quality medical services to the underprivileged people through purchase of Linear Accelerator		Local	Dist. Mumbai, Maharashtra	7,79,24,000	1,55,84,800	-	1,55,84,800	Implementing agency
72.	Health check up camps, near Manmad		Local	Dist. Nashik, Maharashtra	91,000	81,900	-	81,900	Implementing agency
73.	Establishing 5 school libraries in Govt Municipal schools	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Local	Dist. Mumbai, Maharashtra	10,94,256	85,923	-	10,12,041	Implementing agency
74.	Ekalvidyalaya One teacher schools 2015-2017		Other	Dist. Idukki, Wayanad, Kerala	40,00,000	5,00,000	-	40,00,000	Implementing agency
75.	Ekalvidyalaya for tribal students 2017-18		Local	Dist. Wayanad, Kerala	20,00,000	20,00,000	-	20,00,000	Implementing agency
76.	Teacher training in Universal active Maths		Local	Dist. Mumbai, Maharashtra	26,65,044	12,51,992	-	22,07,561	Implementing agency
77.	Home based rehabilitation training for differently abled children		Local	Dist. Ernakulam, Kerala	51,40,800	4,22,147	-	40,94,289	Implementing agency
78.	Computer Assisted Learning (CAL) (Mumbai, Jaipur & Solapur)		Local	Dist. Mumbai, Solapur in Maharashtra, Dist. Jaipur in Rajasthan	4,78,61,710	32,81,905	-	4,30,79,805	Implementing agency
79.	Computer Assisted Learning (CAL) for Mahul students		Local	Dist. Mumbai, Maharashtra	43,20,948	4,45,159	-	29,02,272	Implementing agency
80.	Education program & therapeutic rehabilitation for the differently abled		Other	Dist. Thane, Maharashtra	21,75,600	11,68,250	-	19,85,450	Implementing agency
81.	Placement linked Vocational skilling of unemployed youth		Local	Dist. Warangal & Nalgonda in Telegana, Dist. Krishna in Andhra Pradesh	1,96,33,000	12,35,710	-	1,68,05,710	Implementing agency
82.	Proposal for support of night schools in Mumbai with NGO Masoom		Local	Dist. Mumbai, Maharashtra	49,71,390	1,37,465	-	43,63,147	Implementing agency
83.	Project 'Utkarsh' - Supporting education and vocational skilling of 63 underprivileged students from Mahulgaon		Local	Dist. Mumbai, Maharashtra	4,09,116	12,100	-	3,10,588	Implementing agency
84.	Supporting Computer Assisted Learning Project (CAL) in Govt. & low income schools at Washala		Local	Dist. Thane, Maharashtra	89,55,382	35,35,306	-	43,89,393	Implementing agency

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85.	Dance and Theatre training in 2 underprivileged schools		Local	Dist. Mumbai, Maharashtra	9,85,000	3,44,750	-	5,41,750	Implementing agency
86.	Saksham - Teacher & School Leader Training Project (Primary & Upper Primary) 2016-2017		Local	Dist. Mumbai, Maharashtra	26,42,645	9,45,269	-	14,45,269	Implementing agency
87.	Providing educational support to 150 cancer affected children		Local	Dist. Mumbai, Maharashtra	9,73,800	4,00,685	-	4,86,845	Implementing agency
88.	Supporting diploma in automobile & computer engineering for underprivileged		Local	Dist. Chennai, Tamil Nadu	94,50,000	16,55,000	-	92,55,000	Implementing agency
89.	Remedial education for Children in 20 slums of Bhubaneswar		Local	Dist. Khorda, Odisha	49,88,944	6,47,483	-	18,86,403	Implementing agency
90.	Improve quality of education in 13 rural Govt schools		Local	Dist. Coimbatore, Tamilnadu	35,80,152	20,40,382	-	27,56,412	Implementing agency
91.	Third Party evaluation of Akshar Read India Project in Nandurbar, Sagar, Jaipur & Dausa		Other	Dist. Nandurbar in Maharashtra, Dist. Sagar in Madhya Pradesh, Dist. Jaipur in Rajasthan	13,57,363	14,795	-	8,34,479	Implementing agency
92.	Computer Assisted Learning (CAL) project with BMC schools		Local	Dist. Mumbai, Maharashtra	2,33,46,485	30,08,879	-	48,98,950	Implementing agency
93.	Skill Development for autistic students		Local	Dist. Mumbai, Maharashtra	46,74,000	12,36,000	-	44,26,958	Implementing agency
94.	Supporting for placement linked vocational training centre for leprosy affected youth		Local	Dist. Nashik in Maharashtra, Dist. Janjgir-Champa in Chattisgarh, Dist. Faizabad in Uttar Pradesh	90,72,000	27,21,600	-	81,64,800	Implementing agency
95.	Skill development & employment opportunities for unemployed street youth		Local	Dist. Mumbai, Maharashtra	21,43,000	2,14,035	-	21,42,735	Implementing agency
96.	Supporting Vocational Skilling Project for youth in Mahul		Local	Dist. Mumbai, Maharashtra	2,69,350	1,00,105	-	1,92,447	Implementing agency
97.	Construction of hostel for Women		Local	Dist. Bangalore, Karnataka	19,81,89,047	2,97,28,357	-	2,97,28,357	Implementing agency
98.	Holistic Development of underprivileged children at 15 GAP units		Local	Dist. Deoghar, Ranchi, Khunti in Jharkhand, Dist. Jhunjhunu in Rajasthan, Dist. Mathura in Uttar Pradesh	97,72,500	25,99,500	-	25,99,500	Implementing agency
99.	Integrated Child Education & Development programme		Other	Dist. Kannur, Kerala	20,53,975	3,08,096	-	3,08,096	Implementing agency
100.	Maths enhancement project - Ganit Shakti in Govt. Schools		Local	Dist. Durg, Chattisgarh	81,76,942	23,07,443	-	23,07,443	Implementing agency
101.	Project Akshar (2016-2017)		Other	Dist. Nandurbar in Maharashtra, Dist. Sagar in Madhya Pradesh, Dist. Dausa in Rajasthan	2,81,21,983	2,81,21,983	-	2,81,21,983	Implementing agency
102.	Proposal for supporting Vivekananda Vidyapeeth School		Local	Dist. Bhopal, Madhya Pradesh	32,50,000	26,00,000	-	26,00,000	Implementing agency
103.	Providing quality education to children in tribal communities in 50 Shiksha Kendras		Local	Dist. Udaipur, Rajasthan	49,85,060	9,96,812	-	9,96,812	Implementing agency
104.	Project Akshar- Nandurbar		Other	Dist. Nandurbar, Maharashtra	10,04,81,094	54,15,900	-	54,15,900	Implementing agency
105.	Project Akshar- Sagar		Other	Dist. Sagar, Madhya Pradesh	11,60,99,153	62,54,077	-	62,54,077	
106.	Saksham Teacher & School Leader Training Project 17-18		Local	Dist. Mumbai, Maharashtra	24,99,848	10,00,000	-	10,00,000	Implementing agency
107.	Support for infrastructure development in Vivekananda Vidhyalam School		Local	Dist. Ernakulam, Kerala	1,89,71,800	47,42,950	-	47,42,950	Implementing agency
108.	Supporting libraries in 24 Zilla Parishad Schools of Uran		Local	Dist. Raigad, Maharastra	14,86,752	11,89,402	-	11,89,402	Implementing agency
109.	Providing supportive education to school-going & dropout children in 6 backward villages		Local	Dist. South 24 Parganas, West Bengal	9,92,250	1,48,838	-	1,48,838	Implementing agency

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110.	Setting up a Computer Lab at High School		Local	Dist. Sambalpur, Odisha	6,30,000	6,18,356	-	6,18,356	Implementing agency
111.	Suraksharadham Mobile Safety Training		Local	Dist. Ernakulam, Kerala	6,00,000	6,00,000	-	6,00,000	Implementing agency
112.	A Book for Every Child		Local	Dist. Ernakulam, Kerala	8,00,000	8,00,000	-	8,00,000	Implementing agency
113.	Bala Janaagraha civic learning		Local	Dist. Ernakulam, Kerala	8,64,533	7,09,117	-	7,09,117	Implementing agency
114.	Capability Exploration and enhancement programme		Local	Dist. Ernakulam, Kerala	13,32,530	10,82,376	-	10,82,376	Implementing agency
115.	Construction classroom and laboratory		Local	Dist. Kannur, Kerala	50,00,000	10,00,000	-	10,00,000	Implementing agency
116.	Enhancement of Infrastructure facilities at Anganwandi No.84/85/90/136		Local	Dist. Ernakulam, Kerala	75,00,000	40,55,271	-	40,55,271	Implementing agency
117.	Construction of Children's science park		Local	Dist. Thrissur, Kerala	5,07,828	5,07,828	-	5,07,828	Implementing agency
118.	E-learning project in 17 Govt. schools in coastal tribal areas		Local	Dist. Ernakulam, Kerala	24,96,000	24,80,000	-	24,80,000	Implementing agency
119.	Education facilities at Shanti Bhavan		Local	Dist. Ernakulam, Kerala	5,55,500	5,55,266	-	5,55,266	Implementing agency
120.	Facilities at Sradha Special School		Local	Dist. Ernakulam, Kerala	19,00,000	15,20,000	-	15,20,000	Implementing agency
121.	Computer lab for new Govt. Arts & Science College		Local	Dist. Ernakulam, Kerala	12,86,108	12,61,839	-	12,61,839	Implementing agency
122.	First meal scheme for students		Local	Dist. Ernakulam, Kerala	1,37,50,029	88,68,525	-	88,68,525	Implementing agency
123.	Home based rehabilitation training for differently abled children(2017-2018)		Local	Dist. Ernakulam, Kerala	20,50,000	20,50,000	-	20,50,000	Implementing agency
124.	Project Learning Friendly Ernakulam-children with learning disabilities		Local	Dist. Ernakulam, Kerala	15,12,300	3,78,000	-	3,78,000	Implementing agency
125.	Support for safe transport of school students		Local	Dist. Kannur, Kerala	42,00,000	28,11,681	-	28,11,681	Implementing agency
126.	Support for Project Puthu Yugam		Local	Dist. Ernakulam, Kerala	24,00,000	24,00,000	-	24,00,000	Implementing agency
127.	ROSHNI Learning Enhancement for children of inter-state workers		Local	Dist. Ernakulam, Kerala	5,50,000	5,50,000	-	5,50,000	Implementing agency
128.	Setting up of vocational training labs for tribal students		Local	Dist. Wayanad, Kerala	6,76,697	6,76,697	-	6,76,697	Implementing agency
129.	Velicham Education Project		Local	Dist. Ernakulam, Kerala	10,00,000	10,00,000	-	10,00,000	Implementing agency
130.	Project for supporting 7 night schools		Local	Dist. Mumbai, Maharashtra	24,86,318	16,64,635	-	16,64,635	Implementing agency
131.	Education project for Destitute and Orphan children		Local	Dist. Mumbai, Maharashtra	11,09,514	8,87,417	-	8,87,417	Implementing agency
132.	Project 'Amchi E-shala' - Supplementary Education Centers		Local	Dist. Mumbai, Maharashtra	24,96,000	19,43,950	-	19,43,950	Implementing agency
133.	Project 'Shakti' - Bakery enterprise Project		Local	Dist. Mumbai, Maharashtra	17,40,295	7,83,133	-	7,83,133	Implementing agency
134.	Supplementary education for 1-10th Std. students		Local	Dist. Mumbai, Maharashtra	9,89,970	3,12,252	-	3,12,252	Implementing agency
135.	Vocational training to Students		Local	Dist. Mumbai, Maharashtra	2,42,646	1,09,188	-	1,09,188	Implementing agency
136.	Vocational training to Women		Local	Dist. Mumbai, Maharashtra	4,48,281	2,22,566	-	2,22,566	Implementing agency
137.	Formal & Non Formal Education (Sanskar Kendras) to slum children		Local	Dists. Jaipur, Jodhpur & Alwar, Rajasthan	42,00,000	10,50,000	-	10,50,000	Implementing agency
138.	ITC labs in two Govt. Senior Secondary schools for Girls in Kota City		Local	Dist. Kota, Rajasthan	6,06,000	6,06,000	-	6,06,000	Implementing agency
139.	Providing facilities at 5 Govt. Schools in Tehsil Darhal		Local	Dist. Rajouri, Jammu & Kashmir	18,65,100	3,71,000	-	3,71,000	Implementing agency
140.	Renovation of toilet blocks & library in a senior secondary school hostel		Local	Dist. Mathura, Uttar Pradesh	7,66,705	1,91,677	-	1,91,677	Implementing agency

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141.	Support in construction of Toilet block and renovation of 2 classrooms in school		Other	Dist. Kaushambi, Uttar Pradesh	21,89,603	1,89,721	-	1,89,721	Implementing agency
142.	Supply & installation of projector & screen in school		Local	Dist. Nashik, Akola, Maharashtra	2,50,000	1,99,500	-	1,99,500	Implementing agency
143.	"BPC Kohinoor" – Education Assistance scholarship		Local	Dist. Mumbai, Maharashtra	92,85,200	56,83,200	-	56,83,200	Implementing agency
144.	Support for setting up of Skill Development Centre		Local	Dist. Chennai, Tamil Nadu	13,20,39,015	1,98,05,852	-	1,98,05,852	Implementing agency
145.	Support to underprivilaged students for Diploma courses (2017-2020)		Local	Dist. Chennai, Tamil Nadu	95,20,000	28,56,000	-	28,56,000	Implementing agency
146.	Contribution towards Skill Development Institute Guwahati		Other	Dist. Kamrup, Assam	1,50,00,000	1,50,00,000	-	1,50,00,000	Implementing agency
147.	Contribution towards Skill Development Institute Raebareli		Other	Dist. Raebareli, UP	1,50,00,000	1,50,00,000	-	1,50,00,000	Implementing agency
148.	Contribution towards Skill Development Institute Kochi for operational expenses (2017-22)		Local	Dist. Ernakulam, Kerala	7,50,00,000	1,50,00,000	-	1,50,00,000	Implementing agency
149.	Contribution towards Skill Development Institute, Bhubaneswar for operational expenses (2017-22)		Local	Dist. Khordha, Odisha	2,50,00,000	50,00,000	-	50,00,000	Implementing agency
150.	Contribution towards Skill Development Institute, Visakhapatnam for operational expenses (2017-22)		Local	Dist. Visakhapatnam, Andhra Pradesh	2,50,00,000	50,00,000	-	50,00,000	Implementing agency
151.	Infrastructure upgradation of ITI Institute		Local	Dist. Mumbai, Maharashtra	98,09,544	78,47,635	-	78,47,635	Implementing agency
152.	Skill development & employment opportunitites for unemployed street youth		Local	Dist. Mumbai, Maharashtra	35,46,200	31,91,580	-	31,91,580	Implementing agency
153.	Improvement of Infrastructure of safety skill training		Local	Dist. Ernakulam, Kerala	79,21,000	79,21,000	-	79,21,000	Implementing agency
154.	Scaling up support for placement linked vocational training centre for Leprosy affected and underprivileged youth		Local	Dist. Champa in Madhya Pradesh, Dist. Faizabad in Uttar Pradesh, Dist. Nashik in Maharashtra, Dist. Bankura in West Bengal, Dist. Vadathorasalur in Tamil Nadu, Dist. Vizianagaram in Andhra Pradesh	3,60,36,000	87,12,000	-	87,12,000	Implementing agency
155.	Skill Development training for visually challenged youth		Other	Dist. Latur, Maharashtra	41,99,360	16,62,584	-	16,62,584	Implementing agency
156.	Support for Dual Desks at 135 Govt. schools		Other	Dist. Karimnagar, Telangana	1,00,00,000	15,00,000	-	15,00,000	Implementing agency
157.	Contribution to the National Oil Museum project		Other	Dist. Kamrup, Assam	14,83,42,207	14,83,42,207	-	14,83,42,207	Implementing agency
158.	500 bio gas units for underprivileged families	Rural development projects	Other	Dist. Sindhudurg, Maharashtra	37,02,000	11,99,000	-	29,48,000	Implementing agency
159.	Project for Installation & Commissioning of Solar Lights at Shravasti		Local	Dist. Shravasti, Uttar Pradesh	9,84,810	7,88,735	-	9,84,810	Implementing agency
160.	Support for Permanent Community Centre Building for Medical Centre at Meyyur Village		Local	Dist. Chennai, Tamilnadu	45,72,000	4,57,000	-	45,71,000	Implementing agency
161.	Water supply from tank near HPCL depot & Amarnath Basti, Rourkela		Local	Dist. Sundargarh, Odhisa	49,59,000	3,51,396	-	36,07,948	Implementing agency
162.	Angul Panchamahal Potable Water Scheme		Local	Dist. Sundargarh, Odhisa	10,00,000	6,487	-	9,74,488	Implementing agency
163.	Community safety at Chellanam Grama Panchayat		Local	Dist. Ernakulam, Kerala	10,00,000	92,760	-	92,760	Implementing agency
164.	Kunnathunadu Gramaprabha Rural Lighting Project-II		Local	Dist. Ernakulam, Kerala	67,35,000	52,60,800	-	52,60,800	Implementing agency
165.	Supporting street lighting project		Local	Dist. Ernakulam, Kerala	24,74,900	14,35,649	-	14,35,649	Implementing agency
166.	Total Electrification Project		Local	Dist. Ernakulam, Kerala	12,48,966	12,48,966	-	12,48,966	Implementing agency
167.	Community Library for Villagers		Local	Dist. Mumbai, Maharashtra	1,35,000	37,774	-	37,774	Implementing agency
168.	Community Development Activites		Local	Dist. Mumbai, Maharashtra	55,902	55,902	-	55,902	Implementing agency
169.	Supporting Homeopathy clinic		Local	Dist. Mumbai, Maharashtra	2,94,840	2,94,840	-	2,94,840	Implementing agency

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Local area or other	State & District where project or program was undertaken	Amount Outlay (Budget) project or programwise in ₹	Amount spent on projects or programs in ₹		Cumulative expenditure up to the reporting period ₹	Amount spent : Direct or implementing agency
						Direct Expenditure	Programs Overhead		
170.	Infrastructural Development Activity at Mahul Jetty		Local	Dist. Mumbai, Maharashtra	18,50,000	1,17,860	-	1,17,860	Implementing agency
171.	Maintenance of Community Center		Local	Dist. Mumbai, Maharashtra	36,000	36,000	-	36,000	Implementing agency
172.	Community Development Activites at Mahul		Local	Dist. Mumbai, Maharashtra	3,41,250	2,45,779	-	2,45,779	Implementing agency
173.	Support for Solar Street light in villages		Other	Dist. Pali, Rajasthan	22,75,000	5,68,750	-	5,68,750	Implementing agency
174.	Setting up of a model school in Harobelavadi Village		Local	Dist. Dharwad, Karnataka	2,84,30,507	56,80,000	-	56,80,000	Implementing agency
175.	Contribution to the Statue of Unity project	Protection of national heritage art and culture including restoration of buildings and sites of historical importance and works of arts; setting up public libraries; promotion and development of traditional arts and handicrafts	Other	Dist. Narmada, Gujarat	35,00,00,000	35,00,00,000	-	35,00,00,000	Implementing agency
176.	Volunteering & other capacity building activities	Capacity Building	Other	Across India		4,29,066	-		Direct
177.	Travelling/Miscellaneous/ Admin expenses	Admin expenses	Local	Across India			15,56,095		Direct
				Grand Total		**1,66,01,86,250**			

Sd/-
K. Padmakar
Director (HR)

Sd/-
Rajesh Kumar Mangal
Chairman – CSR Committee

ANNEXURE C

ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SC), SCHEDULED TRIBES (ST) AND OTHER BACKWARD CLASSES (OBC) AS ON 1ST JANUARY, 2018 AND NUMBER OF APPOINTMENTS MADE DURING THE PRECEDING CALENDAR YEAR, 2017

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

Groups	Representation of SCs/STs/OBCs (As on 1.1.2018)				Number of appointments made during the calendar year 2017										
					By Direct Recruitment				By Promotion			By Other Methods			
	Total number of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group-A	6021	971	386	977	425	79	38	103	21	2	-	2**	-	-	1
Group-B	2472	360	120	266	-	-	-	-	97	5	-	3*	-	-	-
Group-C	2082	317	124	451	78	5	4	28	272	23	7	-	-	-	-
Group-D (Excluding Safai Karamcharis)	1578	304	128	262	102	19	6	59	-	-	-	-	-	-	-
Group-D (Safai Karamcharis)	4	4	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**12157**	**1956**	**758**	**1956**	**605**	**103**	**48**	**190**	**390**	**30**	**7**	**5**	**-**	**-**	**1**

* 3 Sportspersons recruited in Group 'B'

**2 Sportspersons promoted to Group 'A'

ANNUAL STATEMENT SHOWING THE REPRESENTATION OF SCHEDULED CASTES (SC), SCHEDULED TRIBES (ST) AND OTHER BACKWARD CLASSES (OBC) IN VARIOUS GROUP "A" SERVICES AS ON 1ST JANUARY, 2018 AND NUMBER OF APPOINTMENTS MADE IN THE SERVICE IN VARIOUS GRADE DURING THE CALENDAR YEAR 2017

NAME OF PSU : BHARAT PETROLEUM CORPORATION LTD.

JG	Pay Scales (in ₹)	Representation of SCs/STs/OBCs (as on 01.01.2018)				Number of appointments made during the calendar year 2017										
						By Direct Recruitment				By Promotion			By Other Methods			
		Total Number of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
A	60000-180000	1390	203	93	300	416	78	38	102	21	2	-	2*	-	-	1
B	70000-200000	1304	193	87	304	7	1	-	1	-	-	-	-	-	-	-
C	80000-220000	1121	194	75	189	2	-	-	-	-	-	-	-	-	-	-
D	90000-240000	960	175	74	121	-	-	-	-	-	-	-	-	-	-	-
E	100000-260000	626	140	44	51	-	-	-	-	-	-	-	-	-	-	-
F	120000-280000	394	49	12	12	-	-	-	-	-	-	-	-	-	-	-
G	120000-280000	140	11	1	-	-	-	-	-	-	-	-	-	-	-	-
H	120000-280000	56	5	-	-	-	-	-	-	-	-	-	-	-	-	-
I	150000-300000	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J	180000-340000	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
K	200000-370000	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL	**6021**	**971**	**386**	**977**	**425**	**79**	**38**	**103**	**21**	**2**	**-**	**2**	**-**	**-**	**1**

* 2 Sportspersons recruited in Group 'A'

ANNUAL STATEMENT SHOWING REPRESENTATION OF THE PERSONS WITH DISABILITIES IN SERVICE AS ON 1ST JANUARY, 2018 AND DIRECT RECRUITMENT / PROMOTION DURING THE CALENDAR YEAR 2017

Groups	NUMBER OF EMPLOYEES (as on 01.01.2018)				DIRECT RECRUITMENT - 2017							PROMOTION - 2017						
					NO. OF VACANCIES RESERVED			NO. OF APPOINTMENTS MADE				NO. OF VACANCIES RESERVED			NO. OF APPOINTMENTS MADE			
	TOTAL	VH	HH	OH	VH	HH	OH	TOTAL	VH	HH	OH	VH	HH	OH	TOTAL	VH	HH	OH
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
"A"	6021	13	10	83	4	4	5	425	6	2	16	-	-	-	21	-	-	-
"B"	2472	10	4	49	-	-	-	-	-	-	-	-	-	-	97	1	-	2
"C"	2082	9	11	20	1	1	1	78	-	-	-	-	-	-	272	2	2	2
"D/DS"	1582	4	5	19	1	1	1	102	-	1	2	-	-	-	-	-	-	-
TOTAL	**12157**	**36**	**30**	**171**	**6**	**6**	**7**	**605**	**6**	**3**	**18**	**-**	**-**	**-**	**390**	**3**	**2**	**4**

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

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

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

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

There are no promotions within Group ‘D’.

ANNEXURE D

REPORT ON CORPORATE GOVERNANCE

1) Company's philosophy on Code of Governance

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

2) Board of Directors

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

As on 31st March 2018, the BPCL Board comprised 14 Directors represented by 5 Whole-time (Executive) Directors including Chairman & Managing Director, 2 Part-time (Ex-Officio) Directors (Government Directors) and 7 Part-time (Non-official) Directors (Independent Directors) including two Women Directors. Out of these 14 Directors, one Whole Time Director [Director (Finance)] has relinquished his office on 08.05.2018.

During the Financial Year 2017-18, all meetings of the Board and the Annual General Meeting were chaired by the Chairman & Managing Director.

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

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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (Listing Regulations) and Clause 3.3.2 of Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises across all the companies in which they were Directors.

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

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

Board Meetings

Fifteen Board Meetings were held during the Financial Year 2017-18 on the following dates:

11.04.2017	26.04.2017	29.05.2017	27.06.2017	24.07.2017
11.08.2017	12.09.2017	25.10.2017	10.11.2017	15.12.2017
12.01.2018	01.02.2018	09.02.2018	12.03.2018	27.03.2018

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

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

Particulars of Directors including their attendance at the Board /Members' Meetings during the financial year 2017-18

Names of the Directors	Academic Qualifications	Attendance out of 15 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2018)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
Whole-time Directors		No. of Meetings Attended	%			
Shri D. Rajkumar Chairman & Managing Director	B.Tech (IIT, Madras); PDGM from IIM, Bangalore	15	100	Attended	Chairman: 1. Numaligarh Refinery Ltd. 2. Bharat Oman Refineries Ltd. Director: 1. Bharat PetroResources Ltd. 2. Petronet LNG Ltd.	Audit Committee:Chairman Bharat PetroResources Ltd
Shri S. Ramesh Director (Marketing)	B.Sc. (Honors), M.B.A.	15	100	Attended	Chairman: 1. Matrix Bharat Pte Ltd 2. Indraprastha Gas Ltd. Director: 1. Bharat Stars Services Pvt. Ltd. 2. Bharat Stars Services (Delhi) Pvt. Ltd.	-
Shri R. Ramachandran Director (Refineries)	B. Tech (Chem)	15	100	Attended	Chairman: 1. Petronet CCK Ltd. 2. Petronet India Ltd. Director: 1. Bharat Oman Refineries Ltd. 2. Ratnagiri Refinery and Petrochemicals Ltd.	-
Shri K. Padmakar Director (Human Resources) (w.e.f. 01.02.2018)	Master's degree (HR), Tata Institute of Social Sciences	3	100*	NA#	-	-
Shri K. Sivakumar (w.e.f. 01.05.2017)	ACA, ICWA, CS	11	84.62*	Attended	Director: 1. Bharat PetroResources Ltd. 2. Bharat Oman Refineries Ltd.	Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd. Audit Committee: Member Bharat PetroResources Ltd.
Shri S. P. Gathoo Director (Human Resources) (up to 31.10.2017)	M.PM (PG. Master's Degree in Personnel Management), Fellow of LEAD	8	100*	Attended	Chairman: 1. Petronet India Ltd. 2. Petronet CCK Ltd.	Audit Committee: Member Petronet CCK Ltd.
Shri P. Balasubramanian Director (Finance) (up to 30.04.2017)	A.C.A.	2	100*	NA#	Director: 1. Bharat Oman Refineries Ltd. 2. Bharat PetroResources Ltd.	Audit Committee: Member Bharat PetroResources Ltd. Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd.

Names of the Directors	Academic Qualifications	Attendance out of 15 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2018)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
Non Executive Directors a) Part-time (Ex officio)		**No. of Meetings Attended**	**%**			
Shri Rajiv Bansal Additional Secretary and Financial Advisor, MOP&NG (w.e.f. 28.11.2017)	I.A.S., B.Tech (Civil) IIT, Delhi, Diploma in Finance in ICFAI (Hyderabad), Executive Masters in International Business from IIFT (Delhi)	5	83.33*	NA#	Director: 1. Oil And Natural Gas Corporation Ltd. 2. Indian Strategic Petroleum Reserves Ltd. 3. Bharat Yantra Nigam Ltd.	-
Dr. K. Ellangovan Principal Secretary, Industries Department, Government of Kerala (w.e.f. 20.03.2018)	I.A.S., PhD from IIT Madras and MS from Bangalore Medical College	1	100*	NA#	Chairman: 1. Malabar Cements Ltd. Director: 1. Kerala State Industrial Development Corporation Ltd. 2. Kerala Industrial Infrastructure Development Corporation 3. INKEL Ltd.	-
Shri.P. H. Kurian Principal Secretary (Industries & IT) Government of Kerala (up to 18.04.2017)	I.A.S	0	0*	NA#	Director & Chairman: 1. Malabar Cements Ltd. 2. Transformers & Electricals Kerala Ltd. 3. Rubber Park India Pvt. Ltd. 4. ICICI KINFRA Ltd. 5. Kottayam Port and Container Terminal Services Pvt. Ltd. Director: 1. The Kerala Minerals & Metals Ltd. 2. Kerala State Information Technology Infrastructure Ltd. 3. Kerala State Industrial Development Corp.Ltd. 4. Apollo Tyres Ltd. 5. INKEL Ltd. 6. Smart City (Kochi) Infrastructure Pvt. Ltd. 7. Nitta Gelatin India Ltd. 8. Kerala Academy for Skills Excellence 9. Marine Products Infrastructure Development Corporation Pvt. Ltd. 10. Symphony TV & Entertainments Pvt. Ltd. 11. Indian Institute of Information Technology Kerala 12. Information and Communication Technology Academy of Kerala 13. PTL Enterprises Ltd.	-

Names of the Directors	Academic Qualifications	Attendance out of 15 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2018)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
Non Executive Directors a) Part-time (Ex officio)		**No. of Meetings Attended**	**%**			
Shri P. Antony Principal Secretary, Industries Department, Government of Kerala (w.e.f. 19.04.2017 up to 19.03.2018)	I.A.S. M.A. (Economics) from Delhi School of Economics, M.A. (Public Economic Management) from Birmingham University, UK	8	61.54*	Did not attend	Director: 1. Kerala State Electricity Board Ltd. 2. INKEL Ltd. 3. Kerala State Industrial Development Corporation 4. Kerala Bureau of Industrial Promotion 5. KINFRA	Audit Committee: Chairman Kerala State Industrial Development Corporation
Shri Anant Kumar Singh Additional Secretary & Financial Advisor, MOP&NG (up to 27.11.2017)	I.A.S., LLB, M. Phil & Ph.D (Physics)	2	22.22*	Did not Attend	Director: 1. Indian Strategic Petroleum Reserves Ltd. 2. Gail (India) Ltd.	-

Names of the Directors	Academic Qualifications	Attendance out of 15 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2018)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
Non Executive Directors (b) Part-time (Independent)		**No. of Meetings Attended**	**%**			
Shri Rajesh Kumar Mangal	F.C.A.	15	100	Attended	Director: 1. Rishi Corporate Services Private Ltd. 2. NMDC Ltd.	Audit Committee Chairman: Bharat Petroleum Corporation Ltd.
Shri Deepak Bhojwani	I.F.S, L.L.B., B.Com	15	100	Attended	Director & Country Manager: 1. Magotteaux Industries Pvt Ltd.	Audit Committee Member: Bharat Petroleum Corporation Ltd. Stakeholders' Relationship Committee: Member Bharat Petroleum Corporation Ltd.
Shri Gopal Chandra Nanda	I.P.S.	15	100	Attended	-	Audit Committee Member: Bharat Petroleum Corporation Ltd. Stakeholders' Relationship Committee Chairman: Bharat Petroleum Corporation Ltd.

Names of the Directors	Academic Qualifications	Attendance out of 15 Board Meetings held during the year and percentage thereof		Attendance at the last Annual General Meeting	Details of Directorships held in other Companies (as on 31st March, 2018)	Memberships held in Committees as specified under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
Non Executive Directors (b) Part-time (Independent)		**No. of Meetings Attended**	**%**			
Shri Vishal V Sharma	B.Sc.(Physics) EPBM from IIM (Calcutta)	15	100	Attended	Director: 1. Free Press House Ltd.	Audit Committee Member: Bharat Petroleum Corporation Ltd.
Smt. Jane Mary Shanti Sundharam (w.e.f. 21.09.2017)	M.A. (English Literature), M.Phil. (Public Administration), I.R.S. (Indian Customs and Central Excise Services)	7	87.50*	NA#	-	-
Shri Vinay Sheel Oberoi (w.e.f. 21.09.2017)	I.A.S., M.A. (Economics) University of Delhi	8	100*	NA#	-	-
Dr. (Smt.) Tamilisai Soundararajan (w.e.f. 28.09.2017)	M.B.B.S, Post Graduation in Gynecology	6	75*	NA#	-	-

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

N.A.: Not applicable.

Note:
1. Shri Deepak Bhojwani, Non-executive Director holds 2137 equity shares in the Company as on 31st March 2018. No other Non-Executive Director holds Shares in the Company.
2. Details of familiarization programmes imparted to Independent Directors are available on the website of the Company: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx

3) Board Committees

A) Audit Committee

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

As on 31st March 2018, and till date, the Committee comprises Shri Rajesh Kumar Mangal, Part-time (Independent) Director as the Chairman of the Committee; Shri Deepak Bhojwani, Part-time (Independent) Director; Shri Gopal Chandra Nanda, Part-time (Independent) Director and Shri Vishal V Sharma, Part-time (Independent) Director as the Members. The quorum for the meetings of the Committee is two Members. The members possess the requisite knowledge of Finance & Accounting for effective functioning of the Audit Committee. The Company Secretary acts as the Secretary to the Audit Committee.

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

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

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

1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2) Recommending to the Board the fixation of audit fees;

3) Approval of payment to Statutory Auditors for any other services rendered by them;

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

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

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

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

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

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

    f) Disclosure of any related party transactions.

    g) Qualifications in the draft audit report;

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

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

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

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

9) Scrutinizing of inter-corporate loans and investments;

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

11) Evaluating internal financial controls and risk management systems;

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

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

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

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

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

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

18) Reviewing the functioning of the Whistle Blower mechanism;

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

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

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

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

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

Review of information by Audit Committee:

The Audit Committee shall mandatorily review the following information:

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

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

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

4) Internal audit reports relating to internal control weaknesses;

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

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

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

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

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

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

Thirteen meetings of the Audit Committee were held during the Financial Year 2017-18 on the following dates:

11.04.2017	26.04.2017	19.05.2017	29.05.2017	27.06.2017
21.07.2017	11.08.2017	12.09.2017	25.10.2017	10.11.2017
14.12.2017	09.02.2018	12.03.2018		

Attendance at the Audit Committee Meetings

Names of the Members	No of meetings attended	%
Shri Rajesh Kumar Mangal, Chairman	13	100%
Shri Deepak Bhojwani, Member	13	100%
Shri Gopal Chandra Nanda, Member	13	100%
Shri Vishal V Sharma, Member	13	100%

The Committee at its meetings held on 11th August, 2017, 10th November, 2017, 9th February, 2018 reviewed the Quarterly, Half Yearly, Year to date Financial Statements as on 30th June 2017, 30th September 2017 and 31st December 2017 respectively. Further, Annual Financial Statements as on 31st March 2018 were reviewed by the Committee at its meeting held on 29th May,2018, before the same were submitted to the Board for approval.

As of 31st March, 2018, BPCL had five unlisted Indian Subsidiary Companies i.e. Numaligarh Refinery Ltd (NRL), Bharat PetroResources Ltd. (BPRL), Bharat PetroResources JPDA Ltd. (Wholly owned subsidiary of BPRL), Petronet CCK Ltd. (PCCKL) and BPCL-KIAL Fuel Farm Pvt Ltd. and six Foreign Subsidiaries i.e. BPRL International BV (subsidiary of BPRL), BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures Limited (subsidiaries of BPRL International BV) incorporated in the Netherlands and BPRL International Singapore Pte Ltd. (BISPL) incorporated in Singapore. In addition, Bharat Gas Resources Limited (BGRL) has been incorporated on 7th June 2018 as a Wholly Owned Subsidiary of BPCL in India with the main objective of activities relating to the Gas Business.

These Subsidiary Companies do not fall under the category of 'Material Subsidiary incorporated in India' under the Listing Regulations and Department of Public Enterprises (DPE) Guidelines on Corporate Governance. Financial Statements of the Subsidiary Companies including investments made, if any, are reviewed by the Audit Committee / Board. The performance of the Subsidiary Companies and the minutes of their Board meetings are placed at the Board meetings of the Company. Any significant transactions or arrangements entered into by the Subsidiary Companies are also reported to the Board of Directors of the Company.

B) Project Evaluation Committee

The Board has constituted a Project Evaluation Committee (PEC) on 29th March, 2011 comprising of three Part-time (Independent) Directors, one Part-time (Ex-Officio) Director and Director (Finance), for evaluating and recommending for Board approval, projects costing over ₹ 150 Crores.

During the Financial Year 2017-18, on cessation of Shri P. H. Kurian, Part-time (Ex-Officio) Director, and on superannuation of Shri P. Balasubramanian, Director (Finance), the Committee was reconstituted by inducting Shri Paul Antony, Part-time (Ex-Officio) Director and Shri K. Sivakumar, Director (Finance) as the Members in their place on 19.04.2017 and 01.05.2017 respectively. Further, on cessation of Shri Paul Antony, the Committee was reconstituted by inducting Dr.K.Ellangovan, Part-time (Ex-Officio) Director on 20.03.2018.

As on 31st March, 2018, the Project Evaluation Committee comprised Shri Deepak Bhojwani, Part-time (Independent) Director as Chairman of the Committee and Dr.K.Ellangovan, Part-time (Ex-Officio) Director, Shri Rajesh Kumar Mangal, Part-time (Independent) Director, Shri Vishal V Sharma, Part-time (Independent) Director and Shri K. Sivakumar, Director (Finance) as Members of the Committee. Shri K.Sivakumar, Director (Finance) ceased to be a Member on 08.05.2018.

PEC will evaluate, guide implementation, monitor, review and assess deliverables, provide recommendations and advice to the Board for projects costing over ₹ 150 Crores including investments in Subsidiaries / Joint Ventures.

Six meetings of the Project Evaluation Committee were held during the Financial Year 2017-18 on the following dates:

29.05.2017	27.06.2017	24.07.2017	25.10.2017	12.03.2018	27.03.2018

Attendance at the Project Evaluation Committee Meetings

Names of the Members	No of meetings attended	%
Shri Deepak Bhojwani, Chairman	6	100
Shri Paul Antony, Member (w.e.f 19.04.2017 up to 19.03.2018)	4	80*
Shri Rajesh Kumar Mangal, Member	6	100
Shri Vishal V Sharma, Member	6	100
Shri K. Sivakumar, Member	4	66.66
Dr. K. Ellangovan, Member (w.e.f. 20.03.2018)	1	100%*

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

C) Nomination and Remuneration Committee

The Nomination and Remuneration Committee formulates and reviews policies related to remuneration / perquisites / incentives within the parameters of Guidelines issued by the Government of India.

BPCL being a Government Company, appointment/nomination of all the Directors is made by the President of India through the Ministry of Petroleum & Natural Gas including fixation of remuneration of Whole-time Directors and employees. As on 31.03.2018, the Nomination and Remuneration Committee comprised four Part-time Directors as Members with Director (Human Resources) and Director (Finance) being invitees. During the Financial Year 2017-18, on relinquishment of office by Shri Anant Kumar Singh, Part Time (Ex-Officio) Director, the Committee was re-constituted on 15.12.2017 by appointing Shri Rajiv Bansal, Part-time (Ex-Officio) Director as a Member. As on 31st March, 2018, the Nomination and Remuneration Committee comprised Shri Deepak Bhojwani, Part-time (Independent) Director as the Chairman of the Committee and Shri Gopal Chandra Nanda, Part-time (Independent) Director, Shri Rajiv Bansal, Part-time (Ex-Officio) Director and Shri Vishal V Sharma, Part-time (Independent) Director as the Members. During the financial year 2017-18, two meetings were held on 25.10.2017 and 09.02.2018.

Attendance at the Nomination and Remuneration Committee Meetings

Names of the Members	No of meetings attended	%*
Shri Deepak Bhojwani, Chairman	2	100
Shri Gopal Chandra Nanda, Member	2	100
Shri Vishal V Sharma, Member	2	100
Shri Anant Kumar Singh, Member (up to 27.11.2017)	0	0*
Shri Rajiv Bansal, Member (w.e.f. 15.12.2017)	0	0*

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

BPCL is a Government Company and as per the MCA circular, exemptions have been given to Government Companies from applicability of Section 178 (2), (3), (4) of the Companies Act, 2013.

D) Stakeholders' Relationship Committee

The role of the Stakeholders Relationship Committee is to specifically look into the redressal of grievances of shareholders, debenture holders (and other security holders) including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.

On superannuation of Shri P. Balasubramanian, the Committee was reconstituted by inducting Shri K. Sivakumar, Director (Finance) as a Member on 01.05.2017. The Committee was also reconstituted by inducting Shri Deepak Bhojwani, Part-time (Independent) Director as a Member on 29.05.2017.

As on 31st March, 2018, the Stakeholders' Relationship Committee comprised Shri Gopal Chandra Nanda, Part-time (Independent) Director as Chairman; Shri Deepak Bhojwani, Part-time (Independent) Director and Shri K. Sivakumar, Director (Finance) as Members. Shri K.Sivakumar, Director (Finance) ceased to be a Member on 08.05.2018.

The Committee, at its meeting held on 08.02.2018 reviewed the services rendered to the Shareholders / Investors including response to complaints / communications and expressed its satisfaction on the performance of the Investor Relations Department of the Company.

The Company Secretary acts as the Compliance Officer for matters related to investor relations.

During the Financial Year 2017-18, 26 complaints received from investors through SEBI and NSE which were attended to and resolved on a priority basis.

All valid share transfer requests received during the year were duly processed and approved within the stipulated period. There was no share transfer request in physical form pending as on 31st March 2018.

E) Corporate Social Responsibility Committee

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Board has reconstituted the Corporate Social Responsibility Committee on 21.07.2014.

Presently, the Committee comprises one Part-time (Independent) Director, two Part-time (Ex-Officio) Directors, Director (Finance) and Director (Human Resources) as Members.

The terms of reference of the Corporate Social Responsibility (CSR) Committee broadly comprise:

1) In every Financial Year, utilizing at least 2% of average net profits of the Company made during the three immediately preceeding 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.

On superannuation of Shri P. Balasubramanian, the Committee was reconstituted by inducting Shri K. Sivakumar, Director (Finance) as a Member on 01.05.2017. The Committee was also reconstituted by inducting Shri Paul Antony, Part-time (Ex-Officio) Director as a Member on 29.05.2017. On superannuation of Shri S.P. Gathoo, the Committee was reconstituted by inducting Shri K. Padmakar, Director (Human Resources) as a Member on 01.02.2018. Subsequently on cessation of office by Shri Paul Antony, the Committee was reconstituted by appointing Dr. K.Ellangovan, Part-time (Ex-Officio) Director on 20.03.2018.

As on 31st March, 2018; Shri Rajesh Mangal, Part-time (Independent) Director was the Chairman of the Committee; Dr. K.Ellangovan, Part-time (Ex-Officio) Director, Shri Rajiv Bansal, Part-time (Ex-Officio) Director, Shri K. Padmakar, Director (Human Resources) and Shri K. Sivakumar, Director (Finance), were the Members. Shri K.Sivakumar, Director (Finance) ceased to be a Member on 08.05.2018.

Eight meetings of the Corporate Social Responsibility Committee were held during the financial year 2017-18 on the following dates:

11.04.2017	24.07.2017	12.09.2017	25.10.2017
12.01.2018	09.02.2018	12.03.2018	27.03.2018

Attendance at the Corporate Social Responsibility Committee Meetings

Names of the Members	No. of meetings attended	%*
Shri Rajesh Mangal, Chairman	8	100
Shri P. Balasubramanian, Member (up to 30.04.2017)	1	100*
Shri S.P. Gathoo, Member (up to 31.10.2017)	4	100*
Shri P.H. Kurian, Member (up to 18.04.2017)	0	0*
Shri Anant Kumar Singh, Member (up to 27.11.2017)	1	25%*
Shri K. Sivakumar, Member (w.e.f. 01.05.2017)	6	85.71%
Shri P. Antony, Member (w.e.f. 29.05.2017 & upto 19.03.2018)	3	50*
Shri R. Bansal, Member (w.e.f. 15.12.2017)	3	75%*
Shri K. Padmakar, Member (w.e.f. 01.02.2018)	3	100*
Dr. K. Ellangovan (w.e.f 20.03.2018)	1	100%*

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

F) Risk Management Committee

Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the Company through its Board of Directors to constitute a Risk Management Committee. In compliance thereto, the Board had constituted the Risk Management Committee on 12.11.2014. During the financial year 2017-18, the Committee was reconstituted by inducting Shri Vishal V Sharma, Part-time (Independent) Director on 29.05.2017.

As on 31st March 2018, the Committee comprised Shri Rajesh Mangal, Part-time (Independent) Director as Chairman and Shri S. Ramesh, Director (Marketing), Shri R. Ramachandran, Director (Refineries), Shri K. Sivakumar, Director (Finance) and Shri Vishal V Sharma, Part-time (Independent) Director as Members. Shri K.Sivakumar, Director (Finance) ceased to be a Member on 08.05.2018.

Five meetings of the Risk Management Committee were held in the Financial Year 2017-18 on the following dates:

29.05.2017	11.08.2017	10.11.2017	14.12.2017	08.02.2018

Attendance at the Risk Management Committee Meetings

Names of the Members	No. of meetings attended	%*
Shri Rajesh Mangal, Chairman	5	100
Shri R. Ramachandran, Member	4	80
Shri S. Ramesh, Member	4	80
Shri K. Sivakumar, Member	3	60
Shri Vishal V Sharma, Member	4	100*

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

The role and responsibilities of the Risk Management Committee include the following:

1) Review and recommend the risk management plan comprising risks assessed and their mitigation plans, identification of corporate level risks and their mitigation plans for approval of the Board with the recommendation by the Audit Committee;
2) Review and recommend the Risk Management Report consisting of status of risk mitigation plans (including reporting of risks by businesses) to the Audit Committee/Board;

3) Review and recommend the statement to be published in the Board's Report indicating development and implementation of the risk management policy for the Company;

4) Review and recommend any other proposal in relation to Risk Management to be put up to the Audit Committee/Board.

G) Sustainable Development Committee

The terms of reference of the Sustainable Development Committee is 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 annual basis.

In line with DPE Guidelines on Sustainable Development, the Board reconstituted the Sustainable Development Committee on 21.07.2014. During the Financial Year 2017-18, the Committee was reconstituted by inducting Shri Rajesh Kumar Mangal, Part-time (Independent) Director on 29.05.2017. As on 31st March 2018, the Committee comprised Shri Gopal Chandra Nanda Part-time (Independent) Director as Chairman and Shri Ramesh Srinivasan, Director (Marketing), Shri R. Ramachandran, Director (Refineries), Shri Vishal V Sharma, Part-time (Independent) Director and Shri Rajesh Kumar Mangal, Part-time (Independent) Director as Members.

Three meetings of the Sustainable Development Committee were held during the financial year 2017-18 on the following dates:

11.04.2017	21.07.2017	08.02.2018

Attendance at the Sustainable Development Committee Meetings

Names of the Members	No. of meetings attended	%*
Shri Gopal Chandra Nanda, Chairman	3	100
Shri R. Ramachandran, Member	3	100
Shri S. Ramesh, Member	3	100
Shri Vishal V Sharma, Member	3	100
Shri Rajesh Mangal, Member	2	100*

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

H) Separate Meeting of Independent Directors

During the Financial Year 2017-18, one separate meeting of Independent Directors was held on 12.03.2018 which was attended by all Members during their tenure in the Financial Year, wherein the Independent Directors reviewed various parameters for assessing the quality, quantity and timelines of flow of information between the Company, Management and the Board to effectively and reasonably perform their duties.

4) Remuneration to Directors

BPCL, being a Government Company, appointment and remuneration of Whole-time Directors are determined by the Government through the Ministry of Petroleum & Natural Gas. The Part-time (Ex-officio) Directors do not receive any remuneration from the Company. The Part-time (Independent) Directors received sitting fees of ₹ 40,000 for each of the Board/Audit Committee/other Committee Meetings attended by them during the Financial Year 2017-18. 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 2017-18 are as follows :-

Name of Director	All elements of remuneration packages of the Director i.e. salary, benefits, bonus, pension etc.				Total
	Salary & Allowances	Contribution to Provident Fund & Other funds	Other Benefits & Perquisites	Performance Related Pay	
	(₹)	(₹)	(₹)	(₹)	(₹)
Shri D. Rajkumar Chairman & Managing Director	28,94,577	6,35,168	14,73,206	17,31,308	67,34,259
Shri S. Ramesh Director (Marketing)	26,92,210	6,46,130	36,84,334	20,44,870	90,67,544
Shri K. Sivakumar Director (Finance) (w.e.f, 01.05.2017)	24,04,388	5,77,054	15,64,183	9,27,585	54,73,210
Shri K. Padmakar Director (Human Resources) (w.e.f. 01.02.2018)	7,13,635	1,71,272	6,36,264		15,21,171
Shri R. Ramachandran Director (Refineries)	25,81,911	6,19,658	40,18,451	14,99,144	87,19,164
Shri S P Gathoo Director (Human Resources) (up to 31.10.2017)	16,39,637	3,93,513	91,29,779	21,90,718	1,33,53,647
Shri P Balasubramanian Director (Finance) (up to 30.04.2017)	2,26,700	54,408	74,72,485	20,90,958	98,44,551
TOTAL	**1,31,53,058**	**30,97,203**	**2,79,78,702**	**1,04,84,583**	**5,47,13,546**

Service Contracts : As per terms & conditions of appointment communicated by the Administrative Ministry. (i.e. from the date of taking over charge of the post or till the date of superannuation or until further orders, whichever is earlier);

Notice period : Three months.

The Company has not introduced any Stock Options Scheme. Shri Deepak Bhojwani, Non- Executive Independent Director holds 2137 equity shares in the Company as on 31.03.2018. No other Non-Executive Director holds any Shares in the Company. The sitting fees paid to the Part-Time (Independent) Directors for attending the meetings of the Board/Committee during the Financial Year 2017-18 are given below:

Name of the Director	Amount (₹)
Shri Rajesh Mangal	21,60,000
Shri Deepak Bhojwani	18,80,000
Shri Gopal Chandra Nanda	18,00,000
Shri Vishal V Sharma	17,60,000
Smt. Jane Mary Shanti Sundharam	3,20,000
Shri Vinay Sheel Oberoi	3,60,000
Dr. (Smt.) Tamilisai Soundararajan	2,80,000

5) General Body Meetings

a. The details of Annual General Meetings during the last three years are given below:

Meeting details	Date and Time of the Meeting	Venue
62nd Annual General Meeting	9th September, 2015 at 10:30 a.m.	Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College (K.C College), 124, Dinshaw Wacha Road, Churchgate, Mumbai-400 020
63rd Annual General Meeting	21st September, 2016 at 10:30 a.m.	
64th Annual General Meeting	12th September, 2017 at 10:30 a.m.	

b. The details of Special Resolutions passed in the previous three Annual General Meetings are given below:

Meeting details	Date and Time of the Meeting	Special Resolutions passed at the Meeting
62nd Annual General Meeting	9th September, 2015 at 10:30 a.m.	1. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Debt Securities; 2. Approval of Material Related Party Transactions.
63rd Annual General Meeting	21st September, 2016 at 10:30 a.m.	1. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Debt Securities; 2. Approval of Material Related Party Transactions.
64th Annual General Meeting	12th September, 2017 at 10:30 a.m.	1. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Debt Securities; 2. Approval of Material Related Party Transactions.

c. Presently, these is no Special Resolution proposed to be conducted through Postal Ballot.However, the Special Resolution with regard to approval of Private Placement of Non-Convertible Bonds/Debentures and/or other Debt Securities is proposed at the ensuing Annual General Meeting (AGM). E-voting option will be provided to the Members to cast their vote on AGM agenda items in the AGM.

d. The procedures prescribed for conducting E-Voting in terms of Section 108 and other applicable provisions of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof have been followed for the E-voting conducted for the resolution mentioned above.

6) Means of Communication of Financial Performance

In order to give wider publicity and to reach the Members and other investing public across the nation, the half-yearly and quarterly results were published in various editions of leading newspapers having wide circulation such as The Economic Times, The Times of India, Maharashtra Times, Business Standard, Financial Express, Hindu Business Line, Nav Bharat, Free Press Journal, Nav Shakti, Mint etc. Reports on Limited Review of the Financial Results for the quarters ended 30th June 2017, 30th September 2017, 31st December 2017 were obtained from the Auditors of the Company and filed with the Stock Exchanges. The Financial Statements for the first quarter ended June 2017, half year ended September 2017, third quarter ended December 2017, were sent to all Shareholders at their registered addresses/email IDs as the case may be.

The periodical financial results of the Company are also displayed on the website of the Company at www.bharatpetroleum.in and the websites of BSE and NSE.

7) General Shareholders'/ Members' Information:

SEBI has included BPCL shares for compulsory trading in dematerialised form.

<table>
<tr><td>Annual General Meeting: Date, Time and Venue</td><td>Tuesday, 11th September, 2018 at 10.30 a.m. at Y. B. Chavan Auditorium, General Jaganath Bhosale Road, Nariman Point, Mumbai- 400021.</td></tr>
<tr><td>Financial Year</td><td>BPCL follows the Financial year from April to March. The Unaudited Results/ Audited Results for the four quarters/ year end were taken on record by the Board and published on the following dates :
<table>
<tr><th>Period</th><th>Date of Board Meeting</th><th>Date of Publication</th><th>Unaudited/Audited</th></tr>
<tr><td>Apr-Jun 2017</td><td>11 Aug 2017</td><td>12 Aug 2017</td><td>Unaudited</td></tr>
<tr><td>Jul–Sep 2017</td><td>10 Nov 2017</td><td>11 Nov 2017</td><td>Unaudited</td></tr>
<tr><td>Oct-Dec 2017</td><td>09 Feb 2018</td><td>10 Feb 2018</td><td>Unaudited</td></tr>
<tr><td>Jan-Mar 2018</td><td>29 May 2018</td><td>30 May 2018</td><td>Unaudited</td></tr>
<tr><td>FY 2017-18</td><td>29 May 2018</td><td>30 May 2018</td><td>Audited</td></tr>
</table></td></tr>
<tr><td>Dividend Payment Dates</td><td>The Board of Directors at its meeting held on 09.02.2018 approved declaration of Interim Dividend of ₹ 14.00 per equity share for face value of ₹ 10/- each for the Financial Year 2017-18. The Company has paid the above dividend on 05.03.2018.

The Board has recommended final dividend of ₹ 7/- per equity share of ₹ 10/- each for consideration of the Members at the ensuing Annual General Meeting. If approved by the Members, the same will be paid within 30 days from the date of declaration.</td></tr>
<tr><td>Date of Book Closure</td><td>Tuesday 4th September, 2018 to Tuesday 11th September, 2018 (both days inclusive), for the purpose of determining the names of Members / Beneficial Owners who would be entitled for dividend.</td></tr>
<tr><td>Debt Securities</td><td>The details of listing of Non-convertible Debentures issued by the Company are given below:
<table>
<tr><td>BPCL Debentures 2017-Series I</td><td>Listed on wholesale debt market segment of BSE and NSE</td></tr>
<tr><td>BPCL Debentures 2018-Series I</td><td>Listed on wholesale debt market segment of BSE and NSE</td></tr>
</table>
Debenture Trustee
SBI CAP Trustee Company Ltd.
Appejay House, 6th Floor, 3, Dinshaw Wachha Road,
Churchgate, Mumbai 400020 Tel 022-43025555 Fax 022-22040465</td></tr>
<tr><td>Listing on Stock Exchanges & Security Code</td><td>The Company's shares are listed on the following Stock Exchanges:
<table>
<tr><th>Name of Stock Exchange</th><th>Security Code / Symbol</th></tr>
<tr><td>BSE Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,
Mumbai 400001.</td><td>500547</td></tr>
<tr><td>NSE Ltd.
Exchange Plaza, Plot No. C/1 Bandra Kurla Complex,
Bandra (E), Mumbai 400051</td><td>BPCL</td></tr>
</table>
The Listing Fees have been paid for the year 2018-19 to both the above Exchanges.</td></tr>
<tr><td>ISIN Number</td><td><table><tr><td>For National Securities Depository Ltd. (NSDL) & Central Depository Services India Ltd. (CDSL) for equity shares</td><td>INE029A01011</td></tr></table></td></tr>
<tr><td>Market Price Data</td><td><table>
<tr><td>High, low during each month in the last financial year</td><td>Please see Annexure I</td></tr>
<tr><td>Performance in comparison to broad based indices i.e.BSE100</td><td>Please see Annexure II</td></tr>
</table></td></tr>
</table>

<table>
<tr><td>Registrar and Transfer Agents</td><td colspan="3">Shri Benjamin Rajaratnam
General Manager (Capital Issues Division),
Data Software Research Co. Pvt. Ltd.
19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai- 600 006
Ph: +91-44-2821 3738 / 2821 4487
Fax: 91-44-2821 4636
Email : bpcl@dsrc-cid.in</td></tr>
<tr><td>Share Transfer System</td><td colspan="3">A Committee comprising two Whole-time Directors considers the requests for transfer / transmission of shares, dematerialisaton of shares etc. A Committee comprising four Directors i.e. two Whole-Time Directors and two Part-time Directors considers request for issue of share certificates. Transfers in physical form are registered after ascertaining objections, if any, from the transferors; and no valid transfer applications are kept pending beyond the stipulated period of fifteen days. 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 rowspan="12">Distribution of Shareholding as on 31st March, 2018</td><td>Shareholder</td><td>No. of Shares Held</td><td>% of holding</td></tr>
<tr><td>1) Government of India</td><td>1,17,80,95,019</td><td>54.31</td></tr>
<tr><td>2) Government of Kerala</td><td>1,86,66,666</td><td>0.86</td></tr>
<tr><td>3) BPCL Trust for Investments in Shares</td><td>20,23,72,422</td><td>9.33</td></tr>
<tr><td>4) Mutual Funds / UTI</td><td>12,06,83,599</td><td>5.56</td></tr>
<tr><td>5) Financial Institutions / Banks</td><td>34,21,193</td><td>0.16</td></tr>
<tr><td>6) Insurance Companies</td><td>9,34,26,053</td><td>4.31</td></tr>
<tr><td>7) Foreign Institutional Investors</td><td>42,97,85,138</td><td>19.81</td></tr>
<tr><td>8) Bodies Corporate</td><td>5,58,35,701</td><td>2.57</td></tr>
<tr><td>9) Others</td><td>6,69,66,953</td><td>3.09</td></tr>
<tr><td>Total</td><td>2,16,92,52,744</td><td>100.00</td></tr>
<tr><td colspan="3">Distribution of shareholding on number of shares held by shareholders and shareholding pattern are given in Annexure III.</td></tr>
<tr><td rowspan="2">Dematerialization of shares and liquidity</td><td colspan="3">Out of the shares held by the Shareholders, 98.94% are held in dematerialised form and balance in physical form as on 31st March, 2018.</td></tr>
<tr><td colspan="3">The Company has not issued any GDRs /ADRs/ Warrants etc.</td></tr>
<tr><td>Plant Locations</td><td colspan="3">Mumbai Refinery : Bharat Petroleum Corporation Ltd.,
Mahul, Mumbai - 400 074
Kochi Refinery : Bharat Petroleum Corporation Ltd.,
Ambalamugal, Kochi - 682 302
Lubricant Plants : Bharat Petroleum Corporation Ltd.,
Wadilube Installation, Mallet Road, Mumbai - 400 009
Bharat Petroleum Corporation Ltd.
24, Parganas, Budge - 743 319
Bharat Petroleum Corporation Ltd.
35, Vaidyanatha Mudali Street, Tondiarpet, Chennai - 600 081</td></tr>
<tr><td>Address for Correspondence</td><td>The Secretarial Department
Bharat Petroleum Corporation Ltd
Bharat Bhavan No.1, Ground Floor, 4&6, Currimbhoy Road
Ballard Estate, Mumbai 400001
Tel No. 022 – 2271 3170 / 2271 3435
Fax. No. 022 – 2271 3759 /
022- 2271 3688
Email : ssc@bharatpetroleum.in</td><td colspan="2">General Manager
(Capital Issues Division),
Data Software Research Co. Pvt. Ltd.
19, Pycrofts Garden Lane,
Off. Haddows Road, Nungambakkam,
Chennai- 600 006
Ph: +91-44-2821 3738 / 2821 4487
Fax: 91-44-2821 4636
Email : bpcl@dsrc-cid.in</td></tr>
</table>

Investors' Service Centre

BPCL's Investors' Service Centre (ISC), by Data Software Research Co. Pvt. Ltd., our Registrar & Share Transfer Agents, has been functioning at the Registered Office of the Company at the following address:

Data Software Research Co. Pvt. Ltd. (DSRC)
C/o. Bharat Petroleum Corporation Ltd.
Bharat Bhavan No.1, Ground Floor,4 & 6 Currimbhoy Road, Ballard Estate, Mumbai 400 001
Tel. No. 022 – 2271 3170 Fax. No. 022 – 2271 3759/ 022-2271 3688
Email : z_dsrc@bharatpetroleum.in

This centre has been effectively catering to the needs of the Members / Investors located in western region. It coordinates with DSRC based at Chennai and facilitates our efficient investor complaint redressal mechanism.

For any assistance/information on share related matters such as transfer / transmission of shares, issue of duplicate share certificates, dividend etc., or for redressal of any grievance in this regard, Members / Investors located in western region/other places may get in touch with ISC at the above address.

Further, BPCL has designated an exclusive e-mail ID: ssc@bharatpetroleum.in for the purpose of communication from Members including investor complaints.

8) Management Discussion & Analysis Report

A detailed chapter on Management Discussion & Analysis is attached to the Directors' Report.

9) Other Disclosures:

a. Except where the Company has incurred expenses on behalf of subsidiaries/joint ventures as co-promoter and the same are recoverable from the subsidiaries/joint venture companies, there were no transactions of material nature that may have potential conflict with the interests of the Company at large. The details of 'Related Party Disclosures' are shown in Notes forming part of Accounts. The related party transactions were placed before the Audit Committee for approval.

b. The Company has complied with all mandatory requirements entered into with Stock Exchanges/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance except for non-compliance under Regulation 17(1)(a)/(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further in terms of clause 2.2 & 3.1.4 of the Guidelines issued by DPE relating to the condition of having at least one woman director and half of the Board of Directors comprising of Independent Directors which were not met with during the part of the year.

   BPCL is a Government Company under the Administrative Control of the Ministry of Petroleum and Natural Gas. The nomination/appointment of all categories of directors are done by the Government of India in accordance with the laid down Department of Public Enterprises Guidelines. The subject matter of nomination/appointment of adequate number of independent directors including a woman director falls under the purview of the Government of India. We have from time to time communicated to the Ministry of Petroleum & Natural Gas with respect to the requirements and were informed of action initiated to fulfill the requirements. Accordingly, on receipt of nominations from Government of India, BPCL has appointed 3 Independent Directors including 2 Women Directors in September, 2017.

c. BPCL has also implemented the Whistle Blower Policy and that no personnel has been denied access to the Audit Committee.

d. Details of compliances with mandatory requirements and adoption of the non-mandatory requirements: The Company has been adhering to the provisions of the laws and guidelines of regulatory authorities including SEBI, and covenants in the agreements with the Stock Exchanges and Depositories. There was no instance of non-compliance of any provisions of law, guidelines from regulatory authorities and the matters related to capital markets, during the last three years, except as stated above.

   In addition to compliance of mandatory requirements, the Company has fulfilled the following discretionary requirements as specified in Part E of Schedule II of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:-

(i) Shareholders Rights: The Company has adopted requirements with regard to sending of quarterly / half yearly financial results to the Members of the Company.

(ii) The Company has moved towards a regime of Standalone and Consolidated Financial Statements with unmodified audit opinion.

e. The web link for policy for determining 'material' subsidiaries is as follows: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx.

f. The web link for policy on dealing with related party transactions is as follows: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx.

g. Disclosure of commodity price risks and commodity hedging activities: The Company has adopted Risk Management Policy framework. Accordingly, the Company periodically informs the Board Members about the risk assessment and procedures for minimizing the risks.

h. BPCL nominates Directors for relevant training programmes/seminars conducted by reputed Institutions/SCOPE/IICA etc. Further, strategy workshops are held to deliberate strategic issues, policy decisions etc.

i. CEO and CFO Certification: The Chairman & Managing Director and Director (Finance) have certified to the Board in accordance with Part B of Schedule II of Regulation 17(8) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and DPE Guidelines on Corporate Governance for the Financial Year 2017-18.

j. Disclosures with respect to demat suspense account/unclaimed suspense account: No Shares are kept under demat/unclaimed suspense account.

k. There are no items of expenditure in the books of accounts, which are not for the purpose of Business. Further no expenses were incurred which were personal in nature and incurred for the Board of Directors and Top Management. Administrative & Office expenses and financial expenses constitute 0.78% and 0.31% of the total expenses respectively for the Financial Year 2017-18. There is an Increase in Administrative & Office expenses as % of total expenses (from 0.56% to 0.78%) mainly due to increase in utilities expenses. There is an Increase in Finance Expenses in Financial Year 2017-18 vis-à-vis Financial Year 2016-17 (from 0.22% to 0.31%) mainly due to charging of interest to profit and loss statement post capitalisation of capital assets in respect of loans taken for specified projects.

l. 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in BPCL' & the 'Code of Conduct to Regulate, Monitor and Report Trading for Prevention of Insider Trading in the Securities of BPCL':Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company had earlier adopted the 'Code of Conduct, Procedure and Disclosures for Prevention of Insider Trading in the Securities of Bharat Petroleum Corporation Limited' and 'Code of Corporate Disclosure Practices'. The Company Secretary was the Compliance Officer for implementation of the said Codes.

Consequent to introduction of SEBI (Prohibition of Insider Trading) Regulations, 2015 which replaced the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in Bharat Petroleum Corporation Limited' and 'Code of Conduct to Regulate, Monitor and Report Trading for Prevention of Insider Trading in the Securities of Bharat Petroleum Corporation Limited' in Board meeting held on 13th May, 2015. The Company Secretary has been appointed as the Compliance Officer and Chief Investor Relations Officer for implementation of the said Codes.

m. In line with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has implemented the following policies: 1. Policy on Preservation of documents; 2. Policy on materiality of events or information and they are disclosed on website of the Company under the link: https://bharatpetroleum.com/About-BPCL/Our-Policies.aspx.

ANNEXURE I

BPCL MARKET PRICE DATA						
April 2017-March 2018	BSE Ltd.			NSE Ltd		
	High	Low	Monthly volume	High	Low	Monthly volume
	(₹ per share)	(₹ per share)	No. of shares	(₹ per share)	(₹ per share)	No. of shares
April *	744.65	631.05	21,41,953	744.90	631.20	4,08,08,476
May*	**769.85**	687.00	31,50,257	**769.25**	686.55	4,29,30,019
June*	744.00	600.25	26,60,777	746.80	599.00	6,09,91,121
July*	687.00	454.65	55,02,364	691.20	454.40	6,41,93,100
August	534.50	465.75	44,22,567	534.45	465.30	9,05,17,420
September	546.15	450.45	90,66,879	546.10	449.40	11,02,71,591
October	550.00	467.00	38,26,352	551.55	467.00	7,34,86,936
November	546.50	488.00	66,17,543	546.60	487.45	6,79,10,544
December	540.70	490.00	27,96,208	542.50	489.35	5,46,99,710
January	522.65	465.00	76,38,252	523.00	465.25	7,91,13,724
February	494.40	423.00	53,44,342	494.00	422.70	8,62,77,719
March	467.00	**402.65**	37,89,146	468.40	**402.50**	7,90,14,948

* Pre-Bonus Price

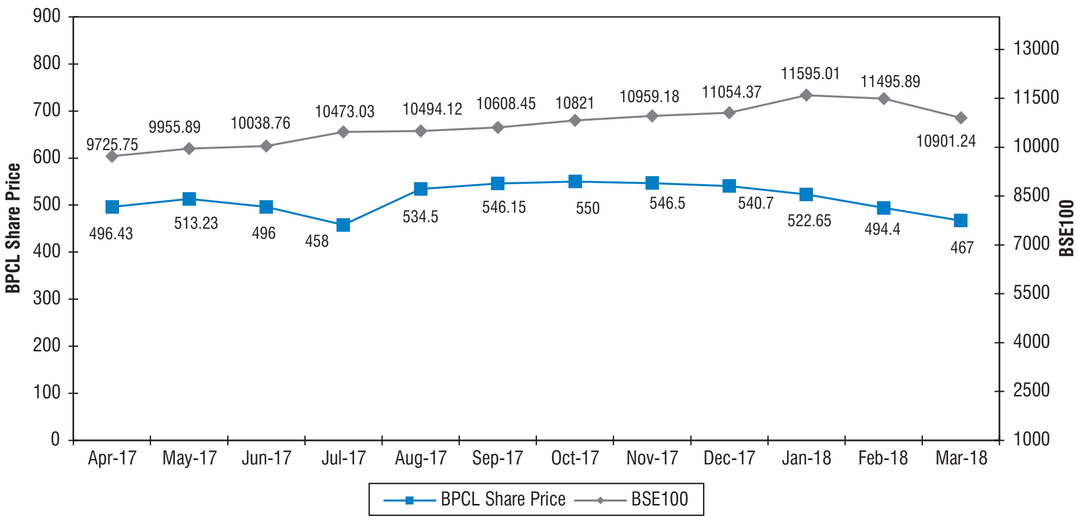
The Record date for issue of Bonus Equity Shares in the ratio of one Bonus equity share for every two equity shares held was 15.07.2017.

MARKET CAPITALISATION/SHARES TRADED DURING 1ST APRIL 2017 TO 31ST MARCH 2018		
	BSE	NSE
No. of Shares traded	5,69,56,640	85,02,15,308
No. of Shares	2,16,92,52,744	2,16,92,52,744
Highest Share Price (₹) (29.05.2017)	769.85	769.25
Lowest Share Price (₹) (26.03.2018)	402.65	402.5
Closing Share Price as on 31st March 2018 (₹)	427.95	427.45
Market Capitalisation as on 31st March 2018 (₹ in Crores)	92,833.17	92,724.71

ANNEXURE II

BPCL MARKET PRICE MOVEMENT IN COMPARISON TO BSE 100 INDICES

Share Prices / BSE 100 Monthly High Quotations

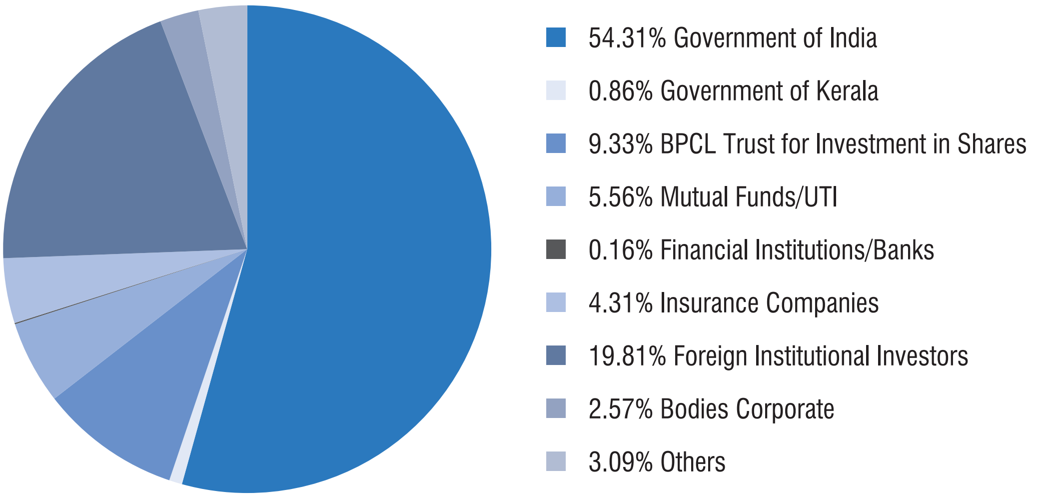


Note: Pre-bonus share price (1:2) adjusted

ANNEXURE III

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018			
NO. OF EQUITY SHARES HELD	**NO. OF MEMBERS**	**NO. OF SHARES**	**% OF TOTAL**
UPTO 5,000	1,53,791	4,33,46,887	2.00
5,001 TO 10,000	1,231	84,36,746	0.39
10,001 TO 50,000	686	1,52,32,553	0.70
50,001 TO 1,00,000	176	1,27,89,404	0.59
1,00,001 TO 5,00,000	308	7,15,02,610	3.30
5,00,001 TO 10,00,000	99	7,12,38,409	3.28
10,00,001 TO 20,00,000	75	10,74,82,223	4.95
20,00,001 TO 30,00,000	23	5,51,09,833	2.54
30,00,001 AND ABOVE	54	1,78,41,14,079	82.25
TOTAL	**1,56,443**	**2,16,92,52,744**	**100.00**

SHAREHOLDING PATTERN OF BPCL AS ON 31ST MARCH, 2018 (PERCENTAGE)



CODE OF CONDUCT

DECLARATION

I hereby declare that all the Board Members & Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors for the year ended 31st March, 2018.

Sd/-
D. Rajkumar
Chairman & Managing Director
Bharat Petroleum Corporation Limited

Place : Mumbai
Date : 18.07.2018

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members of Bharat Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Petroleum Corporation Limited ("the Company") for the year ended March 31, 2018, prescribed in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and paragraph, C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our Examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of SEBI LODR except for non-compliance under Regulation 17(1)(a) relating to the condition of having at least one woman Director which was not met for the period 01.04.2017 to 20.09.2017 and having half of the Board of Directors to comprise of Independent Directors, which was not met for the period 01.04.2017 to 27.09.2017.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : 18.07.2018

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE UNDER GUIDELINES ON CORPORATE GOVERNANCE FOR CENTRAL PUBLIC SECTOR ENTERPRISES, 2010

To,

The Members of Bharat Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Bharat Petroleum Corporation Limited ("the Company") for the year ended March 31, 2018, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 ("the Guidelines"), issued by the Department of Public Enterprises (DPE) of Ministry of Heavy Industries and Public Enterprises, Government of India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implications 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 the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in provisions as specified in the Guidelines issued by DPE except for non-compliance in terms of clause 3.1.4 of the Guidelines with regard to half of the Board of Directors to comprise of Independent Directors which was not met for the period 01.04.2017 to 27.09.2017.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : 18.07.2018

BUSINESS RESPONSIBILITY REPORT 2017-18

ABOUT THIS REPORT

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Reports of the top five hundred listed entities based on market capitalization at the BSE and NSE shall contain a Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective, which includes BPCL.

The reporting framework is based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs') released by the Ministry of Corporate Affairs, Government of India, in July 2011 which contains 9 Principles and Core Elements for each of the 9 Principles. Following is the Business Responsibility Report of our Company based on the format suggested by SEBI in the cited circular.

Section A: General Information about the Company	
1. Corporate Identity Number (CIN) of the Company	L23220MH1952GOI008931
2. Name of the Company	Bharat Petroleum Corporation Limited
3. Registered address	Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai 400 001
4. Website	https://www.bharatpetroleum.in
5. E-mail id	ssc@bharatpetroleum.in
6. Financial Year reported	2017-18

7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Group	Class	Sub-class	Description
192	1920	19201	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous minerals
192	1920	19203	Bottling of LPG /Compressed Natural Gas (CNG)
192	1920	19209	Manufacture of other petroleum products (includes petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals)
352	3520	35202	Distribution and sale of gaseous fuels through mains
351	3510	35105	Electric power generation using solar energy
		35106	Electric power generation using other non-conventional sources
493	4930	49300	Transport via pipeline
466	4661	46610	Wholesale of solid, liquid and gaseous fuels and related products
473	4730	47300	Retail sale of automotive fuel in specialized stores [includes the activity of petrol filling stations]
477	4773	47736	Retail sale of household fuel oil, bottled gas, coal and fuel wood

8. List three key products/services that the Company manufactures/provides (as in balance sheet):	The company produces and supplies primary fuels including (but not limited to): • High Speed Diesel • Motor Spirit (petrol) • Liquefied Petroleum Gas (LPG)
9. Total number of locations where business activity is undertaken by the Company	
i. Number of International Locations (Provide details of major 5)	BPCL does not undertake any direct operations at its international locations. Only the subsidiaries have overseas operations.
ii. Number of National Locations as on 31.3.18	1. Refineries: 2 (Mumbai and Kochi) 2. Retail (Installations/Depots/TOPs): 75 3. LPG Bottling Plants: 51 (2 are in refineries and 49 in other locations)

	4. Lube Blending Plants: 4 5. Aviation Locations/Fuelling Stations/on-wheels: 52 6. Head Office: 1 and Regional Offices: 4
10. Markets served by the Company – Local/State/ National/International/	Local √ / State √ / National √ / International √
SECTION B: FINANCIAL DETAILS OF THE COMPANY	
1. Paid up Capital (INR)	₹ 1,966.88 Crores (After Netting of ₹ 202.37 Crores against BPCL Trust Investment in shares)
2. Total Turnover (INR)	₹ 2,77,162.23 Crores
3. Total profit after taxes (INR)	₹ 7,919.34 Crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The total spending on CSR for the year 2017-18 is 1.81% of average net profit of the last three financial years.
5. List of activities in which expenditure in 4 above has been incurred.	BPCL's CSR activities are carried out in the following focus areas: • Education and Scholarships • Water Conservation • Skill Development • Health, Hygiene & Sanitation • Drinking Water • Community Development • LPG connections to BPL families • Environment
SECTION C: OTHER DETAILS	
1. Does the Company have any Subsidiary Company/ Companies?	Yes, BPCL has eleven subsidiaries. Five are Indian and six are foreign subsidiaries. The list is as follows: **Indian:** • Numaligarh Refinery Ltd. • Bharat PetroResources Ltd. (BPRL) • Bharat PetroResources JPDA Ltd. [Subsidiary of BPRL] • Petronet CCK Ltd. • BPCL-KIAL Fuel Farm Pvt Ltd. **Foreign:** • BPRL International B.V. in the Netherlands [Overseas Wholly owned Subsidiary of BPRL] • BPRL Ventures B.V. in the Netherlands [Overseas Wholly owned Subsidiary of BPRL International BV] • BPRL Ventures Mozambique B.V. in the Netherlands [Overseas Wholly owned Subsidiary of BPRL International BV] • BPRL Ventures Indonesia B.V. in the Netherlands [Overseas Wholly owned Subsidiary of BPRL International BV] • BPRL International Ventures B V in the Netherlands [Overseas Wholly owned Subsidiary of BPRL International BV] • BPRL International Singapore Pte Ltd. in the Singapore [Overseas Wholly owned Subsidiary of BPRL]

2.	**Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s)**	No. The Subsidiary Companies do not participate in the Business Responsibility initiative of the parent Company. They operate in different geographies/business domain and are driven by their own policies.
3.	**Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**	No other entity/entities that is engaged with the Company's business participates in the BR initiatives of BPCL. However, during the selection/registration of the suppliers, contractors, dealers and distributors, BPCL conducts scrutiny with respect to certain parameters of NVG principles.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

BPCL has a Sustainability Development Committee for periodic review, discussions and guidance on various Sustainable Development initiatives and measures for implementation of BR policies.

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

The details of the Committee members as on 31/03/2018 are given below.

DIN Number	Name	Designation
06441034	Shri G. C. Nanda, Chairman of the Committee	Independent Director
07049995	Shri R. Ramachandran	Director (Refineries)
07164250	Shri S. Ramesh	Director (Marketing)
01213441	Shri Vishal Vinod Sharma	Independent Director
03033081	Shri Rajesh Kumar Mangal	Independent Director

b) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	NA
2.	Name	Shri. M Venugopal
3.	Designation	Company Secretary
4.	Telephone number	022- 2271 3440
5.	e-mail id	ssc@bharatpetroleum.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The 9 principles outlined in the National Voluntary Guidelines are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

S. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Various policies at BPCL conform to different applicable statutes/ guidelines/ rules etc. issued by GOI and updated from time to time. Industry practices, national/ international standards are kept in view while formulating polices.								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Different policies are approved by the 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/policy.aspx
Principle 9: Customer value	http://www.bharatpetroleum.com/PDF/Citizen_Charter.pdf

2A. If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within the next 6 Months									
5	It is planned to be done within the next one 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 to assess the BR performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year)**

   BPCL has constituted a Sustainable Development Committee of the Board which periodically reviews and provides guidance and directions for further improvement on Sustainable Development initiatives on every 3-6 months basis.

2. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   Yes. BPCL has been publishing its BRR as a part of its Annual Report. In addition, BPCL is also publishing its GRI Framework based Sustainable Development Report (SDR) every year since financial year 2007-08. The Sustainable Development Report for the past years are available at:
   https://www.bharatpetroleum.com/sustainability/sustainability-reports.aspx

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

   Yes. The policy formulated by BPCL on ethics, prevention of corruption and bribery covers its entire operations. BPCL's Group Companies/Joint Ventures are separate legal entities having their own policies and procedures and are not covered by BPCL's policy on ethics, bribery, corruption and human rights.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   BPCL has in place a robust and easily accessible Customer Care System (CCS) enabling customers to provide their feedback, complaints or suggestions. In FY 2017-18, 4,22,621 customer complaints have been received and 4,22,290 are resolved which is 99.92% with an average closure time of one day. Balance complaints are being addressed in due course of time.

   During the FY 2017-18, 26 investor complaints have been received through SEBI, BSE, NSE, ROC and NSDL (SEBI-10, BSE-5, NSE-8, ROC-1 and NSDL-2) which were all attended to and resolved on priority basis.

   BPCL has received 8 complaints before the panel of independent external monitors for joint deliberation and recommendations which all were resolved satisfactorily.

PRINCIPLE 2: SUSTAINABILITY IN THE LIFE-CYCLE OF THE PRODUCT

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   BPCL is committed to achieve economic, environmental and social objects of sustainable development through its varied operations and activities. All operations/activities with respect to manufacturing, storage and marketing are evaluated for environment related risks by qualified auditors and suitable mitigating steps are implemented. BPCL has been constantly investing its efforts that the products manufactured do not cause unintended harm to the environment/persons involved during its production, transportation, consumption or disposal.

The R&D centre helps in developing products which continuously reduce the negative impacts of them on the environment and society. Some of the products with enhanced environmental performance are:

- BS IV Motor Spirit
- BS IV HSD
- 10% Ethanol Blended Motor Spirit.
- 5% Biodiesel blended HSD

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

BPCL refineries have successfully adhered to National Auto Fuel norms by producing and supplying Bharat IV fuels to the market by April 2017. This supply of low sulphur fuels (MS/HSD) has resulted in lowering the negative impact on the environment.

BPCL refineries are in the process of commissioning the Motor Spirit Block Project (MSBP) and Gasoline Treatment Units (GTU) which will help them in meeting Bharat VI grade of fuels (MS/HSD) i.e. by 2020 as per Government directive. This will further reduce Sulphur in the fuels.

In line with the Ministry of Petroleum & Natural Gas Gazette Notification for selling of Ethanol blended Motor Spirit with Ethanol up to 10%, BPCL has undertaken maximization of blending of Ethanol in Motor Spirit. Ethanol is an oxygen-enhancing additive that helps Motor Gasoline burn cleaner, thus reducing air pollution due to lesser harmful emissions such as carbon monoxide. It also results in saving valuable foreign exchange for the country. In the year 2017-18 BPCL has blended 1,95,912 KL Ethanol in 19,82,762 KL of EBMS. BPCL is also in the process of setting up 3 bio fuel refineries to produce second generation Ethanol to meet the current requirement.

As per national policy on Biofuel by the Government of India BPCL has undertaken the blending of 5% Biodiesel in HSD at selected locations. Biodiesel (B-100) is a fuel manufactured from non-edible/ edible oils. Biodiesel substantially reduces unburnt Hydrocarbons, Carbon Monoxide (CO) and Particulate Matter. It has almost no sulphur, no aromatics and approximately 10% built in oxygen which helps in ensuring complete combustion. BPCL blended 8,142 KL of biodiesel in a total volume of 1,62,847 KL of Diesel.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes. The Oil and Gas sector is vulnerable to threats like depletion of resources and geopolitical uncertainties. The Company has long and short-term contracts in place for its crude oil procurement. BPCL has diversified its Global Crude Oil supply from various sources and efforts are made for optimisation of the crude basket and minimisation of inventories, at the same time ensuring uninterrupted supplies of crude oil to refineries. BPCL has employed Very Large Cargo Carriers (VLCCs) for crude oil transportation to save fuel.

Some of the initiatives taken by our Central Procurement team for reduction in emission are:

1. Implementation of e-procurement platform
2. Availability of e-tendering process
3. Online vendor portals for suppliers

BPCL has also carried out route optimization activity with the following salient features:

1. RTKM calculated based on Google maps/ physical tracing of routes.
2. Real time fleet tracking based on Global Positioning System (GPS) system so that the vehicles do not deviate from the assigned shortest route
3. Define threshold age of the vehicles

   As pipeline transportation is the safe and efficient way of transportation of Hydrocarbons, BPCL has been expanding its pipeline network. As of date, it is approx. 2000 km in length.

4. Has the Company taken any steps to procure goods and services from local & 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 ensures to be compliant to the public procurement policy and extend the benefits like exemption of Earnest Money Deposit (EMD), allowing to procure 20% of the total requirement from Micro, Small and Medium Enterprises (MSME). In FY 2017-18 the value for total annual procurement was ₹ 7071. 94 Crores and the value of procurement from (MSEs) Micro and Small Enterprises (including MSE owned by SC/ST entrepreneurs) was ₹ 1916.7 Crores which is an achievement of 27. 11% as against the target of 20%.

A national level premier vendor workshop was organized by Central Procurement Office-Marketing (CPO-M) and Central Procurement Office-Refineries (CPO-R) for MSME enterprises where a capacity building exercise was conducted to impart information on the applicability of statutory guidelines.

BPCL MR (HR) along with CPO (Refineries) conducted a unique training & mentoring program for budding entrepreneurs from the SC/ST category i.e. Entrepreneurship Development Program (EDP). 24 candidates were selected under this program and were given one-month classroom training.

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%)

BPCL has been constantly exploring the possibility of recycling waste material generated from its operations. BPCL refineries have a system for recovery of oil from crude oil sludge as and when it's generated during crude tank maintenance activity. After removing oil from sludge, the sludge is treated with bioremediation process using oil zapper bacteria. Once the oil content is brought down to < 0.5% wt, the sludge is disposed off.

In 2017-18, total oil recovered from crude sludge was 26.2% wt. from MR and 41.9% wt. from KR. Oil catchers provided in the refinery help in recovery of oil. BPCL has ETPs (Effluent Treatment Plants) at its refineries and marketing locations to treat and reuse the treated wastewater for horticulture purposes. BPCL MR has state - of - the art effluent treatment plants which comprise PACT (Powdered Activated Carbon Treatment) and WAR (Wet Air Regeneration) therefore, sludge generation in the effluent treatment plant is nil.

BPCL refineries have also implemented a Flare Gas Recovery System (FGRS) which recovers the flare gases and puts them back into the Fuel Gas System, thus reducing precious hydrocarbon loss and also minimising fuel consumption and emissions.

BPCL's R&D has developed technology for utilization of waste plastic for making roads.

PRINCIPLE 3: EMPLOYEE WELL-BEING

1. Please indicate the total number of employees

No. of employees

Permanent employees 12,019 (as on 31.03.2018)

2. Please indicate the total number of employees hired on temporary/contractual/casual basis

No. of employees

Temporary/Contractual / Contract Labour: 19,290*
Casual employees

**Contract labour is 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. Currently, a significant number of contract labour is also engaged through contractors for special projects including two major projects namely Integrated Refinery Expansion Project in Kochi Refinery and commissioning of ISOM & DHT units in Mumbai Refinery.*

There is no casual labour currently engaged in BPCL. As a policy we have discontinued engagement of casual labour.

3. Please indicate the number of permanent women employees

1,109 (Management - 585, Clerical - 501, Labour - 23)

4. Please indicate the number of permanent employees with disabilities

235 (Management - 106, Clerical- 53, Labour - 76)

5. Do you have an employee association that is recognized by management?

There are 21 Registered Unions operating in BPCL.

6. What percentage of your permanent employees are members of this recognized employee association?

Around 93% of our (non-management) employees are represented through these 21 registered unions.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as at the end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NA
2.	Sexual harassment	1	1
3.	Discriminatory employment	NIL	NA

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

- Permanent Employees: On an average 15.09 man-hours of training per employee was provided. This training is inclusive of safety related training undertaken at plants.
- Permanent Women Employees: On an average 9.79 man-hours of training per woman employee was provided in the reporting period. This is inclusive of safety related training undertaken at plants.
- Casual/ Temporary/ Contractual Employees: While we do not separately track the proportion of contract labour that were given safety & skill up-gradation training, their safety is of upmost importance. Across locations and especially within the refineries, the contract labour mandatorily attend the comprehensive training programme which includes sessions on 'Safety within the workplace' before which they are not provided access cards.
- Employees with Disabilities: Not tracked separately

PRINCIPLE 4: STAKEHOLDER ENGAGEMENT

1. Has the Company mapped its internal and external stakeholders? Yes/No

BPCL has identified both, its internal and external stakeholders. The internal stakeholders largely include employees and the external stakeholders are listed as follows:

- Shareholders & lenders
- Government and regulatory authorities
- Industry associations
- Customers
- Suppliers
- Community
- Dealers and distributors
- Contractors
- Media and academic institutions

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes BPCL, as a responsible corporate, cares for the community. BPCL has adopted a holistic approach for the socio-economic development of disadvantaged, marginalised and vulnerable stakeholders. It is ensured that a reservation policy is implemented as per Government norms. BPCL projects aim at benefitting the remote rural /tribal community who are present in and around our project sites, refineries, bottling plants etc.

BPCL's CSR policy has the provision that CSR project activities shall be undertaken in backward regions, SC/ST communities and other weaker sections of society. Furthermore, we also have projects solely targeted at improving the quality of life of persons with disabilities who are highly marginalised and disadvantaged.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

BPCL has undertaken the majority of its education projects like Computer Aided Learning Project, Libraries in School, Science / Maths learning level, Teacher Training Project, etc in Government or low-income schools which cater to students from underprivileged communities.

Mumbai Refinery implemented the Project UTKARSH initiative in 25 schools for underprivileged children in and around Chembur, Mumbai.

Group Medi Claim Policy was provided for fishermen at Mahul.

BPCL's BOOND (Rain Water Harvesting) project work continued in villages of Maharashtra, Tamil Nadu, Karnataka & Rajasthan etc.

As part of Swacch Bharat initiatives, we are working to provide sanitation facilities to the underprivileged.

PRINCIPLE 5: PROMOTION OF HUMAN RIGHTS

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?**

   BPCL's Human Rights policy only covers the operations controlled by the Company. It does not extend to its Group / Joint ventures etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaint regarding Human Rights issues has been received in FY 2017-18.

PRINCIPLE 6: ENVIRONMENTAL PROTECTION

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others?**

   The applicability of the Environmental Protection Policy is limited only to the operations in BPCL. The Group Companies and Joint Ventures have their own environmental policies.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Yes/No. If yes, please give hyperlink for webpage etc.**

   Yes. BPCL is a partner with the Ministry of Petroleum & Natural Gas, Ministry of Environment & Forests & Climate Change and other oil companies. BPCL has recognised the need to join hands with other Oil and Gas PSUs to act against the consequences of climate change and has undertaken a study on climate change risk preparedness for the Oil and Gas sector through The Energy and Resources Institute (TERI). The study will provide comprehensive analysis of threats from climate change to our locations and shall provide a way forward to tackle the challenges.

   BPCL has set up a Board level Sustainable Development Committee which discusses and reviews projects on Sustainable Development every 6 months. BPCL also has a policy of renewable energy which emphasizes increased use on solar / wind power. Further, regular accounting for Green House Gases (GHG) emissions and water consumption from operations across locations and refineries is being done. GHG emission intensity and energy intensity is being reported every year and accounting for the same has helped BPCL to implement various energy conservation initiatives to reduce GHG intensity.

   BPCL is presently producing low sulphur BS IV auto fuel and its refineries are in the process of commissioning of Motor Spirit Block Project (MSBP) and Gasoline Treatment Units (GTU) which will help them in meeting Bharat VI grade of fuels (MS / HSD) i.e. by 2020 as per Government directive. This will further reduce the sulphur in the fuels and environmental pollution.

   BPCL publishes a Sustainability Report every year as per GRI guidelines highlighting Environmental, Social and Governance (ESG) performance of the Company which can be accessed at the following link.

   https://www.bharatpetroleum.com/sustainability/sustainability-reports.aspx

3. **Does the Company identify and assess potential environmental risks? Yes/No**

   Yes. BPCL has in place a detailed Health, Safety and Environment Policy which emphasizes on the use of appropriate technologies to minimise the impact of our activities on the environment. BPCL refineries have ISO 9001, 14001, OSHAS 18001 certifications for quality, environment and health and safety.

   As part of ISO certifications, risk and opportunities are identified with mitigation strategy and detailed hazard identification and risk assessment is carried out for all functions. As a practice, BPCL conducts Environmental Impact Assessments (EIA) at every grass root project or while installing a new facility, to understand the impact created by the commissioning/ operation of facility and identify methods to reduce environmental impact.

4. **Does the Company have any project related to Clean Development Mechanism? If yes, whether any environmental compliance report is filed?**

   Presently, BPCL does not have any project under Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Yes/No. If yes, please give hyperlink for web page etc.**

   Yes. BPCL has carried out many projects in refineries and marketing locations for renewable energy and clean technology. BPCL has increased energy efficient lighting capacity from 6.2 MW to 7.53 MW. Renewable energy capacity has increased from 22.17 MW to 26.36 MW by March 2018. These initiatives have resulted in reduction of GHG emission by 43,660 metric tonne of CO_2 equivalent.

BPCL refinery has undertaken several initiatives to conserve energy by implementing projects in areas of clean technology, energy efficiency and renewable energy. The following are major energy efficiency (saving) initiatives implemented during 2017-18 in Mumbai Refinery.

- Implementation of "Steam Trap & Leak Management" project to achieve zero steam leaks in CDU4 (Crude distillation Unit-4)/ NHGU (New Hydrogen Generation Unit)/HCU (Hydrocracker Unit)/LOBS (Lube oil base stocks) unit /FCCU (Fluidised catalytic Cracking unit)/CCR (Continuous Catalytic Reforming) Unit /DHDS (De-hydro desulphurisation) Complex.
- On-line chemical cleaning of furnaces to clean off fouling and deposits on the radiation tubes leading to better heat absorption in radiation section.

  Replacement of AFC (Air Fin Cooler) fan blades with energy efficient FRP blades in CCR (Catalytic Cracker Unit) and ARU (Aromatics Recovery Unit) for saving power.
- Heat recovery from diesel stream in Hydro Cracker Unit (HCU) to produce 125 t/d of steam
- Optimization of steam consumption in deaerators, stripping columns, ejectors etc leading to steam energy saving.
- Implementation of step-less control logic in DHDS MUG (Makeup Gas) Compressor leading to a power saving of 112 kw.
- Implementation of various Advance Process Control (APC) projects in process plants leading to a saving of 7500 tons of fuel per annum
- Usage of Very High Pressure steam (VHP) in Integrated Refinery Expansion Projects which reduced steam condensation by 98 tonnes per hour.
- Installed Power Recovery Turbine (PRT) for Vacuum Gas Oil Hydro Desulphurization Treating Unit (VGOHDT) feed pump which helped in power saving of 582 kW.
- Installed Power Recovery Expander(PRE) in Petro Chemical FCCU (PFCCU) to generate 9.8 MW of power
- The link is given below

  https://www.bharatpetroleum.com/sustainability/sustainability-reports.aspx

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, emission/waste generated during the course of operation are constantly monitored to ensure that they are s within permissible limits prescribed by respective CPCB/SPCB. Emission levels and the set limits are captured as Sustainable Development data by refineries and marketing locations. Further emission levels in BPCL refineries are monitored on real time basis. A robust on-line emission monitoring system is available, with BPCL refineries, with which real time emission data is made available to Pollution Control Board by direct connectivity as part of corporate responsibility for environmental protection.

7. Number of showcause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

There are no pending show cause/ legal notices received from CPCB/SPCB which are pending in financial year 2017-18

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

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

BPCL has been a part of various associations and has put forward its opinion from the industry point of view by participating in concerned forums. BPCL also takes part in consultative committees that frame policies as and when asked by Government or regulatory departments. The senior officers have been members of several working committees in various areas such as Oil India Safety Directorate (OISD), Petroleum and Natural Gas Regulatory Board (PNGRB), Centre for High Technology (CHT), etc. and contribute towards their agenda.

PRINCIPLE 8: INCLUSIVE GROWTH

1. **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The aim of BPCL CSR projects is to provide benefit to the communities from low socio-economic strata, which are identified as vulnerable in & around our operational areas/business units like Refinery, depots, installations, LPG bottling plants. All the projects undertaken by BPCL CSR are inclined towards the rooted belief of inclusive growth & equitable development of the most marginalised communities.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ Government structures/any other organization?**

BPCL largely collaborates with various NGOs registered as society/trust/section 8 companies, foundations, Government structures, other professional agencies for execution of the projects on the ground.

3. **Have you done any impact assessment of your initiative?**

Yes. The assessment of the impact of projects is crucial. In this regard BPCL conducts impact assessment as a part of the project for the majority of its projects. The impact is generally designed for a big project, which is then replicated or scaled up. BPCL also conducts third party impact assessment as per the policy.

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 2017-18 has been ₹ 166.02 Crores. Details of CSR Projects undertaken are provided in the section on CSR Activities forming 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 in every step of the project/programme is fundamental to BPCL CSR. From planning right to the final result, assessment efforts are taken to form community-based organisations like farmer committees, village water committees, alumni committees and school management committees.

Throughout the project, several capacity building, training programs and meetings etc. are held for these groups and other various stakeholders. In several projects, more specifically skill development & water conservation, the community also contributes, either through a small amount (finance) or through "Shramdan".

This ensures ownership of the project by the community as well as its sustainability on BPCL's exit. BPCL also uses the transformed communities as resource groups to empower other villages/ communities, which is very effective.

PRINCIPLE 9: CUSTOMER VALUE

1. **What percentage of customer complaints/ consumer cases are pending as at the end of the financial year.**

During FY 2017-18, a total of 4,22,621 customer complaints have been received, out of which 4,22,290 are resolved. Only 0.08% cases are pending, which have been resolved in due course of time.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks (additional information)**

Yes, the Company displays product information on the product label. BPCL provides information on product labels according to National and International specifications where feasible. It additionally displays information for safe handling of the product.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

	No. of cases filed in the last five years	No. of cases pending as on end of financial year 2017-18
Unfair trade practices	Nil	Nil
Irresponsible advertising	Nil	Nil
Anti-competitive behaviour	5	5

Details of cases regarding Anti-competitive behaviour are as follows:

1. RIL /Essar/Shell had filed a complaint before the Petroleum & Natural Gas Regulatory Board (PNGRB) against PSU (Public Sector Undertaking) OMCs (Oil Marketing Companies) and upstream Companies alleging collusion, cartelization and predatory pricing for MS and HSD-Sub Judice.

2. A complaint was filed by RIL before the Competition Commission of India alleging cartelization and misuse of its dominant position- Sub Judice

3. India Glycols Ltd Vs Indian Sugar Mills Associates & Ors. alleging that (ISMA) on behalf of member companies (including BPCL) have lobbied with Govt. of India for increasing the price of Ethanol from various suppliers- Sub Judice (Multiple cases are filed on this issue in several forums)

4. CCI (Competition Commission of India) vide its own cognizance started an enquiry against OMCs by observing that OMCs are behaving like a cartel by fixing petrol prices. A Preliminary objection was taken by Respondent OMCs that CCI does not have jurisdiction and PNGRB has jurisdiction to hear this issue. The Commission ordered DG investigation which should cover the entire value chain of price build up. BPCL challenged the said order in the Delhi High Court vide WP 7303/2013 and Delhi High Court vide order dated 22.11.2013 ordered a stay in the said proceedings- Sub Judice

5. Appeal filed against order dated 11.2.2014 passed by CCI in suo-motu case no. 95/2013. Federation is alleging unfair terms in Dealership Agreements for a) Not allowing to use petroleum products of other OMCs and b) Reserving Dealer land just for selling oil and impose condition to give land to OMC when dealership is terminated- Sub Judice

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

BPCL has not undertaken any structured survey during the year 2017-18, but it does take customer feedback to identify customer satisfaction trends. In FY 2017-18, BPCL received 91,675 customer feedbacks, of which 64,296 were satisfied customers. Subsequently, the other customers were approached and the pending issues were resolved to their satisfaction.

ANNEXURE E

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2018	The preparation of financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2018 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) of the Act are 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 **29 May 2018**. I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2018. 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
Tanuja Mittal
Principal Director of Commercial Audit &
ex-officio Member Audit Board-II, Mumbai

Place : Mumbai
Date : 26 July 2018

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF BHARAT PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2018	The preparation of consolidated financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2018 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 **29 May 2018**. I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Bharat Petroleum Corporation Limited for the year ended 31 March 2018. We conducted a supplementary audit of the financial statements of (Annexure-I), but did not conduct supplementary audit of the financial statements of (Annexure-II) for the year ended on that date. Further, section 139(5) and 143(6(b) of the Act are not applicable to (Annexure-III) being private entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG 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 audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
Tanuja Mittal
Principal Director of Commercial Audit &
ex-officio Member Audit Board–II, Mumbai

Place : Mumbai
Date : 27 July 2018

Annexure-I	**Annexure-II**	**Annexure-III**
Audit Conducted	**Audit not conducted**	**Audit not applicable**
(A) Subsidiaries:	**(A) Subsidiaries:**	**(A) Subsidiaries:**
1. Bharat PetroResources Limited	1. Petronet CCK Limited	Nil
2. Numaligarh Refinery Limited		
(B) Joint Ventures:	**(B) Joint Ventures:**	**(B) Joint Ventures:**
1. Delhi Aviation Fuel Facility Private Limited	1. Maharashtra Natural Gas Limited	1. Bharat Oman Refineries Limited
2. Mumbai Aviation Fuel Farm Facility Private Limited	2. BPCL- KIAL Fuel Farm Facility Private Limited	2. Bharat Stars Services Private Limited
3. Kochi Salem Pipeline Private Limited	3. Ratnagiri Refinery Private Limited	3. Matrix Bharat Pte Ltd.
4. Haridwar Natural Gas Private Limited	4. Ujjwala Plus Foundation	
5. Central U.P. Gas Limited	5. Goa Natural Gas Private Limited	
6. Sabarmati Gas Limited		
(C) Associates:	**(C) Associates:**	**(C) Associates:**
1. Petronet India Limited	1. Kannur International Airport Limited	1. Fino PayTech Limited
2. GSPL India Transco Limited	2. Indraprastha Gas Limited	2. Petronet LNG Limited
3. GSPL India Gasnet Limited		

ANNEXURE F

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1.	**Details of contracts or arrangements or transactions not at arm's length basis**							
	Nil							
2.	**Details of material contracts or arrangements or transactions at arm's length basis**							
S. No.	**Name of the Related Party**	**Nature of Relationship**	**Nature of Contract/ Arrangement/ Transactions**	**Duration of the Contract/ Arrangement/ Transactions**	**Salient Terms of the Contracts/ Arrangements/ Transactions**	**Transaction Values in FY 2017-18 (₹ in Crores)**	**Dates of Board Approval**	**Amount Paid as Advances (₹ in Crores)**
1.	Bharat Oman Refineries Limited (BORL)	Joint Venture Company	Purchase of Goods	2017-18	Purchase of petroleum products for resale and high sea purchase of Crude Oil	31,903.70	NA	-
2.	Bharat Oman Refineries Limited (BORL)	Joint Venture Company	Sale of Goods	2017-18	Import of Crude Oil on behalf of BORL and supplies to them. Also, sale of Lubricants.	1,736.76	NA	-
3.	Bharat Oman Refineries Limited (BORL)	Joint Venture Company	Rendering of services	2017-18	Interest on the loans provided to BORL	114.37	NA	-
4.	Bharat PetroResources Limited	Subsidiary Company	Rendering of services	2017-18	Interest on the loans provided to BPRL	169.83	NA	-
5.	Indraprastha Gas Limited (IGL)	Associate Company	Purchase of Goods	2017-18	Purchase of Compressed Natural Gas for resale at the Retail Outlets	323.61	NA	-
6.	Indraprastha Gas Limited (IGL)	Associate Company	Sale of Goods	2017-18	Sale of Liquefied Natural Gas / Lubricants	238.19	NA	-
7.	Matrix Bharat Pte. Ltd (MXB)	Joint Venture Company	Sale of Goods	2017-18	Sale of Bunker fuels and export of Benzene and FO	825.83	NA	-
8.	Numaligarh Refinery Limited (NRL)	Subsidiary Company	Purchase of Goods	2017-18	Purchase of petroleum products for resale	13,841.87	NA	-
9.	Petronet CCK Limited (PCCKL)	Subsidiary Company	Receiving of Services	2017-18	Transportation of petroleum products through PCCKL pipeline	122.86	NA	-
10.	Petronet LNG Limited (PLL)	Associate Company	Purchase of Goods	2017-18	Purchase of Regassified Liquefied Natural Gas for consumption / sale	5,098.63	NA	-
11.	Petronet LNG Limited (PLL)	Associate Company	Receiving of Services	2017-18	Regasification of Liquefied Natural Gas	178.13	NA	-
12.	Sabarmati Gas Limited (SGL)	Joint Venture Company	Purchase of Goods	2017-18	Purchase of Compressed Natural Gas for resale at the Retail Outlets	219.10	NA	-
13.	Sabarmati Gas Limited (SGL)	Joint Venture Company	Sale of Goods	2017-18	Sale of Liquefied Natural Gas	251.69	NA	-

Note: The threshold for determining the material transaction has been considered in line with rule no. 15 (3) of Companies (Meetings of Boards and its powers) Rules, 2014.
All Transactions are in ordinary course of business and at arm's length.

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman & Managing Director

Place: Mumbai
Date: 29th May 2018

ANNEXURE G

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on 31st March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i) CIN	L23220MH1952GOI008931
(ii) Registration date	3rd November,1952
(iii) Name of the Company	Bharat Petroleum Corporation Limited
(iv) Category/Sub-Category of the Company	Public Company Limited by Shares/Government Company
(v) Address of the Registered Office and contact details	Bharat Bhavan, 4&6, Currimbhoy Road, Ballard Estate, P.B. No. 688, Mumbai 400 001, India Tel No. 022 2271 3000 / 4000; Fax. No. 022 2271 3874 Email : info@bharatpetroleum.in Website : www.bharatpetroleum.in
(vi) Whether listed Company	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Data Software Research Co. Pvt. Ltd. 19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai- 600 006 Ph: +91-44-2821 3738 / 2821 4487; Fax: 91-44-2821 4636; Email : bpcl@dsrc-cid.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sl. No	Name and Description of main products/services	NIC Code of the Product/ Service	% to total turnover of the Company (After allocating Cash subsidy received)
1	Motor Spirit (MS)	Group 192; sub-class: 19201	23.73
2	High Speed Diesel (HSD)	Group 192; sub-class: 19201	52.63
3	Liquefied Petroleum Gas (LPG)	Group 192; sub-class: 19203	10.42

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Bharat PetroResources Limited, Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai, Maharashtra 400001	U23209MH2006GOI165152	Subsidiary	100%	2(87)
2	Bharat PetroResources JPDA Limited, Bharat Bhavan, 4 & 6 Currimbhoy Road, Ballard Estate, Mumbai, Maharashtra 400001	U23209MH2006GOI165279	Subsidiary	*100%	2(87)
3	BPRL International BV., Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
4	BPRL Ventures BV. Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
5	BPRL Ventures Mozambique BV Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
6	BPRL Ventures Indonesia BV Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
7	BPRL International Ventures BV Strawinskylaan 937, 1077 XX Amsterdam, The Netherlands.	Not applicable	Subsidiary	*100%	2(87)
8	BPRL International Singapore Pte. Ltd., 8 Cross Street, #24-03/04, PWC Building, Singapore 048424	Not applicable	Subsidiary	*100%	2(87)
9	Petonet CCK Ltd. c/o Bharat Petroleum Corp Ltd., New Oil Installation, Irimpanam, Ernakulam, Kochi 682309, Kerala	U60300KL1998PLC012336	Subsidiary	100%	2 (87)
10	Numaligarh Refinery Ltd. 122 A, G. S. Road, Christianbasti, Guwahati 781 005, Assam	U11202AS1993GOI003893	Subsidiary	61.65%	2 (87)
11	BPCL-KIAL Fuel Farm Facility Pvt. Ltd. c/o BPCL Irimpanam Installation, Irimpanam, Kochi 682 309, Kerala	U23200KL2015PTC038487	Subsidiary	**74%	2 (87)
12	Petronet CI Ltd. c/o Indian Oil Corporation Ltd. Koyali, Ahmedabad Pipeline, P.O. Jawahar Nagar, Vadodara 391320, Gujarat	U23201GJ2000PLC039031	Associate	11%	2(6)
13	Bharat Oman Refineries Ltd. Administrative Bldg., Refinery Complex, Post BORL Residential Complex, Bina 470124 Dist. Sagar Madhya Pradesh	U11101MP1994PLC008162	Associate	50%	2 (6)
14	Petronet LNG Ltd. World Trade Centre, 1st Floor, Babar Road, Barakhamba Lane, New Delhi 110 001	L74899DL1998PLC093073	Associate	12.5%	2 (6)
15	Indraprastha Gas Ltd. IGL Bhawan, Plot No. 4, Community Centre, Sector 9, R. K. Puram, New Delhi 110 022	L23201DL1998PLC097614	Associate	22.5%	2 (6)
16	Maharashtra Natural Gas Ltd. A Block Plot No. 27, Narveer Tanajiwadi, Commercial Bldg., 1st Floor, Shivaji Nagar, Pune 411 005, Maharashtra	U11102PN2006PLC021839	Associate	22.5%	2 (6)
17	Central U.P. Gas Ltd. A -1/4, 7th Floor, UPSIDC Complex, Lakhanpur, Kanpur 208 024, Uttar Pradesh	U40200UP2005PLC029538	Associate	25%	2 (6)
18	Sabarmati Gas Ltd. Plot no. 907, Sector 21, Gandhinagar 382 021, Gujarat	U40200GJ2006PLC048397	Associate	49.94%	2 (6)
19	Haridwar Natural Gas Pvt. Ltd. C/O BPCL Landhora, Roorkee, Haridwar, Uttarakhand 247 667	U40300UR2016PTC007004	Associate	50%	2 (6)
20	Goa Natural Gas Pvt. Ltd. Rajan Villa, Plot No. 33, Goa Housing Board Colony, Journalist Colony, Parvorim 403 521, Goa	U40300GA2017PTC013095	Associate	50%	2 (6)
21	Bharat Stars Services Pvt. Ltd. BPCL Aviation Fuelling Station, Indira Gandhi International Airport, Terminal II, Shahabad Mohammadpur Railway Station, New Delhi 110 061	U11100DL2007PTC168158	Associate	50%	2 (6)

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
22	Delhi Aviation Fuel Facility Pvt. Ltd. Aviation Fuelling Station, Shahabad Mohammadpur Railway Station, Dwarka Sector 8, Indira Gandhi International Airport, New Delhi 110 061	U74999DL2009PTC193079	Associate	37%	2 (6)
23	Mumbai Aviation Fuel Farm Facility Pvt. Ltd. Opp. ITC Maratha, Sahar Police Station Road, CSI Airport, Sahar, Andheri (East), Mumbai 400 099, Maharashtra	U63000MH2010PTC200463	Associate	25%	2 (6)
24	Kannur International Airport Ltd. Parvathy, T.C. 36/1 Chacka, NH Byepass, Pettah, Thiruvananthapuram 695 024, Kerala	U63033KL2009SGC025103	Associate	21.68%	2 (6)
25	GSPL India Gasnet Ltd. GSPC Bhavan, Behind Udyog Bhavan, Sector 11, Gandhinagar 382 011, Gujarat	U40200GJ2011SGC067449	Associate	11%	2 (6)
26	GSPL India Transco Ltd. GSPC Bhavan, Behind Udyog Bhavan, Sector 11, Gandhinagar 382011, Gujarat	U40200GJ2011SGC067450	Associate	11%	2 (6)
27	Kochi Salem Pipeline Private Ltd. Malayil Majesty Bldg., Room No. 174 G, 2nd Floor, Near Railway Over Bridge, Refinery Road, Thrippunithura, Kochin 682 301	U40300KL2015PTC037849	Associate	50%	2 (6)
28	Matrix Bharat Pte. Ltd. 8, Temasek Boulevard, # 13-01 Suntec Tower 3 Singapore 038988	(FCRN) F04556 (Foreign Company Regn. No)	Associate	50%	2 (6)
29	Fino PayTech Ltd. SK Elite, 5th Floor, Plot No. D-404 and D-405 TTC Industrial Area, MIDC Turbhe, Navi Mumbai 400705, Maharashtra	U72900MH2006PLC162656	Associate	20.75%	2 (6)
30	Ratnagiri Refinery and Petrochemicals Ltd. The IL&FS Financial Centre, 5th Floor, B Wing, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra	U23200MH2017PLC300014	Associate	25%	2 (6)
31	Ujjwala Plus Foundation Indian Oil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai 400 051, Maharashtra	U74999MH2017NPL297692	Associate	*** N A (Section 8 Co. Limited by guarantee. Guaranteed obligation of BPCL is ₹ 5 lakh i.e.25% of total guaranteed obligation)	2 (6)
32	Petronet India Ltd. BPCL Sewree Installation, Sewree Fort Road, Sewree (East), Mumbai 400 015, Maharashtra	U45203MH1997PLC108251	Associate	16%	2 (6)
33	Bharat Renewable Energy Ltd. Official Liquidator, Ministry of Corporate Affairs, 9th Floor, Sangam Place, Civil Lines, Allahabad 211 001, Uttar Pradesh	U74999UP2008PLC035469	Associate	33.33%	2 (6)

* Shares are held by Subsidiary

** BPCL-KIAL Fuel Farm Facility Private Limited is treated as a Joint Venture for consolidation of accounts as per Ind AS.

***During the year, BPCL along with IOCL and HPCL has incorporated Ujjwala Plus Foundation, Company limited by guarantee under Section 8 of Companies Act, 2013.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
1	**Indian**									
(a)	Individual /HUF	-	-	-	-	-	-	-	-	-
(b)	Central Govt/State Govt(s)	79,44,00,240	-	79,44,00,240	54.93	1,17,80,95,019	-	1,17,80,95,019	54.31	-0.62
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(e)	Banks/FI	-	-	-	-	-	-	-	-	
(f)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**79,44,00,240**	**-**	**79,44,00,240**	**54.93**	**1,17,80,95,019**	**-**	**1,17,80,95,019**	**54.31**	**-0.62**
2	**Foreign**									
(a)	NRIs – Individuals	-	-	-	-	-	-	-	-	-
(b)	Others – Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks/FI	-	-	-	-	-	-	-	-	-
(e)	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter =(A)(1)+(A)(2)	**79,44,00,240**	**-**	**79,44,00,240**	**54.93**	**1,17,80,95,019**	**-**	**1,17,80,95,019**	**54.31**	**-0.62**
B.	**Public Shareholding**									
1	**Institutions**									
(a)	Mutual Funds/ UTI	5,90,62,964	88	5,90,63,052	4.08	12,06,83,489	110	12,06,83,599	5.56	1.48
(b)	Banks/FI	17,45,072	6184	17,51,256	0.12	34,11,941	9,252	34,21,193	0.16	0.04
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)		1,24,44,444	1,24,44,444	0.86	-	1,86,66,666	1,86,66,666	0.86	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	3,67,61,860	-	3,67,61,860	2.54	9,34,26,053	-	9,34,26,053	4.31	1.77
(g)	FIIs	32,57,69,671	1,600	32,57,71,271	22.53	42,97,82,738	2,400	42,97,85,138	19.81	-2.72
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(I)	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	**42,33,39,567**	**1,24,52,316**	**43,57,91,883**	**30.13**	**64,73,04,221**	**1,86,78,428**	**66,59,82,649**	**30.70**	**0.57**
2	**Non -Institutions**									
(a)	Bodies Corporate	3,40,53,239	17,578	3,40,70,817	2.36	5,58,11,203	24,498	5,58,35,701	2.57	0.21
(i)	Indian	-	-	-	-	-	-	-	-	-
(b)	Individuals									
(i)	Individual shareholders holding Nominal share capital upto ₹ 1 lakh.	2,95,55,445	29,47,500	3,25,02,945	2.24	4,35,79,883	39,63,237	4,75,43,120	2.19	-0.06
(ii)	Individual shareholders holding Nominal share capital in excess of ₹ 1 lakh	99,51,833	1,57,452	1,01,09,285	0.70	1,27,69,433	3,09,558	1,30,78,991	0.60	-0.10
(c)	Others (Specify)	-	-	-	-	-	-	-	-	-
(i)	NRI	15,95,393	67,954	1,66,3347	0.12	26,21,314	99,289	27,20,603	0.13	0.01
(ii)	BPCL Trust for investment in shares	13,49,14,948	-	13,49,14,948	9.33	20,23,72,422	-	20,23,72,422	9.33	-
(iii)	Clearing Members	27,15,031	-	27,15,031	0.19	36,24,239	-	36,24,239	0.17	-0.02
	Sub-Total (B)(2)	**21,27,85,889**	**31,90,484**	**21,59,76,373**	**14.94**	**32,07,78,494**	**43,96,582**	**32,51,75,076**	**14.99**	**0.06**
	Total Public Shareholding (B)=(B)(1)+B(2)	**63,61,25,456**	**1,56,42,800**	**65,17,68,256**	**45.07**	**96,80,82,715**	**2,30,75,010**	**99,11,57,725**	**45.69**	**0.62**
C.	**Shares held by Custodians for GDRs & ADRs**									
	GRAND TOTAL (A)+(B)+(C)	**1,43,05,25,696**	**1,56,42,800**	**1,44,61,68,496**	**100.00**	**2,14,61,77,734**	**2,30,75,010**	**2,16,92,52,744**	**100.00**	**0.00**

(ii) Shareholding of Promoter

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% Change in Share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
1	President of India	79,44,00,240	54.93	-	1,17,80,95,019	54.31	-	-0.62
	Total	**79,44,00,240**	**54.93**	**-**	**1,17,80,95,019**	**54.31**	**-**	**-0.62**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Date	Reason	Increase / decrease in Shareholding	Cumulative Shareholding	
					No. of Shares	%
1	President of India	01.04.2017	-	-	79,44,00,240	54.93
		28.07.2017	Bonus 2017	39,72,00,120	1,19,16,00,360	54.93
		17.11.2017	Disinvestment-Bharat 22 ETF	-1,27,67,062	1,17,88,33,298	54.34
		24.11.2017	Disinvestment-Bharat 22 ETF	-7,38,279	1,17,80,95,019	54.31
		31.03.2018			1,17,80,95,019	54.31

Note : There was a reduction in the Promoters' shareholding due to disinvestment of shares by the Government of India in favour of Bharat 22 ETF (an Exchange Traded Fund inclusive of PSU Stocks)

(iv) Shareholding Pattern of top ten Members (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	BPCL Trust for Investment in shares	13,49,14,948	9.33	01.04.2017				
				28.07.2017	6,74,57,474	Bonus 2017	20,23,72,422	9.33
				31.03.2018	-	-	20,23,72,422	9.33
2	Life Insurance Corporation of India	2,84,97,639	1.97	01.04.2017				
				28.07.2017	1,42,48,819	Bonus 2017	4,27,46,458	1.97
				22.09.2017	36,05,155	Purchase	4,63,51,613	2.14
				29.09.2017	64,24,955	Purchase	5,27,76,568	2.43
				06.10.2017	24,69,890	Purchase	5,52,46,458	2.55
				13.10.2017	15,76,636	Purchase	5,68,23,094	2.62
				20.10.2017	25,37,248	Purchase	5,93,60,342	2.74
				27.10.2017	6,43,371	Purchase	6,00,03,713	2.77
				03.11.2017	5,19,843	Purchase	6,05,23,556	2.79
				10.11.2017	41,92,670	Purchase	6,47,16,226	2.98
				17.11.2017	33,79,937	Purchase	6,80,96,163	3.14
				24.11.2017	35,04,435	Purchase	7,16,00,598	3.30
				01.12.2017	30,24,572	Purchase	7,46,25,170	3.44
				08.12.2017	3,68,543	Purchase	7,49,93,713	3.46
				31.03.2018	-	-	7,49,93,713	3.46
3	ICICI Prudential Life Insurance Company Limited	0	0.00	01.04.2017				
				07.04.2017	74,42,681	Purchase	74,42,681	0.51
				14.04.2017	-1,94,427	Sale	72,48,254	0.50
				21.04.2017	-1,56,754	Sale	70,91,500	0.49
				28.04.2017	66,930	Purchase	71,58,430	0.49
				05.05.2017	71,400	Purchase	72,29,830	0.50
				12.05.2017	-3,17,032	Sale	69,12,798	0.48
				19.05.2017	-13,272	Sale	68,99,526	0.48
				26.05.2017	-89,927	Sale	68,09,599	0.47
				29.05.2017	-1,73,957	Sale	66,35,642	0.46

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
				02.06.2017	64,365	Purchase	67,00,007	0.46
				09.06.2017	-14,317	Sale	66,85,690	0.46
				16.06.2017	1,755	Purchase	66,87,445	0.46
				23.06.2017	-5,225	Sale	66,82,220	0.46
				30.06.2017	-95,217	Sale	65,87,003	0.46
				07.07.2017	-63,952	Sale	65,23,051	0.45
				14.07.2017	-37,516	Sale	64,85,535	0.45
				21.07.2017	-67,007	Sale	64,18,528	0.44
				28.07.2017	30,56,676	Bonus 2017	94,75,204	0.44
				04.08.2017	-47,476	Sale	94,27,728	0.43
				08.08.2017	-9,074	Sale	94,18,654	0.43
				11.08.2017	-57,988	Sale	93,60,666	0.43
				18.08.2017	3,123	Purchase	93,63,789	0.43
				25.08.2017	7,05,071	Purchase	1,00,68,860	0.46
				01.09.2017	-6,63,811	Sale	94,05,049	0.43
				05.09.2017	-50,466	Sale	93,54,583	0.43
				08.09.2017	6,098	Purchase	93,60,681	0.43
				15.09.2017	-5,26,853	Sale	88,33,828	0.41
				22.09.2017	5,484	Purchase	88,39,312	0.41
				29.09.2017	-52,880	Sale	87,86,432	0.41
				06.10.2017	18,644	Purchase	88,05,076	0.41
				13.10.2017	6,466	Purchase	88,11,542	0.41
				20.10.2017	-39,216	Sale	87,72,326	0.40
				27.10.2017	1,349	Purchase	87,73,675	0.40
				10.11.2017	-1,00,000	Sale	86,73,675	0.40
				17.11.2017	-1,97,361	Sale	84,76,314	0.39
				24.11.2017	-1,11,260	Sale	83,65,054	0.39
				01.12.2017	-2,739	Sale	83,62,315	0.39
				08.12.2017	-34,105	Sale	83,28,210	0.38
				22.12.2017	16,13,443	Purchase	99,41,653	0.46
				29.12.2017	10,50,394	Purchase	1,09,92,047	0.51
				05.01.2018	-86,642	Sale	1,09,05,405	0.50
				12.01.2018	27,52,263	Purchase	1,36,57,668	0.63
				19.01.2018	16,87,032	Purchase	1,53,44,700	0.71
				26.01.2018	19,39,363	Purchase	1,72,84,063	0.80
				02.02.2018	4,09,888	Purchase	1,76,93,951	0.82
				09.02.2018	17,733	Purchase	1,77,11,684	0.82
				16.02.2018	6,88,358	Purchase	1,84,00,042	0.85
				23.02.2018	-6,739	Sale	1,83,93,303	0.85
				02.03.2018	-7,326	Sale	1,83,85,977	0.85
				09.03.2018	2,15,682	Purchase	1,86,01,659	0.86
				16.03.2018	6,17,328	Purchase	1,92,18,987	0.89
				23.03.2018	1,31,259	Purchase	1,93,50,246	0.89
				31.03.2018	3,74,431	Purchase	1,97,24,677	0.91
4	Governor of Kerala	1,24,44,444	0.86	01.04.2017				
				28.07.2017	62,22,222	Bonus 2017	1,86,66,666	0.86
				31.03.2018	-	-	1,86,66,666	0.86
5	Vanguard Emerging Markets Stock Index Fund, (A Series of Vanguard International Equity Index Funds)	1,01,80,229	0.70	01.04.2017				
				07.04.2017	1,31,018	Purchase	1,03,11,247	0.71
				28.04.2017	85,294	Purchase	1,03,96,541	0.72
				05.05.2017	96,160	Purchase	1,04,92,701	0.73
				12.05.2017	83,663	Purchase	1,05,76,364	0.73
				19.05.2017	64,908	Purchase	1,06,41,272	0.74

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
				02.06.2017	98,918	Purchase	1,07,40,190	0.74
				09.06.2017	43,439	Purchase	1,07,83,629	0.75
				30.06.2017	52,691	Purchase	1,08,36,320	0.75
				07.07.2017	42,070	Purchase	1,08,78,390	0.75
				14.07.2017	1,59,525	Purchase	1,10,37,915	0.76
				21.07.2017	71,345	Purchase	1,11,09,260	0.77
				28.07.2017	55,87,934	Bonus 2017	1,66,97,194	0.77
				04.08.2017	39,666	Purchase	1,67,36,860	0.77
				08.08.2017	52,287	Purchase	1,67,89,147	0.77
				25.08.2017	3,22,947	Purchase	1,71,12,094	0.79
				01.09.2017	64,908	Purchase	1,71,77,002	0.79
				08.09.2017	91,953	Purchase	1,72,68,955	0.80
				15.09.2017	82,938	Purchase	1,73,51,893	0.80
				06.10.2017	54,090	Purchase	1,74,05,983	0.80
				13.10.2017	55,893	Purchase	1,74,61,876	0.80
				20.10.2017	41,469	Purchase	1,75,03,345	0.81
				27.10.2017	37,863	Purchase	1,75,41,208	0.81
				22.12.2017	-5,01,165	Sale	1,70,40,043	0.79
				26.01.2018	80,088	Purchase	1,71,20,131	0.79
				02.02.2018	71,568	Purchase	1,71,91,699	0.79
				23.03.2018	-1,71,91,699	Sale	0	0.00
				23.03.2018	1,67,33,663	Purchase	1,67,33,663	0.77
				31.03.2018	-	-	1,67,33,663	0.77
6	Vanguard Total International Stock Index Fund	80,22,249	0.55	01.04.2017				
				07.04.2017	1,33,252	Purchase	81,55,501	0.56
				14.04.2017	51,310	Purchase	82,06,811	0.57
				21.04.2017	1,07,573	Purchase	83,14,384	0.57
				19.05.2017	48,868	Purchase	83,63,252	0.58
				26.05.2017	47,212	Purchase	84,10,464	0.58
				29.05.2017	41,81,626	Purchase	1,25,92,090	0.87
				09.06.2017	66,293	Purchase	1,26,58,383	0.88
				07.07.2017	62,896	Purchase	1,27,21,279	0.88
				14.07.2017	1,17,199	Purchase	1,28,38,478	0.89
				21.07.2017	1,00,240	Purchase	1,29,38,718	0.89
				28.07.2017	75,457	Bonus 2017	1,30,14,175	0.60
				04.08.2017	67,012	Purchase	1,30,81,187	0.60
				18.08.2017	87,681	Purchase	1,31,68,868	0.61
				01.09.2017	86,806	Purchase	1,32,55,674	0.61
				06.10.2017	92,479	Purchase	1,33,48,153	0.62
				13.10.2017	1,11,760	Purchase	1,34,59,913	0.62
				31.03.2018	-	-	1,34,59,913	0.62
7	Stichting Depository APG Emerging Markets Equity Pool	70,03,659	0.48	01.04.2017				
				14.04.2017	12,75,636	Purchase	82,79,295	0.57
				21.04.2017	2,39,231	Purchase	85,18,526	0.59
				19.05.2017	8,164	Purchase	85,26,690	0.59
				26.05.2017	-36,447	Sale	84,90,243	0.59
				29.05.2017	-35,642	Sale	84,54,601	0.58
				09.06.2017	-70,408	Sale	83,84,193	0.58
				07.07.2017	6,13,900	Purchase	89,98,093	0.62
				14.07.2017	4,25,038	Purchase	94,23,131	0.65
				21.07.2017	3,71,073	Purchase	97,94,204	0.68
				28.07.2017	47,11,565	Bonus 2017	1,45,05,769	0.67
				04.08.2017	-72,069	Sale	1,44,33,700	0.67

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
				18.08.2017	5,30,505	Purchase	1,49,64,205	0.69
				01.09.2017	53,803	Purchase	1,50,18,008	0.69
				06.10.2017	-7,271	Sale	1,50,10,737	0.69
				13.10.2017	-2,21,987	Sale	1,47,88,750	0.68
				03.11.2017	-17,486	Sale	1,47,71,264	0.68
				17.11.2017	-53,803	Sale	1,47,17,461	0.68
				08.12.2017	-3,56,283	Sale	1,43,61,178	0.66
				22.12.2017	-1,57,808	Sale	1,42,03,370	0.65
				12.01.2018	67,115	Purchase	1,42,70,485	0.66
				19.01.2018	-97,615	Sale	1,41,72,870	0.65
				02.02.2018	-95,371	Sale	1,40,77,499	0.65
				16.02.2018	-1,27,049	Sale	1,39,50,450	0.64
				23.02.2018	-1,12,170	Sale	1,38,38,280	0.64
				02.03.2018	-2,46,377	Sale	1,35,91,903	0.63
				16.03.2018	-1,78,573	Sale	1,34,13,330	0.62
				31.03.2018	-	-	1,34,13,330	0.62
8	Motilal Oswal Most Focused Multicap 35 Fund	52,69,998	0.36	01.04.2017				
				14.04.2017	3,55,893	Purchase	56,25,891	0.39
				26.05.2017	-71,000	Sale	55,54,891	0.38
				02.06.2017	3,93,565	Purchase	59,48,456	0.41
				09.06.2017	1,34,513	Purchase	60,82,969	0.42
				14.07.2017	4,00,000	Purchase	64,82,969	0.45
				21.07.2017	2,00,000	Purchase	66,82,969	0.46
				28.07.2017	32,41,484	Bonus 2017	99,24,453	0.46
				18.08.2017	2,00,401	Purchase	1,01,24,854	0.47
				25.08.2017	2,02,176	Purchase	1,03,27,030	0.48
				01.09.2017	1,28,119	Purchase	1,04,55,149	0.48
				05.09.2017	1,45,930	Purchase	1,06,01,079	0.49
				08.09.2017	2,50,000	Purchase	1,08,51,079	0.50
				15.09.2017	2,35,512	Purchase	1,10,86,591	0.51
				06.10.2017	2,02,018	Purchase	1,12,88,609	0.52
				13.10.2017	2,97,992	Purchase	1,15,86,601	0.53
				03.11.2017	92,600	Purchase	1,16,79,201	0.54
				10.11.2017	-3,08,400	Sale	1,13,70,801	0.52
				05.01.2018	1,18,179	Purchase	1,14,88,980	0.53
				12.01.2018	99,240	Purchase	1,15,88,220	0.53
				19.01.2018	1,00,009	Purchase	1,16,88,229	0.54
				09.02.2018	2,10,438	Purchase	1,18,98,667	0.55
				16.02.2018	1,31,303	Purchase	1,20,29,970	0.55
				23.02.2018	2,28,741	Purchase	1,22,58,711	0.57
				02.03.2018	44,574	Purchase	1,23,03,285	0.57
				09.03.2018	4,53,515	Purchase	1,27,56,800	0.59
				16.03.2018	56,293	Purchase	1,28,13,093	0.59
				31.03.2018	-	-	1,28,13,093	0.59
9	Government of Singapore	93,56,868	1.29	01.04.2017				
				07.04.2017	-6,80,562	Sale	86,76,306	0.60
				14.04.2017	-2,16,153	Sale	84,60,153	0.59
				21.04.2017	-5,339	Sale	84,54,814	0.58
				28.04.2017	-2,352	Sale	84,52,462	0.58
				05.05.2017	-1,26,263	Sale	83,26,199	0.58
				12.05.2017	8,159	Purchase	83,34,358	0.58
				26.05.2017	-6,264	Sale	83,28,094	0.58
				02.06.2017	-7,248	Sale	83,20,846	0.58
				09.06.2017	24,292	Purchase	83,45,138	0.58

Sl. No	Name of Shareholder	Shareholding at the beginning of the year (01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
				16.06.2017	34	Purchase	83,45,172	0.58
				23.06.2017	-5,664	Sale	83,39,508	0.58
				07.07.2017	45,270	Purchase	83,84,778	0.58
				28.07.2017	41,92,389	Bonus 2017	1,25,77,167	0.58
				04.08.2017	-24,516	Sale	1,25,52,651	0.58
				18.08.2017	-9,919	Sale	1,25,42,732	0.58
				01.09.2017	10,43,060	Purchase	1,35,85,792	0.63
				05.09.2017	-75,342	Sale	1,35,10,450	0.62
				08.09.2017	-2,28,742	Sale	1,32,81,708	0.61
				15.09.2017	-4,19,913	Sale	1,28,61,795	0.59
				06.10.2017	55,374	Purchase	1,29,17,169	0.60
				13.10.2017	-24,639	Sale	1,28,92,530	0.59
				03.11.2017	91,585	Purchase	1,29,84,115	0.60
				10.11.2017	-24,987	Sale	1,29,59,128	0.60
				17.11.2017	-4,02,344	Sale	1,25,56,784	0.58
				01.12.2017	-3,34,427	Sale	1,22,22,357	0.56
				08.12.2017	-1,98,063	Sale	1,20,24,294	0.55
				05.01.2018	-1,94,509	Sale	1,18,29,785	0.55
				19.01.2018	2,17,265	Purchase	1,20,47,050	0.56
				26.01.2018	1,41,268	Purchase	1,21,88,318	0.56
				02.02.2018	56,793	Purchase	1,22,45,111	0.56
				09.02.2018	-22,360	Sale	1,22,22,751	0.56
				23.02.2018	-41,649	Sale	1,21,81,102	0.56
				02.03.2018	-2,67,619	Sale	1,19,13,483	0.55
				09.03.2018	-1,96,460	Sale	1,17,17,023	0.54
				31.03.2018	85,010	Purchase	1,18,02,033	0.54
10	Blackrock Global Funds Asian Dragon Fund	44,26,507	0.31	01.04.2017				
				02.06.2017	8,68,610	Purchase	52,95,117	0.37
				23.06.2017	1,35,295	Purchase	54,30,412	0.38
				07.07.2017	8,60,987	Purchase	62,91,399	0.44
				14.07.2017	65,329	Purchase	63,56,728	0.44
				21.07.2017	1,16,020	Purchase	64,72,748	0.45
				28.07.2017	31,78,364	Bonus 2017	96,51,112	0.44
				11.08.2017	2,16,043	Purchase	98,67,155	0.45
				20.10.2017	1,88,811	Purchase	1,00,55,966	0.46
				05.01.2018	2,13,889	Purchase	1,02,69,855	0.47
				26.01.2018	1,47,343	Purchase	1,04,17,198	0.48
				02.02.2018	96,043	Purchase	1,05,13,241	0.48
				02.03.2018	2,45,304	Purchase	1,07,58,545	0.50
				23.03.2018	2,25,918	Purchase	1,09,84,463	0.51
				31.03.2018	-	-	1,09,84,463	0.51

Note: The Shares of the Company are traded on a daily basis and hence, date wise increase/decrease in Shareholding is provided as per weekly download from Depositories.

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding at the beginning of the year(01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
	Whole Time Directors							
1	Shri D. Rajkumar Chairman & Managing Director	2,400	-	01.04.2017	-	-		
				28.07.2017	1,200	Bonus (1:2)	3,600	0.00
				31.03.2018			3600	0.00
2	Shri R. Ramachandran Director (Refineries)	816		01.04.2017	-	-		
				28.07.2017	408	Bonus (1:2)	1,224	0.00
				31.03.2018			1,224	0.00
3	Shri S. Ramesh Director (Marketing)	400		01.04.2017	-	-		
				28.07.2017	200	Bonus (1:2)	600	0.00
				31.03.2018			600	0.00
4	Shri K. Sivakumar Director (Finance) (w.e.f. 01.05.2017)	-	-	01.05.2017	-	-		
				31.03.2018			-	-
5	Shri K. Padmakar Director (Human Resources) (w.e.f. 01.02.2018)	-	-	01.02.2018	-	-		
				31.03.2018			-	-
6	Shri P. Balasubramanian Director (Finance) (up to 30.04.2017)	12		01.04.2017	-	-		
				30.04.2017			12#	
7	Shri S. P. Gathoo Director (Human Resources) (up to 31.10.2017)	2,400		01.04.2017	-	-		
				28.07.2017	1,200	Bonus (1:2)		
				31.10.2017			3,600	0.00
	Non-Executive (Ex-Officio) Directors:							
8	Shri Anant Kumar Singh (up to 27.11.2017)	-	-	01.04.2017	-	-		
				27.11.2017			-	-
9	Shri P. H. Kurian (up to 18.04.2017)	-	-	01.04.2017	-	-		
				18.04.2017			-	-
10	Shri Paul Antony (w.e.f. 19.04.2017 up to 19.03.2018)	-	-	19.04.2017	-	-		
				20.03.2018			-	-
11	Shri Rajiv Bansal (w.e.f. 28.11.2017)	-	-	28.11.2017	-	-		
				31.03.2018			-	-
12	Dr. K. Ellangovan (w.e.f. 20.03.2018)	-	-	20.03.2018	-	-		
				31.03.2018			-	-
	Non-Executive (Independent) Directors:							
13	Shri Rajesh Mangal	-	-	01.04.2017	-	-		
				31.03.2018			-	-
14	Shri Deepak Bhojwani	1,425		01.04.2017	-	-		
				28.07.2017	712	Bonus (1:2)	2,137	0.00
				31.03.2018			2,137	0.00
15	Shri Gopal Chandra Nanda	-	-	01.04.2017	-	-		
				31.03.2018			-	-

Sl. No	Name	Shareholding at the beginning of the year(01.04.2017)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
16	Shri Vishal V Sharma	-	-	01.04.2017	-	-		
				31.03.2018			-	-
17	Shri V. S. Oberoi (w.e.f. 21.09.2017)	-	-	21.09.2017	-	-		
				31.03.2018			-	-
18	Smt. Jane Mary Shanti Sundharam (w.e.f. 21.09.2017)	-	-	21.09.2017	-	-		
				31.03.2018			-	-
19	Smt. Tamilisai Soundararajan (w.e.f. 28.09.2017)	-	-	28.09.2017	-	-		
				31.03.2018			-	-
	Key Managerial Personnel							
20	Shri M. Venugopal Company Secretary	2,820		01.04.2017	-	-		
				28.07.2017	1,410	Bonus (1:2)	4,230	0.00
				31.03.2018			4,230	0.00
	Total	**10,273**			**5,130**		**15,403**	**0.00**

Shares held as on 30.04.2017

V. Indebtedness

Amount (₹ in Crores)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	**Secured Loans excluding deposits**	**Unsecured loans**	**Deposits**	**Total**
Indebtedness at the beginning of the financial year (01.04.2017)				
(i) Principal Amount	3,758.47	19,484.42	-	23,242.89
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	163.56	-	163.56
Total (i+ii+iii)	**3,758.47**	**19,647.98**	**-**	**23,406.45**
Change in Indebtedness during the financial year				
Addition	1,806.75	7,933.99	-	9,740.74
Reduction	1,850.53	7,696.12	-	9,546.65
Net Change	**(43.78)**	**237.87**	**-**	**194.09**
Indebtedness at the end of the financial year (31.03.2018)				
(i) Principal Amount	3,714.69	19,702.52	-	23,417.21
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	183.33	-	183.33
Total (i+ii+iii)	**3,714.69**	**19,885.85**	**-**	**23,600.54**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole time Directors and/or Manager

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager							Total
		D. Rajkumar	S. Ramesh	K. Sivakumar (w.e.f. 01.05.2017)	K. Padmakar (w.e.f. 01.02.2018)	R. Ramachandran	S. P. Gathoo	P. Balasubramanian	
1	Gross Salary								
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	63,50,882	80,71,191	47,34,607	13,67,316	76,27,043	1,19,90,852	79,46,924	4,80,88,815
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	3,83,377	9,96,353	7,38,603	1,53,855	10,92,121	13,62,795	18,97,627	66,24,731
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-
2	Stock option	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-	-
	- others, specify	-	-	-	-	-	-	-	-
5	Others: Allowances/ Contributions	-	-	-	-	-	-	-	-
	Total (A)	**67,34,259**	**90,67,544**	**54,73,210**	**15,21,171**	**87,19,164**	**1,33,53,647**	**98,44,551**	**5,47,13,546**
	Ceiling as per the Act	Provisions of Section 197 of the Companies Act, 2013 with respect to overall maximum managerial remuneration is not applicable to the Company being a Govt. Company as per MCA notification GSR 463(E) dated 05.06.2015.							

B. Remuneration to other Directors

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors							Total
1	**Independent Directors**	**Rajesh Mangal**	**Deepak Bhojwani**	**Gopal Chandra Nanda**	**Vishal VSharma**	**J.M. Shanti Sundharam**	**Vinay Sheel Oberoi**	**Tamilisai Soundararajan**	
	Fee for attending Board Committee meetings	21,60,000	18,80,000	18,00,000	17,60,000	3,20,000	3,60,000	2,80,000	85,60,000
	Commission	-	-	-	-	-	-		
	Others, please specify	-	-	-	-	-	-		
	Total (1)	**21,60,000**	**18,80,000**	**18,00,000**	**17,60,000**	**3,20,000**	**3,60,000**	**2,80,000**	**85,60,000**

Sl. No.	Particulars of Remuneration	Name of Directors					Total
2	**Other Non-Executive Directors**	**P. H. Kurian**	**Anant Kumar Singh**	**Paul Anthony**	**Rajiv Bansal**	**Dr. Ellangovan**	
	Fee for attending Board Committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	**85,60,000**
	Total Managerial Remuneration (A+B)						**6,32,73,546**
	Overall ceiling as per the Act	Provisions of Section 197 of the Companies Act, 2013 with respect to overall maximum managerial remuneration is not applicable to the Company being a Govt. Company as per MCA notification GSR 463(E) dated 05.06.2015.					

C&MD and Director (Finance) are CEO and CFO respectively whose remuneration details are provided under VI A above.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
			M.Venugopal		
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		68,64,034		68,64,034
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961		10,57,339		10,57,339
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961				
2	Stock option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others: Allowances/Contributions				
	Total		**79,21,373**		**79,21,373**

VII. Penalties/Punishment/Compounding of Offences

Sl. No.	Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
A.	Company	NIL				
	Penalty					
	Punishment					
	Compounding					
B.	Directors					
	Penalty					
	Punishment					
	Compounding					
C.	Other Officers in default					
	Penalty					
	Punishment					
	Compounding					

ANNEXURE H

Disclosure as required under Regulation 34, Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015

(₹ in Crores)

	Particulars	Balance as on		Maximum amount outstanding during the period	
		31.03.2018	31.03.2017	2017-18	2016-17
(a)	Loans and advances in the nature of Loans :				
	(i) To Subsidiary Company-Bharat PetroResources Limited	1,275.00	2,500.00	2,775.00	2,500.00
	(ii) To Joint Ventures-Bharat Oman Refineries Limited	1,254.10	1,254.10	1,254.10	1,354.10
	(iii) To Firms/ Companies in which directors are interested-Limited	-	-	-	-
(b)	Investment by the loanee in the shares of BPCL and its subsidiary company	-	-	-	-

ANNEXURE I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Issued in pursuance to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Bharat Petroleum Corporation Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bharat Petroleum Corporation Limited** (CIN L23220MH1952GOI008931) (hereinafter called the "Company") for the financial year ended 31st March, 2018.Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion it must be noted that-

i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis of our opinion.

iii. We have not verified the correctness and appropriateness of the financial statements of the Company.

iv. The Company being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint Directors (including Independent Directors) and the terms and conditions of such appointment, including remuneration and evaluation, vests with the Government of India.

v. Wherever required, we have obtained the management representation pertaining to compliance of laws, rules and regulations, happening of events, etc.

vi. The compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

vii. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March,2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes (duly evolved) and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

C. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V-A The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 with respect to issue of Bonus Shares;

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and

(f) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ;

V-B The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the SEBI Act and hence are not relevant for the purpose of audit:-

(a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; and

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

VI The following Acts and Rules made thereunder pertaining to oil and gas business, as applicable to the Company:

(a) Oil fields (Regulation and Development) Act, 1948;

(b) The Petroleum Act, 1934;

(c) Mines and Minerals (Regulation and Development) Act, 1957;

(d) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962;

(e) Oil Mines Regulations, 1984;

(f) Petroleum & Natural Gas Rules, 1959;

(g) Petroleum Rules, 2002;

(h) The Oil Industry (Development) Act, 1974.

(i) The Energy Conversation Act, 2001

(j) Petroleum & Natural Gas Regulatory Board Act, 2006

(k) Petroleum & Mineral Pipelines (Acquisition of Rights of User in Land) Act, 1962

We have also examined the compliance with regard to Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings(SS-2) issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

a) The Company did not have:

1. Sufficient number of Independent Directors on its Board as required under the Regulation 17(1) (b) of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period from 01.04.2017 to 27.09.2017;

2. Woman Director on its Board pursuant to second proviso of sub-section (1) of Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for the period 01.04.2017 to 20.09.2017.

D. We further report that,

I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except to the extent as mentioned above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

II. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

III. As per the minutes of the Board duly recorded and signed by the Chairman, the agenda items are deliberated and decisions of the Board were unanimous and no dissenting views have been recorded.

E. We further report that there are adequate systems and process in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

F. I We further report that during the audit period

a. The Board of Directors of the Company at its meeting held on 29.05.17 had recommended for the approval of shareholders, the issue of Bonus Shares in the ratio of 1:2 i.e. one new bonus equity share of ₹ 10/- each for every two equity shares of ₹ 10/- each held. Upon approval by the shareholders by way of postal ballot, 72,30,84,248 equity shares of ₹ 10/- each as bonus shares were allotted on 17.07.2017 to the eligible shareholders. Consequently, the paid-up share capital of the Company increased from ₹ 1,446.17crore to ₹ 2,169.25 crore.

b. The Board of Directors at its Meeting held on 12.09.2017, approved the Scheme of Amalgamation of Petronet CCK, a wholly owned subsidiary with the Company.

c. The Company has raised ₹ 750 Crores on 16.01.2018 through Private Placement of Un-Secured Non-Convertible Debentures at a coupon of 7.69% p.a. payable annually with maturity of 5 years.

II We further report that during the audit period none of the following events has taken place, expect those mentioned above:

(i) Public/Rights/Preferential Issue of Shares/ Sweat equity etc.

(ii) Redemption/Buy Back of securities.

(iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013

(iv) Merger/reconstruction etc.

(v) Foreign Technical Collaborations.

For **DHOLAKIA & ASSOCIATES LLP**
(Company Secretaries)

Sd/-
CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Place : Mumbai
Date : 6th July, 2018

ANNEXURE J

DIVIDEND DISTRIBUTION POLICY

PREAMBLE:

The shares of Bharat Petroleum Corporation Limited (the "Company") are listed on the National Stock Exchange of India Limited, Mumbai and BSE Limited, Mumbai. SEBI vide its notification dated 08.07.2016 has inserted Regulation 43A in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy which shall be disclosed in their annual reports and on their websites.

The Board of Directors of the Company ("the Board") has approved the Dividend Distribution Policy of the Company ("the policy").

OBJECTIVE

The Company aims at maximisation of shareholder value and believes that this can be attained by driving growth. The policy endeavours to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient profits are retained for growth of the Company and other needs. The objective of the policy is to lay down a consistent approach to dividend declaration.

PARAMETERS FOR DIVIDEND DISTRIBUTION

- The Company has only one class of shares i.e. Equity shares and hence, the parameters disclosed hereunder apply to the same.
- The Board, while considering payment of dividend for a financial year may, inter-alia, consider the following factors:-
  - ➢ Profit for the financial year as well as general reserves of the Company.
  - ➢ Projections of future profits and cash flows.
  - ➢ Borrowing levels and the capacity to borrow including repayment commitments.
  - ➢ Present and future capital expenditure plans of the Company including organic/inorganic growth avenues.
  - ➢ Applicable taxes including tax on dividend.
  - ➢ Compliance with the provisions of the Companies Act or any other statutory guidelines including guidelines issued by the Govt. of India.
  - ➢ Past dividend trends for the Company and the industry.
  - ➢ State of the economy and capital markets.
  - ➢ Any other factor as may be deemed fit by the Board.
- The profits for a year may be adjusted at the discretion of the Board, for the purpose, to exclude exceptional or one off items or non-cash items resulting from change in law, accounting policies, accounting standards or otherwise.
- The Company would endeavor to pay minimum annual dividend of 30% of Profit after Tax (PAT) or 5% of net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions.
- In case of deviation, if any, in a particular year due to inadequacy or absence of profits/reserves or otherwise, the reasons and justification thereof shall be disclosed to the shareholders through the Annual Report of the Company.
- The Company is committed to continuous growth and has plans requiring significant capital outlay. The retained earnings, after distribution of dividend, shall primarily be utilized towards this purpose.
- Dividend shall be recommended by the Board for approval of shareholders of the Company for payment. However, the Board may also consider payment of interim dividend as and when it feels appropriate.

GENERAL

- In the event of the policy being inconsistent with any new regulatory provision, such regulatory provision shall prevail upon the corresponding provision of this policy and the policy shall be construed to be amended accordingly from the effective date of such provision.
- The Company reserves its right to alter, modify, add, delete or amend any or all of the provisions of the policy as it may deem fit or in accordance with the guidelines as may be issued by SEBI, Government of India or any other regulatory authority. The change in the policy shall, however, be disclosed alongwith the justification thereof on the Company's website and in the ensuing Annual Report in accordance with the extant regulatory provisions.

PERFORMANCE PROFILE

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
1. Refinery Thruput (TMT)										
Imported	**23,795**	20,421	18,028	17,661	16,761	17,155	16,353	14,769	14,126	13,143
Indigenous	**4,746**	4,970	6,088	5,694	6,590	6,050	6,559	7,015	6,281	6,802
TOTAL	**28,541**	**25,391**	**24,115**	**23,355**	**23,351**	**23,205**	**22,912**	**21,784**	**20,407**	**19,945**
2. Production Quantity (TMT)	**26,945**	24,206	22,965	22,149	22,052	21,843	21,522	20,547	19,199	18,628
Light Distillates %	**29.49**	30.05	28.90	27.93	29.19	28.52	28.91	29.83	28.11	26.43
Middle Distillates %	**59.58**	59.83	60.27	59.65	57.02	56.26	55.42	55.46	54.51	54.24
Heavy Ends %	**10.93**	10.12	10.83	12.42	13.78	15.22	15.68	14.71	17.38	19.33
3. Fuel and Loss as % of Crude Processed*	**5.6**	4.7	4.8	5.2	5.6	5.9	6.1	5.7	5.9	6.6
4. Market Sales (MMT)	**41.21**	37.68	36.53	34.45	34.00	33.30	31.14	29.27	27.89	27.35
5. Lubricants Production (MT)	**327,049**	293,791	295,509	287,649	258,112	258,586	217,851	220,387	209,301	151,788
6. Market Participation %	**23.8**	22.8	22.9	23.3	23.5	23.1	22.4	22.5	22.5	22.8
7. Marketing Network										
Installations	**13**	13	13	13	12	12	12	12	12	12
Depots	**110**	115	118	114	116	115	115	114	129	120
Aviation Service Stations	**50**	43	40	35	34	36	36	31	30	23
Total Tankages (Million KL)	**3.95**	3.70	3.60	3.52	3.49	3.44	3.43	3.39	3.40	3.33
Retail Outlets	**14,447**	13,983	13,439	12,809	12,123	11,637	10,310	9,289	8,692	8,402
LPG Bottling Plants	**51**	51	50	50	50	50	49	49	49	49
LPG Distributors	**5,084**	4,684	4,494	4,044	3,355	2,949	2,658	2,452	2,187	2,117
LPG Customers (No. Million)	**66.63**	60.60	50.6	45.8	41.2	37.4	34.5	31.1	28.3	26.6
8. Manpower (Nos.)	**12,019**	12,484	12,623	12,687	13,214	13,213	13,343	13,837	13,900	14,016
9. Sales and Earnings (Figures in ₹ Crores)										
i) Sales and Other Income	**279,439**	243,464	218,072	247,552	253,492	229,796	203,866	154,886	127,884	130,118
ii) Gross Profit before Depreciation, Interest & Tax	**14,680**	13,430	12,801	10,515	9,555	7,787	5,569	5,167	4,619	4,246
iii) Depreciation	**2,649**	1,891	1,845	2,516	2,247	1,926	1,885	1,655	1,242	1,076
iv) Interest	**833**	496	565	583	1,359	1,825	1,800	1,117	1,011	2,166
v) Profit before Tax	**11,198**	11,043	10,391	7,416	5,949	4,036	1,884	2,395	2,366	1,004
vi) Tax	**3,279**	3,004	3,335	2,331	1,888	1,393	573	848	828	268
vii) Profit after Tax	**7,919**	8,039	7,056	5,085	4,061	2,643	1,311	1,547	1,538	736

* The Figures of Fuel & Loss reported do not include the external fuel used in Refineries

PERFORMANCE PROFILE (CONTD.)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
10. What the Company Owned (₹ Crores)										
i) Gross Property, Plant and Equipment (including Capital Work-in-Progress and Investment Property)	**53,526**	46,761	37,700	49,475	41,229	36,095	32,846	30,307	27,930	24,560
ii) Net Property, Plant and Equipment (including Capital Work-in-Progress and investment property)	**47,385**	43,060	35,872	27,981	22,105	19,110	17,732	16,972	16,187	14,003
iii) Net Current Assets	**699**	151	(65)	(991)	9,584	14,690	13,612	9,715	19,954	20,536
iv) Non-Current Assets	**15,939**	14,672	11,283	11,463	10,671	9,482	8,430	8,113		
Total Assets Net (ii + iii+ iv)	**64,023**	57,883	47,090	38,453	42,360	43,282	39,774	34,800	36,141	34,539
11. What the Company Owed (₹ Crores)										
i) Share Capital @	**1,967**	1,311	656	723	723	723	362	362	362	362
ii) Other Equity	**32,185**	28,357	26,667	21,744	18,736	15,911	14,552	13,696	12,725	11,766
iii) Total Equity (i +ii)	**34,152**	29,668	27,323	22,467	19,459	16,634	14,914	14,058	13,087	12,128
iv) Borrowings	**23,351**	23,159	15,857	13,098	20,322	23,839	22,994	18,960	22,195	21,172
v) Deferred Tax Liability (net)	**4,953**	3,502	2,622	1,708	1,361	1,656	1,401	1,008	859	1,239
vi) Non- Current Liabilites	**1,567**	1,554	1,288	1,180	1,218	1,153	465	774		
Total Funds Employed (iii + iv + v +vi)	**64,023**	57,883	47,090	38,453	42,360	43,282	39,774	34,800	36,141	34,539
12. Internal Generation (₹ Crores)	**8,697**	4,723	6,516	5,989	4,586	4,002	3,135	2,759	1,897	1,282
13. Value Added (₹Crores)	**28,310**	25,903	24,885	20,569	20,855	17,638	14,837	12,926	10,085	10,447
14. Earnings in Foreign Exchange (₹ Crores)	**10,371**	10,152	7,138	12,364	19,122	18,456	19,316	12,380	9,504	6,567
15. Ratios										
i) Gross Profit before Depreciation, Interest & Tax as % age of Sales and Other Income	**5.3**	5.5	5.9	4.1	3.5	3.1	2.5	3.1	3.5	2.9
ii) Profit after Tax as % age of average Total Equity	**24.8**	28.2	28.3	24.3	22.5	16.8	9.1	11.4	12.2	6.2
iii) Gross Profit before Depreciation, Interest & Tax as % age of Capital Employed	**25.3**	30.1	38.9	36.1	25.4	19.7	14.6	15.7	13.7	13.1
iv) Profit before Tax as % age of Capital Employed	**19.3**	24.8	31.6	25.5	15.8	10.2	4.9	7.2	7.0	3.1
v) Profit After Tax as % age of Capital Employed	**13.7**	18.0	21.4	17.5	10.8	6.7	3.4	4.7	4.6	2.3
vi) Debt Equity Ratio	**0.68**	0.78	0.58	0.58	1.04	1.43	1.54	1.35	1.70	1.75
16. Earnings per Share (₹) #	**40.26**	40.87	35.88	23.44	18.72	12.18	6.04	7.13	7.09	3.39
17. Book Value per Share (₹) #	**173.64**	150.84	138.92	103.57	89.70	76.68	68.75	64.80	60.33	55.91
18. Dividend ^										
i) Percentage	**210**	325	310	225	170	110	110	140	140	70
ii) Amount (₹ Crores)	**4,555**	4,700	2,242	1,627	1,229	795	398	506	506	253

Note: The figures for 2017-18, 2016-17 and 2015-16 are as per Indian Accounting Standards (Ind AS).

The figures from the year 2010-11 and onwards are prepared as per the requirements of the Revised Schedule VI/Schedule III as applicable.

@ The share capital for 2017-18, 2016-17 and 2015-16 is after adjustment of BPCL Trust for Investment in Shares.

Adjusted for bonus shares issued

^ Dividend includes proposed dividend

SOURCES AND APPLICATION OF FUNDS

₹ in Crores

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
SOURCES OF FUNDS										
OWN										
Profit after Tax	**7,919**	8,039	7,056	5,085	4,061	2,643	1,311	1,547	1,538	736
Foreign Exchange Gain credited to Foreign Currency Monetary Item Translation Difference Account (Net of amortisation)	**-**	286	-	-	184	-	-	-	-	-
Capital Grants received / (Reversed) (Net of amortisation)	**-**	-	-	3	5	-	-	2	-	-
Adjustment on account of Transitional Provisions	**-**	-	-	-	-	-	-	-	-	-
Depreciation	**2,649**	1,888	1,838	2,524	2,247	1,926	1,885	1,655	1,247	1,084
Investment	**-**	-	-	-	262	-	461	2,124	4,577	-
Deferred Tax Provision	**1,452**	880	588	347	(295)	255	393	148	(380)	(242)
Equity instruments through OCI	**(15)**	183	(182)	-	-	-	-	-	-	-
Income from BPCL trust for investment in shares	**297**	526	260	-	-	-	-	-	-	-
Remeasurement of defined benefit plan	**24**	(51)	(93)	-	-	-	-	-	-	-
BORROWINGS										
Loans (net)	**191**	7,302	2,864	-	-	845	4,022	-	1,024	6,149
LPG Deposits	**1,402**	1,695	1,124	1,183	904	653	613	570	411	237
Decrease in Current / Non-current items	**-**	-	-	9,533	3,109	-	-	235	-	2,432
Adjustment on account of Deletion/Re-classification etc.	**148**	52	38	(28)	19	236	63	50	16	38
	14,067	**20,800**	**13,493**	**18,647**	**10,496**	**6,558**	**8,748**	**6,331**	**8,433**	**10,434**
APPLICATION OF FUNDS										
Capital Expenditure	**7,122**	9,128	9,946	8,494	5,553	3,544	2,762	2,532	3,447	2,389
Foreign Exchange loss debited to Foreign Currency Monetary Item Translation Difference Account (including amortisation)	**140**	-	106	157	-	-	-	-	-	-
Dividend (incl interim dividend)	**3,182**	5,640	2,784	1,627	1,229	795	398	506	506	253
Tax on distributed profits	**420**	998	497	294	197	127	57	71	73	32
Repayment of Loans (net)	**-**	-	-	7,224	3,517	-	-	3,222	-	-
Investment	**1,219**	1,790	12	851	-	1,192	-	-	-	7,760
Increase in Current / Non-current items	**1,984**	3,244	148	-	-	900	5,531	-	4,407	-
	14,067	**20,800**	**13,493**	**18,647**	**10,496**	**6,558**	**8,748**	**6,331**	**8,433**	**10,434**

Note: The figures for 2017-18, 2016-17 and 2015-16 are as per Indian Accounting Standards (Ind AS).

SALES VOLUME ('000 MT)

Particulars	2017-18 Sales	2017-18 Market Share (%)	2016-17 Sales	2016-17 Market Share (%)	2015-16 Sales	2015-16 Market Share (%)	2014-15 Sales	2014-15 Market Share (%)	2013-14 Sales	2013-14 Market Share (%)
Light Distillates :										
Naphtha	348	6.7	177	3.6	104	2.2	326	6.8	640	11.5
LPG (Bulk & Packed)	5,986	26.3	5,449	25.9	4,874	25.7	4,510	25.8	4,031	25.6
Motor Spirit	6,980	28.7	6,412	28.5	6,011	28.5	5,350	28.8	4,814	28.8
Special Boiling Point Spirit/Hexane	36	54.4	30	50.7	28	46.5	31	50.6	36	48.4
Benzene	62	28.6	48	23.5	46	23.5	31	16.5	20	11.6
Toluene	17	100.0	22	100.0	19	100.0	26	100.0	15	100.0
Polypropylene Feedstock	97	39.6	94	35.1	105	38.3	109	-	102	-
Regasified - LNG	1,312	9.5	967	7.1	718	6.5	816	-	976	-
Others	417	33.4	376	34.8	356	21.8	337	-	324	-
Sub-Total	15,255		13,575		12,261		11,536		10,958	
Middle Distillates :										
Aviation Turbine Fuel	1,790	25.6	1,547	25.0	1,283	22.8	1,255	23.6	1,303	24.6
Superior Kerosene Oil	664	16.2	903	16.0	1,100	15.6	1,171	16.1	1,223	16.5
High Speed Diesel	20,094	27.0	19,097	26.7	19,354	26.8	18,375	26.7	18,337	26.9
Light Diesel Oil	112	21.5	106	23.6	90	22.0	81	22.1	68	17.5
Mineral Turpentine Oil	93	54.1	89	60.2	87	61.3	84	66.1	94	67.2
Sub-Total	22,753		21,742		21,914		20,966		21,025	
Others :										
Furnace Oil	695	12.7	783	13.5	742	13.6	650	14.0	636	13.8
Low Sulphur Heavy Stock	20	20.3	51	48.5	80	53.5	162	42.9	183	40.7
Bitumen	790	16.2	636	13.5	779	16.2	733	16.8	819	18.2
Petcoke	1,046	20.2	422	10.8	291	8.5	-	-	-	-
Lubricants	320	23.2	293	21.5	322	24.3	311	26.0	277	22.3
Others	331	13.8	182	9.6	145	19.4	91	14.3	97	16.4
Sub-Total	3,202		2,367		2,359		1,947		2,012	
Grand Total	41,210	23.75	37,684	22.77	36,534	22.94	34,449	23.29	33,995	23.48

Note : Market Share is based on Sales Volumes of Public Sector Oil Companies.

PRODUCTION ('000 MT)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Light Distillates :					
Naphtha	**1,468**	1,405	1,135	1,291	2,184
LPG	**1,403**	1,099	1,048	955	931
Motor Spirit	**4,850**	4,517	4,207	3,686	2,966
Special Boiling Point Spirit/Hexane	**37**	32	28	32	36
Benzene	**73**	93	95	78	37
Toluene	**17**	23	18	25	16
Polypropylene Feedstock/ Propylene	**99**	94	104	108	103
Ind. Reformate	**-**	5	-	12	164
Others	**2**	5	1	1	-
Sub-Total	**7,949**	7,274	6,636	6,187	6,437
Middle Distillates:					
Aviation Turbine Fuel	**1,613**	1,479	1,284	1,268	1,226
Superior Kerosene Oil	**344**	449	534	530	534
High Speed Diesel	**13,597**	11,932	11,579	11,005	10,397
Light Diesel Oil	**106**	264	91	80	62
Mineral Turpentine Oil	**93**	95	83	82	97
Lube Oil Base Stock	**262**	255	270	246	239
Others	**38**	11	-	-	20
Sub-Total	**16,053**	14,484	13,841	13,211	12,575
Heavy Ends :					
Petcoke	**687**	-	-	-	-
Furnace Oil	**1,099**	1,698	1,537	1,706	1,912
Low Sulphur Heavy Stock	**25**	39	81	221	191
Sulphur	**215**	82	89	93	92
Bitumen	**807**	623	781	731	845
Others	**111**	7	-	-	-
Sub-Total	**2,944**	2,449	2,488	2,751	3,040
Grand Total	**26,946**	24,206	22,965	22,149	22,052

Lubricants Production (MT)

	2017-18	2016-17	2015-16	2014-15	2013-14
	327,049	293,791	295,509	287,649	258,112

Quantity of LPG Filled in Cylinders (MT)

	2017-18	2016-17	2015-16	2014-15	2013-14
	5,673,579	5,128,580	4,616,172	4,267,898	3,831,127

HOW VALUE IS GENERATED

₹ in Crores

Particulars	2017-18	2016-17
Value of Production (Refinery)	91,598	73,854
Less : Direct Materials Consumed	(84,002)	(68,472)
Added Value	7,596	5,382
Marketing Operations	17,703	17,920
Value added by Manufacturing & Trading Operations	25,299	23,302
Add : Other Income and prior period items	3,011	2,601
Total Value Generated	28,310	25,903

HOW VALUE IS DISTRIBUTED

₹ in Crores

Particulars	2017-18		2016-17	
1. OPERATIONS				
Operating & Service Costs		10,199		9,043
2. EMPLOYEES' BENEFITS				
Salaries, Wages & Bonus	2,514		2,260	
Other Benefits	917	3,431	1,170	3,430
3. PROVIDERS OF CAPITAL				
Interest on Borrowings	833		496	
Dividend on current year profit	2,885	3,718	5,114	5,610
4. INCOME TAX & DIVIDEND TAX		2,265		3,097
5. RE-INVESTMENT IN BUSINESS				
Depreciation	2,649		1,891	
Deferred Tax	1,435		905	
Retained Profit (including Debenture Redemption Reserves)	4,614	8,697	1,927	4,723
Total Value Distributed		28,310		25,903

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone Ind AS financial statements of Bharat Petroleum Corporation Limited ("the Corporation"), which comprise the Balance Sheet as at 31st March 2018, the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Corporation's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Corporation in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Corporation's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Corporation's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Corporation as at 31st March 2018 and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Corporation as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

10. 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.

11. As required by Section 143(3) of the Act, 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 purpose 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards 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 audit report in "Annexure C";

    g) 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 in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        i. The Corporation has disclosed the impact, if any, of pending litigations on its financial position in its standalone Ind AS financial statements. Refer Note 63 of the standalone Ind AS financial statements;

        ii. The Corporation has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Corporation.

For CVK & Associates	**For Borkar & Muzumdar**
Chartered Accountants	Chartered Accountants
ICAI FRN: 101745W	ICAI FRN: 101569W
Sd/-	Sd/-
A. K. Pradhan	**B. M. Agarwal**
Partner	Partner
Membership No.: 032156	Membership No.: 033254

Place: Mumbai
Date: 29th May 2018

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 9 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 2018]

(i) (a) The Corporation has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) As per information and explanations given to us, physical verification of fixed assets (except LPG Cylinders and pressure regulators with customers) has been carried out by the Management during the year in accordance with the phased programme of verification of all assets over three years which, in our opinion, is reasonable having regard to the size of the Corporation and the nature of its assets. As informed, no material discrepancies were noticed on such verification;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Corporation, the title deeds of immovable properties are held in the name of the Corporation, except in cases given below:

Particulars	**Number of Cases**	**Gross Block (₹ in Crore)**	**Net Block (₹ in Crore)**	**Remarks**
Freehold Land	13	85.92	85.92	Documents of title not available for verification
Freehold Land	12	9.36	9.36	Documents of title informed as lying with registration authorities

(ii) The inventory (excluding stocks with third parties and goods in transit) has been physically verified by the Management during the year at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. No material discrepancies were noticed on physical verification of inventories carried out at the end of the year;

(iii) As informed, the Corporation has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable;

(iv) In our opinion and according to the information and explanations given to us, the Corporation has complied with the provisions of Section 185 and Section 186 of the Act, with respect to the loans, investments, guarantees and securities;

(v) In our opinion and according to the information and explanations given to us, the Corporation has not accepted any deposits from public within the provisions of Sections 73 to 76 of the Act read with The Companies (Acceptance of Deposits) Rules, 2014 and other relevant provisions of the Act;

(vi) We have broadly reviewed the books of account maintained by the Corporation in respect of products where the maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act and the rules framed there under and we are of the opinion that prima-facie, the prescribed books of account and cost records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determining whether they are accurate or complete;

(vii) (a) The Corporation is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service tax (GST), Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it;

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service tax (GST), Customs Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it, were outstanding, as on the last day of the financial year, for a period of more than six months from the date they became payable;

(b) According to the information and explanation given to us, the dues outstanding with respect to income tax, sales tax, service tax, duty of customs, duty of excise, value added tax have not been deposited on account of any dispute, are as per Statement 1;

(viii) According to the information and explanations given to us, the Corporation has not defaulted in repayment of loans or borrowing to financial institutions, banks, Government or dues to debenture holders;

(ix) The Corporation did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, money raised by way of term loans during the year have been applied for the purpose for which those were raised;

(x) During the course of our examination of the books and records of the Corporation, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Corporation or on the Corporation by its officers and employees have been noticed or reported during the year except incidents of irregularities that were reported during Financial Year 2016-17, which have been probed by the vigilance team of the Corporation during the year. We are informed that the matter has been handed over to Central Bureau of Investigation for further enquiry and that the Management is in the process of taking appropriate action.

(xi) In view of exemption given vide notification no. G.S.R. 463(E) dated June 5 2015, issued by Ministry of Corporate Affairs, provisions of Section 197 read with Schedule V of the Act regarding managerial remuneration are not applicable to the Corporation. Accordingly, paragraph 3(xi) of the Order is not applicable;

(xii) In our opinion and according to the information and explanations given to us, the Corporation is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable;

(xiii) According to the information and explanations given to us and based on our examination of the records of the Corporation, all transactions entered into by the Corporation with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements, as required by the applicable Indian Accounting Standards;

(xiv) According to the information and explanations given to us and based on our examination of the records, the Corporation has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable;

(xv) According to the information and explanations given to us and based on our examination of the records, the Corporation has not entered during the year into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable;

(xvi) The Corporation is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For CVK & Associates
Chartered Accountants
ICAI FRN: 101745W

Sd/-
A. K. Pradhan
Partner
Membership No.: 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN: 101569W

Sd/-
B. M. Agarwal
Partner
Membership No.: 033254

Place: Mumbai
Date: 29th May 2018

Statement 1 (Refer Clause vii (b) of Annexure A)

₹ in Crores

S. No	Name of the Statute	Nature of Dues	Forum Where Dispute is pending	Amount	Period block to which it relates ^
1.	Central Excise Act, 1944	Duty, interest and penalty for cases relating to Determination of Assessable value, Cenvat Credit etc.	Supreme Court	898.00	2000 to 2010
			High Court	123.93	2000 to 2015
			Appellate Tribunal*	1,337.77	1985 to 2018
			Appellate Authority**	73.03	1990 to 2018
			Adjudicating Authority***	10,444.61	1990 to 2018
			Total	**12,877.34**	
2.	Customs Act, 1962	Duty, interest and penalty for cases relating to Determination of Valuation etc.	Appellate Tribunal*	5.39	2000 to 2010
			Total	**5.39**	
3.	Income Tax Act, 1961	Tax, interest and penalty demands towards various Income tax disputes	High Court	9.01	1990 to 2005
			Appellate Tribunal*	5.73	1990 to 2005
			Appellate Authority**	25.53	2005 to 2018
			Total	**40.27**	
4.	Sales Tax/VAT Legislations	Tax, interest and penalty demand towards Sales tax/ VAT disputes	Supreme Court	2.33	1995 to 2005
			High Court	588.86	1980 to 2015
			Appellate Tribunal*	3,651.79	1985 to 2015
			Appellate Authority**	7,692.84	1985 to 2018
			Total	**11,935.82**	
5.	Finance Act,1994 (Service Tax)	Duty, interest and penalty for cases relating to Service tax disputes	Supreme Court	31.56	2005 to 2015
			Appellate Tribunal*	34.34	2000 to 2015
			Appellate Authority**	0.80	2005 to 2015
			Adjudicating Authority***	224.37	2005 to 2018
			Total	**291.07**	
			Grand Total	**25,149.89**	

Dues Include Penalty & Interest, wherever applicable.

* Appellate Tribunal includes Sales Tax Tribunal, CESTAT and ITAT.

** Apellate Authority includes Commissioner Appeals, Assistant Commissioner Appeals, Deputy Commissioner Appeals, Joint Commissioner Appeals and Deputy Commissioner Commercial Taxes Appeals.

*** Adjudicating Authority includes Collector of Sales Tax, Sales Tax Officer and Deputy Commissioner Sales Tax, Joint / Deputy/ Additional Commissioner of Commercial Taxes etc.

^ Period block shall indicate the period interval in which all the disputes under that authority have taken place.

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 10 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 2018]

<table>
<tr><td>1</td><td>Area examined</td><td colspan="3">Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of freehold and leasehold land for which title/lease deeds are not available?</td></tr>
<tr><td rowspan="4"></td><td rowspan="4">Observations/ Findings</td><td>Particulars</td><td>Area (In Acres)</td><td>Remarks</td></tr>
<tr><td>Freehold Land</td><td>1,161.02</td><td>Documents of title not available for verification</td></tr>
<tr><td>Freehold Land</td><td>6.97</td><td>Documents of title as informed lying with registration authorities</td></tr>
<tr><td colspan="3">Note: The above list does not include immovable properties classified as Operating Lease in Ind AS Financial Statements.</td></tr>
<tr><td>2</td><td>Area examined</td><td colspan="3">Whether there are any cases of waiver/ write off of debts/ loans/ interest etc., if yes, with reasons there for and amount involved.</td></tr>
<tr><td rowspan="5"></td><td rowspan="5">Observations/ Findings</td><td colspan="3">The details of cases of waiver/ write off of debts/ loans/ interest by the Corporation during the year are as under:</td></tr>
<tr><td>Particulars</td><td>₹ in Crore</td><td>Remarks</td></tr>
<tr><td>Write off of debts</td><td>1.26</td><td rowspan="3">Write offs approved as per 'Delegation of Authority' of the Corporation</td></tr>
<tr><td>Write off/Waiver of interest</td><td>4.19</td></tr>
<tr><td>Write off of Other claims</td><td>0.01</td></tr>
<tr><td>3</td><td>Area Examined</td><td colspan="3">Whether proper records are maintained for inventories lying with third parties and assets received as gift/ grant(s) from Government or other authorities?</td></tr>
<tr><td></td><td>Observations/ Findings</td><td colspan="3">• Proper records are maintained for inventories lying with third parties;</td></tr>
<tr><td></td><td></td><td colspan="3">• The Corporation has not received any assets as gift/ grants from Government or other authorities.</td></tr>
</table>

For CVK & Associates
Chartered Accountants
ICAI FRN: 101745W

Sd/-
A. K. Pradhan
Partner
Membership No.: 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN: 101569W

Sd/-
B. M. Agarwal
Partner
Membership No.: 033254

Place: Mumbai
Date: 29th May 2018

ANNEXURE C TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 11(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 31st March 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Bharat Petroleum Corporation Limited ("the Corporation") as of 31st March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Corporation for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Corporation's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Corporation's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Corporation's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Corporation has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Corporation considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For CVK & Associates
Chartered Accountants
ICAI FRN: 101745W

Sd/-
A. K. Pradhan
Partner
Membership No.: 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN: 101569W

Sd/-
B. M. Agarwal
Partner
Membership No.: 033254

Place: Mumbai
Date: 29th May 2018

BALANCE SHEET AS AT 31ST MARCH 2018

	Note no.	As at 31/03/2018	₹ in Crores As at 31/03/2017
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	**42,775.79**	31,278.66
(b) Capital work-in-progress	3	**4,043.71**	11,216.73
(c) Investment Property	4	**0.26**	0.40
(d) Other Intangible assets	5	**201.84**	158.25
(e) Intangible assets under development	6	**363.83**	405.79
(f) Investments in Subsidiaries, Joint Ventures and Associates	7	**10,144.19**	8,548.45
(g) Financial Assets			
(i) Investments	8	**681.21**	692.66
(ii) Loans	9	**3,091.38**	3,783.65
(iii) Other financial assets	10	**45.39**	35.14
(h) Income Tax Assets (Net)	11	**405.25**	126.78
(i) Other non-current assets	12	**1,571.28**	1,485.00
		63,324.13	57,731.51
(2) Current Assets			
(a) Inventories	13	**20,873.75**	19,798.01
(b) Financial Assets			
(i) Investments	14	**4,995.18**	5,360.34
(ii) Trade receivables	15	**5,152.60**	4,758.18
(iii) Cash and cash equivalents	16	**75.73**	54.35
(iv) Bank Balances other than Cash and cash equivalents	17	**12.34**	10.34
(v) Loans	18	**70.95**	70.65
(vi) Other financial assets	19	**4,579.13**	3,304.05
(c) Current Tax Assets (Net)	20	**23.73**	23.08
(d) Other current assets	21	**1,098.07**	869.49
		36,881.48	34,248.49
(3) Assets held for sale	22	**16.93**	9.63
TOTAL ASSETS		**1,00,222.54**	91,989.63
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	23	**1,966.88**	1,311.25
(b) Other Equity	24	**32,185.12**	28,357.13
Total Equity		**34,152.00**	29,668.38
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	**14,758.22**	13,776.44
(ii) Other financial liabilities	26	**58.40**	63.40
(b) Provisions	27	**1,366.19**	1,353.15
(c) Deferred tax liabilities (Net)	28	**4,953.26**	3,501.71
(d) Other non-current liabilities	29	**142.36**	137.29
		21,278.43	18,831.99
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	30	**8,093.01**	7,227.36
(ii) Trade payables	31	**13,063.84**	11,359.78
(iii) Other financial liabilities	32	**17,929.41**	19,103.42
(b) Other current liabilities	33	**4,051.51**	3,866.69
(c) Provisions	34	**1,515.16**	1,815.57
(d) Current Tax Liabilities (Net)	35	**139.18**	116.44
		44,792.11	43,489.26
Total Liabilities		**66,070.54**	62,321.25
TOTAL EQUITY AND LIABILITIES		**1,00,222.54**	91,989.63
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44 to 67		

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Place: Mumbai
Date: 29th May 2018

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
B.M. Agarwal
Partner
M. No. 033254

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

₹ in Crores

	Particulars	Note No.	2017-18	2016-17
I.	Revenue from operations	36	**277,162.23**	242,047.82
II.	Other income	37	**3,010.88**	2,600.68
III.	**Total Income (I + II)**		**280,173.11**	244,648.50
IV.	**Expenses**			
	Cost of materials consumed	38	**81,467.45**	67,710.71
	Purchases of stock-in-trade	39	**125,462.73**	114,220.09
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	40	**320.60**	(5,577.61)
	Excise duty expense		**40,849.13**	39,837.25
	Employee benefits expense	41	**3,430.98**	3,429.46
	Finance costs	42	**833.25**	495.87
	Depreciation and amortization expense	2,4,5	**2,648.48**	1,891.32
	Other expenses	43	**13,962.48**	11,598.62
	Total Expenses (IV)		**268,975.10**	233,605.71
V.	**Profit before tax (III - IV)**		**11,198.01**	11,042.79
VI.	**Tax expense**	28		
	1) Current tax		**2,110.00**	2,210.00
	2) Deferred tax		**1,434.66**	904.73
	3) Short / (Excess) provision of earlier years		**(265.99)**	(111.24)
	Total Tax expense (VI)		**3,278.67**	3,003.49
VII.	**Profit for the period (V - VI)**		**7,919.34**	8,039.30
VIII.	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plans		**37.44**	(77.52)
	(b) Equity instruments through Other Comprehensive Income- net change in fair value		**(11.44)**	185.04
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(16.89)**	24.91
	Other Comprehensive Income (VIII)		**9.11**	132.43
IX.	**Total Comprehensive Income for the period (VII + VIII)**		**7,928.45**	8,171.73
X.	**Basic and Diluted Earnings per Equity share (Face value ₹ 10)**	54	**40.26**	40.87
	Significant Accounting Policies	1		
	Notes forming part of Financial Statements	44 to 67		

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Sd/-
B.M. Agarwal
Partner
M. No. 033254

Place: Mumbai
Date: 29th May 2018

STATEMENT OF CASH FLOWS

₹ in Crores

	For the Year ended	31/03/2018	31/03/2017
A	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	**11,198.01**	11,042.79
	Adjustments for :		
	Depreciation	**2,648.48**	1,891.32
	Interest	**833.25**	495.87
	Foreign Exchange Fluctuations	**106.58**	18.27
	(Profit) / Loss on Sale of Property, Plant and Equipment	**35.63**	36.29
	(Profit) / Loss on Sale of Investments	**(10.65)**	(25.87)
	Income from Investments	**(951.45)**	(993.84)
	Dividend Received	**(1,245.56)**	(869.56)
	Expenditure towards Corporate Social Responsibility	**183.33**	159.14
	Other Non-Cash items*	**(492.50)**	11.91
	Operating Profit before Working Capital Changes	**12,305.12**	**11,766.32**
	(Invested in)/Generated from :		
	Inventories	**(1,075.74)**	(6,005.15)
	Trade Receivables	**(280.65)**	(2,560.25)
	Other Receivables	**(2,048.26)**	721.34
	Current Liabilities & Payables	**2,340.61**	7,014.99
	Cash generated from Operations	**11,241.08**	**10,937.25**
	Direct Taxes Paid	**(2,100.39)**	(2,949.34)
	Paid for Corporate Social Responsibility	**(166.02)**	(90.98)
	Net Cash from / (used in) Operating Activities	**8,974.67**	7,896.93
B	**Net Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Intangible Assets	**(7,014.70)**	(8,982.42)
	Sale of Property, Plant and Equipment	**99.33**	15.58
	Capital Advances	**51.18**	85.70
	Investment, Loans and Advances to Subsidiaries, Joint Venture Companies and Associates		
	GSPL India Gasnet Limited (Equity)	**(12.10)**	(7.15)
	GSPL India Transco Limited (Equity)	**(14.85)**	(4.40)
	Kannur International Airport Limited (Equity)	**(3.00)**	(43.80)
	Fino PayTech Limited (Equity)	**-**	(251.00)
	Kochi Salem Pipeline Private Limited (Equity)	**(20.00)**	(15.00)
	Mumbai Aviation Fuel Farm Facility Private Limited (Equity)	**(3.62)**	-
	Bharat Oman Refineries Limited (Loan)	**-**	100.00
	Bharat Oman Refineries Limited (Compulsorily Convertible Debenture)	**-**	(1,000.00)
	Bharat PetroResources Limited (Equity)	**(1,528.00)**	-
	Haridwar Natural Gas Private Limited (Equity)	**-**	(7.50)

₹ in Crores

	For the Year ended	31/03/2018	31/03/2017
	Goa Natural Gas Private Limited (Equity)	**(5.00)**	(2.50)
	Sabarmati Gas Limited (Maturity of Optionally Convertible Debentures)	**-**	21.08
	BPCL - KIAL Fuel Farm Facility Private Limited (Equity)	**-**	(1.11)
	Ratnagiri Refinery & Petrochemical Limited (Equity)	**(25.00)**	-
	Bharat PetroResources Limited - Loan (Net)	**1,225.00**	(1,850.00)
	GSPL India Transco Limited (Advance)	**(4.51)**	-
	Petronet India Limited	**15.84**	-
	Sale of Oil Bonds	**380.25**	-
	Purchase of Government Securities	**(90.20)**	-
	Purchase of Investments - Mutual Funds	**(25,870.00)**	(11,220.00)
	Sale of Investments - Mutual Funds	**25,900.40**	11,245.87
	Petroleum India International	**-**	3.40
	Sai Wardha Power Generation Limited (Equity)	**(2.30)**	-
	Income from Investment	**926.20**	914.01
	Dividend Received	**1,245.56**	869.56
	Net Cash from / (used in) Investing Activities	**(4,749.52)**	(10,129.68)
C	**Net Cash Flow from Financing Activities**		
	Investment, Loans and Advances to Subsidiaries		
	Petronet CCK Limited (Equity)	**-**	(78.92)
	Short Term Borrowings (Net)	**756.51**	7,203.40
	Long Term Borrowings	**1,395.99**	2,645.80
	Repayment of Loans	**(2,219.66)**	(2,331.55)
	Interest Paid	**(831.36)**	(760.24)
	Dividend Paid	**(2,884.76)**	(5,113.89)
	Dividend Distribution Tax	**(420.49)**	(998.04)
	Net Cash from / (used in) Financing Activities	**(4,203.77)**	566.56
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	**21.38**	(1,666.19)
	Cash and Cash Equivalents as at	**31/03/2017**	**31/03/2016**
	Cash on hand	**0.70**	24.32
	Cheques and drafts on hand	**38.69**	11.91
	Cash at Bank	**14.96**	1,684.31
		54.35	1,720.54
	Cash and Cash Equivalents as at	**31/03/2018**	**31/03/2017**
	Cash on hand	**0.43**	0.70
	Cheques and drafts on hand	**35.80**	38.69
	Cash at Bank	**39.50**	14.96
		75.73	54.35
	Net change in Cash and Cash Equivalents	**21.38**	(1,666.19)

* Includes FCMITDA Amortisation Gain of ₹ **65.26 Crores** (Previous Year Loss ₹ 129.83 Crores)

Disclosure to Changes in liabilities arising from financing activities

₹ in Crores

Particulars	Short Term Borrowings	Long Term Borrowings (including current maturities)	Total liabilities from financing Activities
As at 31/03/2017	7,227.36	15,931.85	**23,159.21**
Cash Flows	756.51	(823.67)	**(67.16)**
Non cash changes			
a) Foreign Exchange Movement	109.14	132.07	**241.21**
b) Fair Value Changes	-	17.41	**17.41**
As at 31/03/2018	8,093.01	15,257.66	**23,350.67**

Explanatory notes to Statement of Cash Flows

1 The Statement of Cash Flows is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Ind AS 7 as notified by Ministry of Corporate Affairs.

2 In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.

3 The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".

4 “Other Non-Cash items” include excess provisions written back, diminution in value of investment, reversal of excess capitalisation, amortisation of Capital grant, Bad debts and materials written off and miscellaneous adjustments not affecting Cash Flow.

5 "Current Liabilities and Payables" may include Payables in respect of Purchase of Property, Plant and Equipment, if any.

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
B.M. Agarwal
Partner
M. No. 033254

Place: Mumbai
Date: 29th May 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

₹ in Crores

(a) Equity share capital	As at 31/03/2018		As at 31/03/2017	
	No. of Shares	**Amount**	No. of Shares	Amount
Balance at the beginning of the reporting period	**1,44,61,68,496**	**1,446.17**	72,30,84,248	723.08
Add: Issue of Bonus Shares [Refer Note No. 23]	**72,30,84,248**	**723.08**	72,30,84,248	723.09
Balance at the end of the reporting period	**2,16,92,52,744**	**2,169.25**	1,44,61,68,496	1,446.17
Less: Adjustment for Shares held by BPCL Trust for Investment in Shares [Refer Note No. 45]	**(20,23,72,422)**	**(202.37)**	(13,49,14,948)	(134.92)
Balance at the end of the reporting period after Adjustment	**1,96,68,80,322**	**1,966.88**	1,31,12,53,548	1,311.25

₹ in Crores

(b) Other equity	Reserves & Surplus					Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total
	Capital Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]			
Balance at 31st March 2016	**12.33**	**586.24**	**25,406.12**	**1,422.46**	**(79.28)**	**(88.88)**	**(591.65)**	**26,667.34**
Profit for the year	-	-	-	8,039.30	-	-	-	8,039.30
Other Comprehensive Income for the year	-	-	-	(50.69)	-	183.12	-	132.43
Issue of Bonus Shares [Refer Note No. 23]	-	-	(723.09)	-	-	-	67.46	(655.63)
Dividends	-	-	-	(5,640.06)	-	-	-	(5,640.06)
Dividend to BPCL Trust for Investment in Shares [Refer Note No. 45]	-	-	-	526.17	-	-	-	526.17
Dividend Distribution Tax	-	-	-	(998.04)	-	-	-	(998.04)
Transfer to Debenture Redemption reserve	-	224.58	-	(224.58)	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	155.79	-	-	155.79
Amortisation during the year - FCMITDA	-	-	-	-	129.83	-	-	129.83
Balance at 31st March 2017	**12.33**	**810.82**	**24,683.03**	**3,074.56**	**206.34**	**94.24**	**(524.19)**	**28,357.13**

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018 (CONTD.)

₹ in Crores

(b) Other equity	Reserves & Surplus					Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total
	Capital Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]			
Balance at 31st March 2017	**12.33**	**810.82**	**24,683.03**	**3,074.56**	**206.34**	**94.24**	**(524.19)**	**28,357.13**
Profit for the year	-	-	-	7,919.34	-	-	-	7,919.34
Other Comprehensive Income for the year	-	-	-	24.36	-	(15.25)	-	9.11
Issue of Bonus Shares [Refer Note No. 23]	-	-	(723.08)	-	-	-	67.45	(655.63)
Dividends	-	-	-	(3,181.57)	-	-	-	(3,181.57)
Dividend to BPCL Trust for Investment in Shares [Refer Note No. 45]	-	-	-	296.81	-	-	-	296.81
Dividend Distribution Tax	-	-	-	(420.49)	-	-	-	(420.49)
Transfer to Debenture Redemption reserve	-	297.74	-	(297.74)	-	-	-	-
Transfer to General Reserve	-	-	2,400.50	(2,400.50)	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	(74.32)	-	-	(74.32)
Amortisation during the year - FCMITDA	-	-	-	-	(65.26)	-	-	(65.26)
Balance at 31st March 2018	**12.33**	**1,108.56**	**26,360.45**	**5,014.77**	**66.76**	**78.99**	**(456.74)**	**32,185.12**

*The balance includes accumulated balance of Remeasurements of defined benefit plans (Net of tax) as at 31st March 2018 is ₹ **(119.51) Crores** (as at 31st March 2017 ₹(143.87) Crores)

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

CVK & Associates
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Company Secretary

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Sd/-
B.M. Agarwal
Partner
M. No. 033254

Place: Mumbai
Date: 29th May 2018

CORPORATION OVERVIEW

Bharat Petroleum Corporation Limited referred to as "BPCL" or "the Corporation" was incorporated on 3rd November 1952. BPCL is a Government of India Enterprise listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The Corporation is engaged in the business of refining of crude oil and marketing of petroleum products. It has refineries at Mumbai and Kochi, LPG bottling plants and Lube blending plants at various locations. The Corporation's marketing infrastructure includes vast network of Installations, Depots, Retail Outlets, Aviation Fuelling Stations and LPG distributors.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis for preparation: The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015 and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Corporation has adopted all the Ind AS and the adoption was carried out during Financial Year 2016-17 in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Generally Accepted Accounting Principles in India (Indian GAAP) as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the "Previous GAAP".

The Corporation's presentation and functional currency is Indian Rupees (₹). All figures appearing in the financial statements are rounded to the nearest Crores (₹ Crores) except where otherwise indicated.

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on 29th May 2018.

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;
- 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. **Expenditure during construction period:** Direct expenses incurred during construction period on capital projects are capitalised. Other expenses of the project group which are allocated to projects costing above a threshold limit are also capitalised. Expenditure incurred on enabling assets are capitalised.

1.2.4. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.

1.2.5. Expenditure on assets, other than plant and machinery, LPG cylinders and pressure regulators, not exceeding threshold limit are charged to revenue.

1.2.6. Spare parts which meet the definition of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare part is inventorised on procurement and charged to Statement of Profit and Loss on consumption.

1.2.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.

1.2.8. The residual values and useful lives of Property, Plant and Equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

1.2.9. **Goods and Service Tax (GST) on common capital goods:** In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to changes in the ratio is capitalised when beyond the materiality threshold.

1.2.10. The Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.3. Depreciation

Depreciation on Property, Plant and Equipment are provided on the straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%). These useful lives determined are in line with the useful lives as prescribed in the Schedule II of the Act, except in following cases:

1.3.1. Plant & Machinery at Retail Outlets (other than Storage tanks and related equipments) are depreciated over a useful life of 15 years based on the technical assessment.

1.3.2. Computer equipments are depreciated over a period of 3 years (previously 4 years) and Mobile phones are depreciated over a period of 2 years based on internal assessment. Apart from the above, Furniture provided to management staff is depreciated over a period of 6 years as per internal assessment.

1.3.3. Solar Panels are depreciated over a period of 25 years based on the technical assessment of useful life and applicable warranty conditions.

1.3.4. Moulds, used for the manufacturing of the packaging material for Lubricants, are depreciated over a period of 5 years based on technical assessment of useful life.

1.3.5. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators which are depreciated over a useful life of 15 years based on the technical assessment.

1.3.6. Components of the main asset that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.

1.3.7. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

1.3.8. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

1.4. Intangible Assets

1.4.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, are not capitalised and is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

1.4.2. Assets where entire output generated is committed to be sold to entities providing public services for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS 11 and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.4.3. In cases where, the Corporation has constructed assets on behalf of public infrastructure entities and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.4.4. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.

1.4.5. Expenditure incurred for creating / acquiring other intangible assets above threshold limit from which future economic benefits will flow over a period of time, is amortised over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred. The amortisation period and the amortisation method for an intangible asset with a finite life are reviewed at each year end. The amortisation expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, is recognised in the Statement of Profit and Loss.

1.4.6. The Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind 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. Investment Property

1.5.1. Investment property is property (land or a building - or part of a building - or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss.

1.5.3. On transition to Ind AS i.e 1st April 2015, the Corporation has re-classified certain items from Property, Plant and Equipment to investment property. For the same, Corporation has elected to use the exemption available under Ind AS 101 to continue the carrying value for such assets as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.6. Borrowing costs

1.6.1. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit and Loss.

1.6.3. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

1.7. Non-current assets held for sale

1.7.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.7.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell (@ 5% of the acquisition value).

1.7.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.8. Leases

1.8.1. Finance Lease

Lease Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Lease Agreements in respect of land for lease period above threshold limit are classified as a finance lease

1.8.2. Operating Lease

Lease Agreements which are not classified as finance leases are considered as operating lease.

Payments made under operating leases are recognised in Statement of Profit and Loss with reference to lease terms and other relevant considerations. Lease incentives received / lease premium paid (if any) are recognised as an integral part of the total lease expense, over the term of the lease. Payments made under Operating Leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease, unless such payments are structured to increase in line with expected general inflation.

1.8.3. At the inception of an arrangement, the Corporation determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Corporation separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. In case of a finance lease, if the corporation concludes that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying assets; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Corporation's incremental borrowing rate.

1.9. Impairment of Non-financial Assets

1.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.10. Inventories

1.10.1. Inventories are stated at cost or net realisable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Crude oil, traded goods and finished products other than lubricants are determined on First in First out basis.
- Other raw materials, packages, lubricants and stores and spares are determined on weighted average basis.
- The cost of Stock-in-Process is determined at raw material cost plus cost of conversion.

1.10.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.10.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.

1.10.4. The net realisable value of finished goods and stock in trade are based on the inter-company transfer prices and final selling prices (applicable at the location of stock) for sale to oil marketing companies and retail consumers respectively. For the purpose of stock valuation, the proportion of sales to oil marketing companies and retail consumers are determined on all India basis and considered for stock valuation at all locations.

1.10.5. Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

1.10.6. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.11. Revenue Recognition

1.11.1. Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Corporation.

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 multiple deliverable and/or linked arrangements), 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 or when it is no longer probable that the points under the programme will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated income is recognised on a net basis.

Claims in respect of subsidy on LPG and SKO, from Government of India are booked on in principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

1.11.2. Construction contracts

Revenue from Construction contracts arise from the service concession arrangements entered into by the Corporation and certain arrangements involving construction of specific assets as part of multiple deliverable arrangements.

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.

If the outcome of the construction contract can be estimated reliably, then contract revenue is recognised in Statement of Profit and Loss in proportion to the stage of completion of the contract. 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. Otherwise contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Contract expenses are recognised as incurred unless they create an asset relating to future contract activity. An expected loss on a contract is recognised immediately in the Statement of Profit and Loss.

1.11.3. Interest income is recognised using effective interest rate (EIR) method.

1.11.4. Dividend is recognised when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.11.5. Income from sale of scrap is accounted for on realisation.

1.11.6. Claims other than subsidy claims on LPG and SKO from Government of India are booked when there is a reasonable certainty of recovery.

1.12. Classification of Income / Expenses

1.12.1. Income / expenditure (net) in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amounts and / or restating the opening Balance Sheet for the earliest prior period presented.

1.12.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

1.12.3. Deposits placed with Government agencies / local authorities which are perpetual in nature are charged to revenue in the year of payment.

1.13. Employee Benefits

1.13.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

1.13.2. Post-employment benefits

Defined Contribution Plans

Obligations for contributions to defined contribution plans such as pension are recognised as an expense in the Statement of Profit and Loss as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a refund in future payments is available.

Defined Benefit Plans

The Corporation’s net obligation in respect of defined benefit plans such as gratuity, other post-employment benefits etc., is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Corporation, the recognised asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on the net defined benefit liability (asset)) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognised in other comprehensive income.

1.13.3. Other long-term employee benefits

Liability towards other long term employee benefits - leave encashment and long service awards etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognised in the Statement of Profit and Loss.

1.13.4. Termination benefits

Expenditure on account of Voluntary Retirement Scheme are charged to Statement of Profit and Loss as and when incurred.

1.14. Foreign Currency Transactions

1.14.1. Monetary items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in “Foreign Currency Monetary Item Translation Difference Account” and amortised over the balance period of the liability.

1.14.2. Non – Monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.15. Investment in Subsidiaries, Joint Ventures and Associates

Investments in equity shares of Subsidiaries, Joint Ventures and Associates are recorded at cost and reviewed for impairment at each reporting date.

1.16. Government Grants

1.16.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.16.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.16.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.17. Provisions, Contingent Liabilities and Capital Commitments

1.17.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.17.2. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.17.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.17.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.17.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.17.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

1.18. Fair Value measurement

1.18.1. The Corporation measures certain financial instruments at fair value at each reporting date.

1.18.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.18.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

1.18.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Corporation determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.18.5. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- **Level 3:** inputs for the assets or liability that are not based on observable market data (unobservable inputs)

1.18.6. When quoted price in active market for an instrument is available, the Corporation measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.18.7. If there is no quoted prices in an active market, then the Corporation uses a valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.18.8. The Corporation regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then the Corporation assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.19. Financial Assets

1.19.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.19.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Corporation classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Statement of Profit and Loss. Other net gains and losses are recognised in other comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortised cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Corporation decides to classify the same either as FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognised in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

1.19.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Corporation's Balance Sheet) when:

The rights to receive cash flows from the asset have expired, or

The Corporation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Corporation has transferred substantially all the risks and rewards of the asset, or
- The Corporation has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.19.4. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.20. Financial Liabilities

1.20.1. Initial recognition and measurement

Financial liabilities are initially recognised when the Corporation becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

Financial Liabilities at amortised cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the effective interest rate ("EIR") method.

Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortisation done using the EIR method is included as finance costs in the Statement of Profit and Loss.

1.20.3. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

1.21. Financial guarantees

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

1.22. Derivative financial instruments

The Corporation uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair valuation gains or losses on foreign currency derivatives measured at FVTPL are grouped along with Gain or loss on foreign currency transactions and translations and presented under "Other Income" or "Other expenses", as the case may be, since these derivatives constitute hedges from an economic perspective and may not qualify for hedge accounting under Ind AS 109.

1.23. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognised in Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

1.24. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.25. Taxes on Income

1.25.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

1.25.2. Deferred tax

Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognised in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.26. Earnings per share

1.26.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

1.26.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

1.27. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Corporation's normal operating cycle (considered as 12 months) and other criteria set out in Schedule III of the Act.

1.28. Cash and Cash equivalents

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque, draft on hand and demand deposits with an original maturity of less than three months, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque and draft on hand. The Corporation considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.29. Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

1.30. The Corporation has adopted the following materiality threshold limits in the preparation and presentation of financials statements as given below:

Threshold Item	Accounting Policy Reference	Unit	Threshold Limit Value
Allocation of other expenses to projects costing in each case	1.2.3.	₹ Crores	5
Expenditure on certain items of Property, Plant and Equipment charged to revenue in each case	1.2.5.	₹	1,000
Capitalisation of spare parts meeting the definition of Property, Plant and Equipment in each case	1.2.6.	₹ Lakhs	10
GST on common capital goods per item per month	1.2.9	₹ Lakhs	5
Depreciation at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators	1.3.5.	₹	5,000
Expenditure incurred for creating / acquiring other intangible assets in each case	1.4.5.	₹ Lakhs	50
Lease agreements in respect of land	1.8.1.	Period (years)	99
Income / expenditure (net) in aggregate pertaining to prior year(s)	1.12.1.	₹ Crores	50
Prepaid expenses in each case	1.12.2.	₹ Lakhs	5
Disclosure of Contingent liabilities and Capital Commitments in each case	1.17.6.	₹ Lakhs	5

NOTE 2 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01/04/17	Additions	Other Adjustments [Refer Note 55]	Reclassifications/ Deductions On Account Of Retirement / Disposal	As at 31/03/18	Up to 31/03/17	For the Year	Reclassifications/ Deductions On Account Of Retirement / Disposal	Up to 31/03/18	As at 31/03/18	As at 31/03/17
Land											
(a) Freehold*	834.10	396.51	-	(0.35)	**1,230.96**	-	-	-	**-**	**1,230.96**	834.10
(b) Leasehold*	0.74	-	-	-	**0.74**	0.05	0.01	-	**0.06**	**0.68**	0.69
Buildings including Roads*	5,753.60	976.94	11.16	8.06	**6,733.64**	644.58	344.79	0.74	**988.63**	**5,745.01**	5,109.02
Plant and Equipments*	14,461.31	7,649.42	391.88	293.63	**22,208.98**	1,628.76	1,270.34	197.97	**2,701.13**	**19,507.85**	12,832.55
Furniture and Fixtures*	437.61	156.40	0.06	3.50	**590.57**	115.69	62.99	1.61	**177.07**	**413.50**	321.92
Vehicles*	40.53	13.99	0.32	1.88	**52.96**	10.49	6.29	0.85	**15.93**	**37.03**	30.04
Office Equipments*	662.40	184.79	4.45	9.99	**841.65**	196.10	136.79	6.03	**326.86**	**514.79**	466.30
Railway Sidings*	142.57	11.94	0.57	0.26	**154.82**	26.39	13.64	0.04	**39.99**	**114.83**	116.18
Tanks and Pipelines*	6,240.89	2,567.11	136.36	13.33	**8,931.03**	378.33	322.00	1.14	**699.19**	**8,231.84**	5,862.56
Dispensing Pumps	2,385.00	193.06	-	25.44	**2,552.62**	318.31	171.86	12.52	**477.65**	**2,074.97**	2,066.69
LPG Cylinders and Allied Equipments	3,984.80	1,569.36	-	-	**5,554.16**	346.19	303.64	-	**649.83**	**4,904.33**	3,638.61
Total	**34,943.55**	**13,719.52**	**544.80**	**355.74**	**48,852.13**	**3,664.89**	**2,632.35**	**220.90**	**6,076.34**	**42,775.79**	**31,278.66**
Previous Year	24,866.06	9,732.20	439.15	93.86	**34,943.55**	1,810.49	1,886.63	32.23	**3,664.89**	**31,278.66**	

* These include assets which are given on Operating Leases or taken on Finance Leases, the details thereof are included in Note no. 49

NOTE 3 CAPITAL WORK-IN-PROGRESS

₹ in Crores

Particulars			As at 31/03/2018	As at 31/03/2017
Capital work-in-progress				
Property, plant and equipment under erection / construction			**3,070.06**	9,463.00
Capital stores including lying with contractors			**614.40**	912.53
Capital goods in transit			**154.87**	56.12
Allocation of Construction period expenses	**2017-18**	**2016-17**		
Opening balance	**785.08**	997.61		
Add: Expenditure during the year				
Establishment charges including Salaries & Wages	**133.23**	125.32		
Interest	**107.93**	299.04		
Loss / (Gain) on foreign currency transactions and translations	**0.34**	(370.72)		
Insurance	**7.56**	19.04		
Others	**14.51**	25.78		
	1,048.65	1,096.07		
Less: Allocated to assets capitalised during the year / charged off	**(844.27)**	(310.99)		
Closing balance pending allocation			**204.38**	785.08
Total			**4,043.71**	11,216.73

NOTE 4 INVESTMENT PROPERTY

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01/04/17	Additions	Reclassifications/ Deductions on Account of Retirement / Disposal	As at 31/03/18	Up to 31/03/17	For the Year	Reclassifications/ Deductions on Account of Retirement / Disposal	Up to 31/03/18	As at 31/03/18	As at 31/03/17
Buildings	0.66	-	0.33	**0.33**	0.26	0.02	0.21	**0.07**	**0.26**	0.40
TOTAL	**0.66**	**-**	**0.33**	**0.33**	**0.26**	**0.02**	**0.21**	**0.07**	**0.26**	**0.40**
Previous Year	0.52	0.32	0.18	**0.66**	0.04	0.22	-	**0.26**	**0.40**	

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	2017-18	2016-17
Rental Income derived from investment Properties	**1.08**	6.48
Less - Depreciation	**0.02**	0.22
Profit arising from Investment Properties before direct expenses	**1.06**	6.26

The direct operating expenses on the investment property are not separately identifiable and the same are not likely to be material.

As at 31st March 2018 and 31st March 2017 the fair values of the property are ₹ **3.73 Crores** and ₹ 36.02 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 appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

NOTE 5 OTHER INTANGIBLE ASSETS

₹ in Crores

Particulars	Useful Life (No. of Years)	Gross Block					Amortisation				Net Carrying Amount	
		As at 01/04/17	Additions	Other Adjustments	Reclassifications/ Deletions	As at 31/03/18	Upto 31/03/17	For the year	Reclassifications/ Deletions	Upto 31/03/18	As at 31/03/18	As at 31/03/17
Right of Way	Indefinite	35.11	-	-	-	**35.11**	-	-	-	**-**	**35.11**	35.11
Right of Way	Upto 30	34.99	-	-	-	**34.99**	1.72	2.38	-	**4.10**	**30.89**	33.27
Right to use Jetty	30	-	4.09	-	-	**4.09**	-	0.14	-	**0.14**	**3.95**	-
Service Concession Arrangements [Refer note no. 48]	20	63.00	-	-	-	**63.00**	5.16	3.54	-	**8.70**	**54.30**	57.84
Software/ Licenses	Upto 5	30.67	10.81	-	-	**41.48**	15.18	8.05	-	**23.23**	**18.25**	15.49
Process Licenses	Upto 5	30.29	54.05	3.27	-	**87.61**	13.75	14.52	-	**28.27**	**59.34**	16.54
Total		**194.06**	**68.95**	**3.27**	**-**	**266.28**	**35.81**	**28.63**	**-**	**64.44**	**201.84**	**158.25**
Previous Year		169.32	24.60	0.22	0.08	**194.06**	17.59	18.22	-	**35.81**	**158.25**	

NOTE 6 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Crores

Particulars	Gross Amount			
	As at 01/04/17	Additions	Capitalizations as Intangible Asset / Deletions	As at 31/03/18
Process Licenses	405.79	7.43	49.39	**363.83**
Total	**405.79**	**7.43**	**49.39**	**363.83**
Previous Year	215.18	190.61	-	**405.79**

There are no internally generated Intangible Assets.

Additional information in respect of Note no. 2 to 6:

a) Land:

   i) Freehold land includes ₹ **93.08 Crores** (Previous year: ₹ 94.66 Crores) capitalized at various locations for which conveyance deeds are yet to be executed and/or mutation is pending.

   ii) Freehold land includes ₹ **2.20 Crores** (Previous year: ₹ 2.20 Crores) which is in the process of being surrendered to the Competent Authority.

   iii) Lease hold land represents land taken on finance lease for more than 99 years.

b) Buildings include Ownership flats having gross block of ₹ **41.28 Crores** (Previous year: ₹ 41.07 Crores) in proposed / existing co-operative societies and others.

c) Other adjustments include capitalization of foreign exchange differences (net) of ₹ **25.76 Crores** (Previous year: ₹ 226.25 Crores) and borrowing costs of ₹ **522.31 Crores** (Previous year: ₹ 213.12 Crores).

d) Freehold Land, Plant and Equipment, Tanks and Pipelines, Railway Sidings, Buildings etc. jointly owned in varying extent with other Oil Companies / Railways: Gross Block ₹ **198.77 Crores** (Previous year: ₹ 204.55 Crores), Cumulative Depreciation ₹ **29.95 Crores** (Previous year: ₹ 20.52 Crores), Net Block ₹ **168.82 Crores** (Previous year: ₹ 184.03 Crores).

e) Charge has been created over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery in regard to the borrowings– Refer note no. 25.

f) 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 ₹ **8.11 Crores** (Previous year: ₹ 1.82 Crores).

g) Gross Block reclassifications / deductions on account of retirement / disposal includes:

   i) Decapitalization of ₹ **57.61 Crores** (Previous year: ₹ 27.05 Crores).

   ii) Deduction on account of retirement / disposal during the year ₹ **298.46 Crores** (Previous year: ₹ 67.07 Crores).

h) Depreciation and amortization for the year is ₹ **2661.00 Crores** (Previous year: ₹ 1905.07 Crores) [Refer Note no. 66] from which, after reducing -

   i) Depreciation on decapitalization of ₹ **8.28 Crores** (Previous year: ₹ 1.75 Crores) and

   ii) Depreciation on reclassification of assets of ₹ **4.24 Crores** (Previous year: ₹ 12.00 Crores).

   Net Depreciation and amortization for the year charged to Profit and Loss statement is ₹ **2648.48 Crores** (Previous year: ₹ 1891.32 Crores).

i) Deduction from accumulated depreciation on account of retirement / disposal during the year is ₹ **208.59 Crores** (Previous year: ₹ 18.48 Crores).

j) The Corporation has assessed the useful life of Right of way as indefinite where the same is perpetual in nature.

k) 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, Capital work in progress, Investment properties, Intangible assets and Intangible assets under development as recognised 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).

NOTE 7 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

Particulars	No. of units		₹ in Crores	
	As at 31/03/2018	As at 31/03/2017	As at 31/03/2018	As at 31/03/2017
Investment in Subsidiaries				
Unquoted				
Equity shares of [₹ 10 each (fully paid up)]				
Numaligarh Refinery Limited	**45,35,45,998**	45,35,45,998	**453.55**	453.55
Bharat PetroResources Limited*	**4,44,80,02,670**	2,92,00,02,670	**4,942.41**	3,414.40
Petronet CCK Limited	**9,99,99,998**	9,99,99,998	**194.23**	194.23
Investment in Joint Ventures				
Unquoted				
Equity Shares of [₹ 10 each (fully paid up)]				
Bharat Oman Refineries Limited (BORL)	**88,86,13,336**	88,86,13,336	**888.61**	888.61
Delhi Aviation Fuel Facility Private Limited	**6,06,80,000**	6,06,80,000	**60.68**	60.68
Maharashtra Natural Gas Limited	**2,24,99,600**	2,24,99,600	**22.50**	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 Pvt. Ltd.	**1,00,00,000**	1,00,00,000	**10.00**	10.00
Bharat Renewable Energy Ltd.	**33,60,000**	33,60,000	**3.36**	3.36
Mumbai Aviation Fuel Farm Facility Pvt Ltd.	**4,18,88,750**	3,82,71,250	**41.89**	38.27
Kochi Salem Pipeline Private Limited	**7,50,00,000**	5,50,00,000	**75.00**	55.00
BPCL-KIAL Fuel Farm Facility Private Limited	**55,50,000**	55,50,000	**5.55**	5.55
Haridwar Natural Gas Private Limited	**75,00,000**	75,00,000	**7.50**	7.50
Goa Natural Gas Private Limited	**75,00,000**	25,00,000	**7.50**	2.50
Ratnagiri Refinery & Petrochemical Limited	**2,50,00,000**	-	**25.00**	-
Equity Shares of [USD 1 each (fully paid up)]				
Matrix Bharat Pte. Ltd.	**20,00,000**	20,00,000	**8.41**	8.41
Share warrants of BORL				
- of ₹ 10 each (fully paid up)	**48,68,86,664**	48,68,86,664	**486.89**	486.89
- of ₹ 15 each (fully paid up)	**29,91,94,364**	29,91,94,364	**448.79**	448.79
- of ₹ 18 each (fully paid up)	**36,11,11,111**	36,11,11,111	**650.00**	650.00
0% Compulsorily Convertible Debenture of ₹ 10 each (fully paid up) of BORL	**1,00,00,00,000**	1,00,00,00,000	**1,000.00**	1,000.00
Investment in Associates				
Quoted				
Equity Shares of [₹ 10 each (fully paid up)]				
Petronet LNG Limited	**18,75,00,000**	9,37,50,000	**98.75**	98.75
Equity Shares of [₹ 2 each (fully paid up)]				
Indraprastha Gas Limited [Previous year (₹ 10 fully paid up)]	**15,75,00,400**	3,15,00,080	**31.50**	31.50

NOTE 7 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (CONTD.)

Particulars	No. of units		₹ in Crores	
	As at 31/03/2018	As at 31/03/2017	As at 31/03/2018	As at 31/03/2017
Unquoted				
Equity Shares of [₹ 10 each (fully paid up)]				
GSPL India Gasnet Ltd.	**4,25,72,128**	3,04,72,128	**42.57**	30.47
GSPL India Transco Ltd.	**3,74,00,000**	2,25,50,000	**37.40**	22.55
Petronet CI Limited	**15,84,000**	15,84,000	**1.58**	1.58
Fino PayTech Ltd	**2,84,35,423**	2,84,35,423	**251.00**	251.00
Equity Shares of [₹ 0.10 each (fully paid up)]				
Petronet India Limited (Previous year (₹ 10 fully paid up))	**1,60,00,000**	1,60,00,000	**0.16**	16.00
Equity Shares of [₹ 100 each (fully paid up)]				
Kannur International Airport Limited	**2,16,80,000**	2,13,80,000	**216.80**	213.80
Unquoted - Association of Persons				
Capital Contribution in Petroleum India International #			**0.10**	0.10
Impairment in the value of investments				
Bharat Renewable Energy Ltd			**(3.36)**	(3.36)
Petronet CI Limited			**(1.58)**	(1.58)
Total			**10,144.19**	8,548.45
Aggregate amount of Unquoted Securities			**10,013.94**	8,418.20
Aggregate amount of Quoted Securities			**130.25**	130.25
Market value of Quoted Securities			**8,728.77**	6,969.40
Aggregate amount of Impairment in the value of investments			**4.94**	4.94

* Includes equity component of ₹ **494.40 Crores** (Previous year: ₹ 494.40 Crores) recognised on fair valuation of concessional rate loan given to subsidiary.

Member Companies of Association of Persons are Bharat Petroleum Corporation Limited, Engineers India Limited, Hindustan Petroleum Corporation Limited, Indian Oil Corporation Limited, Reliance Industries Limited, Chennai Petroleum Corporation Limited, Oil and Natural Gas Corporation Limited and Oil India Limited. The total capital is ₹ 0.55 Crore of which share of Bharat Petroleum Corporation Limited is ₹ 0.10 Crore, Indian Oil Corporation Limited is ₹ 0.15 Crore and other members have equal share of ₹ 0.05 Crore each.

NOTE 8 INVESTMENTS

₹ in Crores

Particulars	No. of Units 31/03/2018	No. of Units 31/03/2017	As at 31/03/2018	As at 31/03/2017
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	1,78,33,700	575.94	594.85
Unquoted				
Cochin International Airport Limited *	1,31,25,000	1,31,25,000	105.26	97.80
Investment in Debentures at Amortised cost				
Unquoted				
5% Debentures (Fully Paid up) of East India Clinic Limited	1	1	0.01	0.01
Investment in Equity Instruments designated at Fair Value Through Profit or Loss				
Unquoted				
Equity Shares of Kochi Refineries Employees Consumer Co-operative Society Limited (Fully paid up)	500	500	#	#
# Value ₹ 5,000				
Ordinary Shares (Fully paid up) of Sindhu Resettlement Corporation Limited	6	6	##	##
## Value ₹ 19,000				
Total			681.21	692.66

* The Corporation has designated these investments at fair value through Other Comprehensive Income because these investments represent the investments that the Corporation intends to hold for long-term purposes. No such investments were disposed off during the year and accordingly, there have been no transfers of the cumulative gains or losses on these investments.

Aggregate amount of Unquoted Securities			105.27	97.81
Aggregate amount of Quoted Securities			575.94	594.85
Market value of Quoted Securities			575.94	594.85
Aggregate amount of Impairment in the value of investments			-	-

NOTE 9 LOANS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Security deposits		
Considered good *	**98.88**	62.71
Considered doubtful	**0.90**	0.89
Less : Provision for doubtful	**(0.90)**	(0.89)
Loans to subsidiaries		
Loan to Bharat PetroResources Limited	**841.81**	2,047.10
Loans to Joint Ventures		
Bharat Oman Refineries Limited	**1,254.10**	1,254.10
Loans to employees (including accrued interest) (secured) [Refer Note No. 52]	**389.03**	387.45
Loans to others		
Considered good**	**507.56**	32.29
Considered doubtful	**0.45**	0.53
Less: Provision for doubtful	**(0.45)**	(0.53)
Total	**3,091.38**	3,783.65

* Includes Secured deposits ₹ **18.49 Crores** (Previous year: Nil).

** The above includes ₹ **463.87** Crores as at 31st March 2018 pertaining to Loans given to Consumers under Pradhan Mantri Ujjwala Yojana scheme, the recovery period has been deferred beyond one year with effect from 1st April 2018.

NOTE 10 OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Claims		
Considered good	**39.89**	34.16
Considered doubtful	**17.96**	25.12
Less : Allowances for doubtful	**(17.96)**	(25.12)
Bank deposits with more than twelve months maturity		
Considered good*	**0.99**	0.98
Considered doubtful	**0.02**	0.02
Less: Allowance for doubtful	**(0.02)**	(0.02)
Advances against Equity to Joint Ventures#		
GSPC India Transco Limited	**4.51**	-
Bharat Renewable Energy Limited	**0.54**	0.54
Less : Allowance for doubtful	**(0.54)**	(0.54)
Total	**45.39**	35.14

* Includes deposit of ₹ **0.80 Crores** (Previous year: ₹ 0.80 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 31/03/2018	As at 31/03/2017
Advance Payment of Income Tax (Net of provision)	405.25	126.78
Total	**405.25**	126.78

NOTE 12 OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Capital advances	76.62	127.80
Advance to Associates		
Petronet LNG Limited	164.72	185.00
Advance to Employee Benefit Trusts [Refer Note No. 50]	28.09	9.83
Prepaid Expenses	813.47	565.65
Claims and Deposits		
Considered good	488.38	596.72
Considered doubtful	141.49	127.22
Less : Allowance for doubtful	(141.49)	(127.22)
Total	**1,571.28**	1,485.00

NOTE 13 INVENTORIES

[Refer Note No. 1.10]

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Raw materials	4,972.63	3,664.95
[Including in transit ₹ **2,381.78 Crores** (Previous year: ₹1,599.83 Crores)]		
Work-in-progress	883.39	610.43
Finished goods	9,282.92	7,761.08
Stock -in-trade	5,196.89	7,312.29
[Including in transit ₹ **682.22 Crores** (Previous year: ₹1,113.40 Crores)]		
Stores and spares	527.22	429.29
[Including in transit ₹ **5.05 Crores** (Previous year: ₹ 3.24 Crores)]		
Packaging material	10.70	19.97
Total	**20,873.75**	19,798.01

The write-down of inventories to net realisable value during the year amounted to ₹ **155.00 Crores** (Previous year : ₹ 254.52 Crores). The reversal of write downs during the year amounted to ₹ **3.08 Crores** (Previous year : ₹ 2.61 Crores) due to increase in net realisable value of the inventories. The write downs and reversal are included in cost of materials consumed or changes in inventories of finished goods, stock-in-trade and work-in-progress.

Inventories pledged as collateral - Refer Note No. 30

NOTE 14 INVESTMENTS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Investments at Fair Value Through Profit and Loss		
Investments in Government Securities of Face Value ₹ 100 each (fully paid)		
Quoted		
6.35% Oil Marketing Companies GOI Special Bonds 2024	1,979.42	1,992.27
6.90% Oil Marketing Companies GOI Special Bonds 2026#	1,986.15	2,418.46
7.95% Oil Marketing Companies GOI Special Bonds 2025	10.92	11.09
8.20% Oil Marketing Companies GOI Special Bonds 2024	923.04	938.52
7.59% Government Stock 2026#	93.35	-
	4,992.88	5,360.34
Investment in Others		
Unquoted		
Equity Shares of [₹ 10 each (fully paid up)]		
Sai Wardha Power Generation Limited	2.30	-
Total	4,995.18	5,360.34

Kept as Collateral Security with Clearing Corporation of India Limited for borrowing in Collateralised Borrowing and Lending Obligations of face Value ₹ **2,162 Crores** (Previous Year: ₹ 2,200 Crores) - [Refer Note No. 30].

Aggregate amount of Unquoted Securities	2.30	-
Aggregate amount of Quoted Securities	4,992.88	5,360.34
Market value of Quoted Securities	4,992.88	5,360.34
Aggregate amount of Impairment in the value of investments	-	-

NOTE 15 TRADE RECEIVABLES

(Unsecured unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Considered good *	5,166.50	4,773.75
Less: Allowance for Expected Credit Loss	(13.90)	(15.57)
Considered doubtful	134.08	265.29
Less: Allowance for doubtful	(134.08)	(265.29)
Total	5,152.60	4,758.18

* Includes Secured debts ₹ **446.14 Crores** (Previous year: ₹ 423.76 Crores)

Trade receivables pledged as collateral [Refer Note No. 30]

NOTE 16 CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Balances with Banks		
On Current Account	39.50	14.96
Cheques and drafts on hand	35.80	38.69
Cash on hand	0.43	0.70
Total	75.73	54.35

NOTE 17 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Earmarked Balances		
Unpaid Dividend	12.34	10.34
Total	12.34	10.34

NOTE 18 LOANS

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Loans to employees [(including accrued interest) (Secured) [Refer Note No. 52]]	62.45	62.77
Loans to Others	8.50	7.88
Total	70.95	70.65

NOTE 19 OTHER FINANCIAL ASSETS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Interest accrued on bank deposits etc.		
Considered good	0.14	0.14
Considered doubtful	0.02	0.02
Less: Allowance for doubtful	(0.02)	(0.02)
Interest Accrued on Loans to Related Parties	97.87	89.50
Derivative asset	11.64	6.10
Receivable from Central Government/State Government		
Considered good	3,860.06	2,365.95
Considered doubtful	79.99	8.64
Less: Allowance for doubtful	(79.99)	(8.64)
Dues from Related parties		
Dues from subsidiaries	26.22	6.70
Dues from Joint Venture Companies	39.99	21.31
Advances and recoverables		
Considered good	543.21	814.35
Considered doubtful	118.76	300.81
Less : Allowance for doubtful	(118.76)	(300.81)
Total	4,579.13	3,304.05

NOTE 20 CURRENT TAX ASSETS (NET)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Advance Income Tax (Net of provision for taxation)	23.73	23.08
Total	23.73	23.08

NOTE 21 OTHER CURRENT ASSETS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Advances other than Capital Advances		
Other advances including prepaid expenses	**311.94**	289.98
Claims	**419.71**	235.07
Recoverables from Customs, Excise etc.	**366.42**	344.44
Total	**1,098.07**	869.49

NOTE 22 ASSETS HELD FOR SALE

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Non Current Assets Held for Sale	**16.93**	9.63
Total	**16.93**	9.63

Non Current Assets held for sale consists of items such as Plant and equipment, Dispensing pumps etc. which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of re-classification of these assets, an impairment loss of ₹ **26.72 Crores** during the year (Previous year: ₹ 5.52 Crores) has been recognised in the statement of profit and loss.

NOTE 23 EQUITY SHARE CAPITAL

₹ in Crores

	Particulars	As at 31/03/2018	As at 31/03/2017
i	**Authorised**		
	2,50,00,00,000 equity shares	**2,500.00**	2,500.00
	(Previous year: 2,50,00,00,000 equity shares)		
ii	**Issued, subscribed and paid-up**		
	2,16,92,52,744 (Previous year: 1,44,61,68,496) equity shares fully paid-up	**2,169.25**	1,446.17
	Less - BPCL Trust for Investment in Shares [Refer Note No. 45]	**(202.37)**	(134.92)
	Total	**1,966.88**	1,311.25

iii The Corporation has only one class of shares namely equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per equity share. In the event of liquidation of the Corporation, the holders of equity shares will be entitled to receive the remaining assets of the Corporation in proportion to the number of equity shares held.

The Corporation declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTE 23 EQUITY SHARE CAPITAL (CONTD.)

iv During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

During the Financial year 2016-17, the Corporation has issued Bonus Shares in the ratio of 1:1 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

v Reconciliation of No. of Equity Shares

Particulars	As at 31/03/2018	As at 31/03/2017
A. Opening Balance	1,44,61,68,496	72,30,84,248
B. Shares Issued		
- Bonus Shares	72,30,84,248	72,30,84,248
C. Shares Bought Back	-	-
D. Closing Balance	2,16,92,52,744	1,44,61,68,496

vi Details of shareholders holding more than 5% shares

	As at 31/03/2018		As at 31/03/2017	
Name of shareholder	% Holding	No. of shares	% Holding	No. of shares
Government of India	54.31	1,17,80,95,019	54.93	79,44,00,240
BPCL Trust for Investment in Shares [Refer Note No. 45]	9.33	20,23,72,422	9.33	13,49,14,948

NOTE 24 OTHER EQUITY

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Capital Reserve	12.33	12.33
Debenture Redemption Reserve	1,108.56	810.82
General Reserve	26,360.45	24,683.03
Foreign Currency Monetary Item Translation Difference Account	66.76	206.34
Equity Instruments through Other Comprehensive Income	78.99	94.24
Retained Earnings	5,014.77	3,074.56
BPCL Trust for Investment in Shares [Refer Note No. 45]	(456.74)	(524.19)
Total	32,185.12	28,357.13
Capital Reserve		
Opening balance	12.33	12.33
Add/(Less) : Additions/(Deletions) during the year	-	-
Closing balance	12.33	12.33
Debenture Redemption Reserve		
Opening balance	810.82	586.24
Add : Transfer from Retained Earnings	297.74	224.58
Closing balance	1,108.56	810.82

NOTE 24 OTHER EQUITY (CONTD.)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
General Reserve		
Opening balance	**24,683.03**	25,406.12
Add : Transfer from Retained Earnings	**2,400.50**	-
Less : Amount utilised for issue of bonus shares [Refer Note No. 23]	**(723.08)**	(723.09)
Closing balance	**26,360.45**	24,683.03
Foreign Currency Monetary Item Translation Difference Account [Refer Note No. 55]		
Opening balance	**206.34**	(79.28)
Add/(Less) : Additions / (Deletions) during the year	**(74.32)**	155.79
Add/(Less) : Additions / (Deletions) on account of Amortization during the year	**(65.26)**	129.83
Closing balance	**66.76**	206.34

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Equity Instruments through Other Comprehensive Income		
Opening balance	**94.24**	(88.88)
Add/(Less) : Additions / (Deletions) during the year	**(15.25)**	183.12
Closing balance	**78.99**	94.24
BPCL Trust for Investment in Shares: [Refer Note No. 45]		
Opening balance	**(524.19)**	(591.65)
Add/(Less) : Additions / (Deletions) during the year	**67.45**	67.46
Closing balance	**(456.74)**	(524.19)
Retained Earnings		
Opening balance	**3,074.56**	1,422.46
Add : Profit/(Loss) for the year as per Statement of Profit and Loss	**7,919.34**	8,039.30
Add/Less : Remeasurements of defined benefit plans (net of tax)	**24.36**	(50.69)
Less : Transfer to Debenture Redemption Reserve	**(297.74)**	(224.58)
Less : Transfer to General Reserve	**(2,400.50)**	-
Less : Interim Dividends for the year: ₹ **14 per share** (Previous year : ₹31.50 per share)	**(3,036.95)**	(4,555.43)
Less : Dividend Distribution Tax on Interim Dividends for the year	**(420.49)**	(828.23)
Less : Final Dividend for FY 2016-17 ₹ 1 per share (Previous year : ₹15 per share)	**(144.62)**	(1,084.63)
Less : Dividend Distribution Tax on Final Dividend for previous year	**-**	(169.81)
Add : Income from BPCL Trust for Investment in Shares [Refer Note No. 45]	**296.81**	526.17
Closing balance*	**5,014.77**	3,074.56
Total Other Equity	**32,185.12**	28,357.13

*The balance includes accumulated balance of Remeasurements of defined benefit plans (Net of tax) as of 31st March 2018 is ₹**(119.51) Crores** (as on 31st March 2017 ₹(143.87) 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.

NOTE 24 OTHER EQUITY (CONTD.)

Debenture Redemption Reserve

Debenture redemption reserve represents reserve created out of the profits of the Corporation available for distribution to shareholders which is utilised for redemption of debentures/bonds.

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Foreign Currency Monetary Item Translation Difference Account

Foreign Currency Monetary Item Translation Difference Account represents amounts recognised on account of translation of long term foreign currency denominated borrowings not related to acquisition of depreciable assets. Amounts so recognised are amortised in the statement of profit and loss over remaining maturity of related borrowings.

Retained Earnings

Retained Earnings (excluding accumulated balance of remeasurements of defined benefit plans (net of tax)) represents surplus/accumulated earnings of the Corporation and are available for distribution to shareholders.

Proposed Dividends on Equity Shares not recognised

₹ in Crores

	2017-18	**2016-17**
Final Dividend for the year ended (₹ **7** per share (Previous year : ₹ 1 per share))	**1,518.48**	144.62
Dividend Distribution Tax on Proposed Dividend	**312.12**	29.44
Total	**1,830.60**	174.06

NOTE 25 BORROWINGS

₹ in Crores

Particulars	**As at 31/03/2018**		**As at 31/03/2017**	
	Current #	**Non-Current**	Current #	Non-Current
Secured				
From others				
Debentures				
7.35% Secured Non-Convertible Debentures 2022*	**-**	**549.84**	-	549.80
Term Loan				
Loan from Oil Industry Development Board **	**499.44**	**858.50**	412.94	1,357.94
Unsecured				
From banks				
Foreign Currency Loans - Syndicated	**-**	**2,771.42**	1,718.22	2,142.37
Term loan	**-**	**2,000.00**	-	2,000.00
From Others				
Debentures				
7.69% Unsecured Non-Convertible Debentures 2023	**-**	**749.68**	-	-
Bonds				
4% US Dollar International Bonds 2025	**-**	**3,227.22**	-	3,211.28
4.625% US Dollar International Bonds 2022	**-**	**3,238.55**	-	3,222.60
3% Swiss Franc International Bonds 2019	**-**	**1,363.01**	-	1,292.45
Term Loan				
Loan from Oil Industry Development Board	**-**	**-**	24.25	-
Total	**499.44**	**14,758.22**	2,155.41	13,776.44

Classified under Other Financial Liabilities [Refer Note No. 32]

NOTE 25 BORROWINGS (CONTD.)

Terms of Repayment Schedule of Long-term borrowings as on 31/03/2018 :

Non-Current	**Coupon Rate of Interest**	**₹ in Crores**	**Maturity**
4% US Dollar International Bonds 2025	4.00%	3,252.21	08-May-25
Term Loan	SBI MCLR	1,466.40	15-Mar-24
Term Loan	SBI MCLR	133.40	15-Apr-23
7.69% Unsecured Non-Convertible Debentures 2023	7.69%	750.00	16-Jan-23
4.625% US Dollar International Bonds 2022	4.625%	3,252.21	25-Oct-22
Term Loan	SBI MCLR	133.40	15-Apr-22
7.35% Secured Non-Convertible Debentures 2022	7.35%	550.00	10-Mar-22
Term Loan	SBI MCLR	133.40	15-Apr-21
Non-Current	**Coupon Rate of Interest**	**₹ in Crores**	**Maturity**
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	86.50	Apr'21 - Mar'22
Foreign Currency Loans - Syndicated	L + 82 bps	2,146.46	26-Feb-21
Foreign Currency Loans - Syndicated	L + 71 bps	650.44	06-Nov-20
Term Loan	SBI MCLR	133.40	15-Apr-20
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	272.56	Apr'20 - Mar'21
3% Swiss Franc International Bonds 2019	3.00%	1,364.70	20-Dec-19
Loan from Oil Industry Development Board - Secured	7.68% - 9.11%	499.44	Apr'19 - Mar'20
Current			
Loan from Oil Industry Development Board - Secured	7.87% - 9.11%	499.44	Apr'18 - Mar'19

* The Corporation had allotted Non-Convertible 7.35% Debentures of face value of ₹ 550 Crores on 10th March 2017 redeemable on 10th March 2022. These were secured by first legal mortgage by way of a Registered Debenture Trust Deed over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery.

** These are secured by first legal mortgage over the Plant and machinery of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery.

NOTE 26 OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	**As at 31/03/2018**	**As at 31/03/2017**
Security/Earnest Money Deposits	**2.91**	10.77
Retiral Dues	**55.49**	52.63
Total	**58.40**	63.40

NOTE 27 PROVISIONS

₹ in Crores

Particulars	**As at 31/03/2018**	**As at 31/03/2017**
Provision for employee benefits [Refer Note No. 50]	**1,366.19**	1,353.15
Total	**1,366.19**	1,353.15

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET)

(a) Amounts recognised in profit and loss

₹ in Crores

	2017-18	2016-17
Current tax expense (A)		
Current year	2,110.00	2,210.00
Short/(Excess) provision of earlier years	(265.99)	(111.24)
Deferred tax expense (B)		
Origination and reversal of temporary differences*	1,434.66	904.73
Tax expense recognised in the income statement (A+B)	3,278.67	3,003.49

(b) Amounts recognised in other comprehensive income

₹ in Crores

	2017-18 Before tax	2017-18 Tax (expense) benefit	2017-18 Net of tax	2016-17 Before tax	2016-17 Tax (expense) benefit	2016-17 Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	37.44	(13.08)	24.36	(77.52)	26.83	(50.69)
Equity instruments through Other Comprehensive income- net change in fair value	(11.44)	(3.81)	(15.25)	185.04	(1.92)	183.12
Total	26.00	(16.89)	9.11	107.52	24.91	132.43

(c) Reconciliation of effective tax rate

Particulars	2017-18 %	2017-18 ₹ in Crores	2016-17 %	2016-17 ₹ in Crores
Profit before tax		11,198.01		11,042.79
Tax using the Company's domestic tax rate	34.61	3,875.41	34.61	3,821.69
Tax effect of:				
Non-deductible tax expenses	0.54	60.46	0.51	56.35
Tax-exempt income	(3.83)	(428.83)	(2.73)	(301.59)
Interest expense not deductible for tax purposes	(0.05)	(5.45)	0.06	6.96
Incremental deduction allowed for research and development costs	(0.21)	(23.26)	(0.17)	(18.38)
Investment allowance deduction	0.02	1.80	(4.26)	(470.26)
Change in Tax Rate impact	0.49	54.51		
Others	0.09	10.02	0.18	19.96
Effective Income Tax Rate	31.66	3,544.66	28.21	3,114.73
Adjustments recognised in current year in relation to the current tax of prior years		(265.99)		(111.24)
Income Tax Expense		3,278.67		3,003.49

No aggregate amounts of current and deferred tax have arisen in the reporting period which have been recognised in equity and not in Statement of Profit or Loss or Other Comprehensive Income.

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

(d) Movement in deferred tax balances

₹ in Crores

	Net balance as at 01/04/2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2018 Net Balance	Deferred tax asset	Deferred tax liability
Deferred tax Asset / (Liabilities)							
Property, plant and equipment	(4,954.14)	(1,812.11)	-	-	(6,766.25)	-	(6,766.25)
Intangible assets	(19.74)	(15.52)	-	-	(35.26)	-	(35.26)
Derivatives	(1.26)	0.79	-	-	(0.47)	-	(0.47)
Inventories	-	-	-	-	-	-	-
Investments	50.55	21.50	(3.81)	-	68.24	68.24	-
Trade and other receivables	97.20	(45.49)	-	-	51.71	51.71	-
Loans and borrowings	8.68	(8.21)	-	-	0.47	0.47	-
Employee benefits	650.57	(104.92)	(13.08)	-	532.57	532.57	-
Deferred income	-	30.86	-	-	30.86	30.86	-
Provisions	85.89	39.48	-	-	125.37	125.37	-
Other Current liabilities	362.20	(35.77)	-	-	326.43	326.43	-
MAT Credit Entitlement*	-	680.00	-	-	680.00	680.00	-
Other items	218.34	(185.27)	-	-	33.07	33.07	-
Tax Assets/(Liabilities)	(3,501.71)	(1,434.66)	(16.89)	-	(4,953.26)	1,848.72	(6,801.98)

NOTE 28 TAX EXPENSE AND DEFERRED TAX LIABILITIES (NET) (CONTD.)

(e) Movement in deferred tax balances

₹ in Crores

	Net balance 01/04/2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2017 Net Balance	As at 31/03/2017 Deferred tax asset	As at 31/03/2017 Deferred tax liability
Deferred tax Asset / (Liabilities)							
Property, plant and equipment	(3,811.51)	(1,142.63)	-	-	(4,954.14)	-	(4,954.14)
Intangible assets	(24.95)	5.21	-	-	(19.74)	-	(19.74)
Derivatives	0.29	(1.55)	-	-	(1.26)	-	(1.26)
Inventories	(35.71)	35.71	-	-	-	-	-
Investments	122.37	(69.90)	(1.92)	-	50.55	50.55	-
Trade and other receivables	111.69	(14.49)	-	-	97.20	97.20	-
Loans and borrowings	9.44	(0.76)	-	-	8.68	8.68	-
Employee benefits	458.75	164.99	26.83	-	650.57	650.57	-
Deferred income	(6.60)	6.60	-	-	-	-	-
Provisions	219.51	(133.62)	-	-	85.89	85.89	-
Other Current Liabilities	200.95	161.25	-	-	362.20	362.20	-
Other items	133.88	84.46	-	-	218.34	218.34	-
Tax Assets/(Liabilities)	(2,621.89)	(904.73)	24.91	-	(3,501.71)	1,473.43	(4,975.14)

The corporation offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

*MAT credit entitlement of ₹ **680 Crores** is recognised as the corporation is liable to pay tax as per provision of Section 115JB of Income Tax Act, 1961 in the FY 2017-18. Management is confident that it would be in a position to utilise the MAT credit enititlement within the period specified under the Income Tax Act, 1961.

NOTE 29 OTHER NON-CURRENT LIABILITIES

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Deferred Income and Others*	**142.36**	137.29
Total	**142.36**	137.29

*Deferred Income includes unamortised portion of capital grants amounting to ₹ **85.97 Crores** as at 31st March 2018 (Previous year: ₹ 82.99 Crores) comprising mainly of works contract tax reimbursement received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 30 BORROWINGS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Loans repayable on demand		
Secured		
From banks		
Working capital loans / Cash Credit *	**306.75**	87.60
From others		
Collateralized Borrowings and Lending Obligation **	**1,500.00**	1,350.00
Unsecured		
From banks		
Foreign Currency Loans - Buyer's Credit	**6,286.26**	5,789.76
Total	**8,093.01**	7,227.36

* 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 Collateralized Borrowing & Lending Obligations limits from Clearing Corporation of India Limited, the balance of which is ₹ **1,500 Crores as at 31st March 2018 (Previous year: ₹ 1,350 Crores). These are secured by 6.90 % Oil Marketing Companies GOI Special Bonds 2026 & 7.59% Govt. Stock 2026 of Face Value ₹ **2,162 Crores** (Previous year: ₹ 2,200 Crores) [Refer Note no. 14].

NOTE 31 TRADE PAYABLES

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Dues to subsidiaries	**957.79**	728.72
Dues to others [Refer Note No. 46]	**12,106.05**	10,631.06
Total	**13,063.84**	11,359.78

NOTE 32 OTHER FINANCIAL LIABILITIES

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Current maturities of long-term borrowings [Refer Note No. 25]	**499.44**	2,155.41
Interest accrued but not due on borrowings	**183.33**	163.56
Security/Earnest Money deposits	**555.64**	501.86
Unclaimed Dividend*	**12.34**	10.34
Deposits for Containers**	**11,898.51**	10,496.15
Unclaimed Interest on Deposits */#	**-**	-
Dues to Micro and Small Enterprises [Refer Note No. 62]	**191.76**	160.13
Derivative liability	**90.16**	221.50
Other Liabilities (including creditors for expenses and others)	**4,498.23**	5,394.47
Total	**17,929.41**	19,103.42

* No amount is due at the end of the Period for credit to Investors Education and Protection Fund.

** Includes deposit received towards Rajiv Gandhi Gramin LPG Vitrak Yojana and Pradhan Mantri Ujjwala Yojana Scheme (Central Scheme) as on 31st March 2018 ₹ **1,625.91 Crores** (Previous year: ₹ 1,060.53 Crores). The deposit against these schemes have been funded from CSR fund or Government of India.

Nil as at 31st March 2018 (Previous year: ₹ 4,087)

NOTE 33 OTHER CURRENT LIABILITIES

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Advances from Customers	**506.22**	585.08
Statutory Liabilities	**3,488.11**	3,226.23
Others (Deferred income etc.)	**57.18**	55.38
Total	**4,051.51**	3,866.69

NOTE 34 PROVISIONS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Provision for employee benefits [Refer Note No. 50]	**1,002.72**	1,102.71
Provision for CSR Expenditure [Refer Note No. 58]	**144.54**	127.23
Others [Refer Note No. 57]*	**367.90**	585.63
Total	**1,515.16**	1,815.57

*Above includes deposits/ claims made of ₹ **62.29 Crores** (Previous year: ₹ 62.57 Crores) netted of against provisions.

NOTE 35 CURRENT TAX LIABILITIES (NET)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Current tax liabilities (Net of Taxes paid)	**139.18**	116.44
Total	**139.18**	116.44

NOTE 36 REVENUE FROM OPERATIONS

₹ in Crores

Particulars			2017-18	2016-17
(A)	**(i)**	**Sales**		
		Petroleum products	273,924.27	237,251.90
		Crude oil	1,742.39	3,423.19
			275,666.66	240,675.09
	ii)	Subsidy from Central/State Governments [Refer Note No. 44]	734.23	1,184.39
			276,400.89	241,859.48
(B)	**Other operating revenues**		761.34	188.34
Total			277,162.23	242,047.82

NOTE 37 OTHER INCOME

₹ in Crores

Particulars	2017-18	2016-17
Interest Income		
Instruments measured at FVTPL	372.95	492.19
Instruments measured at amortised cost	578.50	499.78
Dividend Income		
Dividend income - Subsidiaries, Joint Ventures and Associates	1,208.84	823.68
Dividend income from non-current equity instruments at FVOCI	36.72	30.60
Dividend income from current investments at FVTPL	-	15.28
Net gains on fair value changes of		
Instruments measured at FVTPL ^	-	227.86
Derivatives at FVTPL	28.86	21.91
Share of profit from association of persons	-	1.87
Write back of liabilities no longer required	5.32	16.18
Reversal of allowance on doubtful debts and advances	236.54	-
Reversal of impairment in value of investments in Subsidiaries, Joint Ventures and Associates	-	16.00
Net gains on foreign currency transactions and translations		
Exchange losses on foreign currency forwards and principal only swap contracts	-	(94.71)
Exchange Gains on foreign currency transactions and translations of other assets and liabilities	-	125.87
Sub-Total	-	31.16
Others#	543.15	424.17
Total	3,010.88	2,600.68

^ Includes gain on sale of investments for previous year ₹ 25.87 Crores. Gains on sale of investments during the current year of ₹ **10.65 Crores** are grouped under Other Expenses along with losses on fair value changes of instruments measured at FVTPL.

Includes amortisation of capital grants ₹ **5.46 Crores** (Previous year: ₹ 2.34 Crores)

NOTE 38 COST OF MATERIALS CONSUMED

₹ in Crores

Particulars	2017-18	2016-17
Opening stock	3,664.95	3,369.70
Add : Purchases	82,775.13	68,005.96
Less: Closing stock	(4,972.63)	(3,664.95)
Total	81,467.45	67,710.71

NOTE 39 PURCHASES OF STOCK-IN-TRADE

₹ in Crores

Particulars	2017-18	2016-17
Petroleum products	123,535.30	110,650.15
Crude oil	1,742.39	3,423.19
Others	185.04	146.75
Total	125,462.73	114,220.09

NOTE 40 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

₹ in Crores

Particulars	2017-18	2016-17
Value of opening stock of		
Finished goods	7,761.08	5,389.77
Stock-in-trade	7,312.29	4,402.55
Work in progress	610.43	313.87
	15,683.80	10,106.19
Less : Value of closing stock of		
Finished goods	9,282.92	7,761.08
Stock-in-trade	5,196.89	7,312.29
Work in progress	883.39	610.43
	15,363.20	15,683.80
Net (increase) / decrease in inventories	320.60	(5,577.61)

NOTE 41 EMPLOYEE BENEFITS EXPENSE

₹ in Crores

Particulars	2017-18	2016-17
Salaries and Wages [Refer Note No. 47]	2,514.25	2,259.96
Contribution to Provident and Other funds	377.83	802.99
Staff Welfare Expenses	420.31	366.51
Voluntary Retirement Scheme	118.59	-
Total	3,430.98	3,429.46

NOTE 42 FINANCE COSTS

₹ in Crores

Particulars	2017-18	2016-17
Interest Expense	738.64	443.31
Other Borrowing Costs	21.97	26.77
Interest on shortfall in payment of income tax	-	20.11
Exchange differences regarded as an adjustment to borrowing costs	72.64	5.68
Total	833.25	495.87

NOTE 43 OTHER EXPENSES

₹ in Crores

Particulars	2017-18	2016-17
Transportation	6,265.77	5,644.70
Octroi, Other Levies and Irrecoverable Taxes	947.89	806.94
Repairs, maintenance, stores and spares consumption	1,095.56	966.24
Power and fuel	4,742.17	3,121.88
Less: Consumption of fuel out of own production	(2,992.67)	(1,812.52)
Power and fuel consumed (net)	1,749.50	1,309.36
Packages consumed	178.50	175.48
Net losses on fair value changes of		
Instruments measured at FVTPL ^	44.17	-
Office Administration, Selling and Other expenses		
Rent [Refer Note No. 49]	378.09	350.30
Utilities [Refer Note No. 49]	794.84	252.15
Terminaling and related expenses	284.49	306.78
Travelling and conveyance	213.81	189.84
Remuneration to auditors		
Audit fees	0.47	0.47
Fees for other services - Certification	0.30	0.47
Reimbursement of out of pocket expenses	0.01	-
Sub-Total	0.78	0.94
Bad debts and other write offs	5.60	5.40
Allowance for doubtful debts & advances (net)	-	21.66
Share of loss from association of persons	0.04	-
Loss on sale of property, plant and equipment / assets held for sale (net)	35.63	36.29
Net losses on foreign currency transactions and translations		
Exchange gains on foreign currency forwards and principal only swap contracts	(144.16)	-
Exchange losses on transactions and translations of other foreign currency assets and liabilities	152.91	-
Sub-Total	8.75	-
CSR Expenditure [Refer Note No. 58]	183.33	159.14
Impairment loss on assets held for sale	26.72	5.52
Others	1,749.01	1,367.88
Sub-Total - Office Administration, Selling and Other expenses	3,681.09	2,695.90
Total	13,962.48	11,598.62

^ Includes gain on sale of investments for current year ₹ **10.65 Crores**. Gains on sale of investments during the previous year of ₹ 25.87 Crores are grouped under Other Income along with gains on fair value changes of instruments measured at FVTPL.

NOTE 44

Consequent to non-revision in retail selling prices corresponding to the international prices and applicable foreign exchange rates prevailing during the year, the Corporation has suffered gross under recovery of ₹ **719.30 Crores** (Previous year: ₹ **1,172.83 Crores**) on sale of sensitive petroleum products.

As advised by the Ministry of Petroleum & Natural Gas, the Corporation has accounted compensation towards sharing of under-recoveries on sale of sensitive petroleum products as subsidy from Government of India amounting to ₹ **719.30 Crores** (Previous year: ₹ 1,172.83 Crores) and the same is accounted as Revenue from operations.

After adjusting the above compensation, the net under recovery absorbed by the Corporation is **Nil** (Previous year: under recovery Nil).

Further, subsidies received from State Governments which are recognised in Revenue From Operations is ₹ **14.93 Crores** (Previous year: ₹ 11.56 Crores) during current year.

NOTE 45

As per the scheme of Amalgamation of the erstwhile Kochi Refineries Limited ("KRL") with the Corporation approved by the Government of India, 3,37,28,737 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile KRL) to a trust for the benefit of the Corporation in the financial year 2006-07. After the 1:1 Bonus issue in July 2012 and July 2016 respectively and 1:2 bonus issue in July 2017, presently the trust holds 20,23,72,422 equity shares of the Corporation. The cost of the original investment together with the additional contribution to the corpus of the trust made in 2014-15 has been reduced from the total equity of the Corporation. To the extent of the face value of the shares, the same has been reduced from the Paid up Share capital of the Corporation and the balance has been reduced from Other Equity under a separate reserve. Accordingly, the income received from the Trust has been recognised directly under Other Equity of the Corporation.

NOTE 46

The Corporation has numerous transactions with other oil companies. The outstanding balances (included under Trade Payables / Trade Receivables etc.) from them including 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 the previous Financial Year 2016-17, provision was made under Salaries and Wages in respect of pay revision dues (including retiral dues) to employees w.e.f. 1st January 2017 at an estimated amount of ₹ 596.86 Crores based on the available information and judgement.

Further, pursuant to implementation of the pay revision in the current year and recognition of the employee benefit expenses thereof, an amount of ₹ 455.65 Crores representing past service cost in respect of employee gratuity scheme included in the provisions created in the previous year has been regrouped from “salaries and wages” to “contribution to provident and other funds” of the previous year to that extent.

NOTE 48 SERVICE CONCESSION ARRANGEMENTS

The Corporation has entered into service concession arrangements with entities supplying electricity ("The Regulator") to construct, own, operate and maintain a wind energy based electric power generating station ("Plant").

Under the terms of agreement, the Corporation will operate and maintain the Plant and sell electricity generated to Regulator for a period which covers the substantial useful life of the Plant which may be renewed for such further period as may be mutually agreed upon between the parties. The Corporation will be responsible for any maintenance services during the concession period.

The Corporation in turn has a right to charge the Regulator agreed rate as stated in the service concession arrangement.

The fair value towards the construction of the Plant has been recognised as an Intangible Asset and is amortised over the useful life of the asset or period of contract whichever is less.

NOTE 49 LEASES

Operating leases

A. Leases as lessee

The Corporation enters into cancellable/non-cancellable operating lease arrangements for land, godowns, office premises, staff quarters, third party operating plant and others. The lease rentals paid for the same are charged to the Statement of Profit and Loss.

a) The future minimum lease payments under Non cancellable leases payable as at the year ending are as follows:

₹ in Crores

	Particulars	As at 31/03/2018	As at 31/03/2017
i)	Less than one year	**374.18**	371.98
	Between one and five years	**1,928.59**	1,530.94
	More than five years	**7,321.39**	4,830.04
ii)	Lease Rentals recognized in the Statement of Profit and Loss	**349.84**	13.48

b) The Corporation enters into cancellable operating leases in respect of land, office premises, staff quarters and others which are cancellable by giving appropriate notices as per respective agreements. During the year ₹ **339.93 Crores** (Previous year: ₹ 311.83 Crores) has been charged to Statement of Profit and Loss on account of lease rentals.

B. Leases as lessor

a) The Corporation enters into cancellable/non-cancellable operating lease arrangements in respect of land, commercial spaces, storage distribution facilities etc. The details are as follows:

As at 31/03/2018

₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicle
Gross Carrying Amount	**26.22**	**151.03**	**107.56**	**311.19**	**6.30**	**5.29**	**62.87**	**0.01**
Accumulated depreciation	**-**	**18.21**	**24.35**	**41.79**	**4.20**	**1.90**	**16.42**	**-**
Depreciation recognised in statement of P&L	**-**	**6.09**	**8.36**	**14.13**	**0.98**	**0.75**	**5.53**	**-**

As at 31/03/2017

₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicle
Gross Carrying Amount	0.89	119.84	107.01	311.15	6.03	5.07	62.87	0.01
Accumulated depreciation	-	10.29	16.01	27.66	3.24	1.18	10.89	-
Depreciation recognised in statement of P&L	-	5.15	8.36	14.00	1.43	0.61	5.48	-

b) Total contingent rent recognised as income in the Statement of Profit and Loss in the FY 2017-18 is ₹ **21.60 Crores** (Previous year: ₹ 21.52 Crores).

NOTE 49 LEASES (CONTD.)

c) The future minimum lease payments under Non cancellable leases receivable as at the year ending are as follows:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Less than one year	**26.03**	26.01
Between one and five years	**104.13**	104.02
More than five years	**58.55**	84.47

Finance Lease

A. Leases as lessee

i) The Corporation has finance lease arrangements for various Land leases. The carrying amount of these assets are shown below:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Gross Carrying Amount	**0.74**	0.74
Accumulated depreciation	**0.06**	0.05
Depreciation recognised in statement of Profit and Loss	**0.01**	0.03

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. This Fund is maintained under a trust.

₹ in Crores

Amount recognised in the Statement of Profit and Loss	2017-18	2016-17
Defined Contribution Scheme	**232.95**	173.07

Defined Benefit Plans

The Corporation has the following Defined Benefit Plans

Gratuity: The Corporation has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof etc. Based on actuarial valuation, the contribution is paid to the trust which is invested in plan assets as per the investment pattern prescribed by the Government. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits include: (a) Post Retirement Medical Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents; (b) Pension / Ex-Gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life; (c) Death in service / Permanent Disablement benefit given to the spouse of the employee / employee, provided the deceased's family / disabled employee deposits with the Corporation, retirement dues such as Provident Fund, Gratuity, Leave Encashment etc. payable to them; (d) Resettlement allowance paid to employees to permanently settle down at the time of retirement; (e) 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.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

These defined benefit plans expose the Corporation to actuarial risks, such as longetivity risk, interest rate risk and market (investment) risk.

Movement in net defined benefit (Asset)/Liability

a) **Reconciliation of balances of Defined Benefit Obligations** ₹ in Crores

	Gratuity - Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Defined Obligations at the beginning of the year	**629.91**	634.97	**981.85**	855.76	**88.49**	79.04
Interest Cost	**45.73**	50.73	**73.15**	68.97	**6.03**	6.16
Current Service Cost	**6.47**	5.50	**39.72**	38.34	**-**	-
Past Service Cost	**455.65**	-	**-**	-	**-**	-
Benefits paid	**(104.90)**	(54.35)	**(36.56)**	(32.80)	**(16.15)**	(17.66)
Actuarial (Gains)/ Losses on obligations						
- Changes in financial Assumptions	**(37.32)**	25.68	**1.63**	133.56	**(2.22)**	2.89
- Experience adjustments	**47.36**	(32.62)	**(22.76)**	(81.98)	**1.28**	18.06
Defined Obligations at the end of the year	**1,042.90**	629.91	**1,037.03**	981.85	**77.43**	88.49
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	**639.74**	640.16	**930.84**	706.78		
Interest income (i)	**46.45**	51.15	**69.35**	56.97		
Return on Plan Assets, excluding interest income(ii)	**7.11**	2.70	**12.66**	17.02		
Actual Return on Plan assets (i+ii)	**53.56**	53.85	**82.01**	73.99		
Contribution by employer	**50.52**	0.08	**52.27**	181.73		
Contribution by employee	**-**	-	**-**	1.14		
Benefits paid	**(104.90)**	(54.35)	**-**	(32.80)		
Fair Value of Plan Assets at the end of the year	**638.92**	639.74	**1,065.12**	930.84		
c) Amount recognised in Balance sheet (a-b)	**403.98**	(9.83)	**(28.09)**	51.01	**77.43**	88.49
d) Amount recognised in Statement of Profit and Loss						
Current Service Cost	**6.47**	5.50	**39.72**	38.34	**-**	-
Past Service Cost	**455.65**	-	**-**	-	**-**	
Interest Cost	**45.73**	50.73	**73.15**	68.97	**6.03**	6.16
Interest income	**(46.45)**	(51.15)	**(69.35)**	(56.97)	**-**	-
Contribution by employee	**-**	-	**-**	(1.14)		-
Expenses for the year	**461.40**	5.08	**43.52**	49.20	**6.03**	6.16

Note: Provision in respect of pay revision dues as mentioned in Note no. 47 is over and above the amounts recognised herein.

e) **Amount recognised in Other Comprehensive Income** ₹ in Crores

Remeasurements	Gratuity - Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Actuarial (Gains)/ Losses						
- Changes in financial assumptions	**(37.32)**	25.68	**1.63**	133.56	**(2.22)**	2.89
- Experience adjustments	**47.36**	(32.62)	**(22.76)**	(81.98)	**1.28**	18.06
Return on plan assets excluding net interest cost	**(7.11)**	(2.70)	**(12.66)**	(17.02)	**-**	-
Total	**2.93**	(9.64)	**(33.79)**	34.56	**(0.94)**	20.95

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

f) Major Actuarial Assumptions

₹ in Crores

	Gratuity - Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Discount Rate (%)	**7.88**	7.26	**7.76**	7.45	**7.68**	6.81
Salary Escalation/ Inflation (%)	**8.00**	8.00	**7.00**	7.00	**-**	-
Expected Return on Plan assets (%)	**7.88**	7.26	**7.76**	7.45	**-**	-

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

g) Investment pattern for Fund

	Gratuity - Funded		Post Retirement Medical - Funded	
	As at 31/03/2018	As at 31/03/2017	**As at 31/03/2018**	As at 31/03/2017
Category of Asset	**%**	%	**%**	%
Government of India Asset	**23.38**	23.57	**3.58**	5.16
Corporate Bonds	**5.56**	18.81	**72.17**	74.97
Insurer Managed funds	**61.30**	53.82	**-**	-
State Government	**1.49**	2.29	**19.00**	15.70
Others	**8.27**	1.51	**5.25**	4.17
Total (%)	**100.00**	100.00	**100.00**	100.00

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit credit method is adopted for Asset-Liability Matching.

Movement in net defined benefit (asset)/ liability

a) Reconciliation of balances of Defined Benefit Obligations

₹ in Crores

	Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Defined Obligations at the beginning of the year	**14.01**	12.11	**14.70**	14.99	**326.43**	321.09
Interest Cost	**0.95**	0.95	**1.07**	1.20	**24.32**	25.66
Current Service Cost	**-**	-	**3.23**	3.24	**3.09**	6.48
Past service cost	**-**	-	**-**	-	**-**	(27.59)
Benefits paid	**(9.02)**	(11.63)	**(2.65)**	(1.69)	**(19.90)**	(21.32)
Actuarial (Gains)/ Losses on obligations						
- Changes in financial assumptions	**(1.92)**	2.95	**(0.50)**	0.01	**(8.38)**	14.61
- Experience adjustments	**7.49**	9.63	**(2.56)**	(3.05)	**0.23**	7.50
Defined Obligations at the end of the year	**11.51**	14.01	**13.29**	14.70	**325.79**	326.43

₹ in Crores

	Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
b) Amount recognised in Balance sheet	**11.51**	14.01	**13.29**	14.70	**325.79**	326.43
c) Amount recognised in Statement of Profit and Loss						
Current Service Cost	**-**	-	**3.23**	3.24	**3.09**	6.48
Past Service Cost	**-**	-	**-**	-	**-**	(27.59)
Interest Cost	**0.95**	0.95	**1.07**	1.20	**24.32**	25.66
Expenses for the year	**0.95**	0.95	**4.30**	4.44	**27.41**	4.55

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

₹ in Crores

		Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded	
		2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
d)	**Amount recognised in Other Comprehensive Income**						
	Remeasurements :						
	Actuarial (Gains)/ Losses						
	- Changes in financial assumptions	**(1.92)**	2.95	**(0.50)**	0.01	**(8.38)**	14.61
	- Experience adjustments	**7.49**	9.63	**(2.56)**	(3.05)	**0.23**	7.50
	Total	**5.57**	12.58	**(3.06)**	(3.04)	**(8.15)**	22.11
e)	**Major Actuarial Assumptions**						
	Discount Rate (%)	**7.50**	6.81	**7.88**	7.26	**7.76**	7.45

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.

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 2018 is as below:

₹ in Crores

Particulars	**Gratuity - Funded**	**Post Retirement Medical - Funded**	**Burmah shell Pension- Non Funded**	**Death/ Permanent Disablement- Non funded**	**Resettlement allowance- Non funded**	**Exgratia scheme- Non funded**
+ 1% change in rate of Discounting	**(54.39)**	**(129.93)**	**(2.79)**	**(2.62)**	**(0.72)**	**(24.52)**
- 1% change in rate of Discounting	**61.73**	**164.98**	**2.09**	**2.81**	**0.82**	**28.52**
+ 1% change in rate of Salary increase/ inflation	**13.22**	**172.09**				
- 1% change in rate of Salary increase/ inflation	**(15.13)**	**(136.32)**				

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31st March 2017 is as below:

₹ in Crores

Particulars	**Gratuity - Funded**	**Post Retirement Medical - Funded**	**Burmah shell Pension- Non Funded**	**Death/ Permanent Disablement- Non funded**	**Resettlement allowance- Non funded**	**Exgratia scheme- Non funded**
+ 1% change in rate of Discounting	(34.60)	(109.88)	(2.95)	(2.87)	(0.84)	(23.34)
- 1% change in rate of Discounting	39.38	134.96	3.20	3.10	0.96	26.70
+ 1% change in rate of Salary increase/ inflation	3.07	134.95				
- 1% change in rate of Salary increase/ inflation	(3.49)	(110.57)				

Sensitivity for significant actuarial asssumptions is computed by varying one actuarial assumption used for the valuation keeping all other actuarial assumptions constant.

NOTE 50 EMPLOYEE BENEFITS (CONTD.)

The expected future cash flows as at 31st March 2018 are as follows:

₹ in Crores

Expected contribution	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
Projected benefits payable in future years from the date of reporting						
1st following year	153.37	39.50	13.65	2.66	1.74	21.95
2nd following year	94.95	47.01	11.85	2.28	1.03	23.13
3rd following year	135.92	55.74	10.21	1.98	1.72	24.02
4th following year	120.68	59.99	8.72	1.73	1.51	24.51
5th following year	121.10	65.83	7.37	1.49	1.58	24.92
Years 6 to 10	485.10	425.70	21.63	4.10	6.61	125.59

Other details as at 31st March 2018

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
Weighted average duration of the Projected Benefit Obligation (in years)	7.00	15.00	4.00	6.00	7.00	9.00
Prescribed contribution for next year (₹ in Crores)	121.17	-	-	-	-	-

[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 assets, based on the Government specified minimum rate of return, will be made good by the Corporation and charged to Statement of Profit and Loss. The actual return earned by the fund has mostly been higher than the Government specified minimum rate of return in the past years. There is no shortfall in the fund as on 31st March 2018 and 31st March 2017.

The details of fund obligations are given below:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Present value of benefit obligation at period end	4,827.59	4,505.00

NOTE 51 RELATED PARTY TRANSACTIONS

a) Names of the Related parties

Joint Venture & Associate Companies

1. Indraprastha Gas Limited
2. Petronet India Limited*
3. Petronet CI Limited*
4. Petronet LNG Limited
5. Bharat Oman Refineries Limited
6. Maharashtra Natural Gas Limited
7. Central UP Gas Limited
8. Sabarmati Gas Limited
9. Bharat Stars Services Private Limited
   (Including Bharat Stars Services (Delhi) Pvt. Limited)

NOTE 51 RELATED PARTY TRANSACTIONS (CONTD.)

10. Bharat Renewable Energy Limited*
11. Matrix Bharat Pte. Ltd.
12. Delhi Aviation Fuel Facility Private Limited
13. Kannur International Airport Limited
14. GSPL India Gasnet Limited
15. GSPL India Transco Limited
16. Mumbai Aviation Fuel Farm Facility Private Limited
17. Kochi Salem Pipeline Private Limited
18. Petroleum India International
19. BPCL-KIAL Fuel Farm Private Limited
20. Haridwar Natural Gas Pvt. Ltd.
21. Goa Natural Gas Pvt. Ltd.
22. FINO Paytech Limited
23. Ratnagiri Refinery & Petrochemicals Limited
24. Ujjwala Plus Foundation (Section 8 company)
25. IBV (Brasil) Petroleo Ltda.
26. Taas India Pte Ltd.
27. Vankor India Pte Ltd.
28. Falcon Oil & Gas BV
29. Mozambique LNG 1 Pte Ltd.
30. LLC TYNGD
31. JSC Vankorneft
32. DNP Limited
33. Brahmaputra Cracker and Polymer Limited

*Companies in the process of winding up

Key Management Personnel :

1. Shri S. Varadarajan, Chairman & Managing Director (Up to 30.09.2016)
2. Shri D. Rajkumar, Chairman & Managing Director Appointed (w.e.f 01.10.2016)
3. Shri S. Ramesh, Director (Marketing)
4. Shri B. K. Datta, Director (Refineries) (Up to 31.07.2016)
5. Shri R. Ramachandran, Director (Refineries) Appointed (w.e.f 01.08.2016)
6. Shri S. P. Gathoo, Director (Human Resource) (Up to 31.10.2017)
7. Shri K. Padmakar, Director (Human Resource) Appointed (w.e.f. 01.02.2018)
8. Shri P. Balasubramanian, Director (Finance) (Up to 30.04.2017)
9. Shri K. Sivakumar, Director (Finance) (w.e.f. 01.05.2017)
10. Shri S.V. Kulkarni, (Company Secretary) (Up to 28.02.2017)
11. Shri M. Venugopal, (Company Secretary) (w.e.f. 01.03.2017)
12. Shri Rajesh Kumar Mangal, Independent Director
13. Shri Deepak Bhojwani, Independent Director
14. Shri Gopal Chandra Nanda, Independent Director
15. Shri Vishal V Sharma, Independent Director Appointed (w.e.f 09.02.2017)
16. Shri P. H. Kurian, Govt. Nominee Director (up to 18.04.2017)
17. Shri Paul Antony, Nominee Director Appointed (w.e.f. 19.04.2017 up to 19.03.2018)
18. Dr. K. Ellangovan, Govt. Nominee Director Appointed (w.e.f. 20.03.2018)
19. Smt. Jane Mary Shanti Sundharam, Independent Director Appointed (w.e.f. 21.09.2017)
20. Shri Vinay Sheel Oberoi, Independent Director Appointed (w.e.f. 21.09.2017)
21. Dr. (Smt.) Tamilisai Soundararajan, Independent Director Appointed (w.e.f. 28.09.2017)
22. Shri Anant Kumar Singh, Govt. Nominee Director (Up to 27.11.2017)
23. Shri Rajiv Bansal, Govt. Nominee Director Appointed (w.e.f. 28.11.2017)

NOTE 51 RELATED PARTY TRANSACTIONS (CONTD.)

b) The nature wise transactions with the above related parties are as follows:

₹ in Crores

S. No.	Nature of Transactions	2017-18	2016-17
1.	Purchase of goods	**37,709.00**	31,650.85
2.	Sale of goods	**3,066.71**	4,171.38
3.	Rendering of Services	**78.04**	50.38
4.	Receiving of Services	**285.19**	148.82
5.	Interest Income / Share of profit/(loss)	**114.33**	120.90
6.	Dividend Income and other receipts	**108.95**	91.40
7.	Investment and Advance for Investments- Equity	**88.08**	332.46
8.	Other Investments	**-**	1,001.10
9.	Management Contracts (Employees on deputation/ consultancy services)	**28.33**	22.81
10.	Lease Rental & other charges received	**30.95**	30.36
11.	Lease Rental & Other Charges paid	**0.09**	0.08
12.	Receivables as at year end	**1,562.79**	2,535.24
13.	Payables as at year end	**1,429.91**	1,462.44
14.	Financial Guarantee Outstanding	**1,522.03**	1,517.22

The outstanding balances are unsecured and are 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 followings:

- Sales and purchases of goods and ancillary materials;
- Rendering and receiving of services;
- Receipt of dividends;
- Loans and advances;
- Depositing and borrowing money;
- Guarantees; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not Government controlled entities.

d) Key management personnel compensation

₹ in Crores

Particulars	2017-18	2016-17
Short-term employee benefits	**3.63**	3.26
Post-employment benefits	**0.71**	0.63
Other long-term employee benefits	**1.13**	0.43
Others (including sitting fees to non-executive directors)	**0.86**	0.38

NOTE 52

Dues from Directors is ₹ **0.34 Crores** (31st March 2017: ₹ 0.40 Crores) and Dues from Officers is ₹ **3.54 Crores** (31st March 2017: ₹ 4.13 Crores)

NOTE 53

In compliance with Ind AS – 27 'Separate Financial Statements', the required information is as under:

	Principal place of Business / Country of Incorporation	Percentage of ownership Interest (%)	
		As at 31/03/2018	As at 31/03/2017
Subsidiaries			
Numaligarh Refinery Limited	India	61.65	61.65
Petronet CCK Ltd.	India	99.99	99.99
Bharat PetroResources Limited	India	100	100
Joint Ventures and associates			
Indraprastha Gas Limited	India	22.50	22.50
Petronet India Limited #	India	16.00	16.00
Petronet CI Limited #	India	11.00	11.00
Petronet LNG Limited	India	12.50	12.50
Bharat Oman Refineries Limited*	India	50.00	50.00
Central UP Gas Limited	India	25.00	25.00
Maharashtra Natural Gas Limited	India	22.50	22.50
Sabarmati Gas Limited	India	49.94	49.94
Bharat Stars Services Private Limited	India	50.00	50.00
Bharat Renewable Energy Limited #	India	33.33	33.33
Matrix Bharat Pte. Ltd.	Singapore	50.00	50.00
Delhi Aviation Fuel Facility Pvt. Limited	India	37.00	37.00
Kannur International Airport Limited@	India	21.68	21.68
GSPL India Gasnet Limited	India	11.00	11.00
GSPL India Transco Limited	India	11.00	11.00
Mumbai Aviation Fuel Farm Facility Private Limited	India	25.00	25.00
Kochi Salem Pipeline Private Limited	India	50.00	50.00
BPCL-KIAL Fuel Farm Private Limited	India	74.00	74.00
Haridwar Natural Gas Pvt. Ltd.	India	50.00	50.00
Goa Natural Gas Private Limited	India	50.00	50.00
FINO Paytech Limited	India	20.75	21.10
Petroleum India International	India	18.18	18.18
Ratnagiri Refinery & Petrochemicals Limited	India	25.00	NA

Companies in the process of winding up

@The percentage of ownership interest is after considering proposed increase in equity participation

* In addition to the ownership interest as mentioned above, the Corporation has made an investment in Compulsorily Convertible Debentures and Share Warrants of BORL.

Note: Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee company (without share capital) under section 8 of Companies Act, 2013.

NOTE 54 EARNINGS PER SHARE (EPS)

₹ in Crores

	Particulars	2017-18	2016-17
i.	**Profit attributable to equity holders of the Corporation for basic and diluted earnings per equity share**	7,919.34	8,039.30
ii.	**Weighted average number of ordinary shares**		
	Issued ordinary shares at 1st April (In Crores)	144.62	72.31
	Effect of shares issued as Bonus shares * (In Crores)	72.31	144.62
	Less : Investment held by BPCL Trust for Investment in Shares * [Refer Note No. 45] (In Crores)	(20.24)	(20.24)
	Weighted average number of shares at period end for basic and diluted EPS (In Crores)	196.69	196.69
	Basic and Diluted EPS (₹)	40.26	40.87

*The Corporation has issued bonus shares in the ratio of 1:2 during Financial Year 2017-18. The EPS for the financial year 2016-17 has been appropriately adjusted.

NOTE 55

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of the liability.

The net gain remaining unamortised under Foreign Currency Monetary Item Translation Difference Account as at 31st March 2018 is ₹ **66.76 Crores** (net gain as at 31st March 2017 ₹ 206.34 Crores).

NOTE 56 IMPAIRMENT OF ASSETS

It is assumed that suitable mechanism would be in place by the Government of India, in line with earlier/ current year(s), to provide compensation towards under recoveries of margin, if any, and recoveries against Direct Benefit Transfer for LPG Scheme on account of sale of sensitive petroleum products in subsequent years. Hence, there is no indication of impairment of assets of the Corporation as at 31st March 2018.

NOTE 57

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	52.21	1.72	0.08	49.14	4.71
Customs	2.51	-	-	-	2.51
Service Tax	-	0.06	-	-	0.06
VAT/ Sales Tax/ Entry Tax	554.18	12.59	-	182.55	384.22
Property Tax	39.30	8.88	8.83	0.66	38.69
Total	**648.20**	**23.25**	**8.91**	**232.35**	**430.19**
Previous year	697.47	92.57	-	141.84	648.20

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

Above includes provision of ₹ **62.29 Crores** (Previous year: ₹ 62.57 Crores) for which deposits/claims have been made.

NOTE 58 DISCLOSURE IN RESPECT OF EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

₹ in Crores

Particulars	2017-18	2016-17
a) Unspent CSR Expenditure carried forward from previous year (Opening Provision)	**127.23**	59.07
b) Amount required to be spent by the company during the year	**183.33**	159.14
c) Amount spent during the year (on purpose other than construction / acquisition of assets controlled by the company) #	**166.02***	90.98*
d) Provision created for balance amount (Closing Provision)	**144.54**	127.23

The above expenditure includes contribution to funds, expenses through registered trusts / registered society or company established under section 8 of the Act and direct expenses by the company.

* including payables of ₹ **2.75 Crores** (Previous year: ₹ 6.09 Crores) as on 31.03.2018.

NOTE 59 FINANCIAL INSTRUMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in Crores

As at 31/03/2018	Note Reference	Carrying amount				Fair value			
		Mandatorily at FVTPL	FVOCI - designated as such	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Investment in equity instruments	8 & 14	2.30	681.20	-	683.50	575.94	2.30	105.26	683.50
Investment in debt instruments	8 & 14	4,992.88	-	0.01	4,992.89	4,992.88	-	-	4,992.88
Derivative instruments - Interest rate swap	19	3.13	-	-	3.13	-	3.13	-	3.13
Derivative instruments- Forward Contracts	19	8.51	-	-	8.51	-	8.51	-	8.51
Deposits	9	-	-	27.81	27.81	-	34.19	-	34.19
Loan to subsidiary- fixed rate	9	-	-	216.81	216.81	-	267.57	-	267.57
Loan to subsidiary- variable rate	9	-	-	625.00	625.00	-	-	-	-
Loan to Joint Venture	9	-	-	1,254.10	1,254.10	-	1,429.67	-	1,429.67
Loans									
Non-current-Loans to employee	9	-	-	389.03	389.03	-	389.03	-	389.03
Non-current-Other Loans	9	-	-	463.87	463.87	-	463.87	-	463.87
Non-current- Others	9	-	-	43.69	43.69				
Current	18	-	-	70.95	70.95				
Other Deposits	9	-	-	71.07	71.07				
Cash and cash equivalents	16	-	-	75.73	75.73				
Bank Balances other than Cash and cash equivalents	17	-	-	12.34	12.34				
Trade receivables	15	-	-	5,152.60	5,152.60				
Others									
Non-current	10	-	-	45.39	45.39				
Current	19	-	-	4,567.49	4,567.49				
Total		**5,006.82**	**681.20**	**13,015.89**	**18,703.91**				
Financial liabilities									
Derivative Liability on Currency Swaps	32	85.83	-	-	85.83	-	85.83	-	85.83
Derivative Liability on commodity derivatives	32	4.33	-	-	4.33	-	4.33	-	4.33
Bonds	25	-	-	7,828.78	7,828.78	7,976.51	-	-	7,976.51
OIDB Loans	25 & 32	-	-	1,357.94	1,357.94	-	1,373.45	-	1,373.45
Debentures	25	-	-	1,299.52	1,299.52	1,290.49	-	-	1,290.49
Term loans	25	-	-	2,000.00	2,000.00				
Foreign Currency Loans - Syndicated	25	-	-	2,771.42	2,771.42				
Other Non-Current financial liabilities	26	-	-	58.40	58.40				
Borrowings Current	30	-	-	8,093.01	8,093.01				
Trade and Other Payables	31	-	-	13,063.84	13,063.84				
Other Current liabilities	32	-	-	17,339.81	17,339.81				
Total		**90.16**	**-**	**53,812.72**	**53,902.88**				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

As at 31/03/2017	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	-	692.65	-	692.65	594.85	-	97.80	692.65
Investment in debt instruments	8 & 14	5,360.34	-	0.01	5,360.35	5,360.34	-	-	5,360.34
Derivative instruments - Commodity related	19	3.28	-	-	3.28	-	3.28	-	3.28
Derivative instruments - Interest rate swap	19	2.81	-	-	2.81	-	2.81	-	2.81
Deposits	9	-	-	8.47	8.47	-	10.71	-	10.71
Loan to subsidiary- fixed rate	9	-	-	197.10	197.10	-	215.73	-	215.73
Loan to subsidiary- variable rate	9	-	-	1,850.00	1,850.00	-	-	-	-
Loan to Joint Venture	9	-	-	1,254.10	1,254.10	-	1,243.19	-	1,243.19
Loans									
Non-current- Loans to employee	9	-	-	387.45	387.45	-	387.45	-	387.45
Non-current- Others	9	-	-	32.29	32.29				
Current	18	-	-	70.65	70.65				
Other Deposits	9	-	-	54.24	54.24				
Cash and cash equivalents	16	-	-	54.35	54.35				
Bank Balances other than Cash and cash equivalents	17	-	-	10.34	10.34				
Trade receivables	15	-	-	4,758.18	4,758.18				
Others									
Non-current	10	-	-	35.14	35.14				
Current	19	-	-	3,297.96	3,297.96				
Total		**5,366.43**	**692.65**	**12,010.28**	**18,069.36**				
Financial liabilities									
Derivative Liability on forwards	32	67.41	-	-	67.41	-	67.41	-	67.41
Derivative Liability on Swaps	32	154.07	-	-	154.07	-	154.07	-	154.07
Derivative Liability on commodity derivatives	32	0.01	-	-	0.01	-	0.01	-	0.01
Bonds	25	-	-	7,726.33	7,726.33	8,091.46	-	-	8,091.46
OIDB Loans	25 & 32	-	-	1,795.13	1,795.13	-	1,833.04	-	1,833.04
Debentures	25	-	-	549.80	549.80	553.01	-	-	553.01
Term loans	25	-	-	2,000.00	2,000.00				
Foreign Currency Loans - Syndicated	25 & 32	-	-	3,860.59	3,860.59				
Other Non-Current financial liabilities	26	-	-	63.40	63.40				
Borrowings Current	30	-	-	7,227.36	7,227.36				
Trade and Other Payables	31	-	-	11,359.78	11,359.78				
Other Current liabilities	32	-	-	16,726.52	16,726.52				
Total		**221.49**	-	**51,308.91**	**51,530.40**				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the Balance Sheet, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares (Cochin International Airport Limited)	The Valuation is based on market multiples derived from quoted prices of companies comparable to investee and the expected revenue and PAT of the investee.	Adjusted market multiple (P/E)	The estimated fair value would increase/(decrease) if Adjusted market multiple were higher/(lower)
Unquoted equity shares- (Sai Wardha Power Generation Limited (SWPGL))	The Fair Valuation is based on the agreement with SWPGL.	Not applicable	Not applicable
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Derivative instruments - interest rate swap and currency swap	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates. This technique also involves using the interest rate curve for projecting the future cash flows.	Not applicable	Not applicable
Derivative instruments - commodity contracts	Fair valuation of Commodity Derivative instruments are based on forward assessment done by Platts which is an independent agency which assesses benchmark global crude oil and product prices. Globally counterparties also use Platts assessment for settlement of transactions.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Not applicable	Not applicable

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

₹ in Crores

Paticulars	Equity securities
Opening Balance(1st April 2016)	88.35
Net change in fair value (unrealised)	9.45
Closing Balance (31st March 2017)	97.80
Opening Balance(1st April 2017)	**97.80**
Net change in fair value (unrealised)	**7.46**
Closing Balance (31st March 2018)	**105.26**

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

Particulars	As at 31/03/2018 Profit or loss		As at 31/03/2017 Profit or loss	
Significant unobservable inputs	**Increase**	**Decrease**	**Increase**	**Decrease**
P/E (5% movement)	**5.29**	**(5.29)**	4.92	(4.92)

C. Financial risk management

C. i. Risk management framework

The Corporation's Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. The Risk Management Committee of the Board has defined roles and responsibilities, which includes reviewing and recommending the risk management plan and the risk management report for approval of the Board with the recommendation of the Audit Committee. The Corporation has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner.

The Corporation has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk; and
- Market risk

C.ii. Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's trade and other receivables, cash and cash equivalents and other bank balances, derivatives and debt securities. The maximum exposure to credit risk in case of all the financial instuments covered below is restricted to their respective carrying amount.

(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.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

As at 31st March 2018 and 31st March 2017, the Corporation's retail dealers and industrial customers accounted for the majority of the trade receivables.

Expected credit loss assessment for Trade and other receivables from customers as at 31st March 2018 and 31st March 2017

The Corporation uses an allowance matrix to measure the expected credit losses of trade and other receivables.

The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made. Roll rates are calculated separately for exposures based on common credit risk characteristics for a set of customers.

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

₹ in Crores

As at 31/03/2018	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	3,848.76	0.17%	6.46
Debts over due	1,694.78	15.36%	260.28
Total	**5,543.54**	**4.81%**	**266.74**

₹ in Crores

As at 31/03/2017	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	1,289.63	0.26%	3.31
Debts over due	2,896.92	19.96%	578.36
Total	**4,186.55**	**13.89%**	**581.67**

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 excluded from above.

Loss rates are based on actual credit loss experience over the past three years.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows:-

₹ in Crores

Balance as at 1st April 2016	588.59
Movement during the year	(6.92)
Balance as at 31st March 2017	581.67
Movement during the year	(314.93)
Balance as at 31st March 2018	**266.74**

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

(b) Cash and cash equivalents and Other Bank Balances

The Corporation held cash and cash equivalents and other bank balances of ₹ **88.07 Crores** at 31st March 2018 (31st March 2017: ₹ 64.69 Crores). The cash and cash equivalents are held with banks with good credit ratings and financial institution counterparties with good market standing. Further, Corporation invests its short term surplus funds in bank fixed deposits, Government of India Treasury-bills and liquid schemes of mutual funds, which carry no / low mark to market risks for short duration. These instruments do not expose the Corporation to credit risk.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Investment in debt securities

Investment in debt securities are mainly as loans to subsidiary, joint venture companies and investment in Government securites which do not carry any significant credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Corporation through effective fund management. The Corporation has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Corporation has access to funds from debt markets through commercial paper programs, foreign currency borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

As at 31/03/2018	Contractual cash flows				
	Total	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Bonds	**9,826.50**	326.36	1,995.87	3,871.84	3,632.43
OIDB Loans	**1,511.08**	586.14	836.71	88.23	-
Term loans	**2,863.80**	160.00	430.89	536.07	1,736.84
Non Convertible Debentures	**1,750.08**	98.10	196.20	1,455.78	-
Foreign Currency Loans - Syndicated	**3,077.48**	80.40	2,997.08	-	-
Short term borrowings	**8,093.01**	8,093.01	-	-	-
Trade and other payables	**13,063.84**	13,063.84	-	-	-
Other current liabilities	**17,339.81**	17,339.81	-	-	-
Financial guarantee contracts*	**7,210.14**	975.66	546.37	1,004.93	4,683.18
Derivative financial liabilities					
Currency Swaps	**171.09**	25.45	145.64	-	-
Commodity Contracts	**4.33**	4.33	-	-	-

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

As at 31/03/2017	Contractual cash flows				
	Total	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Bonds	**9,898.28**	318.49	1,932.89	559.23	7,087.67
OIDB Loans	**2,076.13**	565.04	1,130.52	380.57	-
Term loans	**3,163.32**	175.35	366.50	599.19	2,022.28
Non Convertible Debentures	**731.92**	40.43	80.85	610.64	-
Foreign Currency Loans - Syndicated	**4,122.25**	1,796.32	144.23	2,181.70	-
Short term borrowings	**7,227.36**	7,227.36	-	-	-
Trade and other payables	**11,359.78**	11,359.78	-	-	-
Other current liabilities	**16,726.52**	16,726.52	-	-	-
Financial guarantee contracts*	**7,187.36**	1,001.76	972.58	544.64	4,668.38
Derivative financial liabilities					
Currency Swaps	**260.40**	25.37	235.03	-	-
Commodity Contracts	**0.01**	0.01	-	-	-
Forward exchange contracts					
Inflows	**3,272.73**	3,272.73	-	-	-
Outflows	**(3,384.13)**	(3,384.13)	-	-	-

* Guarantees issued by the Corporation on behalf of joint venture/subsidiary are with respect to borrowings raised by the respective entity. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiary/joint venture have defaulted and hence, the Corporation does not have any present obligation to third parties in relation to such guarantees.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

C.iv.a Currency risk

The Corporation is exposed to currency risk on account of its operating and financing activities. The functional currency of the Corporation is Indian Rupee. Our exposure is mainly denominated in U.S. dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Corporation has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. The Corporation uses derivative instruments, (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates in line with our policy.

The Corporation do not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2018 and 31st March 2017 are as below:

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

₹ in Crores

As at 31/03/2018	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	14.26	-	-	-	-
Trade receivables	537.05	0.19	-	-	-
Other Non-Current financial asset		-	-	-	0.01
Net exposure for assets	**551.31**	**0.19**	**-**	**-**	**0.01**
Financial liabilities					
Bonds	6,465.77	-	-	1,363.01	-
Foreign Currency Loans - Syndicated	2,771.42	-	-	-	-
Short term borrowings	6,286.27	-	-	-	-
Trade and other payables	6,318.93	0.01	-	-	-
Other Current financial liabilities (including accrued interest)	233.52	83.98	18.25	18.55	1.41
Add/(Less): Foreign currency forward exchange contracts	(1,654.97)	-	-	-	-
Add/(Less): Foreign currency swaps	1,484.89	-	-	(1,363.01)	-
Net exposure for liabilities	**21,905.83**	**83.99**	**18.25**	**18.55**	**1.41**
Net exposure (Assets - Liabilities)	**(21,354.52)**	**(83.80)**	**(18.25)**	**(18.55)**	**(1.40)**

₹ in Crores

As at 31/03/2017	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	4.37	-	-	-	-
Trade receivables	612.29	-	-	-	-
Other Current financial asset	0.48	-	-	-	-
Net exposure for assets	**617.14**	**-**	**-**	**-**	**-**
Financial liabilities					
Bonds	6,433.88	-	-	1,292.45	-
Foreign Currency Loans - Syndicated	3,860.59	-	-	-	-
Short term borrowings	5,789.76	-	-	-	-
Trade and other payables	5,792.14	106.60	21.15	0.20	0.32
Other Current financial liabilities (including accrued interest)	2,051.58	32.61	66.12	17.95	1.14
Add/(Less): Foreign curency forward exchange contracts	(3,384.13)	-	-	-	-
Add/(Less): Foreign currency swaps	1,480.20	-	-	(1,292.45)	-
Net exposure for liabilities	**22,024.02**	**139.21**	**87.27**	**18.15**	**1.46**
Net exposure (Assets - Liabilities)	**(21,406.88)**	**(139.21)**	**(87.27)**	**(18.15)**	**(1.46)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the USD against INR at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Corporation's income statement over the remaining life of the related fixed assets 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 2018	Strengthening	Weakening
3% movement		
USD	(640.64)	640.64
		₹ in Crores
Effect in INR (before tax)	Profit or loss	
For the year ended 31st March 2017	Strengthening	Weakening
3% movement		
USD	(642.21)	642.21

C.iv.b Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

Exposure to interest rate risk

Corporation's interest rate risk arises primarily from borrowings. The interest rate profile of the Corporation's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	Note Reference	As at 31/03/2018	As at 31/03/2017
Fixed-rate instruments			
Financial Assets - measured at amortised cost			
Investment in debt instruments	8	0.01	0.01
Loan to Subsidiary	9	216.81	197.10
Loan to Joint Venture	9	1,254.10	1,254.10
Financial Assets - measured at Fair Value through Profit & Loss			
Investment in debt instruments	14	4,992.88	5,360.34
Total of Fixed Rate Financial Assets		**6,463.80**	**6,811.55**
Financial liabilities - measured at amortised cost			
Bonds	25	7,828.78	7,726.33
OIDB Loans	25 & 32	1,357.94	1,795.13
Non- Convertible Debentures	25	1,299.52	549.80
Total of Fixed Rate Financial Liabilities		**10,486.24**	**10,071.26**
Variable-rate instruments			
Financial Assets - measured at amortised cost			
Loan to Subsidiary	9	625.00	1,850.00
Total of Variable Rate Financial Assets		**625.00**	**1,850.00**
Financial liabilities - measured at amortised cost			
Foreign Currency Loans - Syndicated*	25 & 32	2,771.42	3,860.59
Short term borrowings	30	8,093.01	7,227.36
Term loans	25	2,000.00	2,000.00
Total of Variable Rate Financial Liabilities		**12,864.43**	**13,087.95**

* In respect of Syndicated Foreign Currency Loans, the company has entered into **Nil** amount of IRS during 2017-18 and USD 10 million during 2016-17.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

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 2018 by ₹ **67.15 Crores** (31st March 2017 - ₹ 80.21 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 2018 by ₹ **68.30 Crores** (31st March 2017 - ₹ 81.76 Crores).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Corporation's income statement over the remaining life of the related fixed assets.

₹ in Crores

Cash flow sensitivity (net)	**Profit or loss**	
	25bp increase	**25bp decrease**
As at 31/03/2018		
Variable-rate loan instruments	(24.58)	24.58
Interest on Loan given to Subsidiary	4.47	(4.47)
Cash flow sensitivity (net)	**(20.11)**	**20.11**
As at 31/03/2017		
Variable-rate loan instruments	(25.03)	25.03
Interest on Loan given to Subsidiary	1.90	(1.90)
Cash flow sensitivity (net)	**(23.13)**	**23.13**

C.iv.c Commodity rate risk

BPCL's profitability gets affected by the price differential (also known as Margin or Crack spread) between prices of products (output) and the price of the crude oil and other feed-stocks used in production (input), prices of both are set by markets. Hence BPCL uses derivative 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.

BPCL measures market risk exposure arising from its trading positions using value-at-risk techniques. These techniques make a statistical assessment of the market risk arising from possible future changes in market prices over a one-day holding period.

BPCL uses historical model of VAR techniques based on variance/covariance to make a statistical assessment of the market risk arising from possible future changes in market values over a 24-hour period and within a 95% confidence level. The calculation of the range of potential changes in fair value takes into account positions, the history of price movements for last two years and the correlation of these price movements.

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

VAR calculation for open position as on 31st March 2018 is as given below:

Product	Gasoil - Dubai	Jet/Kero - Dubai	Gasoline-Naphtha (Reforming Margin)	Jet/Kero - Gasoil (Regrade Margin)	Gasoil-HSFO 180 (Coking Margin)
Unit	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**
Mean	12.38	13.05	10.01	-0.67	16.68
Standard Deviation	1.9	1.66	1.87	0.95	2.84
Var95	3.12	2.72	3.08	1.56	4.67
Mean+Var95	15.5	15.78	13.09	0.88	21.34
Avg.Trade Price	16.23	16.33	12.76	0.25	20.95
Lots as on 31.03.2018	33	72	2	7	5
Standard Lot size	50,000 BBL	50,000 BBL	50,000 BBL	50,000 BBL	50,000 BBL
VAR USD million ("-ve" VAR of Gasoil and Jet/ Kero ignored)	-1.21	-1.97	0.03	0.22	0.1
Total Portfolio VAR in USD million	0.35				

C.iv.d Price risk

The Corporation's exposure to equity investments price risk arises from investments held by the Corporation and classified in the financial statements at fair value through OCI. The corporation intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2018				
1% movement				
Investment in Oil India - FVOCI	-	-	5.76	(5.76)
Investment in CIAL - FVOCI	-	-	1.05	(1.05)
Total	**-**	**-**	**6.81**	**(6.81)**

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2017				
1% movement				
Investment in Oil India - FVOCI	-	-	5.95	(5.95)
Investment in CIAL - FVOCI	-	-	0.98	(0.98)
Total	**-**	**-**	**6.93**	**(6.93)**

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

D. Offsetting

The following table presents the recognised financial instruments that are offset and other similar agreements that are not offset as at 31st March 2018 and 31st March 2017.

The column 'net amount' shows the impact on the Corporation's balance sheet if all set-off rights are exercised.

₹ in Crores

Particulars	Note reference	Effect of offsetting on the balance sheet			Related amounts not offset		
		Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Financial Instrument	Amounts to be offset	Net Amount
As at 31/03/2018							
Financial assets							
Investment in GOI Bonds	A	-	-	-	4,992.88	1,500.00	3,492.88
Trade and other receivables	B & C	2,385.90	2,380.99	4.91	-	-	-
Derivative Assets	D	-	-	-	1.75	1.75	-
Financial liabilities							
Short term borrowings	A	-	-	-	8,093.01	1,500.00	6,593.01
Trade and other payables	B & C	7,024.98	2,380.99	4,643.99	-	-	-
Derivative Liabilities	D	-	-	-	8.56	1.75	6.81
As at 31/03/2017							
Financial assets							
Investment in GOI Bonds	A	-	-	-	5,360.34	1,350.00	4,010.34
Trade and other receivables	B & C	1,595.66	1,595.66	-	-	-	-
Derivative Assets	D	-	-	-	1.25	1.25	-
Financial liabilities							
Short term borrowings	A	-	-	-	7,227.68	1,350.00	5,877.68
Trade and other payables	B & C	6,369.88	1,595.66	4,774.22	-	-	-
Derivative Liabilities	D	-	-	-	16.81	1.25	15.56

NOTE 59 FINANCIAL INSTRUMENTS (CONTD.)

Notes

A. The Corporation has Collaterised Borrowing and Lending Obligations limits from Clearing Corporation of India Limited, which are secured by Oil Marketing Companies GOI Special Bonds 2026. As the Counterparty currently does not have a legally enforceable right to off set these amounts, these amounts have not been offset in the balance sheet, but have been presented separately in the table above.

B. The Corporation purchases and sells petroleum products from different Oil Marketing Companies. Under the terms of the agreement, the amounts payable by the Corporation are offset against receivables and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

C. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

D. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. The ISDA master netting agreements do not meet the criteria for offsetting in the balance sheet. This is because the Counterparty does not currently have legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events.

NOTE 60 CAPITAL MANAGEMENT

The Corporation's objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

The Corporation's debt to equity ratio as at 31st March 2018 was **0.68** (31st March 2017: 0.78)

Note: For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Long term borrowings, short term borrowings and current maturities of long term borrowings.

NOTE 61 SEGMENT REPORTING

As per the requirements of Ind AS 108 on "Operating Segments", segment information has been provided under the Notes to Consolidated Financial Statements.

NOTE 62 MICRO, SMALL AND MEDIUM ENTERPRISES

To the extent, the Corporation has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Amount Due and Payable at the year end		
- Principal	**0.50**	0.47
- Interest on above Principal		
Payment made during the year after the due date		
- Principal		
- Interest		
Interest due and payable for Principal already paid		
Total Interest accrued and remained unpaid at year end		

The interest payable to such vendors is not likely to be material.

NOTE 63 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
(a) Contingent Liabilities :		
In respect of Income Tax matters	**24.24**	75.58
Other Matters :		
i) Claims against the Corporation not acknowledged as debts * :		
Excise and customs matters	**1,699.21**	1,523.41
Service Tax matters	**126.70**	159.31
Sales Tax/VAT matters	**9,639.33**	8,296.40
Land Acquisition cases for higher compensation	**113.09**	157.92
Others	**314.14**	377.07
* These include ₹ **7,055.30 Crores** (31st March 2017: ₹ 6,058.74 Crores) against which the Corporation has a recourse for recovery and ₹ **90.23 Crores** (31st March 2017: ₹ 98.35 Crores) which are on capital account.		
ii) Claims on account of wages, bonus / ex-gratia payments in respect of pending court cases	**22.35**	19.09
iii) Guarantees	**6.00**	7.90
(b) Capital Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	**4,673.07**	3,158.34

NOTE 64 RESEARCH AND DEVELOPMENT EXPENDITURE

₹ in Crores

Particulars	2017-18	2016-17
a) Revenue Expenditure	**47.38**	32.78
b) Capital Expenditure	**35.81**	16.70

NOTE 65

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018 notifying Ind AS 115 'Revenue from Contracts with Customers' (New Revenue Standard), which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'. The core principle of the New Revenue Standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Some of the key changes introduced by the New Revenue Standard include additional guidance for multiple-element arrangements, measurement approaches for variable consideration, adjustments for time value of money etc. Significant additional disclosures in relation to revenue are also prescribed. The New Revenue Standard also provides two broad alternative transition options – Retrospective Method and Cumulative Effect Method – with certain practical expedients available under the Retrospective Method. The Company is in the process of evaluating the impact of the New Revenue Standard on the present and future arrangements and shall determine the appropriate transition option once the said evaluation has been completed.

The amendments will come into force from 1st April 2018.

NOTE 66

The Corporation has changed the useful life of Computer Equipments from 4 to 3 years during the FY 2017-18. The impact of change in useful life has resulted in increase in depreciation of ₹ **6.46 Crores** in Financial Year 2017-18.

NOTE 67

Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation.

Signature to Notes ‘1’ to ‘67’

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Place: Mumbai
Date: 29th May 2018

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
B.M. Agarwal
Partner
M. No. 033254

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BHARAT PETROLEUM CORPORATION LIMITED

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Bharat Petroleum Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associates; (refer Note 7 to the attached consolidated financial statements), comprising the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Joint ventures and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015(as amended) under Section 133 of the Act. The respective Board of Directors of the companies included in the Group, Joint ventures and its associates are responsible for accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements and ensuring maintenance of 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; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

5. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 10 of the Other Matters paragraph below, other than the unaudited

financial statements as certified by management and referred to in sub-paragraph 11 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

8. 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 other auditors on standalone 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group, joint ventures and its associates as at 31st March 2018 and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matter

9. We draw attention to the following matters in the notes to the Consolidated Ind AS Financial Statements:

   i. The auditors of associate Company, Petronet India Limited (PIL,) have drawn attention in their Audit Report for the unanimous opinion of the Promoters/Shareholders of PIL as noted by Board of Directors of the associate Company regarding non viability of continuation of operation of PIL. Ministry of Petroleum and Natural Gas, New Delhi conveyed approval dated 20-09-2013 for closure of PIL. Appropriate steps will now be taken by PIL to initiate closure proceeding in terms of provision of the Act as applicable. Accordingly the financial statement are not prepared using going concern assumption and are prepared on realisation basis.

   ii. The auditors of Bharat PetroResources Limited (Subsidiary Company) have stated in their report about the incorporation of details of its share in assets, liabilities, income and expense in the operations of joint ventures based on the audited/ unaudited statements received from the respective Operators. They have observed that:

      (a) In case of three blocks, no audited statements have been received by the Subsidiary Company. Total assets, liabilities, income and expenses in respect of these blocks, amount to ₹ 59.80 Crore, ₹ 78.15 Crore, ₹ Nil and ₹ Nil, respectively;

      (b) In case of one foreign block (EP413), the information relating to the same is provided on the basis of unaudited statements for the year ended 31st March 2018. Total assets, liabilities, income and expenses related to the said block amounts to ₹ 84.12 Crore, ₹ 0.71 Crore, ₹ Nil and ₹ Nil respectively.

      (c) The audited statements referred above are prepared, as stated there in, to meet requirements of production sharing contracts and are special purpose statement;

      (d) None of the statements, audited as well as unaudited, are drawn up in the format prescribed under Schedule III to the Act;

      (e) Some of the Operators use accounting policies other than those adopted by the Subsidiary Company for like transactions. The Subsidiary Company has made appropriate adjustments while incorporating relevant data; and

      (f) The Subsidiary Company's proportionate share in jointly controlled assets, liabilities for which the Subsidiary Company is jointly responsible, Subsidiary Company's proportionate share of income and expenses for the year, the elements making up the Cash Flow Statement and related disclosures contained in the enclosed financial statements and their observations thereon are based on such audit reports and statements from the operators to the extent available with the Subsidiary Company.

iii. The auditors of Bharat PetroResources Limited (Subsidiary Company) have drawn attention to the observation made by the auditors of its step down Subsidiary Company Bharat PetroResources JPDA Limited regarding the financial statements indicating that the Company has accumulated losses and negative net worth. The Company has incurred a net loss of ₹ 0.33 Crore during the current year (Previous Year Loss ₹ 0.86 Crore). These conditions, along with other matters indicate the existence of a material uncertainty that cast significant doubt about the Subsidiary Company's ability to continue as a going concern and therefore the management has decided to prepare financial statements other than that of a going concern.

Our opinion is not qualified in respect of these matters.

Other Matters

10. We did not audit the financial statements of three subsidiaries, whose financial statements/financial information reflect total assets of ₹ 26,141.98 Crore and net assets of ₹ 8,556.84 Crore as at 31st March 2018, total revenues of ₹ 16,118.77 Crore, net profit of ₹ 2,030.19 Crore and net cash outflows amounting to ₹ 48.40 Crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 992.36 Crore for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of ten joint ventures and six associates, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

11. The consolidated Ind AS financial statements include the group share of net loss of ₹ 16.34 Crore for the year ended 31st March 2018, as considered in the consolidated Ind AS financial statement, in respect of three joint ventures and one associate, 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 associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture and associates, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

    Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

12. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statement and other financial information of subsidiaries, joint ventures and associates, as noted in 'other matters' paragraph, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated Ind AS financial statements. However, we have not received responses to the Group Audit Instructions from the auditors of subsidiaries, joint ventures and associates and hence, we are unable to comment on its implications, if any.

    b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures, have been kept so far as it appears from our examination of the books of the Holding Company and reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries, joint ventures and associates including relevant records relating to the preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) In view of exemption given vide notification no. G.S.R. 463(E) dated 5th June 2015, issued by Ministry of Corporate Affairs, provisions of Section 164(2) of the Act, 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 31th March 2018 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 of the Group, joint ventures and its associates incorporated in India and the operating effectiveness of such controls, we give our separate report in "Annexure A".

g) 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, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31st March 2018 on consolidated financial position of the group, joint ventures and associates- Refer Note 62 of the Consolidated Ind AS Financial Statements.

   ii. Provision has been made in the Consolidated 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 31st March 2018.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries, joint ventures and associates incorporated in India.

For CVK & Associates
Chartered Accountants
ICAI FRN: 101745W

Sd/-
A. K. Pradhan
Partner
Membership No.: 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN: 101569W

Sd/-
B. M. Agarwal
Partner
Membership No.: 033254

Place: Mumbai
Date: 29th May 2018

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 12(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Bharat Petroleum Corporation Limited on the Consolidated Ind AS financial statements for the year ended 31st March 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Group, its joint ventures and associates as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of Bharat Petroleum Corporation Limited ("the Holding Company") and subsidiaries, joint ventures and associates, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The Respective 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 Company considering 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Group'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 deemed to be prescribed 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 and the audit evidence obtained by other auditors in terms of their reports referred to in the 'Other matters' paragraph below, 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 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 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 may 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, the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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.

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, Nine joint ventures and five associates which are companies incorporated in India, is based on the corresponding reports issued by auditors of such companies, which do not disclose any material inadequacy in the internal financial controls over financial reporting.

Our opinion is not qualified in respect of this matter.

For CVK & Associates
Chartered Accountants
ICAI FRN: 101745W

Sd/-
A. K. Pradhan
Partner
Membership No.: 032156

For Borkar & Muzumdar
Chartered Accountants
ICAI FRN: 101569W

Sd/-
B. M. Agarwal
Partner
Membership No.: 033254

Place: Mumbai
Date: 29th May 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2018

₹ in Crores

	Note No.	As at 31/03/18	As at 31/03/17
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	**45,260.68**	33,438.69
(b) Capital work-in-progress	3	**4,487.09**	11,762.72
(c) Investment Property	4	**0.26**	0.28
(d) Other Intangible assets	5	**278.36**	244.89
(e) Intangible assets under development	6	**5,388.27**	5,071.15
(f) Investment accounted for using equity method	7	**17,594.08**	14,961.68
(g) Financial Assets			
(i) Investments	8	**681.21**	692.66
(ii) Loans	9	**4,073.20**	3,320.97
(iii) Other financial assets	10	**56.37**	46.09
(h) Income Tax Assets (Net)	11	**406.58**	127.51
(i) Other non-current assets	12	**1,595.18**	1,509.54
		79,821.28	71,176.18
(2) Current Assets			
(a) Inventories	13	**22,529.52**	21,196.78
(b) Financial Assets			
(i) Investments	14	**5,449.28**	5,672.79
(ii) Trade receivables	15	**5,204.79**	4,803.75
(iii) Cash and cash equivalents	16	**593.60**	607.94
(iv) Bank Balances other than Cash and cash equivalents	17	**760.26**	1,276.60
(v) Loans	18	**270.40**	78.17
(vi) Other financial assets	19	**4,524.56**	3,307.28
(c) Current Tax Assets (Net)	20	**55.08**	33.76
(d) Other current assets	21	**1,193.69**	922.21
		40,581.18	37,899.28
(3) Assets held for sale	22	**18.10**	10.80
TOTAL ASSETS		**1,20,420.56**	1,09,086.26
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	23	**1,966.88**	1,311.25
(b) Other Equity	24	**34,651.69**	29,508.50
Equity attributable to owners		**36,618.57**	30,819.75
Non Controlling interests		**1,905.09**	1,958.19
Total Equity		**38,523.66**	32,777.94
(2) Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	25	**28,904.28**	23,255.33
(ii) Other financial liabilities	26	**59.15**	64.59
(b) Provisions	27	**1,566.17**	1,495.91
(c) Deferred tax liabilities (net)	28	**5,522.40**	4,054.80
(d) Other non-current liabilities	29	**143.05**	137.63
		36,195.05	29,008.26
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	30	**8,093.03**	8,217.71
(ii) Trade payables	31	**13,231.93**	11,382.47
(iii) Other financial liabilities	32	**18,326.46**	21,490.00
(b) Other current liabilities	33	**4,281.51**	4,078.19
(c) Provisions	34	**1,629.74**	1,989.23
(d) Current Tax Liabilities (Net)	35	**139.18**	142.46
		45,701.85	47,300.06
Total Liabilities		**81,896.90**	76,308.32
TOTAL EQUITY AND LIABILITIES		**1,20,420.56**	1,09,086.26
Significant Accounting Policies	1		
Notes forming part of Financial Statements	44 to 66		

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Place: Mumbai
Date: 29th May 2018

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
B.M. Agarwal
Partner
M. No. 033254

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

₹ in Crores

		Note No	2017-18	2016-17
I)	Revenue from operations	36	2,79,312.70	2,43,747.46
II)	Other income	37	1,782.72	1,814.57
III)	**Total Income (I + II)**		2,81,095.42	2,45,562.03
IV)	**Expenses**			
	Cost of raw materials consumed	38	90,110.77	75,112.16
	Purchases of stock-in-trade	39	1,11,797.58	1,02,131.17
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	40	203.35	(5,832.38)
	Excise Duty		43,542.88	42,496.80
	Employee benefits expense	41	3,748.53	3,669.52
	Finance costs	42	1,185.74	696.36
	Depreciation and amortization expense	2,4,5	2,885.00	2,107.64
	Other expenses	43	14,736.93	12,424.54
	Total expenses (IV)		2,68,210.78	2,32,805.81
V)	**Profit from continuing operations before share of profit of equity accounted investees and income tax (III - IV)**		12,884.64	12,756.22
VI)	Share of profit of equity accounted investee (net of income tax)		1,288.88	943.39
VII)	Profit from continuing operations before income tax		14,173.52	13,699.61
VIII)	**Tax expense**	28		
	1) Current tax		3,195.36	3,168.28
	2) Deferred tax		1,452.24	1,135.60
	3) Short / (Excess) provision of earlier years		(265.99)	(111.24)
	Total tax expense		4,381.61	4,192.64
IX)	**Profit for the year (VII-VIII)**		9,791.91	9,506.97
X)	**Other Comprehensive Income (OCI)**		454.25	330.85
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of defined benefit plans		33.07	(83.46)
	(b) Equity instruments through Other Comprehensive Income- net change in fair value		(11.44)	185.04
	(c) Equity accounted investees - share of OCI		0.16	(0.96)
	(ii) Income tax related to items that will not be reclassified to profit or loss		(15.36)	27.26
	(iii) Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating financial statements of foreign operations		(36.48)	(22.74)
	(b) Equity accounted investees - share of OCI		484.30	225.71
XI)	**Total Comprehensive Income for the period (IX+X)**		10,246.16	9,837.82
	Profit attributable to:			
	Owners of the company		9,008.63	8,720.94
	Non-Controlling Interests		783.28	786.03
	Profit for the year		9,791.91	9,506.97
	Other Comprehensive Income attributable to :			
	Owners of the company		455.35	332.33
	Non-Controlling Interests		(1.10)	(1.48)
	Other Comprehensive Income for the year		454.25	330.85
	Total Comprehensive Income attributable to :			
	Owners of the company		9,463.98	9,053.27
	Non-Controling Interests		782.18	784.55
	Total Comprehensive Income for the year		10,246.16	9,837.82
XII)	**Basic and Diluted Earnings Per Equity Share (Face value ₹10)**	54	45.80	44.34
	Significant Accounting Policies	1		
	Notes forming part of Financial Statements	44 to 66		

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Sd/-
B.M. Agarwal
Partner
M. No. 033254

Place: Mumbai
Date: 29th May 2018

CONSOLIDATED STATEMENT OF CASH FLOWS

₹ in Crores

	For the Year ended	31/03/2018	31/03/2017
A	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	14,173.52	13,699.61
	Adjustments for :		
	Share of (Profit) / Loss from Equity Accounted Investees	(1,288.88)	(943.39)
	Depreciation	2,885.00	2,107.64
	Interest	1,185.74	696.36
	Foreign Exchange Fluctuations (Refer explanatory note 3)	69.90	(72.24)
	(Profit) / Loss on Sale of Property, Plant and Equipment	36.48	42.67
	(Profit) / Loss on Sale of Investments	(10.65)	(25.87)
	Income from Investments	(859.42)	(1,044.35)
	Dividend Received	(63.92)	(64.94)
	Expenditure towards Corporate Social Responsibility	231.26	181.19
	Other Non-Cash items (Refer explanatory note 4)*	(571.33)	269.27
	Operating Profit before Working Capital Changes	15,787.70	14,845.95
	(Invested in)/Generated from :		
	Inventories	(1,332.74)	(6,553.08)
	Trade Receivables	(267.89)	(2,605.07)
	Other Receivables	(2,101.52)	649.38
	Current Liabilities & Payables	2,427.99	6,720.48
	Cash generated from Operations	14,513.54	13,057.66
	Direct Taxes Paid	(3,232.68)	(3,903.89)
	Paid for Corporate Social Responsibility	(212.49)	(112.66)
	Net Cash from / (used in) Operating Activities	11,068.37	9,041.11
B	**Net Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment / Intangible Assets	(7,835.53)	(9,559.20)
	Sale of Property, Plant and Equipment	99.59	15.78
	Capital Advances	51.18	85.70
	Investment in Equity Accounted Investees	(1,424.18)	(7,464.10)
	Investment - Sai Wardha Power Generation Limited (Equity)	(2.30)	-
	Purchase of Investments	(26,095.71)	(11,386.06)
	Sale of Investments	26,786.31	11,828.87
	Petroleum India International - Receipt of Share in Accumulated Surplus	-	3.40
	Income from Investment	1,023.18	1,045.34
	Dividend Received	331.95	156.33
	Net Cash from / (used in) Investing Activities	(7,065.51)	(15,273.94)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD.)

₹ in Crores

	For the Year ended	31/03/2018	31/03/2017
C	**Net Cash Flow from Financing Activities**		
	Investment, Loans and Advances to Subsidiaries		
	Acquisition from Non Controlling Interest - Petronet CCK Limited (Equity)	-	(78.92)
	Short Term Borrowings (Net)	(233.82)	8,175.11
	Long Term Borrowings	6,235.02	6,842.54
	Repayment of Loans	(4,335.69)	(2,331.55)
	Interest Paid	(1,315.14)	(1,083.89)
	Dividend Paid	(3,578.68)	(5,494.70)
	Dividend Distribution Tax	(788.89)	(1,224.63)
	Net Cash from / (used in) Financing Activities	(4,017.20)	4,803.96
D	**Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)**	(14.34)	(1,428.87)
	Cash and Cash Equivalents as at	**31/03/2017**	**31/03/2016**
	Cash on hand	0.71	24.34
	Cheques and drafts on hand	38.69	11.91
	Cash at Bank	568.54	2,000.56
		607.94	2,036.81
	Cash and Cash Equivalents as at	**31/03/2018**	**31/03/2017**
	Cash on hand	0.44	0.71
	Cheques and drafts on hand	35.80	38.69
	Cash at Bank	557.36	568.54
		593.60	607.94
	Net change in Cash and Cash Equivalents	(14.34)	(1,428.87)

* Includes FCMITDA Amortisation Gain of ₹ 65.26 Crores (Previous Year Loss ₹ 129.83 Crores)

Disclosure to Changes in liabilities arising from financing activities

₹ in Crores

	Short Term Borrowings	Long Term Borrowings (including current maturities)	Total Liabilities from Financing Activities
As on 31/03/2017	7,227.36	15,931.85	**23,159.21**
Cash Flows	756.51	(823.67)	**(67.16)**
Non cash changes			
a) Foreign Exchange Movement	109.14	132.07	**241.21**
b) Fair Value Changes	-	17.41	**17.41**
As on 31/03/2018	8,093.01	15,257.66	**23,350.67**

Explanatory notes to Statement of Cash Flows

1. The Statement of Cash Flows is prepared in accordance with the format prescribed by Securities and Exchange Board of India and as per Ind AS 7 as notified by Ministry of Corporate Affairs.
2. In Part-A of the Statement of Cash Flows, figures in brackets indicate deductions made from the Net Profit for deriving the net cash flow from operating activities. In Part-B and Part-C, figures in brackets indicate cash outflows.
3. The net profit / loss arising due to conversion of current assets / current liabilities, receivable / payable in foreign currency is furnished under the head "Foreign Exchange Fluctuations".
4. “Other Non-Cash items” include excess provisions written back, diminution in value of investment, Reversal of excess capitalisation, amortisation of Capital grant, Bad debts and materials written off and miscellaneous adjustments not affecting Cash Flow.
5 "Current Liabilities and Payables" may include Payables in respect of Purchase of Property, Plant and Equipment, if any.

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-	Sd/-		
D. Rajkumar	**R. Ramachandran**	**CVK & Associates**	**Borkar & Muzumdar**
Chairman and Managing Director	Director (Refineries)	Chartered Accountants	Chartered Accountants
DIN: 00872597	DIN: 07049995	ICAI FR No.101745W	ICAI FR No. 101569W
Sd/-	Sd/-	Sd/-	Sd/-
K. Sivakumar	**M. Venugopal**	**A.K. Pradhan**	**B.M. Agarwal**
Chief Financial Officer	Company Secretary	Partner	Partner
		M. No. 032156	M. No. 033254

Place: Mumbai
Date: 29th May 2018

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

₹ in Crores

(a) Equity share capital	As at 31/03/2018		As at 31/03/2017	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting period	1,44,61,68,496	1,446.17	72,30,84,248	723.08
Add: Issue of Bonus Shares (Refer Note No. 23)	72,30,84,248	723.08	72,30,84,248	723.09
Balance at the end of the reporting period	2,16,92,52,744	2,169.25	1,44,61,68,496	1,446.17
Less: Adjustment for Shares held by BPCL Trust for Investment in Shares (Refer Note No. 46)	(20,23,72,422)	(202.37)	(13,49,14,948)	(134.92)
Balance at the end of the reporting period after Adjustment	1,96,68,80,322	1,966.88	1,31,12,53,548	1,311.25

₹ in Crores

(b) Other equity	Reserves & Surplus								Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total attributable to Owners of the Corporation	Attributable to NCI ^	Total other equity
	Capital Reserve [Note 24]	Capital Reserve on Acquisition of subsidiaries, JVCs and associates [Note 24]	Securities Premium Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]	Foreign Currency Translation Reserve [Note 24]					
Balance at 31st March 2016	**12.33**	**(64.09)**	**249.26**	**607.70**	**27,376.91**	**(1,060.53)**	**(79.28)**	**690.47**	**(88.88)**	**(591.65)**	**27,052.24**	**1,678.32**	**28,730.56**
Profit for the year	-	-	-	-	-	8,720.94	-	-	-	-	8,720.94	786.03	9,506.97
Other Comprehensive Income for the year	-	-	-	-	-	(53.76)	-	202.97	183.12	-	332.33	(1.48)	330.85
Issue of Bonus Shares (Refer Note No. 23)	-	-	-	-	(723.09)	-	-	-	-	67.46	(655.63)	-	(655.63)
Dividends	-	-	-	-	-	(5,640.06)	-	-	-	-	(5,640.06)	(380.93)	(6,020.99)
Dividend to BPCL Trust for Investment in Shares (Refer Note No. 46)	-	-	-	-	-	526.17	-	-	-	-	526.17	-	526.17
Dividend Distribution Tax on Dividends	-	-	-	-	-	(1,069.55)	-	-	-	-	(1,069.55)	(77.54)	(1,147.09)
Transfer to Debenture Redemption reserve	-	-	-	224.58	-	(224.58)	-	-	-	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	-	-	155.79	-	-	-	155.79	-	155.79
Amortisation during the year - FCMITDA	-	-	-	-	-	-	129.83	-	-	-	129.83	-	129.83
Other Movements	-	-	-	-	-	(43.56)	-	-	-	-	(43.56)	(46.21)	(89.77)
Balance at 31st March 2017	**12.33**	**(64.09)**	**249.26**	**832.28**	**26,653.82**	**1,155.07**	**206.34**	**893.44**	**94.24**	**(524.19)**	**29,508.50**	**1,958.19**	**31,466.69**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018 (CONTD.)

₹ in Crores

(b) Other equity	Reserves & Surplus								Equity Instruments through Other Comprehensive Income [Note 24]	BPCL Trust for Investment in Shares [Note 24]	Total attributable to Owners of the Corporation	Attributable to NCI ^	Total other equity
	Capital Reserve [Note 24]	Capital Reserve on Acquisition of subsidiaries, JVCs and associates [Note 24]	Securities Premium Reserve [Note 24]	Debenture Redemption Reserve [Note 24]	General Reserve [Note 24]	Retained Earnings [Note 24]*	Foreign Currency Monetary Item Translation Difference Account (FCMITDA) [Note 24]	Foreign Currency Translation Reserve [Note 24]					
Balance at 31st March 2017	**12.33**	**(64.09)**	**249.26**	**832.28**	**26,653.82**	**1,155.07**	**206.34**	**893.44**	**94.24**	**(524.19)**	**29,508.50**	**1,958.19**	**31,466.69**
Profit for the year	-	-	-	-	-	9,008.63	-	-	-	-	9,008.63	783.28	9,791.91
Other Comprehensive Income for the year	-	-	-	-	-	22.78	-	447.82	(15.25)	-	455.35	(1.10)	454.25
Issue of Bonus Shares (Refer Note No. 23)	-	-	-	-	(723.08)	-	-	-	-	67.45	(655.63)	-	(655.63)
Dividends	-	-	-	-	-	(3,181.57)	-	-	-	-	(3,181.57)	(694.00)	(3,875.57)
Dividend to BPCL Trust for Investment in Shares (Refer Note No. 46)	-	-	-	-	-	296.81	-	-	-	-	296.81	-	296.81
Dividend Distribution Tax on Dividends	-	-	-	-	-	(647.61)	-	-	-	-	(647.61)	(141.28)	(788.89)
Transfer to Debenture Redemption reserve	-	-	-	307.53	-	(307.53)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	2,720.89	(2,720.89)	-	-	-	-	-	-	-
Transfer from Debenture Redemption Reserve	-	-	-	(6.87)	-	6.87	-	-	-	-	-	-	-
Additions/(deletions) during the year - FCMITDA	-	-	-	-	-	-	(74.32)	-	-	-	(74.32)	-	(74.32)
Amortisation during the year - FCMITDA	-	-	-	-	-	-	(65.26)	-	-	-	(65.26)	-	(65.26)
Transfer to Capital reserve**	93.75	-	-	-	-	(93.75)	-	-	-	-	-	-	-
Other Movements	-	-	-	-	-	6.26	-	-	-	-	6.26	-	6.26
Addition to Security premium	-	-	0.53	-	-	-	-	-	-	-	0.53	-	0.53
Balance at 31st March 2018	**106.08**	**(64.09)**	**249.79**	**1,132.94**	**28,651.63**	**3,545.07**	**66.76**	**1,341.26**	**78.99**	**(456.74)**	**34,651.69**	**1,905.09**	**36,556.78**

*The balance includes accumulated balance of Remeasurements of defined benefit plans (Net of tax) of the corporation as on 31st March 2018 of ₹ **(119.51) Crores** (as on 31st March 2017 ₹ (143.87) Crores)

** It represents transfer to capital reserve on account of issue of bonus shares by associates.

^ Includes share capital attributable to Non-Controlling Interest as on 31st March 2018 of ₹ **282.08 Crores** (Previous year: ₹ 282.08 Crores)

For and on behalf of the Board of Directors

As per our attached report of even date
For and on behalf of

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Sd/-
B.M. Agarwal
Partner
M. No. 033254

Place: Mumbai
Date: 29th May 2018

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

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 Ventures and Associates. The Corporation and its Subsidiaries are together referred to as “Group”.

1.1. Basis for preparation: The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

The Financial Statements of the Subsidiary Companies, Joint Venture Companies (JVCs) and the Associates used in the preparation of the Consolidated Financial Statements are drawn upto the same reporting date as that of BPCL i.e. 31st March 2018, except for Matrix Bharat Pte. Ltd. whose accounts are drawn for the year ended 31st December 2017, where there are no significant transactions or other events that have occurred between 1st January 2018 and 31st March 2018.

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. The threshold limit for the Corporation has been specified in Note no. 1.30 of significant accounting policies of Standalone Financial Statements.

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 29th May 2018.

The percentage of ownership interest of the Corporation in the Subsidiary Companies, JVCs and Associates as on 31st March 2018 are as under:

S. No.	Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
			31/03/2018	31/03/2017
A.	**Subsidiaries**			
1.	Numaligarh Refinery Limited (NRL)	India	**61.65**	61.65
2.	Petronet CCK Ltd. (PCCK)	India	**99.99**	99.99
3.	Bharat PetroResources Limited (BPRL)	India	**100.00**	100.00
4.	Bharat PetroResources JPDA Limited (Note i)	India	**100.00**	100.00
5.	BPRL International BV (Note i)	Netherlands	**100.00**	100.00
6.	BPRL International Singapore Pte Ltd. (Note i)	Singapore	**100.00**	100.00
7.	BPRL Ventures BV (Note ii)	Netherlands	**100.00**	100.00
8.	BPRL Ventures Mozambique BV (Note ii)	Netherlands	**100.00**	100.00
9.	BPRL Ventures Indonesia BV (Note ii)	Netherlands	**100.00**	100.00
10.	BPRL International Ventures BV (Note ii)	Netherlands	**100.00**	-

S. No.	Particulars	Country of Incorporation	Percentage (%) of actual ownership interest as on	
			31/03/2018	31/03/2017
B.	**Joint Venture Companies (JVCS)**			
1.	Bharat Oman Refineries Limited	India	**50.00**	50.00
2.	Central UP Gas Limited	India	**25.00**	25.00
3.	Maharashtra Natural Gas Limited	India	**22.50**	22.50
4.	Sabarmati Gas Limited	India	**49.94**	49.94
5.	Bharat Stars Services Private Limited	India	**50.00**	50.00
6.	Bharat Renewable Energy Limited (Note iv)	India	**33.33**	33.33
7.	Matrix Bharat Pte. Ltd.	Singapore	**50.00**	50.00
8.	Delhi Aviation Fuel Facility Pvt. Limited	India	**37.00**	37.00
9.	IBV (Brasil) Petroleo Ltda. (Note iii)	Brazil	**50.00**	50.00
10.	Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00**	25.00
11.	Kochi Salem Pipeline Private Limited	India	**50.00**	50.00
12.	BPCL-KIAL Fuel Farm Private Limited	India	**74.00**	74.00
13.	Haridwar Natural Gas Pvt. Ltd.	India	**50.00**	50.00
14.	Goa Natural Gas Private Limited	India	**50.00**	50.00
15.	DNP Limited (Note vi)	India	**26.00**	26.00
16.	Taas India Pte Ltd. (Note vii)	Singapore	**33.00**	33.00
17.	Vankor India Pte Ltd. (Note vii)	Singapore	**33.00**	33.00
18.	Falcon Oil & Gas BV (Note xi)	Netherlands	**30.00**	-
19.	Ratnagiri Refinery & Petrochemicals Limited	India	**25.00**	-
C.	**Associates**			
1.	Indraprastha Gas Limited	India	**22.50**	22.50
2.	Petronet LNG Limited	India	**12.50**	12.50
3.	GSPL India Gasnet Limited	India	**11.00**	11.00
4.	GSPL India Transco Limited	India	**11.00**	11.00
5.	Kannur International Airport Limited (Note v)	India	**21.68**	21.68
6.	Petroleum India International	India	**18.18**	18.18
7.	Petronet India Limited	India	**16.00**	16.00
8.	Petronet CI Limited (Note iv)	India	**11.00**	11.00
9.	FINO Paytech Limited	India	**20.75**	21.10
10.	Brahmaputra Cracker and Polymer Limited (Note vi)	India	**10.11**	10.11
11.	Mozambique LNG 1 Pte. Ltd. (Note ix)	Singapore	**10.00**	10.00
12.	LLC TYNGD (Note viii)	Russia	**9.87**	9.87
13.	JSC Vankorneft (Note x)	Russia	**7.89**	7.89

➢ Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee company (without share capital) under section 8 of the Companies Act, 2013.

Notes:

i. Bharat PetroResources JPDA Limited, BPRL International BV and BPRL International Singapore Pte. Ltd. are 100% subsidiaries of BPRL.

ii. BPRL Ventures BV, BPRL Ventures Mozambique BV, BPRL Ventures Indonesia BV and BPRL International Ventures BV are wholly owned subsidiaries of BPRL International BV which have been incorporated outside India.

iii. BPRL Ventures BV holds 50% equity in Joint Venture Company IBV (Brasil) Petroleo Ltda., incorporated in Brasil.

iv. Consolidation in respect of Investment in Petronet CI Limited and Bharat Renewable Energy Limited have not been considered in the preparation of Consolidated Financial Statements as the parent company has decided to exit from these Companies and provision for full diminution in the value of investment has been done in the standalone financial statements of the parent company.

v. Kannur International Airport Limited has not yet started operations. Hence, the same has not been considered for consolidation since no financial statements have been prepared and the impact thereof is not expected to be material.

vi. Brahmaputra Cracker and Polymer Limited is an Associate of NRL and DNP Limited is a Joint Venture of NRL.

vii. Taas India Pte Ltd. and Vankor India Pte Ltd., are joint venture companies of BPRL International Singapore Pte Ltd.

viii. LLC TYNGD is an associate of Taas India Pte Ltd.

ix. Mozambique LNG 1 Pte Ltd. is an associate of BPRL Ventures Mozambique BV.

x. JSC Vankorneft is an associate of Vankor India Pte Ltd.

xi. Falcon Oil & Gas BV is a joint venture of BPRL International Ventures BV.

xii. The financial statements of Maharashtra Natural Gas Limited, BPCL-KIAL Fuel Farm Private Limited, FINO Paytech Limited and Bharat Stars Services Private Limited are yet to be audited and hence provisional financial statements provided by the respective management have been considered for the purpose of preparation of the 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), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI as appropriate.

Common Control

Business combinations involving entities that are ultimately controlled by the same part(ies) before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

1.3. Use of Judgements and Estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Provisions;
- Evaluation of recoverability of deferred tax assets; and
- Contingencies.
- In case of BPRL, estimation of Oil and Natural Gas reserves.

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. Expenditure during construction period: 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 entity.

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 line with revisions to accounting estimates.

1.4.9. **Goods and Service Tax (GST) on common capital goods:** In respect of the capital goods common for both GST and non-GST products, the GST input tax credit is taken on the eligible portion based on GST and non-GST product ratio in the month of procurement and the ineligible portion is capitalised. Subsequently, this ratio is reviewed every month as per the GST provisions and the differential GST amount arising due to changes in the ratio is capitalised when beyond the materiality threshold.

1.4.10. The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its Property, Plant and Equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.5. Depreciation

Depreciation on Property, Plant and Equipment are provided on the straight line basis, over the estimated useful lives of assets (after retaining the estimated residual value of upto 5%). These useful lives determined are in line with the useful lives as prescribed in Schedule II of the Act, except in the 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 {4 years in case of BPRL and NRL} (previously 4 years) and Mobile phones are depreciated over a period of 2 years {4 years in case of PCCK} based on internal assessment. Apart from the above, Furniture provided to management staff is 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. 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.

1.5.7. 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.

1.5.8. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

1.6. Intangible Assets

1.6.1. **Goodwill:** Goodwill that arises on a business combination is subsequently measured at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to 1st April 2015, goodwill is included on the basis of its deemed cost, which represents the amount recorded under Previous GAAP, adjusted for the reclassification of certain intangibles.

Goodwill is not amortized but is tested for impairment annually.

1.6.2. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, are not capitalized and is reflected in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

1.6.3. Assets where entire output generated is committed to be sold to entities providing public services for almost entire useful life of the asset are classified as intangible assets as per the requirements of Appendix A to Ind AS 11 and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.6.4. In cases where, the Corporation or its Subsidiaries has constructed assets on behalf of public infrastructure entities and it has only a preferential right to use, these assets are classified as intangible assets and are amortized (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

1.6.5. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortized, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite life are recognized in the Consolidated Statement of Profit and Loss.

1.6.6. Expenditure incurred for creating / acquiring other intangible assets above threshold limits from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset or five years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Consolidated Statement of Profit and Loss in the year in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with a finite life are reviewed at each year end. The amortization expense on intangible asset with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, are recognized in the Consolidated Statement of Profit and Loss.

1.6.7. The Group has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its intangible assets as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (1st April 2015).

1.7. Investment Property

1.7.1. Investment property is property (land or a building - or part of a building - or both) held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

1.7.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognized in Consolidated Statement of Profit and Loss.

1.7.3. On transition to Ind AS i.e. 1st April 2015, the 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 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 held for sale

1.9.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

1.9.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell (@ 5% of the acquisition value).

1.9.3. Property, Plant and Equipment and intangible assets classified as held for sale are not depreciated or amortized.

1.10. Leases

1.10.1. Finance Lease

Lease Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Lease Agreements in respect of land for lease period above threshold limits are classified as a finance lease.

1.10.2. Operating Lease

Lease Agreements which are not classified as finance leases are considered as operating lease.

Payments made under operating leases are recognized in Consolidated Statement of Profit and Loss with reference to lease terms and other relevant considerations. Lease incentives received / lease premium paid (if any) are recognized as an integral part of the total lease expense, over the term of the lease. Payments made under Operating Leases are generally recognized in Consolidated Statement of Profit and Loss on a straight-line basis over the term of the lease, unless such payments are structured to increase in line with expected general inflation.

1.10.3. At the inception of an arrangement, the Group determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, they separate payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. In case of a finance lease, if it is concluded that it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying assets; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the entity's incremental borrowing rate.

1.11. Impairment of Non-financial Assets

1.11.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

1.11.2. Goodwill arising from business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

1.11.3. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.12. Inventories

1.12.1. Inventories are stated at cost or net realisable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Crude oil, traded goods and finished products other than lubricants are determined on First in First out basis.
- Other raw materials, packages, lubricants and stores and spares are determined on weighted average basis.
- The cost of Stock-in-Process is determined at raw material cost plus cost of conversion.

1.12.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

1.12.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on end use.

1.12.4. The net realisable value of finished goods and stock in trade are based on the inter-company transfer prices and final selling prices (applicable at the location of stock) for sale to oil marketing companies and retail consumers respectively. For the purpose of stock valuation, the proportion of sales to oil marketing companies and retail consumers are determined on all India basis and considered for stock valuation at all locations.

1.12.5. Raw Materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

1.12.6. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

1.13. Revenue Recognition

1.13.1. Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the entity.

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 multiple deliverable and/or linked arrangements), 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 or when it is no longer probable that the points under the programme will be redeemed.

Where the entity acts as an agent on behalf of a third party, the associated income is recognized on a net basis.

In case of the Corporation, 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 sale of crude oil and gas produced from wells until start of commercial production is adjusted against the cost of such wells. Income from sale of crude oil and gas is recognized net of applicable CST/VAT, as applicable when it can be reliably measured and it is reasonable to expect ultimate collection. 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 Corporation and certain arrangements involving construction of specific assets as part of multiple deliverable arrangements.

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.

If the outcome of the construction contract can be estimated reliably, then contract revenue is recognized in Consolidated Statement of Profit and Loss in proportion to the stage of completion of the contract. 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. Otherwise contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

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 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.

1.13.7. In case of BPRL, liquidated damages for delay in execution of contracts/supplies are accounted for as per the terms of the contracts and are recognized as income in the year of deduction.

1.13.8. In case of PCCK, revenue from transportation is recognized on the basis of actual quantities transported and received at the receiving terminals.

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 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 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 refund 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

Expenditures on account of Voluntary Retirement Scheme are charged to Consolidated Statement of Profit and Loss as and when incurred.

1.16. Foreign Currency Transactions

1.16.1. Monetary items:

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognized in Consolidated Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs.

The Group has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of the liability.

1.16.2. Non – Monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.17. Government Grants

1.17.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.17.2. When the grant relates to an expense item, it is recognized in Consolidated Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.17.3. Government grants relating to Property, Plant and Equipment are presented as deferred income and are credited to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

1.18. Provisions, Contingent Liabilities and Capital Commitments

1.18.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.18.2. The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss net of reimbursements, if any.

1.18.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.18.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

1.18.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

1.18.6. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limits.

1.19. Fair Value measurement

1.19.1. The Group measures certain financial instruments at fair value at each reporting date.

1.19.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

1.19.3. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability also reflects its non-performance risk.

1.19.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Consolidated Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

1.19.5. While measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- **Level 3:** inputs for the assets or liability that are not based on observable market data (unobservable inputs)

1.19.6. When quoted price in active market for an instrument is available, the Group measure the fair value of the instrument using that price. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

1.19.7. If there is no quoted price in an active market, then the Group uses a valuation technique that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

1.19.8. The Group regularly reviews significant unobservable inputs and valuation adjustments. If the third party information, such as broker quotes or pricing services, is used to measure fair values, then they assess the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

1.20. Financial Assets

1.20.1. Initial recognition and measurement

Trade Receivables and debt securities issued are initially recognized when they are originated. All other financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

1.20.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortized cost

A ‘debt instrument’ is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A ‘debt instrument’ is measured at the fair value through Other Comprehensive Income if both the following conditions are met:

The asset is held within a business model whose objective is achieved by both

- collecting contractual cash flows and selling financial assets and
- contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Consolidated Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive Income.

Debt instruments at Fair value through Profit or Loss (FVTPL)

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation at amortized cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Consolidated Statement of Profit and Loss separately.

Equity investments

All equity investments within the scope of Ind-AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Group decides to classify the same either as FVOCI or FVTPL. They make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognized in the Consolidated Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

1.20.3. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the entity’s Balance Sheet) when:

The rights to receive cash flows from the asset have expired, or

The rights to receive cash flows from the asset is transferred or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either:

- The risks and rewards of the asset has been transferred substantially, or
- The risk and rewards of the asset are neither transferred nor retained, but the control of the asset is transferred.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Consolidated Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

1.20.4. Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (“ECL”) model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the ‘simplified approach’ at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

1.21. Financial Liabilities

1.21.1. Initial recognition and measurement

Financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

1.21.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Consolidated Statement of Profit and Loss.

Financial Liabilities at amortized cost

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the effective interest rate ("EIR") method.

Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Consolidated Statement of Profit and Loss.

1.21.3. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Consolidated Statement of Profit and Loss.

1.22. Financial guarantees

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognized less cumulative amortization.

1.23. Derivative financial instruments

The Group uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with the changes being recognized in the Consolidated Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair valuation gains or losses on foreign currency derivatives measured at FVTPL are grouped along with Gain or loss on foreign currency transactions and translations and presented under "Other Income" or "Other expenses", as the case may be, since these derivatives constitute hedges from an economic perspective and may not qualify for hedge accounting under Ind AS 109.

1.24. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the classification requirements contained in Ind AS 109 are applied to the entire hybrid contract. Derivatives embedded in all other host contracts, including financial liabilities are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in Consolidated Statement of Profit and Loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

1.25. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.26. Taxes on Income

1.26.1. Current Tax

Income-tax Assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the end of reporting period.

Current Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

1.26.2. Deferred tax

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred Tax items are recognized in correlation to the underlying transaction either in the Consolidated Statement of Profit and Loss, other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax is not recognized for

- Temporary differences related to investments in subsidiaries and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- Taxable temporary differences arising on the initial recognition of goodwill.

1.27. Earnings per share

1.27.1. Basic earnings per share 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, cheque and draft on hand. 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 the Company.

1.32. Depletion

1.32.1. In case of BPRL, Depletion charge is calculated on the capitalised cost according to the unit of production method. The depreciation 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 capitalised cost excluding acquisition cost 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 gross block of the cost centre, estimated future development expenditure 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 Company.

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 acquired 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. General and administrative costs are included in the exploration and evaluation costs 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. The Company classifies the acquisition costs, exploration and evaluation assets as tangible asset or intangible asset according to nature of assets acquired.

iv. Once the technical feasibility and commercial viability of extracting oil and gas is determinable, exploration and evaluation assets are classified as capital work in progress or 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 are capitalised as and when incurred.

v. When 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 major difference in economic, fiscal or other factors in the country.

vi. When the block or cost centre are relinquished, accumulated cost is charged off as an expense in the said year.

vii. The Company recognizes 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. The Company capitalises as part of property, plant and equipment or intangible asset, as the case may be, the amount of provision required to be created for subsequent abandonment. 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 uncertainty of timing on 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 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. Impairment test is performed in accordance with the procedures given below for impairment of non-financial assets. Impairment loss, if any is recognized as an expense.

ix. The Company allocates exploration and evaluation assets to cash generating units or group of cash generating units for the purpose of assessing such assets for impairment.

NOTE 2 PROPERTY, PLANT AND EQUIPMENT (CONSOLIDATED)

(₹ in Crores)

Particulars	Gross Block					Depreciation				Net Carrying Amount	
	As at 01/04/17	Additions	Other Adjustments (Refer Note 55)	Reclassifications/ Deductions On Account of Retirement / Disposal	As at 31/03/18	Up to 31/03/17	For the Year	Reclassifications/ Deductions On Account of Retirement / Disposal	Up to 31/03/18	As at 31/03/18	As at 31/03/17
Land											
(a) Freehold*	865.85	396.51	-	(0.15)	**1,262.51**	-	-	-	**-**	**1,262.51**	865.85
(b) Leasehold*	0.81	-	-	-	**0.81**	0.05	0.02	-	**0.07**	**0.74**	0.76
Buildings including Roads*	6,157.10	1,074.63	11.16	10.10	**7,232.79**	681.68	362.41	1.18	**1,042.91**	**6,189.88**	5,475.42
Plant and Equipments*	16,491.80	8,054.58	391.88	304.12	**24,634.14**	1,956.18	1,425.93	201.01	**3,181.10**	**21,453.04**	14,535.62
Furniture and Fixtures*	449.94	160.72	0.06	3.70	**607.02**	118.53	66.09	1.83	**182.79**	**424.23**	331.41
Vehicles*	45.89	16.49	0.32	2.10	**60.60**	11.82	7.49	0.94	**18.37**	**42.23**	34.07
Office Equipments*	687.52	196.69	4.45	10.58	**878.08**	206.39	144.52	6.46	**344.45**	**533.63**	481.13
Railway Sidings*	165.41	12.36	0.57	0.26	**178.08**	37.08	14.95	0.04	**51.99**	**126.09**	128.33
Tanks and Pipelines*	6,261.47	2,567.23	136.36	13.33	**8,951.73**	380.67	323.17	1.14	**702.70**	**8,249.03**	5,880.80
Dispensing Pumps	2,385.00	193.06	-	25.44	**2,552.62**	318.31	171.86	12.52	**477.65**	**2,074.97**	2,066.69
LPG Cylinders and Allied Equipments	3,984.80	1,569.36	-	-	**5,554.16**	346.19	303.64	-	**649.83**	**4,904.33**	3,638.61
Total	**37,495.59**	**14,241.63**	**544.80**	**369.48**	**51,912.54**	4,056.90	2,820.08	225.12	**6,651.86**	**45,260.68**	**33,438.69**
Previous Year	27,223.73	9,946.15	439.15	113.44	**37,495.59**	2,034.10	2,056.06	33.26	**4,056.90**	**33,438.69**	

* These include assets which are given on Operating Leases or taken on Finance Leases, the details thereof are included in Note no. 50

NOTE 3 CAPITAL WORK-IN-PROGRESS (CONSOLIDATED)

₹ in Crores

Particulars			As at 31/03/2018	As at 31/03/2017
Capital work-in-progress				
Property, Plant and Equipment under erection / construction			**3,490.67**	9,992.93
Capital stores including lying with contractors			**619.61**	916.12
Capital goods in transit			**155.61**	56.96
Allocation of Construction period expenses	**2017-18**	**2016-17**		
Opening balance	**796.71**	1,004.55		
Add: Expenditure during the year				
Establishment charges including Salaries & Wages	**137.28**	130.33		
Interest	**116.71**	288.36		
Loss / (Gain) on foreign currency transactions	**0.34**	(370.72)		
Insurance	**7.56**	19.04		
Others	**14.89**	26.04		
	1,073.49	1,097.60		
Less: Allocated to assets capitalised during the year / charged off	**(852.29)**	(300.89)		
Closing balance pending allocation			**221.20**	796.71
Total			**4,487.09**	11,762.72

NOTE 4 INVESTMENT PROPERTY (CONSOLIDATED)

₹ in Crores

Particulars	Gross Block				Depreciation				Net Carrying Amount	
	As at 01/04/17	Additions	Reclassifications/ Deductions on Account of Retirement / Disposal	As at 31/03/18	Up to 31/03/17	For the Year	Reclassifications/ Deductions on Account of Retirement / Disposal	Up to 31/03/18	As at 31/03/18	As at 31/03/17
Buildings	0.34	-	0.01	**0.33**	0.06	0.02	0.01	**0.07**	**0.26**	0.28
TOTAL	0.34	-	0.01	**0.33**	0.06	0.02	0.01	**0.07**	**0.26**	0.28
Previous Year	**0.52**	**-**	**0.18**	**0.34**	**0.04**	**0.02**	**-**	**0.06**	**0.28**	

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	2017-18	2016-17
Rental Income derived from investment Properties	**1.08**	1.03
Less - depreciation	**0.02**	0.02
Profit arising from Investment Properties before direct expenses	**1.06**	1.01

The direct operating expenses on the investment property are not separately identifiable and the same are not likely to be material.

As at 31st March 2018 and 31st March 2017 the fair values of the investment property are ₹ **3.73 Crores** and ₹ 5.36 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 appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

NOTE 5 OTHER INTANGIBLE ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	Useful Life (No. of Years)	Gross Block					Amortisation				Net Carrying Amount	
		As at 01/04/17	Additions	Other Adjustments	Reclassifications/ Deletions	As at 31/03/18	Upto 31/03/17	For the year	Reclassifications/ Deletions	Upto 31/03/18	As at 31/03/18	As at 31/03/17
Right of Way	Indefinite	50.74	0.03	-	-	**50.77**	-	-	-	**-**	**50.77**	50.74
Right of Way	Upto 30	34.99	-	-	-	**34.99**	1.72	2.38	-	**4.10**	**30.89**	33.27
Right to use Jetty	30	-	4.09	-	-	**4.09**	-	0.14	-	**0.14**	**3.95**	-
Service Concession Arrangements (Refer note no. 49)	20	63.00	-	-	-	**63.00**	5.16	3.54	-	**8.70**	**54.30**	57.84
Software/ Licenses	Upto 5	32.13	11.95	-	-	**44.08**	16.56	8.33	-	**24.89**	**19.19**	15.57
Oil And Gas Assets		116.78	37.02	-	-	**153.80**	46.45	48.13	-	**94.58**	**59.22**	70.33
Process Licenses	Upto 5	32.08	54.90	3.27	-	**90.25**	14.94	15.27	-	**30.21**	**60.04**	17.14
Total		**329.72**	**107.99**	**3.27**	**-**	**440.98**	**84.83**	**77.79**	**-**	**162.62**	**278.36**	**244.89**
Previous Year		188.13	141.45	0.22	0.08	**329.72**	19.26	65.57	-	**84.83**	**244.89**	

NOTE 6 INTANGIBLE ASSETS UNDER DEVELOPMENT (CONSOLIDATED)

₹ in Crores

Particulars	Gross Amount			
	As at 01/04/17	Additions	Capitalizations as Intangible Asset / Deletions	As at 31/03/18
Process Licenses	405.79	7.43	49.39	**363.83**
Wells in Progress*	4,665.36	359.32	0.24	**5,024.44**
Total	**5,071.15**	**366.75**	**49.63**	**5,388.27**
Previous Year	4,713.78	439.46	82.09	**5,071.15**

There are no internally generated intangible assets.

*Net of provision for impairment loss of ₹ **128.67 Crores** (Previous year: ₹ 128.35 Crores)

Additional information in respect of Note no. 2 to 6:

a) Land:

   i) Freehold land includes ₹ **93.08 Crores** (Previous year: ₹ 94.66 Crores) capitalized at various locations for which conveyance deeds are yet to be executed and/or mutation is pending.

   ii) Freehold land includes ₹ **2.20 Crores** (Previous year: ₹ 2.20 Crores) which is in the process of being surrendered to the Competent Authority.

   iii) Lease hold land represents land taken on finance lease for more than 99 years.

b) Buildings include Ownership flats of ₹ **41.28 Crores** (Previous year: ₹ 41.07 Crores) in proposed / existing co-operative societies and others.

c) Other adjustments include capitalization of foreign exchange differences (net) of ₹ **25.76 Crores** (Previous year: ₹ 226.25 Crores) and borrowing costs of ₹ **522.31 Crores** (Previous year: ₹ 213.12 Crores).

d) Freehold Land, Plant and Equipment, Tanks and Pipelines, Railway Sidings and Buildings etc. jointly owned in varying extent with other Oil Companies / Railways: Gross Block ₹ **198.77 Crores** (Previous year: ₹ 204.55 Crores), Cumulative Depreciation ₹ **29.95 Crores** (Previous year: ₹ 20.52 Crores), Net Block ₹ **168.82 Crores** (Previous year: ₹ 184.03 Crores).

e) Charge has been created over the fixed assets of the group, mainly Plant and Machinery at Mumbai Refinery, Kochi Refinery and NRL in regard to the borrowings– Refer note no. 25.

f) Compensation received from third parties in respect of items of Property, Plant & Equipment/ Capital work in progress that were impaired, lost or given up during the year ₹ **8.11 Crores** (Previous year: ₹ 1.82 Crores).

g) The Group has assessed the useful life of Right of way as indefinite where the same is perpetual in nature.

h) Depreciation and amortization for the year is ₹ **2,897.89 Crore**s (Previous year: ₹ 2,121.65 Crores) from which, after reducing -

   i) Depreciation on decapitalization of ₹ **8.28 Crores** (Previous year: ₹ 1.75 Crores)

   ii) Depreciation on reclassification of assets of ₹ **4.24 Crores** (Previous year: ₹ 12.00 Crores)

   iii) Charged to Project ₹ **0.37 Crores** (Previous year: ₹ 0.26 Crores)

   Net Depreciation and amortization for the year charged to Profit and Loss statement is ₹ **2,885.00 Crores** (Previous year: ₹ 2,107.64 Crores)

i) Deduction from accumulated depreciation on account of retirement/disposal during the year is ₹ **212.24 Crores** (Previous year: ₹ 19.25 Crores)

j) 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, Capital work in progress, Investment properties, Intangible assets and Intangible assets under development as recognised 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 (1^{st} April 2015)

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED)

Information of interest of the Corporation in its equity accounted investees:

₹ in Crores

	Note reference	31/03/2018	31/03/2017
Interest in Associates	See Note (A) below	**2,609.55**	2,296.42
Interest in Joint Ventures	See Note (B) below	**14,984.53**	12,665.26

[A] Interest in Associates

(I) List of material Associates of the Company

			Proportion of Ownership Interest	
Sr No	**Name**	**Country of Incorporation**	**31/03/2018**	**31/03/2017**
1.	Indraprastha Gas Limited [Refer Note (i)]	India	**22.50%**	22.50%
2.	Petronet LNG Limited [Refer Note (ii)]	India	**12.50%**	12.50%

Note (i) Indraprastha Gas Limited (IGL) was set up in December, 1998 for implementing the project for supply of Compressed Natural Gas (CNG) to the household and automobile sectors in Delhi. The paid up share capital of the Company is ₹ 140 Crores (Previous year: ₹ 140 Crores). BPCL invested ₹ 31.50 Crores in IGL for 22.5% stake in its equity. IGL is a listed Company with the public holding 55% of the paid up share capital of the Company.

Note (ii) Petronet LNG Limited (PLL) was formed in April, 1998 for importing LNG and setting up LNG terminals with facilities like jetty, storage, regasification etc. to supply Natural Gas to various industries in the country. The paid up capital of the company is ₹ 1500 Crores (Previous year: ₹ 750 Crores). PLL was promoted by four public sector companies viz. BPCL, Indian Oil Corporation Limited (IOC), Oil and Natural Gas Limited (ONGC) and GAIL (India) Limited (GAIL). Each of the promoters holds 12.5% of the equity capital of PLL. PLL is a listed Company. BPCL's equity investment in PLL currently stands at ₹ 98.75 Crores.

Fair Value of material listed Associates

₹ in Crores

Sr No	**Name**	**31/03/2018**	**31/03/2017**
1	Indraprastha Gas Limited	**4,391.90**	3,192.22
2	Petronet LNG Limited	**4,336.88**	3,777.18

In respect of Petronet LNG Limited, the same has been classified as an associate, as the Corporation has the right to nominate a director on the Board of Directors of the company and this right allows the Corporation to participate in financial and operating policies.

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) (CONTD.)

The following table comprises the financial information of the Corporation's material Associates and their respective carrying amount.

₹ in Crores

31/03/2018	Indraprastha Gas Limited	Petronet LNG Limited
Summarised financial information		
Non Current Assets	3,313.88	8,717.43
Current Assets (excluding cash and cash equivalent)	1,578.91	6,171.80
Cash and cash equivalent	203.68	855.30
Non Current liabilities (excluding trade and other payables and provisions)	260.38	3,065.21
Trade and other payables and provisions (Non-Current)	12.83	7.81
Current liabilities (excluding trade and other payables and provisions)	836.82	1,278.21
Trade and other payables and provisions (Current)	339.49	1,582.00
Net Assets	3,646.95	9,811.30
Group's share of net assets	820.56	1,226.41
Carrying amount of interest in Associate	820.56	1,226.41
Revenue (including Interest Income)	5,164.21	30,916.02
Depreciation and Amortisation	181.29	411.65
Other Expense	3,957.18	27,286.28
Finance Cost	1.69	162.99
Share of Profit of Equity accounted investees (JV), net of tax	71.89	32.59
Profit before tax	1,095.94	3,087.70
Tax Expense	374.22	977.26
Profit after tax	721.72	2,110.44
Other Comprehensive Income	(0.28)	0.52
Total Comprehensive Income	721.44	2,110.96
Group's share of profit	162.38	263.80
Group's share of OCI	(0.06)	0.07
Group's share of total comprehensive Income	162.32	263.87
Dividend received from the Associate	15.75	46.88

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) (CONTD.)

₹ in Crores

31/03/2017	Indraprastha Gas Limited	Petronet LNG Limited
Summarised financial information		
Non Current Assets	2,849.69	9,010.96
Current Assets (excluding cash and cash equivalent)	852.34	4,581.64
Cash and cash equivalent	496.10	320.99
Non Current liabilities (excluding trade and other payables and provisions)	184.39	3,565.97
Trade and other payables and provisions (Non-Current)	20.34	6.56
Current liabilities (excluding trade and other payables and provisions)	685.05	1,208.63
Trade and other payables and provisions (Current)	275.91	954.04
Net Assets	3,032.44	8,178.39
Group's share of net assets	682.30	1,022.30
Carrying amount of interest in Associate	682.30	1,022.30
Revenue (including Interest Income)	4,268.43	24,962.67
Depreciation and Amortisation	193.57	369.07
Other Expense	3,233.16	22,023.75
Finance Cost	1.21	209.65
Share of Profit of Equity accounted investees (JV), net of tax	62.33	17.46
Profit before tax	902.82	2,377.65
Tax Expense	289.15	654.53
Profit after tax	613.67	1,723.13
Other Comprehensive Income	(0.87)	(1.79)
Total Comprehensive Income	612.80	1,721.33
Group's share of profit	138.08	215.39
Group's share of OCI	(0.20)	(0.22)
Group's share of total comprehensive Income	137.88	215.17
Dividend received from the Associate	29.93	23.44

(II) Details of all individually immaterial Associates

₹ in Crores

Particulars	31/03/2018	31/03/2017
Aggregate carrying amount of its interest in Associates	**562.58**	591.82
Share of Total Comprehensive Income from Associates	**(66.93)**	(50.42)

[B] Interest in Joint Ventures

(I) List of material Joint Ventures of the Group

			Proportion of Ownership Interest	
Sr No	Name	Country of Incorporation	31/03/2018	31/03/2017
1.	Bharat Oman Refineries Limited [Refer Note (i)]	India	**50.00%**	50.00%

NOTE 7 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONSOLIDATED) (CONTD.)

Note (i) Bharat Oman Refineries Limited is a Joint Venture Company of BPCL with Oman Oil Company S.A.O.C. (OOC). BPCL and OOC have an equity stake of 50% each in BORL's paid up share capital of ₹ **1,777.23 Crores** as on 31st March 2018 (Previous year: ₹ 1,777.23 Crores). BPCL has also subscribed to Share Warrants of BORL of ₹ 1,585.68 Crores and invested in Compulsory Convertible Debentures of ₹ 1,000 Crores.

The following table comprises the financial information of the Corporation's material Joint Venture and their respective carrying amount.

₹ in Crores

Bharat Oman Refineries Limited	31/03/2018	31/03/2017
Summarised financial information		
Non Current Assets	11,653.02	11,063.56
Current Assets (excluding cash and cash equivalent)	4,660.74	4,565.49
Cash and cash equivalent	1.28	1,002.08
Non Current liabilities (excluding trade and other payables and provisions)	8,028.51	9,733.82
Trade and other payables and provisions (Non-Current)	10.46	9.54
Current liabilities (excluding trade and other payables and provisions)	1,857.73	1,988.79
Trade and other payables and provisions (Current)	2,100.32	1,564.64
Net Assets	4,318.02	3,334.34
Group's share of net assets	2,159.01	1,667.17
Adjustments		
Investment in Share Warrants	792.84	792.84
Investment in Compulsorily Convertible Debentures	500.00	500.00
Inter-company profit eliminations	(156.80)	(170.25)
Carrying amount of interest in Joint Ventures	3,295.05	2,789.76
Revenue (excluding interest income)	31,332.28	27,074.27
Interest Income	20.77	5.81
Depreciation and Amortisation	530.96	596.89
Finance Cost	617.61	778.64
Other Expense	28,685.94	24,481.99
Profit before tax	1,518.54	1,222.56
Tax Expense	534.83	414.43
Profit after Tax	983.71	808.13
Other Comprehensive Income	(0.03)	(0.16)
Total Comprehensive Income	983.68	807.97
Group's share of profit	491.86	404.07
Group's share of OCI	(0.02)	(0.08)
Group's share of Total Comprehensive Income	491.84	403.99
Dividend received from the Joint Venture	-	-

(II) Details of all individually immaterial Joint Ventures

₹ in Crores

Particulars	31/03/2018	31/03/2017
Aggregate carrying amount of its interest in Joint Ventures	11,689.48	9,875.50
Share of Total Comprehensive Income from Joint Ventures	922.24	461.52

NOTE 8 INVESTMENTS (CONSOLIDATED)

₹ in Crores

Particulars	No. of Units 31/03/2018	No. of Units 31/03/2017	As at 31/03/2018	As at 31/03/2017
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**	1,78,33,700	**575.94**	594.85
Unquoted				
Cochin International Airport Limited *	**1,31,25,000**	1,31,25,000	**105.26**	97.80
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			**681.21**	692.66

* The Corporation has designated these investments at fair value through Other Comprehensive Income because these investments represent the investments that the Corporation intends to hold for long-term purposes. No such investments were disposed off during the year and accordingly, there have been no transfers of the cumulative gains or losses on these investments.

Aggregate amount of Unquoted Securities			**105.27**	97.81
Aggregate amount of Quoted Securities			**575.94**	594.85
Market value of Quoted Securities			**575.94**	594.85
Aggregate amount of Impairment in the value of investments			**-**	-

NOTE 9 LOANS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Security deposits		
Considered good*	105.41	68.58
Considered doubtful	0.90	0.89
Less : Provision for doubtful	(0.90)	(0.89)
Loans to Joint Ventures		
IBV (Brasil) Petroleo Ltda.	1,653.72	1,544.41
TAAS India Pte Ltd.	131.17	-
Bharat Oman Refineries Limited	1,254.10	1,254.10
Loans to employees (including accrued interest) (secured) [Refer Note No. 53]	421.24	421.59
Loans to Others		
Considered good**	507.56	32.29
Considered doubtful	0.45	0.53
Less : Allowance for doubtful loans	(0.45)	(0.53)
Total	4,073.20	3,320.97

* Includes Secured deposits ₹ **18.49 Crores** (Previous year: Nil).

** The above includes ₹ **463.87 Crores** as at 31st March 2018 pertaining to Loans given to Consumers under Pradhan Mantri Ujjwala Yojana scheme, the recovery period has been deferred beyond one year with effect from 01st April 2018.

NOTE 10 OTHER FINANCIAL ASSETS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Claims :		
Considered good	39.89	34.16
Considered doubtful	17.96	25.12
Less : Allowances for doubtful	(17.96)	(25.12)
Bank deposits with more than twelve months maturity		
Considered Good *	13.58	11.93
Considered Doubtful	0.02	0.02
Less : Allowance for doubtful	(0.02)	(0.02)
Advances against Equity to Joint Ventures #		
Taas India Pte. Ltd.	2.90	-
Bharat Renewable Energy Limited	0.54	0.54
Less : Allowance for doubtful	(0.54)	(0.54)
Total	56.37	46.09

* Includes deposit of ₹ **0.80 Crores** (31st March 2017: ₹ 0.80 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 31/03/2018	As at 31/03/2017
Advance payment of Income Tax (Net of provision)	406.58	127.51
Total	**406.58**	127.51

NOTE 12 OTHER NON-CURRENT ASSETS (CONSOLIDATED)

(Unsecured,considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Capital advances	78.14	133.91
Advance to Associates		
Petronet LNG Limited	164.72	185.00
Advance to Employee Benefit Trusts	28.09	9.83
Prepaid expenses	833.99	582.32
Claims and Deposits:		
Considered good	490.24	598.48
Considered doubtful	141.49	127.22
Less : Allowance for doubtful	(141.49)	(127.22)
Total	**1,595.18**	1,509.54

NOTE 13 INVENTORIES (CONSOLIDATED)

[Refer Note No. 1.12]

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Raw Materials	5,480.51	4,044.26
[Including in transit ₹ **2,381.78 Crores** (Previous year : ₹ 1,599.83 Crores)]		
Work-in-progress	1,012.81	743.56
Finished goods	10,341.43	8,777.96
Stock-in-Trade	5,043.26	7,079.33
[Including in transit ₹ **682.22 Crores** (Previous year : ₹ 1,113.40 Crores)]		
Stores and Spares	640.81	531.70
[Including in transit ₹ **5.50 Crores** (Previous year : ₹ 5.66 Crores)]		
Packaging material	10.70	19.97
Total	**22,529.52**	21,196.78

The write-down of inventories of the corporation to net realisable value during the year amounted to ₹ **155.00 Crores** (Previous year : ₹ 254.52 Crores). The reversal of write downs during the year amounted to ₹ **3.08 Crores** (Previous year : ₹ 2.61 Crores) due to increase in net realisable value of the inventories. The write downs and reversal are included in cost of materials consumed or changes in inventories of finished goods, stock-in-trade and work in progress.

Inventories pledged as collateral - Refer Note No. 30

NOTE 14 INVESTMENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Investments at Fair value through Profit and Loss		
Investment In Government Securities of Face Value ₹ 100 each (Fully Paid up)		
Quoted		
6.35% Oil Marketing Companies GOI Special Bonds 2024	**1,979.42**	1,992.27
6.90% Oil Marketing Companies GOI Special Bonds 2026 #	**1,986.15**	2,418.46
7.95% Oil Marketing Companies GOI Special Bonds 2025	**10.92**	11.09
8.20% Oil Marketing Companies GOI Special Bonds 2024	**923.04**	938.52
7.59% Government Stock 2026 #	**93.35**	-
	4,992.88	5,360.34
Investments in Mutual Funds		
Quoted		
Investment in Mutual Funds	**1.01**	312.45
Investment in Others		
Unquoted		
Equity Shares of ₹ 10 each (fully paid up)		
Sai Wardha Power Generation Limited	**2.30**	-
Investments at Amortised Cost		
Quoted		
Investment in T-Bills	**453.09**	-
Total	**5,449.28**	5,672.79

Kept as Collateral Security with Clearing Corporation of India Limited for borrowing in Collateralised Borrowings and Lending Obligations of face Value ₹**2,162 Crores** (31st March 2017: ₹ 2,200 Crores) [Refer Note No. 30]

Aggregate amount of Unquoted Securities	**2.30**	-
Aggregate amount of Quoted Securities	**5,446.98**	5,672.79
Market value of Quoted Securities	**5,446.98**	5,672.79
Aggregate amount of Impairment in the value of investments	**-**	-

NOTE 15 TRADE RECEIVABLES (CONSOLIDATED)

(Unsecured unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Considered good*	**5,218.69**	4,819.32
Less : Allowance for expected credit loss	**(13.90)**	(15.57)
Considered doubtful	**134.16**	265.29
Less : Allowance for doubtful	**(134.16)**	(265.29)
Total	**5,204.79**	4,803.75

* Includes Secured debts ₹ **446.14 Crores** (Previous year: ₹ 423.76 Crores)

Trade receivables pledged as collateral [Refer Note No. 30]

NOTE 16 CASH AND CASH EQUIVALENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Balance with Banks :		
On Current Account	**237.41**	317.41
Demand deposits with banks with original maturity of less than three months	**319.95**	251.13
Cheques and drafts on hand	**35.80**	38.69
Cash on hand	**0.44**	0.71
Total	**593.60**	607.94

NOTE 17 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Fixed deposits with banks with original maturity of 3 - 12 months*	**747.32**	1,266.17
Earmarked Balances		
Unpaid Dividend	**12.34**	10.34
Others	**0.60**	0.09
Total	**760.26**	1,276.60

* It includes bid bond of BPRL with Government authorities of ₹ **0.32 Crores** (Previous year ₹ 0.80 Crores) and margin money with bank towards bank guarantee given to Government authorities of ₹ **1.14 Crores** (Previous year: Nil)

NOTE 18 LOANS (CONSOLIDATED)

(Unsecured, considered good unless otherwise stated)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Loans to employees (including accrued interest) (secured)	**66.25**	66.60
[Refer Note No. 53]		
Loan to JVCs		
Vankor India Pte Ltd.	**186.24**	-
Security and other deposits	**3.34**	3.44
Loans to Others		
Considered good	**14.57**	8.13
Considered doubtful	**1.08**	1.24
Less : Allowance for doubtful	**(1.08)**	(1.24)
Total	**270.40**	78.17

NOTE 19 OTHER FINANCIAL ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Interest accrued on bank deposits etc.		
Considered good	19.32	28.46
Considered doubtful	0.02	0.02
Less: Allowance for doubtful	(0.02)	(0.02)
Interest accrued on Loans to Related Parties	25.38	25.38
Derivative Asset	11.64	6.10
Receivable from Central Government / State Government		
Considered good	3,860.06	2,365.95
Considered doubtful	79.99	8.64
Less: Allowance for doubtful	(79.99)	(8.64)
Dues from Related Parties		
Dues from Joint Venture Companies	39.99	21.31
Advances and Recoverables		
Considered good	568.17	860.08
Considered doubtful	118.76	300.81
Less : Allowance for doubtful	(118.76)	(300.81)
Total	4,524.56	3,307.28

NOTE 20 CURRENT TAX ASSETS (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Advance Income Tax (Net of provision for taxation)	55.08	33.76
Total	55.08	33.76

NOTE 21 OTHER CURRENT ASSETS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Advances other than Capital advances		
Other Advances including Prepaid expenses	365.06	313.76
Claims		
Considered good	421.52	236.94
Considered Doubtful	3.27	2.19
Less : Allowance for doubtful	(3.27)	(2.19)
Recoverables with Customs, Excise etc.	407.11	371.51
Total	1,193.69	922.21

NOTE 22 ASSETS HELD FOR SALE (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Non Current Assets Held for Sale*	18.10	10.80
	18.10	10.80

* Non Current Assets held for sale of the group consists of items such as Plant and equipment, Dispensing pumps, land, boundary walls etc. which have been identified for disposal give replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed of within the next 12 months. On account of re-classification of these assets, an impairment loss of ₹ **26.72 Crores** during the year (Previous year: ₹ 5.52 Crores) has been recognised in the statement of profit and loss.

NOTE 23 EQUITY SHARE CAPITAL (CONSOLIDATED)

₹ in Crores

	Particulars	As at 31/03/2018	As at 31/03/2017
i	**Authorised**		
	2,50,00,00,000 equity shares (Previous year: 2,50,00,00,000 equity shares)	2,500.00	2,500.00
ii	**Issued, subscribed and paid-up**		
	2,16,92,52,744 (Previous year: 1,44,61,68,496) equity shares fully paid-up	2,169.25	1,446.17
	Less - BPCL Trust for Investment in Shares [Refer Note No. 46]	(202.37)	(134.92)
	Total	1,966.88	1,311.25

iii The Corporation has only one class of shares namely equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per equity share. In the event of liquidation of the Corporation, the holders of equity shares will be entitled to receive the remaining assets of the Corporation in proportion to the number of equity shares held.

The Corporation declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

iv During the Financial year 2017-18, the Corporation has issued Bonus Shares in the ratio of 1:2 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

During the Financial year 2016-17, the Corporation has issued Bonus Shares in the ratio of 1:1 by capitalisation of General Reserves. The total number of shares issued is 72,30,84,248 having face value of ₹ 10 each.

v **Reconciliation of No. of Equity Shares**

Particulars	As at 31/03/2018	As at 31/03/2017
A. Opening Balance	1,44,61,68,496	72,30,84,248
B. Shares Issued		
- Bonus Shares	72,30,84,248	72,30,84,248
C. Shares Bought Back	-	-
D. Closing Balance	2,16,92,52,744	1,44,61,68,496

vi **Details of shareholders holding more than 5% shares**

Name of shareholder	As at 31/03/2018 % Holding	As at 31/03/2018 No. of shares	As at 31/03/2017 % Holding	As at 31/03/2017 No. of shares
Government of India	54.31	1,17,80,95,019	54.93	79,44,00,240
BPCL Trust for Investment in Shares [Refer Note No. 46]	9.33	20,23,72,422	9.33	13,49,14,948

NOTE 24 OTHER EQUITY (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Attributable to owners of the corporation		
Capital Reserve	**106.08**	12.33
Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates	**(64.09)**	(64.09)
Debenture Redemption Reserve	**1,132.94**	832.28
General Reserve	**28,651.63**	26,653.82
Foreign Currency Monetary Item Translation Difference Account	**66.76**	206.34
Equity Instruments through Other Comprehensive Income	**78.99**	94.24
Retained Earnings	**3,545.07**	1,155.07
Foreign Currency Translation Reserve	**1,341.26**	893.44
Securities Premium Reserve	**249.79**	249.26
BPCL Trust for Investment in Shares [Refer Note No. 46]	**(456.74)**	(524.19)
Total	**34,651.69**	29,508.50
Capital Reserve:		
Opening balance	**12.33**	12.33
Add/(Less) : Additions/(Deletions) during the year **	**93.75**	-
Closing balance	**106.08**	12.33
Capital Reserve on Acquisition of Subsidiaries, JVCs and Associates		
Opening balance	**(64.09)**	(64.09)
Add/(Less) : Additions / (Deletions) during the year	**-**	-
Closing balance	**(64.09)**	(64.09)
Debenture Redemption Reserve		
Opening balance	**832.28**	607.70
Add : Transfer from Retained Earnings	**307.53**	224.58
Less: Transfer to Retained earnings on redemption of debentures	**(6.87)**	-
Closing balance	**1,132.94**	832.28
Foreign Currency Translation Reserve		
Opening Balance	**893.44**	690.47
Add/(Less) : Additions / (Deletions) during the year	**447.82**	202.97
Closing balance	**1,341.26**	893.44
Foreign Currency Monetary Item Translation Difference Account (Refer Note No. 55)		
Opening balance	**206.34**	(79.28)
Add/(Less) : Additions / (Deletions) during the year	**(74.32)**	155.79
Add/(Less) : Additions / (Deletions) on account of Amortization during the year	**(65.26)**	129.83
Closing balance	**66.76**	206.34

NOTE 24 OTHER EQUITY (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Securities Premium Reserve		
Opening balance	**249.26**	249.26
Additions / (Deletions) during the year	**0.53**	-
Closing Balance	**249.79**	249.26
Equity instruments through Other Comprehensive Income		
Opening Balance	**94.24**	(88.88)
Additions / (Deletions) during the year	**(15.25)**	183.12
Closing balance	**78.99**	94.24
BPCL Trust for Investment in Shares : (Refer Note No. 46)		
Opening Balance	**(524.19)**	(591.65)
Additions / deletions during the year	**67.45**	67.46
Closing Balance	**(456.74)**	(524.19)
General Reserve		
Opening balance	**26,653.82**	27,376.91
Add : Transfer from Retained Earnings	**2,720.89**	-
Less : Amount utilised for issue of bonus shares (Refer Note No. 23)	**(723.08)**	(723.09)
Closing Balance	**28,651.63**	26,653.82
Retained Earnings		
Opening balance	**1,155.07**	(1,060.53)
Add : Profit for the year as per Statement of Profit and Loss	**9,008.63**	8,720.94
Add : Income from BPCL Trust for Investment in Shares (Refer Note No. 46)	**296.81**	526.17
Less : Interim Dividends for the year : ₹ **14 per share** (Previous year : ₹ 31.50 per share)	**(3,036.95)**	(4,555.43)
Less : Dividend Distribution Tax on Interim Dividends for the year	**(568.21)**	(887.55)
Less : Final Dividend for FY 2016-17 ₹ **1 per share** (Previous year : ₹ 15 per share)	**(144.62)**	(1,084.63)
Less : Dividend Distribution Tax on Final Dividend for previous year	**(79.40)**	(182.00)
Add/Less : Remeasurements of defined benefit plans (net of tax)	**22.78**	(53.76)
Add/(Less) : Transfer to Debenture Redemption Reserve	**(307.53)**	(224.58)
Add: Transfer from Debenture Redemption Reserve	**6.87**	-
Less: Transfer to Capital Reserve**	**(93.75)**	-
Less : Transfer to General Reserve	**(2,720.89)**	-
Add / (Less): Other movements	**6.26**	(43.56)
Closing Balance*	**3,545.07**	1,155.07
Total Other Equity attributable to owners	**34,651.69**	29,508.50

*The balance includes accumulated balance of Remeasurements of defined benefit plans (Net of tax) of corporation as on 31st March 2018 is ₹ **(119.51) Crores** (as on 31st March 2017 ₹ (143.87) Crores).

** It represents transfer to capital reserve on account of issue of bonus shares by an associate.

NOTE 24 OTHER EQUITY (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 transfer to capital reserve on account of issue of bonus shares by an associate

Debenture redemption reserve

Debenture redemption reserve represents reserve created out of the profits of the Group available for distribution to shareholders which is utilised for redemption of debentures/bonds.

General reserve

General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Foreign Currency Monetary Item Translation Difference Account

Foreign Currency Monetary Item Translation Difference Account represents amounts recognised on account of translation of long term foreign currency denominated borrowings not related to acquisition of depreciable assets. Amounts so recognised are amortised in the statement of profit and loss over remaining maturity of related borrowings.

Retained Earnings

Retained Earnings (excluding accumulated balance of remeasurements of defined benefit plans (net of tax)) represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

		₹ in Crores
Proposed Dividends on Equity Shares not recognised by the Corporation:	**2017-18**	2016-17
Final Dividend for the year ended ₹ **7** per share (Previous year : ₹ 1 per share)	**1,518.48**	144.62
Dividend Distribution Tax on Proposed Dividend	**312.12**	29.44
Total	**1,830.60**	174.06

NOTE 25 BORROWINGS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018 Current #	As at 31/03/2018 Non-Current	As at 31/03/2017 Current #	As at 31/03/2017 Non-Current
Secured				
From Banks				
Term Loan@	-	7,854.63	1,945.16	5,264.95
External Commercial Borrowings ##	162.61	162.61	151.83	334.46
From Others				
Debentures				
7.35% Secured Non-Convertible Debentures 2022 *	-	549.84	-	549.80
Term Loan				
Loan from Oil Industry Development Board **	499.44	858.50	412.94	1,357.94
Unsecured				
From Banks				
Foreign Currency Loan Syndicated	-	2,771.42	1,718.22	2,142.38
Term Loan	-	4,235.61	-	2,000.00
From Others				
Debentures				
7.69% Unsecured Non-Convertible Debentures 2023	-	749.68	-	-
Bonds				
4% US Dollar International Bonds 2025	-	3,227.22	-	3,211.28
4.625% US Dollar International Bonds 2022	-	3,238.55	-	3,222.60
3% Swiss Franc International Bonds 2019	-	1,363.01	-	1,292.45
4.375% US Dollar International Bonds 2027	-	3,893.21	-	3,879.47
Term Loan				
Loan from Oil Industry Development Board	-	-	24.25	-
Total	662.05	28,904.28	4,252.40	23,255.33

Classified under other financial liabilities [Refer Note No. 32]

Terms of Repayment Schedule of Long-term borrowings as on 31/03/2018 :

Non-Current	Interest Rate	₹ in Crores	Maturity
4.375% US Dollar International Bonds 2027	4.375%	3,902.65	2026-27
4% US Dollar International Bonds 2025	4.00%	3,252.21	08-May-25
Term Loan	SBI MCLR	1,466.40	15-Mar-24
Term Loan	SBI MCLR	133.40	15-Apr-23
7.69% Unsecured Non-Convertible Debentures 2023	7.69%	750.00	16-Jan-23
4.625% US Dollar International Bonds 2022	4.625%	3,252.21	25-Oct-22
Term Loan	SBI MCLR	133.40	15-Apr-22
7.35% Secured Non-Convertible Debentures 2022	7.35%	550.00	10-Mar-22
Term Loan	L + Margin	2,276.54	2022-23
Term Loan	SBI MCLR	133.40	15-Apr-21

NOTE 25 BORROWINGS (CONSOLIDATED) (CONTD.)

Non-Current	**Interest Rate**	**₹ in Crores**	**Maturity**
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	86.50	Apr'21 - Mar'22
Foreign Currency Loans - Syndicated	L + 82 bps	2,146.46	26-Feb-21
Foreign Currency Loans - Syndicated	L + 71 bps	650.44	06-Nov-20
Term loan	L + Margin	7,967.89	2020-2024
Term Loan	SBI MCLR	133.40	15-Apr-20
Loan from Oil Industry Development Board - Secured	7.68% - 8.09%	272.56	Apr'20 - Mar'21
3% Swiss Franc International Bonds 2019	3.00%	1,364.70	20-Dec-19
Loan from Oil Industry Development Board - Secured	7.68% - 9.11%	499.44	Apr'19 - Mar'20
External Commercial Borrowings	L + 1.85%	162.61	Apr'19 - Mar'20
Current	**Interest Rate**	**₹ in Crores**	**Maturity**
Loan from Oil Industry Development Board - Secured	7.87% - 9.11%	499.44	Apr'18 - Mar'19
External Commercial Borrowings	L + 1.85%	162.61	Apr'18 - Mar'19

@ The above loans are secured against:

i) Pledge of shares held in BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV.

ii) A First rank security interest on fixed and current assets and cash flows of BPRL Ventures Mozambique BV and BPRL Ventures Indonesia BV.

External Commercial Borrowing carries interest at 3 months LIBOR plus 1.85% Margin. The loan is repayable in 3 equal yearly instalments at the end of 4th, 5th and 6th year from the date of the loan taken on various dates and keeping the average age of the maturity of repayments as 5 years. The loan is secured in favour of participating banks first ranking pari-passu charged and hypothecation of Plant & Equipments both present and future.

*Corporation had allotted non-convertible 7.35% Debentures of face value of ₹ 550 Crores on 10th March 2017 redeemable on 10th March 2022. These were secured by first legal mortgage by way of a Registered Debenture Trust Deed over the fixed assets of the Company, mainly Plant and Machinery at Mumbai Refinery.

** These are secured by first legal mortgage over the Plant and machinery of the Corporation, mainly Plant and Machinery at Mumbai Refinery and Kochi Refinery.

NOTE 26 OTHER FINANCIAL LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	**As at 31/03/2018**	**As at 31/03/2017**
Security / Earnest Money Deposits	**3.66**	11.96
Retiral Dues	**55.49**	52.63
Total	**59.15**	64.59

NOTE 27 PROVISIONS (CONSOLIDATED)

₹ in Crores

Particulars	**As at 31/03/2018**	**As at 31/03/2017**
Contingencies for probable obligations [Refer Note No. 57]	**172.81**	118.36
Provision for employee benefits	**1,375.11**	1,361.98
Provision for abandonment for Oil and Gas Blocks [Refer Note No. 57]	**18.25**	15.57
Total	**1,566.17**	1,495.91

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED)

(a) Amounts recognised in Statement of Profit and Loss

₹ in Crores

Particulars	2017-18	2016-17
Current tax expense (A)		
Current year	3,195.36	3,168.28
Short/(Excess) provision of earlier years	(265.99)	(111.24)
Deferred tax expense (B)		
Origination and reversal of temporary differences*	1,452.24	1,135.60
Tax expense recognised in the income statement (A+B)	4,381.61	4,192.64

(b) Amounts recognised in other comprehensive income

₹ in Crores

Particulars	2017-18			2016-17		
	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	33.07	(11.55)	21.52	(83.46)	28.89	(54.57)
Equity instruments through Other Comprehensive income- net change in fair value	(11.44)	(3.81)	(15.25)	185.04	(1.93)	183.11
Equity accounted investees - share of OCI	0.16	-	0.16	(0.96)	0.30	(0.66)
Items that will be reclassified to profit or loss						
Exchange differences in translating financial statements of foreign operations	(36.48)	-	(36.48)	(22.74)	-	(22.74)
Equity accounted investees - share of OCI	484.30	-	484.30	225.71	-	225.71
	469.61	(15.36)	454.25	303.59	27.26	330.85

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(c) Reconciliation of effective tax rate

₹ in Crores

Particulars	2017-18 %	2017-18 ₹ in Crores	2016-17 %	2016-17 ₹ in Crores
Profit before tax		14,173.52		13,699.61
Tax using the Company's domestic tax rate (Current year **34.61%** and Previous Year 34.61%)	34.61	4,905.17	34.61	4,741.16
Tax effect of:				
Non-deductible tax expenses	0.61	86.18	0.37	51.03
Tax losses for which no deferred income tax was recognised	0.47	66.17	1.35	184.51
Tax-exempt income	-0.73	(103.93)	-0.47	(64.30)
Interest expense not deductible for tax purposes	-0.03	(3.76)	0.07	9.96
Incremental deduction allowed for research and development costs	-0.16	(23.26)	-0.13	(18.38)
Investment allowance deduction	0.01	1.80	-3.48	(477.04)
Proposed dividend	-0.63	(89.85)	0.45	62.16
Undistributed Reserves of Associates	0.14	20.00	0.44	60.04
Share of profit of equity accounted investees reported net of tax	-2.38	(336.85)	-2.00	(274.62)
Change in Tax Rate#	0.27	38.66	0.12	16.49
Others	0.62	87.27	0.09	12.87
Effective Income Tax Rate	32.80	4,647.60	31.42	4,303.88
Adjustments recognised in current year in relation to the current tax of prior years		(265.99)		(111.24)
Income Tax Expense		4,381.61		4,192.64

Includes BPRL International BV, Netherlands and BPRL International Singapore Pte Ltd., subsidiaries operates in a tax jurisdiction with different tax rates.

(d) Movement in deferred tax balances

₹ in Crores

Particulars	Net balance as at 01/04/2017	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2018 Net Balance	As at 31/03/2018 Deferred tax asset	As at 31/03/2018 Deferred tax liability
Deferred Tax Assets / (Liabilities)							
Property, plant and equipment	(5,279.89)	(1,864.56)	-	-	(7,144.45)	-	(7,144.45)
Intangible assets	(26.43)	(15.71)	-	-	(42.14)	-	(42.14)
Derivatives	(1.26)	0.79	-	-	(0.47)	-	(0.47)
Inventories	63.43	(26.94)	-	-	36.49	36.49	-
Investments	50.54	21.50	(3.81)	-	68.23	68.23	-
Trade and other receivables	97.20	(45.49)	-	-	51.71	51.71	-
Loans and borrowings	14.96	(18.05)	-	-	(3.09)	-	(3.09)
Employee benefits	681.61	(110.90)	(11.55)	-	559.16	559.16	-
Deferred income	-	30.86	-	-	30.86	30.86	-
Proposed dividend	(128.85)	89.85	-	-	(39.00)	-	(39.00)
Provisions	157.01	39.48	-	-	196.49	196.49	-
Other Current Liabilities	362.20	(24.85)	-	-	337.35	337.35	-
MAT Credit Entitlement*	-	680.00	-	-	680.00	680.00	-
Deferred Tax on Inter-company transaction	60.30	(23.47)	-	-	36.83	36.83	-
Other items	(105.62)	(184.75)	-	-	(290.37)	-	(290.37)
Tax Assets / (Liabilities)	(4,054.80)	(1,452.24)	(15.36)	-	(5,522.40)	1,997.12	(7,519.52)

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(e) Movement in deferred tax balances

₹ in Crores

Particulars	Net balance as at 01/04/2016	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	As at 31/03/2017 Net Balance	Deferred tax asset	Deferred tax liability
Deferred Tax Assets / (Liabilities)							
Property, plant and equipment	(4,131.38)	(1,148.51)	-	-	(5,279.89)	-	(5,279.89)
Intangible assets	(31.57)	5.14	-	-	(26.43)	-	(26.43)
Derivatives	0.29	(1.55)	-	-	(1.26)	-	(1.26)
Inventories	18.16	45.27	-	-	63.43	63.43	-
Investments	122.37	(69.90)	(1.93)	-	50.54	50.54	-
Trade and other receivables	111.69	(14.49)	-	-	97.20	97.20	-
Loans and borrowings	13.74	1.22	-	-	14.96	14.96	-
Employee benefits	478.93	173.79	28.89	-	681.61	681.61	-
Deferred income	(6.60)	6.60	-	-	-	-	-
Proposed dividend	(66.69)	(62.16)	-	-	(128.85)	-	(128.85)
Provisions	411.22	(254.21)	-	-	157.01	157.01	-
Other Current Liabilities	200.95	161.25	-	-	362.20	362.20	-
Deferred Tax on Inter-company transaction	(63.32)	(3.02)	-	126.64	60.30	60.30	-
Other items	(129.76)	24.97	0.30	(1.13)	(105.62)	-	(105.62)
Tax Assets / (Liabilities)	(3,071.97)	(1,135.60)	27.26	125.51	(4,054.80)	1,487.25	(5,542.05)

(f) As at 31st March 2018, undistributed earning of subsidiaries and equity accounted investees - share of joint ventures amounted to ₹ **4,315.65 Crores** (Previous year : ₹ 3,878.93 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.

NOTE 28 TAX EXPENSE & DEFERRED TAX LIABILITIES (NET) (CONSOLIDATED) (CONTD.)

(g) 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 31/03/2018 Gross amount	As at 31/03/2018 Expiry date	As at 31/03/2017 Gross amount	As at 31/03/2017 Expiry date
Business loss	-	2017-18	97.58	2017-18
Business loss	113.79	2018-19	113.48	2018-19
Business loss	276.17	2019-20	275.48	2019-20
Business loss	399.04	2020-21	399.03	2020-21
Business loss	78.41	2021-22	78.37	2021-22
Business loss	58.65	2022-23	58.56	2022-23
Business loss	28.12	2023-24	28.05	2023-24
Business loss	105.79	2024-25	105.79	2024-25
Business loss	142.50	2025-26	-	-
Long-term Capital loss	0.53	2018-19	0.53	2018-19
Unabsorbed depreciation	7.54	No expiry date	7.30	No expiry date

Note:- The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

*MAT credit entitlement of ₹ **680 Crores** is recognised as the corporation is liable to pay tax as per provision of Section 115JB of Income Tax Act, 1961 in the FY 2017-18. Management is confident that it would be in a position to utilise the MAT credit entitlement within the period specified under the Income Tax Act, 1961.

NOTE 29 OTHER NON-CURRENT LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Deferred Income and Others*	**143.05**	137.63
Total	**143.05**	137.63

*Deferred Income includes unamortised portion of capital grants amounting to ₹ **85.97 Crores** as at 31.03.2018 (Previous year ₹ 82.99 Crores), comprising mainly of works contract tax reimbursement received from Government of Kerala as part of the fiscal incentives sanctioned for IREP and grants received for technology development.

NOTE 30 BORROWINGS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Loans repayable on demand		
Secured		
From banks		
Working capital loans / Cash Credit*	**306.77**	89.48
From Others		
Collateralized borrowing and lending obligation **	**1,500.00**	1,350.00
Unsecured		
From banks		
Bank overdraft	**-**	16.76
Foreign Currency Loans	**6,286.26**	6,761.47
Total	**8,093.03**	8,217.71

* 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 Collateralized Borrowing & Lending Obligations limits from Clearing Corporation of India Limited, the balance of which is ₹ **1,500 Crores as at 31st March 2018 (Previous year: ₹ 1,350 Crores). These are secured by 6.90 % Oil Marketing Companies GOI Special Bonds 2026 & 7.59% Govt. Stock Bond 2026 of Face Value ₹ **2,162 Crores** (Previous year: ₹ 2,200 Crores) [Refer Note no. 14]

NOTE 31 TRADE PAYABLES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Dues to Micro and Small Enterprises [Refer Note No. 61]	**2.38**	1.08
Dues to others [Refer Note No. 47]	**13,229.55**	11,381.39
Total	**13,231.93**	11,382.47

NOTE 32 OTHER FINANCIAL LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Current maturities of long-term borrowings [Refer Note No. 25]	**662.05**	4,252.40
Interest accrued but not due on borrowings	**254.25**	221.00
Security / Earnest Money Deposits	**662.14**	582.30
Deposits for Containers*	**11,898.51**	10,496.15
Unclaimed Dividend**	**12.34**	10.34
Unclaimed Interest on Deposits**/#	**-**	-
Dues to Micro and Small Enterprises [Refer Note No. 61]	**191.76**	160.13
Derivative Liabilities	**90.19**	225.61
Other Liabilities (including creditors for expenses and Others)	**4,555.22**	5,542.07
Total	**18,326.46**	21,490.00

* Includes deposit received towards Rajiv Gandhi Gramin LPG Vitrak Yojana and Pradhan Mantri Ujjwala Yojana Scheme(Central Scheme) as on 31.03.2018 ₹ **1,625.91 Crores** (Previous year: ₹ 1,060.53 Crores). The deposit against these schemes have been funded from CSR fund or Government of India.

** No amount is due at the end of the period for credit to Investors Education and Protection Fund.

NIL as at 31st March 2018 (Previous year: ₹ 4,087).

NOTE 33 OTHER CURRENT LIABILITIES (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Advances from Customers	**523.49**	595.60
Statutory Liabilities	**3,699.37**	3,425.14
Other (Deferred Income etc.)	**58.65**	57.45
Total	**4,281.51**	4,078.19

NOTE 34 PROVISIONS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Provision for employee benefits [Refer Note No. 51]	**1,013.74**	1,171.51
Provision for CSR Expenditure	**146.88**	128.11
Others [Refer Note No. 57]*	**469.12**	689.61
Total	**1,629.74**	1,989.23

*Above includes deposits/ claims made of ₹ **62.29 Crores** (Previous year: ₹ 62.57 Crores) netted off against provisions.

NOTE 35 CURRENT TAX LIABILITIES (NET) (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Current tax liabilities (Net of taxes paid)	**139.18**	142.46
Total	**139.18**	142.46

NOTE 36 REVENUE FROM OPERATIONS (CONSOLIDATED)

₹ in Crores

Particulars			2017-18	2016-17
A	**(i)**	**Sales**		
		Petroleum Products	**276,000.79**	238,949.77
		Crude Oil	**1,832.09**	3,423.19
			277,832.88	242,372.96
	(ii)	Subsidy from Central/State Government [Refer Note No. 45]	**734.23**	1,184.39
			278,567.11	243,557.35
B	Other operating revenues		**745.59**	190.11
Total			**279,312.70**	243,747.46

NOTE 37 OTHER INCOME (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Interest Income		
Instrument measured at FVTPL	**372.95**	492.94
Instrument measured at amortised Cost	**486.47**	557.97
Dividend Income		
Dividend Income from non - current equity instruments at FVOCI	**37.81**	30.60
Dividend Income from current investments at FVTPL	**26.11**	34.34
Net gains on fair value changes of		
Instruments measured at FVTPL ^	**75.17**	-
Derivatives at FVTPL	**28.86**	21.91
Write back of liabilities no longer required*	**8.74**	212.98
Reversal of allowance on doubtful debts and advances	**235.87**	-
Reversal of impairment in value of investments in Subsidiaries, Joint Ventures and Associates	**-**	16.00
Net gains on foreign currency transactions and translations		
Exchange losses on foreign currency forwards and principal only swap contracts	**-**	(94.71)
Exchange Gains on foreign currency transactions and translations of other assets and liabilities	**-**	120.80
Sub-Total	**-**	26.09
Others#	**510.74**	421.74
Total	**1,782.72**	1,814.57

includes amortisation of capital grants ₹ **5.46 Crores** (Previous year: ₹ 2.34 Crores)

* Write back during the previous year includes NRL's reversal of Entry Tax for ₹ 195.24 Crores under amnesty scheme

^ Includes gain on sale of investments for Current year ₹ **10.65 Crores**. Gains on sale of investments during the previous year of ₹ 25.87 Crores are grouped under Other Expenses along with losses on fair value changes of instruments measured at FVTPL.

NOTE 38 COST OF RAW MATERIALS CONSUMED (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Opening Stock	**4,044.26**	3,479.91
Add : Purchases	**91,547.02**	75,676.51
Less: Closing Stock	**(5,480.51)**	(4,044.26)
Total	**90,110.77**	75,112.16

NOTE 39 PURCHASE OF STOCK-IN-TRADE (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Petroleum Products	**1,09,870.15**	98,561.23
Crude Oil	**1,742.39**	3,423.19
Others	**185.04**	146.75
Total	**1,11,797.58**	1,02,131.17

NOTE 40 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Value of opening stock of		
Finished goods	**8,777.96**	6,197.62
Stock-in-trade	**7,079.33**	4,197.21
Work in progress	**743.56**	373.64
	16,600.85	10,768.47
Less : Value of closing stock of		
Finished goods	**10,341.43**	8,777.96
Stock-in-trade	**5,043.26**	7,079.33
Work in progress	**1,012.81**	743.56
	16,397.50	16,600.85
Net (Increase) / Decrease in Inventories	**203.35**	(5,832.38)

NOTE 41 EMPLOYEE BENEFITS EXPENSE (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Salaries and wages [Refer Note No.48]	**2,729.48**	2,442.69
Contribution to Provident and Other Funds	**435.29**	829.33
Staff welfare expenses	**465.17**	397.50
Voluntary Retirement Scheme	**118.59**	-
Total	**3,748.53**	3,669.52

NOTE 42 FINANCE COSTS (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Interest Expense	1,090.94	643.57
Interest on shortfall in payment of advance tax	-	20.11
Other borrowing costs	22.16	27.00
Exchange difference regarded as an adjustment to borrowing costs	72.64	5.68
Total	1,185.74	696.36

NOTE 43 OTHER EXPENSES (CONSOLIDATED)

₹ in Crores

Particulars	2017-18	2016-17
Transportation	6,352.32	5,712.95
Octroi, Other Levies and Irrecoverable Taxes	1,116.93	951.74
Repairs, maintenance, stores and spares consumption	1,212.96	1,099.39
Power and Fuel	4,928.28	3,314.18
Less: Consumption of fuel out of own production	(2,992.79)	(1,830.21)
Power and Fuel consumed (net)	1,935.49	1,483.97
Packages consumed	178.50	175.48
Net losses on fair value changes of		
Instruments measured at FVTPL ^	-	24.72
Office Administration, Selling and Other expenses		
Rent [Refer Note No. 50]	378.53	347.28
Utilities [Refer Note No. 50]	800.25	257.00
Terminalling and related charges	284.49	306.78
Travelling and conveyance	238.35	213.38
Remuneration to auditors		
Audit fees	1.29	1.09
Fees for other services - Certification	0.32	0.48
Reimbursement of out of pocket expenses	0.02	0.01
Sub-Total	1.63	1.58
Bad debts and other write offs	5.60	5.40
Allowance for doubtful debts & advances (net)	-	21.84

NOTE 43 OTHER EXPENSES (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	2017-18	2016-17
Loss on sale of Property, plant and Equipment/Non Current asset held for sale (net)	36.48	37.15
Net losses on foreign currency transactions and translations		
Exchange gains on foreign currency forwards and principal only swap contracts	(144.16)	-
Exchange losses on transactions and translations of other foreign currency assets and liabilities	152.71	-
Sub-Total	8.55	-
CSR Expenditure	231.26	181.19
Impairment Loss on Non- Current assets held for sale	26.72	5.52
Others	1,928.87	1,599.17
Sub-Total-Office Administration, Selling and Other expenses	3,940.73	2,976.29
Total	14,736.93	12,424.54

^ Includes gain on sale of investments for previous year ₹ **25.87 Crores.** Gains on sale of investments during the current year of ₹ **10.65 Crores** are grouped under Other Income along with gains on fair value changes of instruments measured at FVTPL.

NOTE 44 (CONSOLIDATED)

In line with the General Circular No. 39/2014, dated 14th October 2014, issued by the Ministry of Corporate Affairs, the disclosures relevant to Consolidated Financial Statements only have been provided.

NOTE 45 (CONSOLIDATED)

Consequent to non-revision in retail selling prices corresponding to the international prices and applicable foreign exchange rates prevailing during the year, the Corporation has suffered gross under recovery of ₹ **719.30 Crores** (Previous year: ₹ 1,172.83 Crores) on sale of sensitive petroleum products.

As advised by the Ministry of Petroleum & Natural Gas, the Corporation has accounted compensation towards sharing of under-recoveries on sale of sensitive petroleum products as subsidy from Government of India amounting to ₹ **719.30 Crores** (Previous year: ₹ 1,172.83 Crores) and the same is accounted as Revenue from operations.

After adjusting the above compensation, the net under recovery absorbed by the Corporation is Nil (Previous year: under recovery Nil).

Further, subsidies received from State Governments which are recognised in Revenue From Operations is ₹ **14.93 Crores** (Previous year: ₹ 11.56 Crores) during current year.

NOTE 46 (CONSOLIDATED)

As per the scheme of Amalgamation of the erstwhile Kochi Refineries Limited ("KRL") with the Corporation approved by the Government of India, 3,37,28,737 equity shares of the Corporation were allotted (in lieu of the shares held by the Corporation in the erstwhile KRL) to a trust for the benefit of the Corporation in the financial year 2006-07. After the 1:1 Bonus issue in July 2012 and July 2016 respectively and 1:2 bonus issue in July 2017, presently the trust holds 20,23,72,422 equity shares of the Corporation. The cost of the original investment together with the additional contribution to the corpus of the trust made in 2014-15 has been reduced from the total equity of the Corporation. To the extent of the face value of the shares, the same has been reduced from the Paid up Share capital of the Corporation and the balance has been reduced from Other Equity under a separate reserve. Accordingly, the income received from the Trust has been recognised directly under Other Equity of the Corporation.

NOTE 47 (CONSOLIDATED)

The Group has numerous transactions with other oil companies. The outstanding balances (included under Trade Payables / Trade Receivables, etc) from them including certain other outstanding credit and debit balances are subject to confirmation / reconciliation. Adjustments, if any, arising therefrom are not likely to be material on settlement and are accounted as and when ascertained.

NOTE 48 (CONSOLIDATED)

During the previous Financial Year 2016-17, the Corporation made a provision under Salaries and Wages in respect of pay revision dues (including retiral dues) to employees w.e.f. 1st January 2017 at an estimated amount of ₹ 596.86 Crores based on the available information and judgement.

Further, pursuant to implementation of the pay revision in the current year and recognition of the employee benefit expenses thereof, the Corporation has regrouped an amount of ₹ 455.65 Crores representing past service cost in respect of employee gratuity scheme included in the provisions created in the previous year from "salaries and wages" to "contribution to provident and other funds" of the previous year to that extent.

NOTE 49 SERVICE CONCESSION ARRANGEMENTS (CONSOLIDATED)

The Corporation has entered into service concession arrangements with entities supplying electricity ("The Regulator") to construct, own, operate and maintain a wind energy based electric power generating station ("Plant").

Under the terms of agreement, the Corporation will operate and maintain the Plant and sell electricity generated to Regulator for a period which covers the substantial useful life of the Plant which may be renewed for such further period as may be mutually agreed upon between the parties. The Corporation will be responsible for any maintenance services during the concession period.

The Corporation in turn has a right to charge the Regulator agreed rate as stated in the service concession arrangement.

The fair value towards the construction of the Plant has been recognised as an Intangible Asset and is amortised over the useful life of the asset or period of contract whichever is less.

NOTE 50 LEASES (CONSOLIDATED)

Operating leases

A. Leases as lessee

The Group enters into cancellable/non-cancellable operating lease arrangements for land, godowns, office premises, staff quarters, third party operating plant and others. The lease rentals paid for the same are charged to the Statement of Profit and Loss.

a) The future minimum lease payments under Non cancellable leases payable as at the year ending are as follows:

₹ in Crores

	Particulars	As at 31/03/2018	As at 31/03/2017
i)	Less than one year	**387.50**	384.68
	Between one and five years	**1,932.88**	1,544.11
	More than five years	**7,321.39**	4,830.40
ii)	Lease Rentals recognized in the Statement of Profit and Loss	**354.47**	17.51

b) The Corporation enters into cancellable operating leases in respect of land, office premises, staff quarters and others which are cancellable by giving appropriate notices as per respective agreements. During the year ₹ **339.93 Crores** (Previous year: ₹ 311.83 Crores) has been charged to Statement of Profit and Loss on account of lease rentals.

NOTE 50 LEASES (CONSOLIDATED) (CONTD.)

B. Leases as lessor

a) The Group enters into cancellable/non-cancellable operating lease arrangements in respect of lands, commercial spaces, storage distribution facilities etc. The details are as follows:

As at 31/03/2018 ₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicles	Right of Way
Gross Carrying Amount	**26.22**	**122.47**	**107.56**	**311.19**	**6.24**	**5.29**	**62.87**	**0.01**	**3.30**
Accumulated depreciation	**-**	**14.71**	**24.35**	**41.79**	**4.18**	**1.90**	**16.42**	**-**	**-**
Depreciation recognised in statement of P&L	**-**	**4.92**	**8.36**	**14.13**	**0.97**	**0.75**	**5.53**	**-**	**-**

As at 31/03/2017 ₹ in Crores

Particulars	Land	Buildings	Plant and Equipments	Tanks & Pipelines	Furnitures and Fixtures	Office Equipment	Railway Sidings	Vehicle
Gross Carrying Amount	0.89	119.49	107.01	311.15	5.99	5.07	62.87	0.01
Accumulated depreciation	-	10.28	16.01	27.66	3.23	1.18	10.89	-
Depreciation recognised in statement of P&L	-	5.15	8.36	14.00	1.43	0.61	5.48	-

b) Total contingent rent recognised as income in the Statement of Profit and Loss in the FY 2017-18 is ₹ **21.60 Crores** (Previous year: ₹ 21.52 Crores).

c) The future minimum lease payments under Non cancellable leases receivable as at the year ending are as follows:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Less than one year	**26.03**	26.01
Between one and five years	**104.13**	104.02
More than five years	**58.55**	84.47

Finance Lease

A. Leases as lessee

i) The Corporation has finance lease arrangements for various Land leases. The carrying amount of these assets are shown below:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Gross Carrying Amount	**0.74**	0.74
Accumulated depreciation	**0.06**	0.05
Depreciation recognised in statement of Profit and Loss	**0.01**	0.03

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED)

[A] Post Employment Benefit Plans:

Defined Contribution Scheme

Defined Contribution Scheme (DCS) was introduced effective from 1st Jan 2007. Group contributes at a defined percentage of the employee salary out of the total entitlements on account of superannuation benefits under this scheme. This Fund is maintained under a trust.

₹ in Crores

Amount recognised in the Statement of Profit and Loss	2017-18	2016-17
Defined Contribution Scheme	233.41	173.30

Defined Benefit Plans

The Group has the following Defined Benefit Plans:

Gratuity:

The Corporation and its Subsidiary NRL has a defined benefit gratuity plan managed by a trust. The Trustees administer contributions made to the trust, investments thereof etc. Based on actuarial valuation, the contribution is paid to the trust which is invested in plan assets as per the investment pattern prescribed by the Government. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service, on superannuation, resignation, termination or to his nominee on death.

Other Defined Benefits include: (a) Post Retirement Medical Scheme (managed by a trust) to employees, spouse, dependent children and dependent parents; (b) Pension / Ex-Gratia scheme to the retired employees who are entitled to receive the monthly pension / ex-gratia for life; (c) Death in service / Permanent Disablement benefit given to the spouse of the employee / employee, provided the deceased's family / disabled employee deposits with the Corporation, retirement dues such as PF, Gratuity, Leave Encashment etc. payable to them; (d) Resettlement allowance paid to employees to permanently settle down at the time of retirement; and (e) The Corporation makes contribution towards Provident Fund, which is administered by the trustees. The Corporation has an obligation to fund any shortfall on the yield of the trust's investments over the interest rates declared by the Government under EPF scheme. In case of NRL, the contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss.

These defined benefit plans expose the Group to actuarial risks, such as longetivity risk, interest rate risk and market (investment) risk.

Movement in net defined benefit (asset)/ liability

a) Reconciliation of balances of Defined Benefit Obligations

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Defined Obligations at the beginning of the year	662.38	663.95	0.91	0.65	1,011.61	879.06	88.49	79.04
Interest Cost	48.13	53.06	0.07	0.05	75.35	68.97	6.03	6.16
Current Service Cost	6.85	5.85	0.05	0.15	41.50	40.22	-	-
Past Service cost	478.82	-	0.14	-	-	1.48	-	-
Benefits paid	(105.11)	(55.20)	-	(0.02)	(36.93)	(33.07)	(16.15)	(17.66)
Actuarial (Gains)/ Losses on obligations								
- Changes in financial assumptions	(39.15)	27.57	(0.04)	0.05	0.89	137.79	(2.22)	2.89
- Experience adjustments	47.57	(32.85)	(0.02)	0.02	(13.97)	(82.84)	1.28	18.06
Defined Obligations at the end of the year	1,099.49	662.38	1.11	0.90	1,078.45	1,011.61	77.43	88.49

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

b) Reconciliation of balances of Fair Value of Plan Assets in respect of

₹ in Crores

Particulars	Gratuity - Funded		Post Retirement Medical - Funded	
	2017-18	**2016-17**	**2017-18**	**2016-17**
Fair Value at the beginning of the year	**671.07**	669.83	**954.77**	726.69
Interest income (i)	**48.77**	53.54	**71.12**	58.57
Return on Plan Assets, excluding interest income(ii)	**7.48**	2.82	**14.20**	16.32
Actual Return on Plan assets (i+ii)	**56.25**	56.36	**85.32**	74.89
Contribution by employer	**74.21**	0.08	**56.68**	185.12
Contribution by employee	**-**	-	**-**	1.14
Benefits paid	**(105.11)**	(55.20)	**(0.37)**	(33.07)
Fair Value of Plan Assets at the end of the year	**696.42**	671.07	**1,096.40**	954.77

c) Amount recognised in Balance sheet (a-b)

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	**2016-17**	**2017-18**	**2016-17**	**2017-18**	**2016-17**	**2017-18**	**2016-17**
Amount recognised in Balance sheet	**403.07**	(8.69)	**1.11**	0.90	**(17.95)**	56.84	**77.43**	88.49

d) Amount recognised in Statement of Profit and Loss

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Current Service Cost	**6.85**	5.85	**0.05**	0.15	**41.50**	40.22	**-**	-
Past Service cost	**478.82**	-	**0.14**	-	**-**	1.48	**-**	-
Interest Cost	**48.13**	53.06	**0.07**	0.05	**75.35**	68.97	**6.03**	6.16
Interest income	**(48.77)**	(53.54)	**-**	-	**(71.12)**	(58.57)	**-**	-
Contribution by employee	**-**	-	**-**	-	**-**	(1.14)	**-**	-
Expenses for the year	**485.03**	5.37	**0.26**	0.20	**45.73**	50.96	**6.03**	6.16

Note: Provision in respect of pay revision dues as mentioned in note no. 48 is over and above the amounts recognised herein.

e) Amount recognised in Other Comprehensive Income Remeasurements :

₹ in Crores

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Actuarial (Gains)/ Losses								
- Changes in financial assumptions	**(39.15)**	27.57	**(0.04)**	0.05	**0.89**	137.79	**(2.22)**	2.89
- Experience adjustments	**47.57**	(32.85)	**(0.02)**	0.02	**(13.97)**	(82.84)	**1.28**	18.06
Return on plan assets excluding net interest cost	**(7.48)**	(2.82)	**-**	-	**(14.20)**	(16.32)	**-**	-
Total	**0.94**	(8.10)	**(0.06)**	0.07	**(27.28)**	38.63	**(0.94)**	20.95

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

f) Major Actuarial Assumptions

Particulars	Gratuity - Funded		Gratuity - Non Funded		Post Retirement Medical - Funded		Burmah Shell Pension - Non Funded	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Discount Rate (%)	**7.73-7.88**	7.26-7.39	**7.56-7.83**	7.34-7.51	**7.73-7.76**	7.39-7.45	**7.68**	6.81
Salary Escalation/ Inflation (%)	**8.00**	8.00	**5.00-8.00**	5.00-8.00	**7.00**	7.00		
Expected Return on Plan assets (%)	**7.73-7.88**	7.26-7.39			**7.73-7.76**	7.39-7.45		

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

g) Investment pattern for Fund

Particulars	Gratuity - Funded		Post Retirement Medical - Funded	
	As at 31/03/2018	As at 31/03/2017	**As at 31/03/2018**	As at 31/03/2017
Category of Asset	**%**	%	**%**	%
Government of India Asset	**21.45**	22.47	**3.47**	5.03
Corporate Bonds	**5.10**	17.93	**70.11**	73.09
Insurer Managed funds	**64.49**	55.98	**2.85**	2.51
State Government	**1.36**	2.18	**18.46**	15.31
Others	**7.60**	1.44	**5.11**	4.06
Total (%)	**100.00**	100.00	**100.00**	100.00

For the funded plans, the trust maintains appropriate fund balance considering the analysis of maturities. Projected Unit credit method is adopted for Asset-Liability Matching.

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Movement in net defined benefit (asset)/ liability

₹ in Crores

Particulars		Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
a)	**Reconciliation of balances of Defined Benefit Obligations**						
	Defined Obligations at the beginning of the year	14.01	12.11	17.69	17.53	326.43	321.09
	Interest Cost	0.95	0.95	1.29	1.40	24.32	25.66
	Current Service Cost	-	-	3.61	3.55	3.09	6.48
	Past service cost	-	-	-	-	-	(27.59)
	Benefits paid	(9.02)	(11.63)	(2.78)	(2.02)	(19.90)	(21.32)
	Actuarial (Gains)/ Losses on obligations						
	- Changes in financial assumptions	(1.92)	2.95	(0.62)	0.27	(8.38)	14.61
	- Experience adjustments	7.49	9.63	(2.53)	(3.04)	0.23	7.50
	Defined Obligations at the end of the year	11.51	14.01	16.66	17.69	325.79	326.43
b)	**Amount recognised in Balance sheet**	11.51	14.01	16.66	17.69	325.79	326.43
c)	**Amount recognised in Statement of Profit and Loss**						
	Current Service Cost	-	-	3.61	3.55	3.09	6.48
	Past Service Cost	-	-	-	-	-	(27.59)
	Interest Cost	0.95	0.95	1.29	1.40	24.32	25.66
	Expenses for the year	0.95	0.95	4.90	4.95	27.41	4.55

₹ in Crores

Particulars		Death / Permanent disablement - Non Funded		Re-settlement Allowance - Non Funded		Ex-gratia scheme - Non Funded	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
d)	**Amount recognised in Other Comprehensive Income**						
	Remeasurements :						
	Actuarial (Gains)/ Losses						
	- Changes in financial assumptions	(1.92)	2.95	(0.62)	0.27	(8.38)	14.61
	- Experience adjustments	7.49	9.63	(2.53)	(3.04)	0.23	7.50
	Total	5.57	12.58	(3.15)	(2.77)	(8.15)	22.11
e)	**Major Actuarial Assumptions**						
	Discount Rate (%)	7.50	6.81	7.73-7.88	7.26-7.39	7.76	7.45

The estimates for future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is based on market expectation at the beginning of the period, for returns over the entire life of the related obligation.

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

Sensitivity analysis

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2018 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
+ 1% change in rate of Discounting	**(59.30)**	**(138.08)**	**(2.79)**	**(2.62)**	**(1.04)**	**(24.52)**
- 1% change in rate of Discounting	**67.39**	**175.93**	**2.09**	**2.81**	**1.19**	**28.52**
+ 1% change in rate of Salary increase/ inflation	**14.57**	**183.06**	**-**	**-**	**-**	**-**
- 1% change in rate of Salary increase/ inflation	**(16.72)**	**(142.37)**	**-**	**-**	**-**	**-**

Sensitivity analysis for significant actuarial assumptions, showing how the defined benefit obligation would be affected, considering increase/decrease of 1% as at 31.03.2017 is as below:

₹ in Crores

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
+ 1% change in rate of Discounting	(37.44)	(115.93)	(2.95)	(2.87)	(1.14)	(23.34)
- 1% change in rate of Discounting	42.67	143.15	3.20	3.10	1.31	26.70
+ 1% change in rate of Salary increase/ inflation	3.41	143.16	-	-	-	-
- 1% change in rate of Salary increase/ inflation	(3.87)	(116.68)	-	-	-	-

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 2018 were as follows:

₹ in Crores

Expected contribution	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
Projected benefits payable in future years from the date of reporting						
1st following year	**156.47**	**39.88**	**13.65**	**2.66**	**1.88**	**21.95**
2nd following year	**97.58**	**47.36**	**11.85**	**2.28**	**1.13**	**23.13**
3rd following year	**138.37**	**56.17**	**10.21**	**1.98**	**1.78**	**24.02**
4th following year	**124.67**	**60.47**	**8.72**	**1.73**	**1.72**	**24.51**
5th following year	**125.27**	**66.26**	**7.37**	**1.49**	**1.83**	**24.92**
Years 6 to 10	**506.40**	**429.19**	**21.63**	**4.10**	**7.69**	**125.59**

Other details as at 31.03.2018

Particulars	Gratuity - Funded	Post Retirement Medical - Funded	Burmah shell Pension- Non Funded	Death/ Permanent Disablement- Non funded	Resettlement allowance- Non funded	Exgratia scheme- Non funded
Weighted average duration of the Projected Benefit Obligation (in years)	**7-10**	**15-25**	**4**	**6**	**7-11**	**9**
Prescribed contribution for next year (₹ in Crores)	**121.47**	**13.33**	**-**	**-**	**3.83**	**-**

NOTE 51 EMPLOYEE BENEFITS (CONSOLIDATED) (CONTD.)

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 assets, based on the Government specified minimum rate of return, will be made good by the Corporation and charged to Statement of Profit and Loss. The actual return earned by the fund has mostly been higher than the Government specified minimum rate of return in the past years. There is no shortfall in the fund as on 31st March 2018 and 31st March 2017.

The details of fund obligations are given below: ₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Present value of benefit obligation at period end	**4,827.59**	4,505.00

Note: In case of NRL, the contribution to Provident Fund is remitted to Employees Provident Fund Organisation on a fixed percentge of the eligible employee's salary and charged to Statement of Profit and Loss.

NOTE 52 RELATED PARTY TRANSACTIONS (CONSOLIDATED)

a.) Names of the Related parties

Joint Venture & Associate Companies

1. Indraprastha Gas Limited
2. Petronet India Limited *
3. Petronet CI Limited*
4. Petronet LNG Limited
5. Bharat Oman Refineries Limited
6. Maharashtra Natural Gas Limited
7. Central UP Gas Limited
8. Sabarmati Gas Limited
9. Bharat Stars Services Private Limited (Including Bharat Stars Services (Delhi) Pvt. Limited)
10. Bharat Renewable Energy Limited *
11. Matrix Bharat Pte. Ltd.
12. Delhi Aviation Fuel Facility Private Limited
13. Kannur International Airport Limited
14. GSPL India Gasnet Limited
15. GSPL India Transco Limited
16. Mumbai Aviation Fuel Farm Facility Private Limited
17. Kochi Salem Pipeline Private Limited
18. Petroleum India International
19. BPCL-KIAL Fuel Farm Private Limited
20. Haridwar Natural Gas Pvt. Ltd.
21. Goa Natural Gas Pvt. Ltd.
22. FINO Paytech Limited
23. Ratnagiri Refinery & Petrochemicals Limited
24. Ujjwala Plus Foundation (Section 8 company)
25. IBV (Brasil) Petroleo Ltda.
26. Taas India Pte Ltd.
27. Vankor India Pte Ltd.
28. Falcon Oil & Gas BV
29. Mozambique LNG 1 Pte Ltd.
30. LLC TYNGD
31. JSC Vankorneft

NOTE 52 RELATED PARTY TRANSACTIONS (CONSOLIDATED) (CONTD.)

32. DNP Limited
33. Brahmaputra Cracker and Polymer Limited

*Companies in the process of winding up

Key Management Personnel :

1. Shri S. Varadarajan, Chairman & Managing Director (Up to 30.09.2016)
2. Shri D. Rajkumar, Chairman & Managing Director Appointed (w.e.f 01.10.2016)
3. Shri S. Ramesh, Director (Marketing)
4. Shri B. K. Datta, Director (Refineries) (Up to 31.07.2016)
5. Shri R. Ramachandran, Director (Refineries) Appointed (w.e.f 01.08.2016)
6. Shri S. P. Gathoo, Director (Human Resource) (Up to 31.10.2017)
7. Shri K. Padmakar, Director (Human Resource) Appointed (w.e.f. 01.02.2018)
8. Shri P. Balasubramanian, Director (Finance) (Up to 30.04.2017)
9. Shri K. Sivakumar, Director (Finance) (w.e.f. 01.05.2017)
10. Shri S.V. Kulkarni, (Company Secretary) (Up to 28.02.2017)
11. Shri M. Venugopal, (Company Secretary) (w.e.f. 01.03.2017)
12. Shri Rajesh Kumar Mangal, Independent Director
13. Shri Deepak Bhojwani, Independent Director
14. Shri Gopal Chandra Nanda, Independent Director
15. Shri Vishal V Sharma, Independent Director Appointed (w.e.f 09.02.2017)
16. Shri P. H. Kurian, Govt. Nominee Director (up to 18.04.2017)
17. Shri Paul Antony, Nominee Director Appointed (w.e.f. 19.04.2017 up to 19.03.2018)
18. Dr. K. Ellangovan, Govt. Nominee Director Appointed (w.e.f. 20.03.2018)
19. Smt. Jane Mary Shanti Sundharam, Independent Director Appointed (w.e.f. 21.09.2017)
20. Shri Vinay Sheel Oberoi, Independent Director Appointed (w.e.f. 21.09.2017)
21. Dr. (Smt.) Tamilisai Soundararajan, Independent Director Appointed (w.e.f. 28.09.2017)
22. Shri Anant Kumar Singh, Govt. Nominee Director (Up to 27.11.2017)
23. Shri Rajiv Bansal, Govt. Nominee Director Appointed (w.e.f. 28.11.2017)

b) The nature wise transactions with the above related parties are as follows:

₹ in Crores

S. No.	Nature of Transactions	2017-18	2016-17
1.	Purchase of goods	37,987.28	31,741.16
2.	Sale of goods	3,066.71	4,171.38
3.	Rendering of Services	78.04	50.38
4.	Receiving of Services	285.19	148.82
5.	Interest Income / Share of profit/(Loss)	114.33	120.90
6.	Dividend Income and Other receipts	108.95	91.40
7.	Investment and Advance for Investments- Equity	1,322.77	3,007.97
8.	Other Investments	-	1,001.10
9.	Loans and Advances Given	317.40	-
10.	Management Contracts (Employees on deputation/ consultancy services)	28.33	22.81
11.	Lease Rental & other charges received	33.38	30.36
12.	Lease Rental & Other Charges paid	0.09	0.08
13.	Receivables as at year end	3,533.91	4,079.63
14.	Payables as at year end	1,429.91	1,462.44
15.	Financial Guarantee Outstanding	1,522.03	1,517.22

The outstanding balances are unsecured and are settled in cash except advance against equities which are settled in equity.

NOTE 52 RELATED PARTY TRANSACTIONS (CONSOLIDATED) (CONTD.)

c) In the course of its ordinary business, the Group enters into transactions with other Government controlled entities (not included in the list above). The Group has transactions with other government-controlled entities,including but not limited to the followings:

- Sales and purchases of goods and ancillary materials;
- Rendering and receiving of services;
- Receipt of dividends;
- Loans and advances;
- Guarantees;
- Depositing and borrowing money; and
- Uses of public utilities.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government controlled entities.

d) Key management personnel compensation

₹ in Crores

Particulars	**2017-18**	**2016-17**
Short-term employee benefits	**3.63**	3.26
Post-employment benefits	**0.71**	0.63
Other long-term benefits	**1.13**	0.43
Others (including sitting fees to non-executive directors)	**0.86**	0.38

NOTE 53 (CONSOLIDATED)

Dues from Directors of the Corporation is ₹ **0.34 Crores** (31st March 2017: ₹ 0.40 Crores) and Dues from Officers of the Corporation is ₹ **3.54 Crores** (31st March 2017: ₹ 4.13 Crores).

NOTE 54 EARNINGS PER SHARE (EPS) (CONSOLIDATED)

₹ in Crores

Particulars	**2017-18**	**2016-17**
i. Profit attributable to owners of the Corporation for basic and diluted earnings per share	**9,008.63**	8,720.94
ii. Weighted average number of ordinary shares		
Issued ordinary shares at 1st April (In Crores)	**144.62**	72.31
Effect of shares issued as Bonus shares * (In Crores)	**72.31**	144.62
Less : Investment held by BPCL Trust for Investment in Shares * [Refer Note No. 46]	**(20.24)**	(20.24)
Weighted average number of shares at period end for basic and diluted EPS (In Crores)	**196.69**	196.69
Basic and Diluted EPS (₹)	**45.80**	44.34

*The Corporation has issued bonus shares in the ratio of 1:2 during Financial Year 2017-18. The EPS for the financial year 2016-17 has been appropriately adjusted.

NOTE 55 (CONSOLIDATED)

The Corporation has elected to continue the policy adopted under Previous GAAP for accounting the foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items outstanding as of 31st March 2016 i.e. foreign exchange differences arising on settlement or translation of long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in other cases, if any, accumulated in "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of the liability.

The net gain remaining unamortised under Foreign Currency Monetary Item Translation Difference Account as at 31st March 2018 is ₹ **66.76 Crores** (Net Gain as at 31st March 2017: ₹ 206.34 Crores).

NOTE 56 IMPAIRMENT OF ASSETS (CONSOLIDATED)

It is assumed that suitable mechanism would be in place by the Government of India, in line with earlier/ current year(s), to provide compensation towards under recoveries of margin, if any, and recoveries against Direct Benefit Transfer for LPG Scheme on account of sale of sensitive petroleum products in subsequent years. Hence, there is no indication of impairment of assets of the Corporation as at 31st March 2018.

NOTE 57 (CONSOLIDATED)

In compliance of Ind AS 37 on "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

₹ in Crores

Nature	**Opening balance**	**Additions during the year**	**Utilisation during the year**	**Reversals during the year**	**Closing balance**
Excise	128.08	35.04	0.08	49.14	113.90
Customs	2.51	-	-	-	2.51
Service Tax	1.42	0.14	-	-	1.56
VAT/ Sales Tax/ Entry Tax	585.26	28.38	-	182.55	431.09
Property Tax/Legal Cases	49.30	14.13	8.83	0.66	53.94
Total	**766.57**	**77.69**	**8.91**	**232.35**	**603.00**
Previous year	1,171.77	121.45	189.58	337.07	766.57

The above provisions are made based on estimates and the expected timing of outflows is not ascertainable at this stage.

Above includes provision of ₹ **62.29 Crores** (Previous year ₹ 62.57 Crores) for which deposits/claims have been made.

In case of BPRL, the non current and current provisions for Liquidated Damages and Abandonment is ₹ **119.47 Crores** (Previous Year: ₹ 119.55 Crores). It includes provision made during the year ended 31st March 2018 and capitalised of ₹ **1.92 Crores** (Previous Year: ₹ 3.66 Crores).

Liquidated Damages: In case of blocks held in India, as per the Production Sharing Contracts (PSC) signed by BPRL with Government of India (GOI), it is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay, Liquidated Damages (LD) is payable for extension of time to complete MWP. Further, in case it does not complete MWP or surrender the block without completing the MWP, an amount as agreed in PSC is required to be paid to the GOI for incomplete portion of the MWP. Accordingly, BPRL has provided ₹ **98.54 Crores** towards liquidated damages as on 31st March 2018 (Previous Year: ₹ 101.21 Crores) in respect to various blocks. A provision of ₹ **1.92 Crores** has been made in FY 2017-18 in respect of block CB 2010/11 (Previous Year: ₹ 75.42 Crores in respect of block RJ ONN 2005/01, CB ONN 2010/08 and MB 2010/02).

Abandonment: BPRL has Participating Interest in different oil and gas blocks along with other consortium partners. It has made a provision of ₹ **20.93 Crores** as on 31st March 2018 (31st March 2017: ₹ 18.34 Crores) in respect of its share of the abandonment obligation.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED)

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in Crores

		Carrying amount				Fair value			
As at 31/03/2018	**Note Reference**	**Mandatorily at FVTPL**	**FVOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Investment in equity instruments	8 & 14	2.30	681.20	-	683.50	575.94	2.30	105.26	683.50
Investment in mutual funds	14	1.01	-	-	1.01	1.01	-	-	1.01
Investment in debt instruments	8 & 14	4,992.88	-	0.01	4,992.89	4,992.88	-	-	4,992.88
Investment in T-Bills	14	-	-	453.09	453.09				
Derivative instruments - Interest rate swap	19	3.13	-	-	3.13	-	3.13	-	3.13
Derivative instruments - Forward Contracts	19	8.51	-	-	8.51	-	8.51	-	8.51
Deposits	9	-	-	27.81	27.81	-	34.19	-	34.19
Loan to Joint Venture-fixed rate	9 & 18	-	-	1,571.51	1,571.51	-	1,560.84	-	1,560.84
Loan to Joint Venture-variable rate	9	1,653.72	-	-	1,653.72	-	-	1,653.72	1,653.72
Loans									
Non-current-Loans to employee	9	-	-	421.24	421.24	-	421.10	-	421.10
Non-current-Other Loans	9	-	-	463.87	463.87	-	463.87	-	463.87
Non-current- Others	9	-	-	43.69	43.69				
Current	18	-	-	84.16	84.16				
Other Deposits	9	-	-	77.60	77.60				
Cash and cash equivalents	16	-	-	593.60	593.60				
Bank Balances other than Cash and cash equivalents	17	-	-	760.26	760.26				
Trade receivables	15	-	-	5,204.79	5,204.79				
Others									
- Non-current	10	-	-	56.37	56.37				
- Current	19	-	-	4,512.92	4,512.92				
Total		**6,661.55**	**681.20**	**14,270.92**	**21,613.67**				

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

		Carrying amount				Fair value			
As at 31/03/2018	**Note Reference**	**Mandatorily at FVTPL**	**FVOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities									
Derivative Liability on forwards	32	0.03	-	-	0.03	-	0.03	-	0.03
Derivative Liability on Swaps	32	85.83	-	-	85.83	-	85.83	-	85.83
Derivative Liability on commodity derivatives	32	4.33	-	-	4.33	-	4.33	-	4.33
Bonds	25	-	-	11,721.99	11,721.99	11,825.89	-	-	11,825.89
OIDB Loans	25 & 32	-	-	1,357.94	1,357.94	-	1,373.45	-	1,373.45
Debentures	25	-	-	1,299.52	1,299.52	1,290.49	-	-	1,290.49
Term loans	25	-	-	12,090.24	12,090.24				
External Commercial Borrowings	25 & 32	-	-	325.22	325.22				
Foreign Currency Loans - Syndicated	25	-	-	2,771.42	2,771.42				
Other Non-Current financial liabilities	26	-	-	59.15	59.15				
Borrowings -Current	30	-	-	8,093.03	8,093.03				
Trade and Other Payables	31	-	-	13,231.93	13,231.93				
Other Current liabilities	32	-	-	17,574.22	17,574.22				
Total		**90.19**	**-**	**68,524.66**	**68,614.85**				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

		Carrying amount				Fair value			
As at 31/03/2017	**Note Reference**	**Mandatorily at FVTPL**	**FVOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Investment in equity instruments	8	-	692.65	-	692.65	594.85	-	97.80	692.65
Investment in mutual funds	14	312.45	-	-	312.45	312.45	-	-	312.45
Investment in debt instruments	8 & 14	5,360.34	-	0.01	5,360.35	5,360.34	-	-	5,360.34
Derivative instruments - Commodity related	19	3.28	-	-	3.28	-	3.28	-	3.28
Derivative instruments - Interest rate swap	19	2.81	-	-	2.81	-	2.81	-	2.81
Deposits	9	-	-	8.47	8.47	-	10.71	-	10.71
Loan to Joint Venture-fixed rate	9	-	-	1,254.10	1,254.10	-	1,243.19	-	1,243.19
Loan to Joint Venture-variable rate	9	1,544.41	-	-	1,544.41	-	-	1,544.39	1,544.39
Loans									
- Non-current- Loans to employee	9	-	-	421.59	421.59	-	421.50	-	421.50
- Non-current- Others	9	-	-	32.29	32.29				
- Current	18	-	-	78.17	78.17				
Other Deposits	9	-	-	60.11	60.11				
Cash and cash equivalents	16	-	-	607.94	607.94				
Bank Balances other than Cash and cash equivalents	17	-	-	1,276.60	1,276.60				
Trade receivables	15	-	-	4,803.75	4,803.75				
Others									
- Non-current	10	-	-	46.09	46.09				
- Current	19	-	-	3,301.19	3,301.19				
Total		**7,223.29**	**692.65**	**11,890.31**	**19,806.25**				

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

		Carrying amount				Fair value			
As at 31/03/2017	**Note Reference**	**Mandatorily at FVTPL**	**FVOCI - designated as such**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities									
Derivative Liability on forwards	32	71.52	-	-	71.52	-	71.52	-	71.52
Derivative Liability on Swaps	32	154.07	-	-	154.07	-	154.07	-	154.07
Derivative Liability on commodity derivatives	32	0.01	-	-	0.01	-	0.01	-	0.01
Bonds	25	-	-	11,605.80	11,605.80	12,067.40	-	-	12,067.40
OIDB Loans	25 & 32	-	-	1,795.13	1,795.13	-	1,833.04	-	1,833.04
Debentures	25	-	-	549.80	549.80	553.01	-	-	553.01
Term loans	25 & 32	-	-	9,210.11	9,210.11				
External Commercial Borrowings	25 & 32	-	-	486.29	486.29				
Foreign Currency Loans - Syndicated	25 & 32	-	-	3,860.60	3,860.60				
Other Non-Current financial liabilities	26	-	-	64.59	64.59				
Borrowings -Current	30	-	-	8,217.71	8,217.71				
Trade and Other Payables	31	-	-	11,382.47	11,382.47				
Other Current liabilities	32	-	-	17,012.00	17,012.00				
Total		**225.60**	**-**	**64,184.50**	**64,410.10**				

Note: There are no other categories of financial instruments other than those mentioned above.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Unquoted equity shares (Cochin International Airport Limited)	The Valuation is based on market multiples derived from quoted prices of companies comparable to investee and the expected revenue and PAT of the investee.	Adjusted market multiple (P/E)	The estimated fair value would increase/(decrease) if Adjusted market multiple were higher/(lower)
Unquoted equity shares- (Sai Wardha Power Generation Limited (SWPGL))	The Fair Valuation is based on the agreement with SWPGL.	Not Applicable	Not Applicable
Derivative instruments - forward exchange contracts	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date.	Not applicable	Not applicable
Derivative instruments - interest rate swap and currency swap	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates. This technique also involves using the interest rate curve for projecting the future cash flows.	Not applicable	Not applicable
Derivative instruments - commodity contracts	Fair valuation of Commodity Derivative instruments are based on forward assessment done by Platts which is an independent agency which assesses benchmark global crude oil and product prices. Globally counterparties also use Platts assessment for settlement of transactions.	Not applicable	Not applicable
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.	Not applicable	Not applicable
Loan to Joint Venture (in case of BPRL)	Binomial model: The share price is simulated using a Binomial model from the valuation date to the maturity of the loan. As the number of shares is dependent on USD/BRL exchange rate, the same was simulated using a GARCH model	Share price (31st March 2018: 1.09) Credit spread (31st March 2018: 2.50%)	Not applicable

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Level 3 fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

₹ in Crores

Particulars	Equity securities	Loan to joint venture (in case of BPRL)
Opening Balance(1st April 2016)	88.35	4,400.35
Net change in fair value (unrealised)	9.45	(252.58)
Redemption / Conversion	-	(2,603.38)
Closing Balance (31st March 2017)	97.80	1,544.39
Opening Balance(1st April 2017)	**97.80**	**1,544.39**
Net change in fair value (unrealised)	**7.46**	**119.34**
Redemption / Conversion	**-**	**(6.91)**
FCTR	**-**	**(3.10)**
Closing Balance (31st March 2018)	**105.26**	**1,653.72**

Sensitivity analysis

For the fair values of unquoted equity shares in case of Corporation and loan to joint venture in case of BPRL reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects:

₹ in Crores

Significant unobservable inputs	As at 31/03/2018 Profit or loss		As at 31/03/2017 Profit or loss	
	Increase	**Decrease**	**Increase**	**Decrease**
P/E (5% movement)	**5.29**	**(5.29)**	4.92	(4.92)
Credit spread (10% movement)	**(23.63)**	**23.97**	(25.77)	26.31
Share price (10% movement)	**224.24**	**(224.24)**	208.98	(208.98)

C. Financial risk management

C.i. Risk management framework

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

C.ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances, derivatives and debt securities. The maximum exposure to credit risk in case of all the financial instuments covered below is restricted to their respective carrying amount.

(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 2018 and 31st March 2017 the Group's industrial customers accounted for the majority of the trade receivables.

Expected credit loss assessment for Trade and other receivables from customers as at 31st March 2017 and 31st March 2018

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 till full provision for the trade receivable is made. Roll rates are calculated separately for exposures based on common credit risk characteristics for a set of customers.

The following table provides information about the exposure to credit risk and Expected Credit Loss Allowance for trade and other receivables:

₹ in Crores

As at 31/03/2018	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	4,862.90	0.13%	6.46
Debts over due	1,696.76	15.34%	260.36
	6,559.66	**4.07%**	**266.82**

₹ in Crores

As at 31/03/2017	Gross carrying amount	Weighted average loss rate - range	Loss allowance
Debts not due	1,324.87	0.25%	3.31
Debts over due	2,907.49	19.89%	578.36
	4,232.36	**13.74%**	**581.67**

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.

Loss rates are based on actual credit loss experience over the past three years.

The movement in the loss allowance in respect of trade and other receivables during the year was as follows.

₹ in Crores

Balance as at 1st April 2016	592.21
Movement during the year	(10.54)
Balance as at 31st March 2017	581.67
Movement during the year	(314.85)
Balance as at 31st March 2018	**266.82**

(b) Cash and cash equivalents and Other Bank Balances

The Group held cash and cash equivalents and other bank balances of ₹ **1,353.86 Crores** at 31st March 2018 (Previous Year: ₹ 1,884.54 Crores). The cash and cash equivalents are held with banks with good credit ratings and financial institution counterparties with good market standing. Further, Group invests its short term surplus funds in bank fixed deposit, Government of India Treasury-bills and liquid schemes of mutual funds, which carry no / low mark to market risks for short duration. These instruments do not expose the Group to credit risk.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Investment in debt securities

Investment in debt securities are mainly instruments such as loans to joint venture companies and investment in government securites which do not carry any significant credit risk.

C.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management. The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs, foreign currency borrowings and other debt instruments.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

Maturity Analysis of Significant Financial Liabilities

₹ in Crores

As at 31/03/2018	Contractual cash flows				
	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities					
Bonds	**15,231.67**	497.10	2,337.36	4,213.32	8,183.89
OIDB Loans	**1,511.08**	586.14	836.71	88.23	-
Term loans	**14,637.03**	506.30	3,527.19	6,834.16	3,769.38
External Commercial Borrowings	**325.32**	162.71	162.61	-	-
Non Convertible Debentures	**1,750.08**	98.10	196.20	1,455.78	-
Foreign Currency Loans - Syndicated	**3,077.48**	80.40	2,997.08	-	-
Short term borrowings	**8,093.03**	8,093.03	-	-	-
Trade and other payables	**13,231.93**	13,231.93	-	-	-
Other current liabilities	**17,574.22**	17,574.22	-	-	-
Financial guarantee contracts*	**1,586.73**	1,040.36	546.37	-	-
Derivative financial liabilities					
Currency Swaps	**171.09**	25.45	145.64	-	-
Commodity Contracts	**4.33**	4.33	-	-	-

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

As at 31/03/2017	Contractual cash flows				
	Total	**Upto 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Non-derivative financial liabilities					
Bonds	**15,456.57**	488.69	2,273.29	899.64	11,794.95
OIDB Loans	**2,076.13**	565.04	1,130.52	380.57	-
Term loans	**11,092.42**	2,296.47	615.84	3,522.00	4,658.12
External Commercial Borrowings	**508.80**	174.34	334.46	-	-
Non Convertible Debentures	**731.92**	40.43	80.85	610.64	-
Foreign Currency Loans - Syndicated	**4,122.25**	1,796.32	144.23	2,181.70	-
Short term borrowings	**8,217.71**	8,217.71	-	-	-
Trade and other payables	**11,382.47**	11,382.47	-	-	-
Other current liabilities	**17,012.00**	17,012.00	-	-	-
Financial guarantee contracts*	**1,589.93**	72.71	972.58	544.64	-
Derivative financial liabilities					
Currency Swaps	**260.40**	25.37	235.03	-	-
Commodity Contracts	**0.01**	0.01	-	-	-
Forward exchange contracts					
Inflows	**3,272.73**	3,272.73	-	-	-
Outflows	**(3,384.13)**	(3,384.13)	-	-	-

* Guarantees issued by the Group on behalf of joint venture are with respect to borrowings raised by the respective entity. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiary/joint venture have defaulted and hence, the Group does not have any present obligation to third parties in relation to such guarantees.

C.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

C.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Corporation and its Indian Subsidiaries is Indian Rupee. Our exposure is mainly denominated in U.S. dollars (USD). The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future.

The Group has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks. The Group uses derivative instruments (mainly foreign exchange forward contracts) to mitigate the risk of changes in foreign currency exchange rates in line with our policy.

The Group do not use derivative financial instruments for trading or speculative purposes.

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at 31st March 2018 and 31st March 2017 :

As at 31/03/2018	₹ in Crores				
	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	14.29	0.02	-	-	0.01
Trade receivables	538.60	0.19	-	-	-
Other Current financial asset	7.52	-	-	-	0.01
Net exposure for assets	**560.41**	**0.21**	**-**	**-**	**0.02**
Financial liabilities					
Bonds	6,465.77	-	-	1,363.01	-
External Commercial Borrowings	325.22	-	-	-	-
Foreign Currency Loans - Syndicated	2,771.42	-	-	-	-
Short term borrowings	6,286.27	-	-	-	-
Trade and other payables	6,319.02	0.12	-	-	-
Derivative instruments - Forwards	0.03	-	-	-	-
Other Current financial liabilities	235.14	85.07	18.25	18.55	2.55
Add/(Less): Foreign curency forward exchange contracts	(1,654.97)	-	-	-	-
Add/(Less): Foreign currency swaps	1,484.89	-	-	(1,363.01)	-
Net exposure for liabilities	**22,232.79**	**85.19**	**18.25**	**18.55**	**2.55**
Net exposure (Assets - Liabilities)	**(21,672.38)**	**(84.98)**	**(18.25)**	**(18.55)**	**(2.53)**

As at 31/03/2017	₹ in Crores				
	USD	EURO	JPY	CHF	Others
Financial assets					
Cash and cash equivalents	4.51	-	-	-	-
Trade receivables	618.34	-	-	-	-
Other Current financial asset	1.62	-	-	-	-
Net exposure for assets	**624.47**	**-**	**-**	**-**	**-**
Financial liabilities					
Bonds	6,433.88	-	-	1,292.45	-
External Commercial Borrowings	486.29	-	-	-	-
Foreign Currency Loans - Syndicated	3,860.60	-	-	-	-
Short term borrowings	5,789.76	-	-	-	-
Trade and other payables	5,792.69	106.62	21.15	0.20	0.32
Derivative instruments - Forwards	4.11	-	-	-	-
Other Current financial liabilities	2,055.39	33.17	66.12	17.95	1.45
Add/(Less): Foreign curency forward exchange contracts	(3,384.13)	-	-	-	-
Add/(Less): Foreign currency swaps	1,480.20	-	-	(1,292.45)	-
Net exposure for liabilities	**22,518.78**	**139.79**	**87.27**	**18.15**	**1.77**
Net exposure (Assets - Liabilities)	**(21,894.32)**	**(139.79)**	**(87.27)**	**(18.15)**	**(1.77)**

NOTE 58 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 fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

₹ in Crores

	Profit or loss	
Effect in INR (before tax)	**Strengthening**	**Weakening**
For the year ended 31st March 2018		
3% movement		
USD	**(650.17)**	**650.17**

₹ in Crores

	Profit or loss	
Effect in INR (before tax)	**Strengthening**	**Weakening**
For the year ended 31st March 2017		
3% movement		
USD	(656.83)	656.83

C.iv.b Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Group's approach to managing interest rate risk is to have a judicious mix of borrowed funds with fixed and floating interest rate obligation.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows:

₹ in Crores

Particulars	Note Reference	As at 31/03/2018	As at 31/03/2017
Fixed-rate instruments			
Financial Assets - measured at amortised cost			
Investment in debt instruments	8	0.01	0.01
Loan to Joint Venture	9	1,571.51	1,254.10
Financial Assets - measured at Fair Value through Profit & Loss			
Investment in debt instruments	14	4,992.88	5,360.34
Total of Fixed Rate Financial Assets		**6,564.40**	**6,614.45**

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars	Note Reference	As at 31/03/2018	As at 31/03/2017
Financial liabilities - measured at amortised cost			
Bonds	25	11,721.99	11,605.80
OIDB Loans	25 & 32	1,357.94	1,795.13
Non- Convertible Debentures	25	1,299.52	549.80
Total of Fixed Rate Financial Liabilities		**14,379.45**	**13,950.73**
Variable-rate instruments			
Financial Assets - measured at Fair Value through Profit & Loss			
Loan to Joint Venture	9	1,653.72	1,544.41
Total of Variable Rate Financial Assets		**1,653.72**	**1,544.41**
Financial liabilities - measured at amortised cost			
Foreign Currency Loans - Syndicated*	25 & 32	2,771.42	3,860.60
Short term borrowings	30	8,093.03	8,217.71
Term loans & External Commercial Borrowings	25 & 32	12,415.46	9,696.40
Total of Variable Rate Financial Liabilities		**23,279.91**	**21,774.71**

* In respect of Syndicated Foreign Currency Loans, the Corporation has entered into **Nil** amount of IRS during 2017-18 and USD 10 million during 2016-17.

Fair value sensitivity analysis for fixed-rate instruments

The Group accounts for certain investments in fixed-rate financial assets such as investments in Oil bonds at fair value through profit or loss. Accordingly, a decrease in 25 basis point in interest rates is likely to increase the profit or loss (before tax) for the year ending 31st March 2018 by ₹ **67.15 Crores** (Previous Year: ₹ 80.21 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 2018 by ₹ **68.30 Crores** (Previous Year: ₹ 81.76 Crores).

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets.

₹ in Crores

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
As at 31/03/2018		
Variable-rate loan instruments	**(46.80)**	**46.80**
Cash flow sensitivity (net)	**(46.80)**	**46.80**
As at 31/03/2017		
Variable-rate loan instruments	(42.93)	42.93
Cash flow sensitivity (net)	(42.93)	42.93

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

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, the history of price movements for last two years and the correlation of these price movements.

VAR calculation for open position as on 31st March 2018 is as given below:

Product	**Gasoil - Dubai**	**Jet/Kero - Dubai**	**Gasoline-Naphtha (Reforming Margin)**	**Jet/Kero - Gasoil (Regrade Margin)**	**Gasoil-HSFO 180 (Coking Margin)**
Unit	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**	**USD/Bbl**
Mean	12.38	13.05	10.01	-0.67	16.68
Standard Deviation	1.9	1.66	1.87	0.95	2.84
Var95	3.12	2.72	3.08	1.56	4.67
Mean+Var95	15.5	15.78	13.09	0.88	21.34
Avg.Trade Price	16.23	16.33	12.76	0.25	20.95
Lots as on 31.03.2018	33	72	2	7	5
Standard Lot size	50000 BBL	50000 BBL	50000 BBL	50000 BBL	50000 BBL
VAR USD million ("-ve" VAR of Gasoil and Jet/ Kero ignored)	-1.21	-1.97	0.03	0.22	0.1
Total Portfolio VAR in USD million	0.35				

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

C.iv.d Price risk

The Corporation's exposure to equity investments price risk arises from investments held by the Corporation and classified in the financial statements at fair value through OCI. The corporation intends to hold these investments for long-term for better returns and price risk will not be significant from a long term perspective.

Exposure to price risk

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2018				
1% movement				
Investment in Oil India - FVOCI	-	-	5.76	(5.76)
Investment in CIAL - FVOCI	-	-	1.05	(1.05)
Total	**-**	**-**	**6.81**	**(6.81)**

₹ in Crores

Effect in INR (before tax)	Profit or loss		Other components of Equity	
	Strengthening	Weakening	Strengthening	Weakening
As at 31/03/2017				
1% movement				
Investment in Oil India - FVOCI	-	-	5.95	(5.95)
Investment in CIAL - FVOCI	-	-	0.98	(0.98)
Total	**-**	**-**	**6.93**	**(6.93)**

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

D. Offsetting

The following table presents the recognised financial instruments that are offset and other similar agreements that are not offset, as at 31st March 2018 and 31st March 2017.

The column 'net amount' shows the impact on the Corporation's balance sheet if all set-off rights are exercised.

₹ in Crores

Particulars	Note reference	Effect of offsetting on the balance sheet			Related amounts not offset		
		Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Financial Instrument	Amounts to be offset	Net Amount
		(a)	(b)	(a-b)			
As at 31/03/2018							
Financial assets							
Investment in GOI Bonds	A				**4,992.88**	**1,500.00**	**3,492.88**
Trade and other receivables	B & C	**2,385.90**	**2,380.99**	**4.91**			
Derivative Assets	D				**1.75**	**1.75**	**-**
Financial liabilities							
Short term borrowings	A				**8,093.01**	**1,500.00**	**6,593.01**
Trade and other payables	B & C	**7,024.98**	**2,380.99**	**4,643.99**			
Derivative Liabilities	D				**8.56**	**1.75**	**6.81**
As at 31/03/2017							
Financial assets							
Investment in GOI Bonds	A				5,360.34	1,350.00	4,010.34
Trade and other receivables	B & C	1,595.66	1,595.66	-			
Derivative Assets	D				1.25	1.25	-
Financial liabilities							
Short term borrowings	A				7,227.68	1,350.00	5,877.68
Trade and other payables	B & C	6,369.88	1,595.66	4,774.22			
Derivative Liabilities	D				16.81	1.25	15.56

NOTE 58 FINANCIAL INSTRUMENTS (CONSOLIDATED) (CONTD.)

Notes

A. The Corporation has Collaterised Borrowing and Lending Obligations limits from Clearing Corporation of India Limited, which are secured by Oil Marketing Companies GOI Special Bonds 2026. As the Counterparty currently does not have a legally enforceable right to off set these amounts, these amounts have not been offset in the balance sheet, but have been presented separately in the table above.

B. The Corporation purchases and sells petroleum products from different Oil Marketing Companies. Under the terms of the agreement, the amounts payable by the Corporation are offset against receivables and only the net amounts are settled. The relevant amounts have therefore been presented net in the balance sheet.

C. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other.

D. The Corporation enters into derivative transactions under the International Swaps and Derivatives Association (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. The ISDA master netting agreements do not meet the criteria for offsetting in the balance sheet. This is because the Counterparty does not currently have legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events.

NOTE 59 CAPITAL MANAGEMENT (CONSOLIDATED)

The Group's objective is to maximize the shareholders' value by maintaining an optimum capital structure. Management monitors the return on capital as well as the debt equity ratio and makes necessary adjustments in the capital structure for the development of the business.

The Group's debt to equity ratio as at 31st March 2018 is **1.03** (31st March 2017: 1.16).

Note: For the purpose of computing debt to equity ratio, equity includes Equity Share Capital and Other Equity and Debt includes Long term borrowings, short term borrowings and current maturities of long term borrowings.

NOTE 60 SEGMENT REPORTING (CONSOLIDATED)

A. Basis for segmentation

The Group has following two reportable segments. Details of the segments are as follows:

a) Downstream Petroleum i.e. refining and marketing of petroleum products.

b) Exploration and Production of 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 2018			For the Year Ended 31st March 2017		
	Downstream Petroleum	E&P	Total	Downstream Petroleum	E&P	Total
Revenue						
External Customers	279,223.00	89.70	279,312.70	243,699.96	47.50	243,747.46
Inter-segment	-	-	-	-	-	-
Total Revenue	279,223.00	89.70	279,312.70	243,699.96	47.50	243,747.46
Results						
Segment Results	12,317.08	(29.42)	12,287.66	11,806.32	(143.59)	11,662.73
Unallocated Corporate Expenses	-	-	-	-	-	-
Operating Profit	-	-	12,287.66	11,806.32	(143.59)	11,662.73
Add:						
a) Interest Income			859.42			1,050.91
b) Other Income (excluding Interest Income)			819.27			741.75
c) Share of profit of equity accounted investees	973.32	315.56	1,288.88	805.61	137.78	943.39
d) Fair valuation gain on instruments measured at FVTPL			75.17			-
e) Derivatives at FVTPL			28.86			21.91
Less:						
a) Finance Cost			1,185.74			696.36
b) Fair valuation loss on instruments measured at FVTPL			-			24.72
c) Income tax (including deferred tax)			4,381.61			4,192.64
Profit / (loss) after tax			9,791.91			9,506.97
Other Information						
Segment assets	92,424.97	16,707.46	109,132.43	83,174.87	14,570.60	97,745.47
Unallocated Corporate Assets			11,288.13			11,340.79
Total Assets	92,424.97	16,707.46	120,420.56	83,174.87	14,570.60	109,086.26
Segment liabilities	35,192.52	60.11	35,252.63	32,684.71	126.89	32,811.60
Unallocated Corporate Liabilities			46,644.27			43,496.72
Total Liabilities	35,192.52	60.11	81,896.90	32,684.71	126.89	76,308.32
Depreciation and amortization	2,833.13	51.87	2,885.00	2,060.81	46.83	2,107.64
Material Non-cash expenses other than depreciation and amortisation			71.75			89.23

NOTE 60 SEGMENT REPORTING (CONSOLIDATED) (CONTD.)

₹ in Crores

Particulars*	For the Year Ended 31st March 2018			For the Year Ended 31st March 2017		
	Downstream Petroleum	E&P	Total	Downstream Petroleum	E&P	Total
Segments assets include:						
Investment in equity accounted investees	**6,454.88**	**11,139.20**	**17,594.08**	5,495.70	9,465.98	14,961.68
Capital expenditure	**7,543.27**	**396.10**	**7,939.37**	9,369.39	116.44	9,485.83

* 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.

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 2018	For the year ended 31st March 2017
I) Revenue		
India	**279,312.70**	243,747.46
Other Countries	**-**	-
Total Revenue	**279,312.70**	243,747.46
II) Non-current Assets *		
India	**59,043.95**	53,178.81
Other Countries		
Mozambique	**4,463.77**	4,166.83
Singapore	**7,234.25**	6,744.53
Other Countries	**4,240.44**	3,026.29
Total Non-current Assets	**74,982.41**	67,116.46

*Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts.

NOTE 61 MICRO, SMALL AND MEDIUM ENTERPRISES (CONSOLIDATED)

To the extent, the Group has received intimation from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the details are provided as under:

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
Amount Due and Payable at the year end		
- Principal	**0.54**	0.47
- Interest on above Principal		
Payment made during the year after the due date		
- Principal		
- Interest		
Interest due and payable for Principal already paid		
Total Interest accrued and remained unpaid at year end		

The interest payable to such vendors is not likely to be material.

NOTE 62 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS (CONSOLIDATED)

₹ in Crores

Particulars	As at 31/03/2018	As at 31/03/2017
(a) Contingent Liabilities :		
In respect of Income Tax matters	**25.78**	75.58
Other Matters :		
i) Claims against the Group not acknowledged as debts * :		
Excise and customs matters	**1,920.83**	1,766.16
Service Tax matters	**127.07**	159.67
Sales tax matters	**9,662.20**	8,354.42
Land Acquisition cases for higher compensation	**113.43**	158.25
Others	**389.17**	450.42

* These include ₹ **7,055.30 Crores** (31st March 2017: ₹ 6,058.74 Crores) against which the Group has a recourse for recovery and ₹ **154.01 Crores** (31st March 2017: ₹ 169.84 Crores) which are on capital account.

Particulars	As at 31/03/2018	As at 31/03/2017
ii) Claims on account of wages, bonus / ex-gratia payments in respect of pending court cases	**22.35**	19.09
iii) Guarantees	**55.41**	57.63
iv) Share of Interest in Joint Ventures & Associates	**985.25**	694.44
(b) Capital Commitments :		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	**4,940.14**	3,475.92
ii) Share of Interest in Joint Ventures & Associates	**1,655.36**	1,682.45

NOTE 63 NON-CONTROLLING INTERESTS (NCI) (CONSOLIDATED)

Below is the partly owned subsidiary of the Company and the respective share of the non-controlling interests.

			Non-controlling interest	
Sr No	Name	Country of Incorporation	As at 31/03/2018	As at 31/03/2017
1	Numaligarh Refinery Limited	India	**38.35%**	38.35%

The principal place of business of the entity listed above is the same as their respective country of incorporation.

The following table comprises the information relating to the subsidiary that has material Non-Controlling Interest (NCI) before any intra group eliminations.

₹ in Crores

Particulars	Numaligarh Refinery Limited	
	As at 31/03/2018	As at 31/03/2017
NCI percentage	**38.35%**	38.35%
Non Current Assets	**3,063.84**	2,840.30
Current Assets	**4,213.98**	4,323.19
Non Current Liabilities	**614.90**	690.43
Current Liabilities	**1,695.27**	1,366.96
Net Assets	**4,967.65**	5,106.10
Net assets attributable to NCI	**1,905.09**	1,958.19
Revenue	**16,052.72**	14,317.21
Profit	**2,041.95**	2,049.83
Other Comprehensive Income	**(2.88)**	(3.85)
Total Comprehensive Income	**2,039.07**	2,045.98
Profit allocated to NCI	**783.28**	786.03
OCI allocated to NCI	**(1.10)**	(1.48)
Total comprehensive income allocated to NCI	**782.18**	784.55
Cash flow from operating activities	**2,039.57**	1,631.55
Cash flow from investing activities	**67.96**	75.23
Cash flow from financing activities	**(2,269.01)**	(1,456.41)
Net Increase / (decrease) in cash and cash equivalents	**(161.48)**	250.37
Dividends paid to Non-controlling interest (Including DDT)	**(835.28)**	(458.38)

NOTE 64 DISCLOSURES AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 WITH RESPECT TO CONSOLIDATED FINANCIAL STATEMENTS

S. No.	Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive income		Share in Total comprehensive income	
		As % of consolidated net assets	Amount in ₹ Crores	As % of consolidated profit or loss	Amount in ₹ Crores	As % of consolidated other comprehensive income	Amount in ₹ Crores	As % of consolidated profit or loss	Amount in ₹ Crores
	Parent								
1.	Bharat Petroleum Corporation Limited	93.30%	34,152.00	88.00%	7,919.34	2.00%	9.11	83.90%	7,928.45
	Subsidiaries								
	Indian								
1.	Bharat PetroResources Limited	9.30%	3,415.48	-0.80%	(68.72)	98.50%	448.63	4.00%	379.91
2.	Numaligarh Refinery Limited	13.60%	4,967.65	22.70%	2,041.95	-0.60%	(2.88)	21.50%	2,039.07
3.	Petronet CCK Limited	0.50%	173.71	0.60%	56.96	0.00%	0.03	0.60%	56.99
	Minority Interest	-5.20%	(1,905.09)	-8.70%	(783.28)	0.20%	1.10	-8.30%	(782.18)
	Joint Ventures								
	Indian								
1.	Bharat Oman Refineries Limited	9.40%	3,438.41	5.50%	491.86	0.00%	(0.02)	5.20%	491.84
2.	Bharat Renewable Energy Limited*								
3.	Bharat Stars Services Private Limited	0.10%	19.69	0.00%	2.66	0.00%	(0.10)	0.00%	2.56
4.	Central U.P. Gas Limited	0.20%	60.18	0.10%	11.52	0.00%	(0.07)	0.10%	11.46
5.	Delhi Aviation Fuel Facility Private Limited	0.20%	75.85	0.20%	18.12	0.00%	(0.01)	0.20%	18.11
6.	Maharashtra Natural Gas Limited	0.30%	94.37	0.20%	21.98	0.00%	0.02	0.20%	22.00
7.	Sabarmati Gas Limited	0.50%	195.73	0.40%	37.21	0.00%	0.02	0.40%	37.24
8.	Mumbai Aviation Fuel Farm Facility Private Limited	0.20%	56.81	0.10%	11.79	0.00%	-	0.10%	11.79
9.	Kochi Salem Pipeline Private Limited	0.20%	71.31	0.00%	(1.04)	0.00%	-	0.00%	(1.04)
10.	BPCL- KIAL Fuel Farm Facility Private Limited	0.00%	3.88	-	(1.67)	0.00%	-	0.00%	(1.67)
11.	Haridwar Natural Gas Private Limited	0.00%	7.10	-	(0.05)	0.00%	-	0.00%	(0.05)
12.	Goa Natural Gas Private Limited	0.00%	7.16	-	(0.34)	0.00%	-	0.00%	(0.34)
13.	Ratnagiri Refinery & Petrochemicals Limited	0.10%	20.30	(0.00)	(4.70)	0.00%	-	0.00%	(4.70)
	Foreign								
1.	Matrix Bharat Pte Ltd	0.00%	17.55	0.10%	6.11	-0.20%	(0.79)	0.10%	5.32
	Associates								
1.	GSPL India Gasnet Limited	0.10%	43.30	0.00%	0.10	0.00%	-	0.00%	0.10
2.	GSPL India Transco Limited	0.10%	42.69	0.00%	0.15	0.00%	-	0.00%	0.15
3.	Fino PayTech Limited	0.20%	73.83	-0.40%	(34.70)	0.10%	0.30	-0.40%	(34.40)
4.	Petronet LNG Limited	3.30%	1,226.41	2.90%	263.80	0.00%	0.06	2.80%	263.86
5.	Petronet CI Limited *								
6.	Indraprastha Gas Limited	2.20%	820.56	1.80%	162.39	0.00%	(0.06)	1.70%	162.33
7.	Kannur International Airport Limited *								
8.	Petronet India Limited	0.00%	0.44	0.00%	0.33	0.00%	-	0.00%	0.33
9.	Petroleum India International	0.00%	2.93	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
	Intra Group Elimination	-28.60%	(10,463.68)	-12.70%	(1,143.10)	0.00%	0.01	-12.10%	(1,143.09)
	Total	**100%**	**36,618.57**	**100%**	**9,008.63**	**100%**	**455.35**	**100%**	**9,463.98**

* Associates / Joint Ventures have not been considered for consolidation

NOTE 65 ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BPRL (CONSOLIDATED)

I. Joint Operations

The Group has participating interest in the nature of Production Sharing Contracts (PSC) with the Government of India and/or various bodies corporate in the oil and gas blocks for exploration, development and production activities. The arrangements require unanimous consent from all parties 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 and severally 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. 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 Company.

i) In respect of Block CB/ONN/2010/8, the Company is the operator. The Company's share of the assets and liabilities have been recorded under respective heads based on the audited statement. The Company is also operator for five DSF blocks in which it holds 100% participating interest.

ii) Out of the remaining **Five** Indian Blocks (Previous year: Six) the Company has received **Three** (Previous year: One) audited financial statements as at March 31, 2018 and this has been considered for the financial statements of the company. The Company has not received financial statement for **Three** (Previous year: Five) blocks and expenses for these blocks are accounted based on unaudited financial statement from the operator for the period upto 31st March 2018.

iii) In respect of **One** (Previous year: One) Joint Venture block outside India the assets, liabilities, income and expenditure have been incorporated on the basis of unaudited financial statements as on 31st March 2018.

The table below provides summarised financial information of the company's share of assets, liabilities, income and expenses in the joint operations to mention the number of joint operation.

Name	Company	Country	Participating Interest of the Group	
			31/03/2018	31/03/2017
Blocks in India				
NELP – IV				
CY/ONN/2002/2 (b)	BPRL	India	40.00%	40.00%
NELP – VI				
CY/ONN/2004/1(a)	BPRL	India	-	-
CY/ONN/2004/2	BPRL	India	20.00%	20.00%
NELP – VII				
RJ/ONN/2005/1 (c)	BPRL	India	33.33%	33.33%
NELP – IX				
CB/ONN/2010/11	BPRL	India	25%	25%
AA/ONN/2010/3	BPRL	India	20%	20%
CB/ONN/2010/8	BPRL	India	25%	25%
MB/OSN/2010/2 (d)	BPRL	India	20%	20%
Discovery of New field*				
CY/ONDSF/KARAIKAL/2016	BPRL	India	100%	100%
RJ/ONDSF/BAKHRI TIBBA/2016	BPRL	India	100%	100%
RJ/ONDSF/SADEWALA/2016	BPRL	India	100%	100%

NOTE 65 ADDITIONAL INFORMATION AS APPEARING IN THE FINANCIAL STATEMENTS OF BPRL (CONSOLIDATED) (CONTD.)

Name	Company	Country	Participating Interest of the Group	
			31/03/2018	31/03/2017
MB/OSDF/B15/2016	BPRL	India	100%	100%
MB/OSDF/B127E/2016	BPRL	India	100%	100%
*Alloted on 27th March 2017				
Blocks outside India				
JPDA 06-103 (e)	BPRL JPDA	Australia / Timor	-	-
EP-413	BPRL	Australia	27.80%	27.80%
Mozambique Rovuma Basin (h)	BPRL Ventures Mozambique B.V.	Mozambique	10.00%	10.00%
Nunukan PSC, Tarakan Basin	BPRL Ventures Indonesia B.V.	Indonesia	12.50%	12.50%

The table below provides summarized financial information of the company's share of assets, liabilities, income and expenses in the joint operations.

₹ in Crores

Sr. No.	Particulars	31/03/2018	31/03/2017
1.	Property, plant and equipment	0.93	0.99
2.	Other Intangible assets	60.90	70.33
3.	Intangible asset under development	5,068.35	4,402.03
4.	Other Non-Current Assets	0.04	0.03
5.	Current Assets	30.75	18.17
6.	Cash and Bank Balances	3.08	5.41
7.	Current & Non Current Liabilities/Provisions	126.12	104.03
8.	Expenses	18.42	14.18
9.	Income	89.70	47.50

NOTE 66 (CONSOLIDATED)

Figures of the previous year have been regrouped wherever necessary, to conform to current period presentation.

Signature to Notes '1' to '66'

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
B.M. Agarwal
Partner
M. No. 033254

Place: Mumbai
Date: 29th May 2018

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 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 2018

PART "A": SUBSIDIARIES

Sr. No.	Particulars	(₹ in Crores)		
1.	Name of the subsidiary	Numaligarh Refinery Limited*	Bharat PetroResources Limited*	Petronet CCK Limited
2.	The date since when subsidiary was acquired	07-11-2006	17-10-2007	29-05-2015
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA
4.	Reporting Currency and Exchange rates as on the last date of the relevant Financial Year in case of foreign subsidiaries	NA	NA	NA
5.	Share Capital	735.63	4,448.00	100.00
6.	Reserves & Surplus	4,232.02	(1,032.52)	73.71
7.	Total Assets	7,277.82	18,680.66	183.50
8.	Total Liabilities	2,310.17	15,265.18	9.79
9.	Investments	564.75	11,139.20	-
10.	Turnover	15,921.96	89.70	105.88
11.	Profit before Taxation (A)	3,139.64	(96.60)	87.96
12.	Provision for taxation (B)	1,097.69	(27.88)	31.00
13.	Profit after Taxation (A) - (B)	2,041.95	(68.72)	56.96
14.	Proposed dividend (Final)	183.91	-	-
15.	Extent of shareholding (in percentage)	61.65%	100.00%	100.00%

* Figures based on Consolidated Financial Statements of the Company.

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in Crores)

Sr. No.	Name of Associates / 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 at the year end			4 Description of how there is significant influence	5 Reason why the Associate / Joint Venture is not consolidated	6 Networth attributable to Shareholding as per latest audited Balance Sheet (Refer note 4)	7 Profit / (Loss) for the year	
					No.	Amount of Investment in Associates or Joint Venture	Extent of Holding (in percentage)				Considered in Consolidation	Not Considered in Consolidation
1	Indraprastha Gas Limited	1	31-Mar-18	27-04-2000	157,500,400	31.50	22.50%	By virtue of Shareholding/ Joint Venture agreement		820.56	154.07	
2	Petronet LNG Limited	1	31-Mar-18	24-05-2001	187,500,000	98.75	12.50%			1,226.41	253.46	
3	Bharat Oman Refineries Limited		31-Mar-18	23-12-1993	888,613,336	888.61	50.00%			2,159.01	500.58	
4	Central UP Gas Limited		31-Mar-18	26-07-2004	14,999,600	15.00	25.00%			60.18	11.00	
5	Maharashtra Natural Gas Limited	4	31-Mar-17	26-07-2004	22,499,600	22.50	22.50%			94.37	21.58	
6	Sabarmati Gas Limited		31-Mar-18	04-04-2006	9,987,400	122.40	49.94%			195.74	41.70	
7	Bharat Stars Services Private Limited	1 & 4	31-Mar-17	25-04-2007	10,000,000	10.00	50.00%			19.69	2.56	
8	Matrix Bharat Pte Ltd.		31-Dec-17	03-03-2008	2,000,000	8.41	50.00%			17.55	6.11	
9	Delhi Aviation Fuel Facility Private Limited		31-Mar-18	22-09-2009	60,680,000	60.68	37.00%			75.85	20.33	
10	Bharat Renewable Energy Limited	2		19-05-2008	3,360,000	3.36	33.33%		Note 2			Note 2
11	Petronet CI Limited	2		18-10-2000	1,584,000	1.58	11.00%		Note 2			Note 2
12	Petronet India Limited		31-Mar-18	17-12-1998	16,000,000	0.16	16.00%			0.44	0.09	
13	GSPL India Gasnet Limited		31-Mar-18	30-04-2012	42,572,128	42.57	11.00%			43.30	0.10	
14	GSPL India Transco Limited		31-Mar-18	30-04-2012	37,400,000	37.40	11.00%			42.69	0.15	
15	Kannur International Airport Limited	3		31-03-2014	21,680,000	216.80	21.68%		Note 3			Note 3
16	Fino PayTech Ltd.	1 & 4	31-Mar-17	29-07-2016	28,435,423	251.00	20.75%			73.83	(38.81)	
17	Kochi Salem Pipeline Private Limited		31-Mar-18	30-12-2014	75,000,000	75.00	50.00%			71.32	(1.04)	
18	Mumbai Aviation Fuel Farm Facility Private Limited		31-Mar-18	06-03-2014	41,888,750	41.89	25.00%			56.81	10.94	
19	BPCL-KIAL Fuel Farm Facility Private Limited	4	31-Mar-17	29-12-2014	5,550,000	5.55	74.00%			3.88	(1.67)	
20	Haridwar Natural Gas Private Limited		31-Mar-18	24-12-2015	7,500,000	7.50	50.00%			7.10	(0.05)	
21	Petroleum India International		31-Mar-18	01-03-1986		0.10	18.18%			2.93	(0.04)	
22	Ratnagiri Refinery & Petrochemical Limited		31-Mar-18	14-06-2017	25,000,000	25.00	25.00%			20.30	(4.70)	
23	Goa Natural Gas Private Limited		31-Mar-18	21-11-2016	7,500,000	7.50	50.00%			7.17	(0.34)	

During the year, BPCL along with IOCL and HPCL has incorporated a company under Section 8 of Companies Act 2013 named as Ujjwala Plus Foundation, limited by guarantee.

Note 1 : Figures based on consolidated financial statements of the Company.

Note 2 : Equity method of accounting in respect of Investment have not been considered in the preparation of Consolidated Financial Statements as the parent company has decided to exit from these Joint Ventures and provision for full diminution in the value of investment has been done in the standalone financial statements of the parent company.

Note 3 : Kannur International Airport Limited has not yet started its operations. Hence, the same has not been considered for consolidation since no financial statements have been prepared and the same are not expected to be material.

Note 4 : The financial statements of these 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.

For and on behalf of the Board of Directors

Sd/-
D. Rajkumar
Chairman and Managing Director
DIN: 00872597

Sd/-
R. Ramachandran
Director (Refineries)
DIN: 07049995

Sd/-
K. Sivakumar
Chief Financial Officer

Sd/-
M. Venugopal
Company Secretary

Place: Mumbai
Date: 29th May 2018

As per our attached report of even date
For and on behalf of

CVK & Associates
Chartered Accountants
ICAI FR No.101745W

Sd/-
A.K. Pradhan
Partner
M. No. 032156

Borkar & Muzumdar
Chartered Accountants
ICAI FR No. 101569W

Sd/-
B.M. Agarwal
Partner
M. No. 033254




TOUCHING LIVES


Biogas Construction at Village Matond, Sindhudurg, Maharashtra

Capacity Building Workshop for Project Implementing Partners

Lifeline Express at Latur, Maharashtra

Farm pond at Kolar, Karnataka

Welding at Faizabad, Uttar Pradesh

Shiksha Kendra at Kotra Block, Udaipur


Bharat Petroleum
now
MAHARATNA
Bharat
Petroleum
energising lives