

Minutes of the 62nd Annual General Meeting of the Members of Bharat Petroleum Corporation Limited held on Wednesday, 9th September, 2015 from 1030 hrs to 1400 hrs at Rama and Sundri Watumull Auditorium, Kishinchand Chellaram College, 124, Dinshaw Wacha Road, Churchgate, Mumbai-400 020.

Present	Shri S. Varadarajan	Chairman & Managing Director
	Shri P. Balasubramanian	Director (Finance), Chairman of the Audit Committee, Member & Authorised Representative of Stakeholders' Relationship Committee and Member
	Shri B.K. Datta	Director - Refineries & Member
	Shri S. P. Gathoo	Director – Human Resource, Member & Authorised Representative of Nomination and Remuneration Committee and Member
	Shri K.K. Gupta	Director - Marketing
Also Present	Shri A. K. Pandey	Under Secretary, Ministry of Petroleum & Natural Gas, Representative of the President of India, Member and 305 Members, all representing 41,86,73,072 equity shares and 2 proxies representing 78,99,224 equity shares.
In Attendance	Shri S.V. Kulkarni	Company Secretary
	Shri Himanshu Kishnadwala	Representing CNK & Associates LLP, Statutory Auditor
	Shri Chetan Desai	Representing Haribhakti & Co LLP, Statutory Auditor
	Shri Rohit Vohra	Representing Rohit & Associates, Cost Auditor
	Shri C. R. Musib	Representing Musib & Company, Cost Auditor
	Smt Ragini Chokshi	Representing Ragini Chokshi & Associates Secretarial Auditor

[The Financial Statements of the Company for the Financial Year ended 31st March 2015 including the Consolidated Audited Financial Statements, the Report of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India; Secretarial Audit Report; Register of Directors and Key Managerial Personnel and their shareholding; Register of contracts or arrangements in which directors are interested. etc were made available at the commencement of Annual General Meeting of the Company and remained open and accessible during the continuance of the meeting].



Shri S. Varadarajan, Chairman & Managing Director, took the Chair.

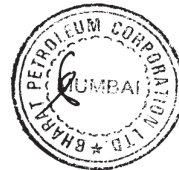
The Company Secretary welcomed the members and introduced the Directors seated on dais. He informed that the despatch of Notice of the AGM to all the members was completed by 13.08.2015. He further confirmed that the requisite quorum for the Meeting was present and requested the Chairman to conduct the Meeting.

The Chairman commenced the meeting by extending a very warm welcome to all the members to the 62nd Annual General Meeting on behalf of the Board of Directors and himself. He also thanked all the Directors, Representative of President of India, Representatives of other major Shareholders present at the Meeting. He further informed the Government Nominee Directors could not attend the meeting due to their business exigencies.

Notice of the Annual General Meeting dated 31st July, 2015, the Reports and Audited Financial Statement for the Financial Year ended 31st March, 2015, Consolidated Audited Financial Statement for the Financial Year ended 31st March, 2015 as previously circulated to the members were taken as read with the permission of the members. Chairman, thereafter, advised Company Secretary to read out relevant portions of the Auditors' Report.

Company Secretary informed that under the Companies Act, 2013, qualification, observations, comments on the financial transactions or matters having adverse effect on functioning of the Company in the Auditors Report need to be read out. It might be noted that the Report of the Statutory Auditors for the Financial Year 2014-15 did not have any such qualification, observations, comments. Further, as per Secretarial Standards 2 on General Meetings, he read out the observations made out in the Secretarial Auditors' Report on the Company stating that the Company did not have the required number of Non-Executive Directors, Independent Directors and at least one Woman Director as on 31st March, 2015 and drew attention of members to the explanation by Board that the Company being 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 Department of Public Enterprises Guidelines. The Company has since appointed a Woman Director w.e.f 19.5.2015 and nomination for adequate number of Independent Directors is awaited.

The Chairman then addressed the members by giving detailed overview of Economic Scenario, Oil and Gas Sector, BPCL's initiatives, Exploration & Production, Refining Sector, Marketing



Investments, Customer Centric Initiative, Human Resources, Operating Performance, Health, Safety, Security & Environment, Corporate Social Responsibility, Corporate Governance etc.

After conclusion of his speech, the Chairman briefed the members about the changes in the procedures for conducting AGM including changes in voting procedures at the AGM. Accordingly, he informed the members that the Company had offered remote e-voting facility through National Securities Depository Limited system and ballot option to members who did not have access to the remote e-voting facility besides the opportunity of voting at AGM through Poll process to the members who have not exercised voting already. The remote e-voting commenced at 9.00 a.m. on 4th September, 2015 and ended at 5.00 pm on 8th September, 2015 and the Ballot form was accepted till 5.00 pm on 8th September, 2015. He also informed that Smt Ragini Chokshi, Practising Company Secretary, M/s Ragini Chokshi & Associates, Mumbai was appointed as the Scrutinizer for the voting and remote e-voting process and also for poll. As advised by the Chairman, Company Secretary briefed the members on poll process. Then, the Chairman took up the business agenda as per the Notice of Annual General Meeting.

A. ORDINARY BUSINESS

- 1. Consideration and adoption of a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2015 (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2015; and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.**

The Chairman took the first item on the agenda for 'Adoption of the Audited Financial Statement and Consolidated Financial Statement' and requested for a proposer and seconder. He further requested the members to discuss the proposal.

The Chairman informed the members that in case they have any comment/need any clarification, on the item viz. Adoption of Annual Accounts, they were welcome to offer/seek the same.

S/Shri Seshan Krishnamoorthy, H.P Kotwani, P.A Vijayakar, Michael Martins, Gautam Tiwari, Kala Menon, P.S Mapara, Shailesh Mehta, Shailesh Mahadevia, A.F Lala, P.K Agnihotri, H Patel, Smith Shah, S.M Divekar, Dinesh G. Bhatia, Ronald F Fernandes, Vinay Bhide, Rajesh Chainani, H.L Savani, Bharat Shah, Homa Pouredehi, P.W Patange, Sudhir S Vartak, C.E.Mascarenhas, Babulal R Parekh etc.. shared views / sought clarifications on: Venue of the meeting, Shares held by Directors, CSR, Issue of NCDs to Shareholders, Foreign operation losses, Tax disputes, Increased Capital Reserves, Cash in Hand, Loans and Advances to political



party, Investments in JVs, Awards received, Factory Visit invitation, appreciation of Dividend rate, Dividend policy, Debt – Equity ratio, complaint on award of contract, requisition for copy of minutes and disclosures, newspaper reporting on rail tank wagons fire in Kochi, reduction in sale of light distillates, reduction in sale of Naphtha, irregularities reported in the Auditors report, Supreme court observation of disinvestment in Oil Marketing Companies, dealership termination, promotion policy, Gross Refinery Margin, Issue of Bonus Shares, Mumbai Aviation Fuel Farm Facility, Finance Cost, Average Crude price, use of Methanol in petroleum products, countries supplying crude, eco-friendly paper for annual report etc.,

The Chairman thanked the members for their views and sentiments expressed. He then replied to the relevant queries raised by the members. He also acknowledged the suggestions made by the members.

The following Ordinary Resolution for ‘Adoption of the Audited Financial Statement and Consolidated Financial Statement’ and the Reports was proposed by Shri Michael Martins, member and seconded by Shri Seshan Krishnamoorthy, member.

“**RESOLVED** that (a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2015 (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2015 and the Reports of the Board of Directors and Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon as presented to the members, be and are hereby adopted.”

2. Declaration of dividend

The Chairman took the next item on the agenda for ‘Declaration of dividend’ and requested for a proposer and seconder. He further requested the members to discuss the proposal

The following Ordinary Resolution for declaration of dividend was proposed by Shri Vinay Bhide, member and seconded by Shri Suresh Divekar, member.

“**RESOLVED** that the dividend at the rate of ₹ 22.50/- per fully paid up equity share of ₹ 10/- each on 7,23,084,248 fully paid up equity shares, be and is hereby declared and paid for the year ended 31st March, 2015 and that the said dividend be and is hereby authorised to be paid, through Electronic Clearing Service system or otherwise to those members whose names appear as Beneficial Owners in the records of the Depositories as per the list furnished by Depositories in respect of the shares held in electronic form, and whose names appear as

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members in the Register of Members of the Company after giving effect to transfer in respect of valid transfer requests lodged with the Company as of the close of business hours on 31st August, 2015 for the Book Closure date from 1st September, 2015 to 9th September, 2015 or to their orders.”

3. Re-appointment of Shri K. K. Gupta who retires by rotation

The Chairman took the next item on the agenda for ‘Re-appointment of Shri K. K. Gupta’ and requested for a proposer and seconder. He further requested the members to discuss the proposal.

The following Ordinary Resolution for re-appointment of Shri K. K. Gupta who retires by rotation was proposed by Shri Abid Fidaali Lala and seconded by Shri Gautam Tiwari, member.

“**RESOLVED** that Shri K. K. Gupta, Director (DIN: 03476812), retiring by rotation, be and is hereby re-appointed as Director of the Company.”

4. Re-appointment of Shri B. K. Datta who retires by rotation

The Chairman took the next item on the agenda for ‘Re-appointment of Shri B. K. Datta’ and requested for a proposer and seconder. He further requested the members to discuss the proposal.

The following Ordinary Resolution for re-appointment of Shri B. K. Datta who retires by rotation was proposed by Smt H. Patel, member and seconded by Smt Mohini Chainani, member.

“**RESOLVED** that Shri B. K. Datta, Director (DIN: 03586382), retiring by rotation, be and is hereby re-appointed as Director of the Company.”

5. Fixing the remuneration of the Statutory Auditors

The Chairman took the next item on the agenda for ‘Fixing the remuneration of the Statutory Auditors and requested for a proposer and seconder. He further requested the members to discuss the proposal.

The following Ordinary Resolution for Fixing the remuneration of the Statutory Auditors was proposed by Shri Hiranand Kotwani, member and seconded by Shri Pramod Agnihotri, member.



“RESOLVED that pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013, remuneration of the Single/Joint Statutory Auditors as appointed by the Comptroller & Auditor General of India (C&AG) under Section 139 of the said Act, be and is hereby approved at ₹ 36,00,000 /- to be shared in case of Joint Auditors, plus payment of actual reasonable travelling and out-of-pocket expenses, service tax as applicable for the year 2015-16 and also for subsequent years”.

B. SPECIAL BUSINESS

6. Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Other Debt Securities

The Chairman took the next item on the agenda for ‘Private Placement of Non-Convertible Bonds/Debentures and/or Other Debt Securities’ and requested for a proposer and seconder. He further requested the members to discuss the proposal.

The following Special Resolution for Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Other Debt Securities was proposed by Shri Ronald Fernandes, member and seconded by Shri Homayun Beruz Pouredehi, member.

“RESOLVED THAT in accordance with the provisions of Section 42 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 and 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 approvals, 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 approvals, 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 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) including 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 and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds/documents/undertakings/agreements as may be required in this regard.”

7. Approval of Material Related Party Transactions

The Chairman took the next item on the agenda for ‘Material Related Party Transactions’ and requested for a proposer and seconder. He further requested the members to discuss the proposal

The Special Resolution for approval of Material Related Party Transactions was proposed by Shri Prakash Vijayakar, member and seconded by Shri Suresh Divekar, member.

“**RESOLVED THAT** pursuant to the provisions of revised Clause 49 of the Listing Agreement, approval of the Company be and is hereby accorded for the contracts/arrangements/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 Clause 49 (VII) of the Listing Agreement related to transfer or receipt of products, goods, materials, services or other resources and obligations for the Financial Year 2014-15 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.”

8. Appointment of Smt Sushma Taishete as Director

The Chairman took the next item on the agenda for ‘Appointment of Smt Sushma Taishete as Director’ and requested for a proposer and seconder. He further requested the members to discuss the proposal.

The following Ordinary Resolution for Appointment of Smt Sushma Taishete as Director was proposed by Shri Babulal Parekh, member and seconded by Smt. Smita Shah, member.

“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, Smt Sushma Taishete (DIN: 03585278), who was appointed by the Board of Directors as an Additional Director on the Board with effect from 19th May, 2015 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 from a Member 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 a Director of the Company, liable to retire by rotation.”



9. Approval of the Remuneration of the Cost Auditors for the Financial Year 2015-16

The Chairman took the next item on the agenda for 'Remuneration of the Cost Auditors for the Financial Year 2015-16' and requested for a proposer and seconder. He further requested the members to discuss the proposal.

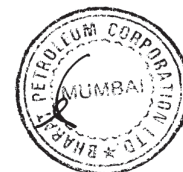
The Ordinary Resolution for approval of the remuneration of the Cost Auditors for the Financial Year 2015-16 was proposed by Shri Prakash Rao, member and seconded by Shri Ronald Fernandes, member.

“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. Rohit & Associates, Cost Accountants, Mumbai and M/s. Musib & Company, 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, 2016 be paid the remuneration as set out below:

Name of the Cost Auditor	Activities / Location	Audit Fees (₹)
M/s. Rohit & Associates, Mumbai (Lead Auditor)	Refineries, products pipelines, etc. (other than Lubes)	2,20,000/- plus service tax as applicable and reimbursement of out-of- pocket expenses.
M/s. Musib & Company, Mumbai	Lube Oil Blending Plants: Wadilube; Tondiarpet and Budge Budge	1,00,000/- plus service tax as applicable 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.”

After the resolutions were proposed and seconded, Chairman announced that the combined results of the votes cast through remote e-voting, ballot form and poll taken at the meeting on all resolutions, once finalized, would be placed on the Company's website: www.bharatpetroleum.in within 48 hours of conclusion of the AGM of the Company and



communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. Vote of thanks to the Chair was given by Shri R. P. Natekar.

The combined results of the votes cast through remote e-voting, ballot form and poll taken at the meeting on all resolutions based on the Scrutinizer's report has been later communicated to the Stock Exchanges, placed on the website of the Company and is provided as an Annexure.

Place: Mumbai
Date: 24.09.2015

Sd/-
(S. Varadarajan)
Chairman & Managing Director



Annexure

The details of consolidated voting by remote e-voting, ballot and poll are as under:

Item 1. Ordinary Resolution: To receive, consider and adopt a) the Audited Financial Statement of the Company for the financial year ended 31st March, 2015 (b) the Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2015; and the Reports of the Board of Directors and the Statutory Auditors and the Comments of the Comptroller & Auditor General of India thereon.

Manner of Voting	(No. of Shares)				
	Total votes	Total invalid votes	Total valid votes	Votes in favour	Votes Against
Remote E-Voting	162312124	0	162312124	162281770	30354
Ballot Form	77011963	15346	76996617	76995733	884
Poll Form	418619060	21413777	397205283	397205223	60
Total	657943147	21429123	636514024	636482726	31298

% if votes in favour of the resolution : % 99.99

% if votes against the resolution : % 0.00

Based on the above, the Resolution has been passed by the members with requisite majority.

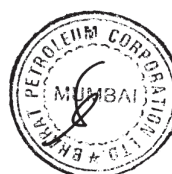
Item 2. Ordinary Resolution: To declare dividend.

Manner of Voting	(No. of Shares)				
	Total votes	Total invalid votes	Total valid votes	Votes in favour	Votes Against
Remote E-Voting	163225011	0	163225011	163224684	327
Ballot Form	77011887	15966	76995921	76995837	84
Poll Form	418619060	21410991	397208069	397207643	426
Total	658855958	21426957	637429001	637428164	837

% if votes in favour of the resolution : % 99.99

% if votes against the resolution : % 0.00

Based on the above, the Resolution has been passed by the members with requisite majority.



Item 3. Ordinary Resolution: To appoint a Director in place of Shri K. K. Gupta, Director (DIN: 03476812), who retires by rotation and being eligible, offers himself for re-appointment.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	162351274	0	162351274	87651729	74699545
Ballot Form	77011979	15928	76996051	76995739	312
Poll Form	418619060	21411377	397207683	397205223	2460
Total	657982313	21427305	636555008	561852691	74702317

% if votes in favour of the resolution : % 88.26

% if votes against the resolution : % 11.74

Based on the above, the Resolution has been passed by the members with requisite majority.

Item 4. Ordinary Resolution: To appoint a Director in place of Shri B. K. Datta, Director (DIN: 03586382), who retires by rotation and being eligible, offers himself for re-appointment.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	162351254	0	162351254	87651710	74699544
Ballot Form	77011963	16350	76995613	76990705	4908
Poll Form	418619060	21411377	397207683	397205223	2460
Total	657982277	21427727	636554550	561847638	74706912

% if votes in favour of the resolution : % 88.26

% if votes against the resolution : % 11.74

Based on the above, the Resolution has been passed by the members with requisite majority.

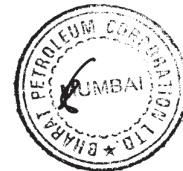
Item 5. Ordinary Resolution: To fix the remuneration of the Statutory Auditors.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	163109864	0	163109864	97788175	65321689
Ballot Form	77011963	16674	76995289	76995177	112
Poll Form	418619060	21411377	397207683	397205223	2460
Total	658740887	21428051	637312836	571988575	65324261

% if votes in favour of the resolution : % 89.75

% if votes against the resolution : % 10.25

Based on the above, the Resolution has been passed by the members with requisite majority.



Item 6. Special Resolution: Approval of Private Placement of Non-Convertible Bonds/Debentures and/or Other Debt Securities.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	158662069	0	158662069	147224079	11437990
Ballot Form	77010963	18055	76992908	76992278	630
Poll Form	418619060	21411377	397207683	397207621	62
Total	654292092	21429432	632862660	621423978	11438682

% if votes in favour of the resolution : % 98.19

% if votes against the resolution : % 1.81

Based on the above, the Resolution has been passed by the members with requisite majority.

Item 7. Special Resolution: Approval of Material Related Party Transactions.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	163192568	0	163192568	163191893	675
Ballot Form	77011921	19120	76992801	76992386	415
Poll Form	418619060	21413777	397205283	397205221	62
Total	658823549	21432897	637390652	637389500	1152

% if votes in favour of the resolution : % 99.99

% if votes against the resolution : % 0.00

Based on the above, the Resolution has been passed by the members with requisite majority.

Item 8. Ordinary Resolution: Appointment of Smt Sushma Taishete as Director.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	162429797	0	162429797	87003221	75426576
Ballot Form	77012013	18342	76993671	76993579	92
Poll Form	418619060	21413777	397205283	397205241	42
Total	658060870	21432119	636628751	561202041	75426710

% if votes in favour of the resolution : % 88.15

% if votes against the resolution : % 11.85

Based on the above, the Resolution has been passed by the members with requisite majority.



Item 9. Ordinary Resolution: Approval of Remuneration of the Cost Auditors for the Financial Year 2015-16.

Manner of Voting	Total votes	Total invalid votes	Total valid votes	(No. of Shares)	
				Votes in favour	Votes Against
Remote E-Voting	163317851	0	163317851	163316489	1362
Ballot Form	77011903	18039	76993864	76993768	96
Poll Form	418619060	21413777	397205283	397205223	60
Total	658948814	21431816	637516998	637515480	1518

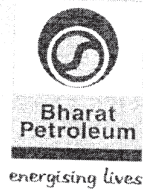
% if votes in favour of the resolution : % 99.99

% if votes against the resolution : % 0.00

Based on the above, the Resolution has been passed by the members with requisite majority.

All % figures in the announcement are shown up to 2 decimals.





Chairman's Message

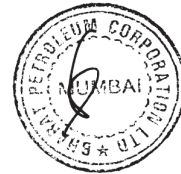


Bharat Petroleum Corporation Limited





Statement of Mr. S. Varadarajan,
Chairman & Managing Director,
at the Annual General Meeting of Shareholders
on 9th September, 2015 in Mumbai



Dear Shareowners,

On behalf of the Company and the Board of Directors, I welcome you all to the 62nd Annual General Meeting of Bharat Petroleum Corporation Limited.

The Notice of the AGM, Directors' Report and Audited Accounts for the year ended 31st March, 2015 have been shared with you and with your permission, I take them as read.

It gives me immense pleasure to inform you that during the financial year 2014-15, your Company has scaled new heights in terms of profitability. For the first time ever, the profit after tax for the year crossed the ₹5,000 crore mark. The profit of ₹5,084.51 crores represents a 25% leap over the previous year's then record level of ₹4,060.88 crores. The earnings per share in 2014-15 amounted to ₹70.32 as compared to ₹56.16 in 2013-14. The Directors are pleased to recommend dividend for the year at ₹22.50 per share.

The gross refining margins generated by BPCL's refineries at Mumbai and Kochi continue to be the highest amongst the Public Sector refineries. In the marketing sector, sales volume of Petrol continues to grow at a healthy rate of around 11% while it has been flat for Diesel. BPCL has a market share of around 27% in the two fuels. A major development during the year was the Government's decision to deregulate the retail pricing of Diesel. With the likely increase in competition from private players, customer service standards will assume greater significance.

It has always been our relentless endeavour to enhance value for each and every stakeholder. The capital market has recognized our efforts with the Company's market capitalization growing at a steady pace over the past ten years. Planned investments in refining and marketing infrastructure to address the emerging needs of customers and improved processes using innovative technology interventions will ensure enhanced business propositions and value creation. All these initiatives demonstrate our firm commitment to continuously create value for all our stakeholders.

The outstanding performance in all areas has resulted in BPCL being bestowed with the 'Leading Oil & Gas Corporate of the Year' and the 'Oil & Gas Marketing Company of the Year' Awards, two of the topmost recognitions accorded by PetroFed in the Indian Oil & Gas Industry. This is the fourth time that BPCL has been named the 'Oil & Gas Marketing Company of the Year.'

Economic Scenario

The Indian economy is poised to show strong growth in the years ahead. There is renewed investor optimism, intensive government efforts through various economic and social reforms, and rising consumption levels. The easing commodity prices and benign levels of inflation offer hope of sustained growth in the country's Gross Domestic Product. The anticipated lowering of interest rates by the Reserve Bank of India in the coming months should further spur industrial activities. While there are a number of external factors which are making markets volatile, the economy's dependence on domestic consumption and the demographic scenario places India in a much better situation as compared to many other countries. With more than 50% of the population below the age of 25 years and more than 65% below the age of 35 years, India is poised to reap the demographic dividend in a big way. The growing middle class population



and increase in household income levels would contribute to rising consumption expenditure, which is expected to grow by nearly 2.5 times by 2020, making India one of the fastest growing economies.

Oil and Gas Sector

While the global energy mix is constantly evolving, oil continues to be the largest source of energy, with 36% of global energy consumption being met by oil. The average price of crude oil hovered around USD 85 per barrel during 2014-15. However, the extreme volatility in the international market saw the benchmark Brent crude prices fall from their peak of USD 115 per barrel in June 2014 to around USD 45 per barrel in January 2015. This has had a major impact on the refining companies in terms of significant quantum of inventory losses. Although the prices did recover to some extent in May 2015, the month of August 2015 has seen oil prices decline once again.

Keeping pace with the economic growth trend, the consumption of petroleum products in India has grown by 4.2% during 2014-15. India consumed 165 Million Metric Tonnes (MMT) of petroleum products in 2014-15, as against 158 MMT consumed in the last fiscal.

A significant milestone achieved by the Oil Industry during 2014-15 has been the successful implementation of the Direct Benefit Transfer for LPG Scheme. Reintroduced in November 2014 as PAHAL (Pratyaksha Hanstantarit Labh), the scheme has revolutionized the disbursement of LPG subsidy ensuring that the same reaches the targeted consumer. Almost 90% of our customers have been covered by the PAHAL Scheme. The PAHAL Scheme has been acknowledged by the Guinness Book of World Records as the largest cash transfer program to households. Further, the “#GiveltUp” campaign initiated by the Government of India encouraging consumers to surrender their LPG subsidy for nation building has been well received and in BPCL alone, more than 7 lakh consumers have given up their subsidy upto August 2015.

During 2014-15, the subsidy burden on the sale of sensitive petroleum products has reduced by almost 50%, as compared to the previous year. The Oil PSUs have been compensated 97% of the subsidy under-recovery by the Government of India. The reduction in subsidy burden is attributable to several factors including the steep fall in crude oil prices, introduction of the PAHAL Scheme for direct transfer of subsidy and deregulation of retail prices of diesel. With the sharp fall in crude oil prices, it is expected that the subsidy burden will further reduce in 2015-16.

BPCL's Initiatives

Today, as we stand on the threshold of rapid growth of the economy, there are ample opportunities to grow and spread our wings. During 2013-14, we gained an insight into the thoughts of our employees across levels and disciplines and gauged their aspirations for the future of this great Company through the “Let's Talk” series. These ideas were further deliberated upon, validated by the Senior Management and converted into 11 actionable projects focusing on infrastructure development, customer centricity, alternate / renewable energy, research & development, beyond fuel, international opportunities and safety aspects. In the light of the present day business environment, these projects have to be churned to develop a comprehensive pathway



that will help in achieving the next wave of growth. Being carefully chosen to leverage people and technology, these themes will culminate into a well integrated Corporate Strategy Document. This has been designated as Project Sankalp – our resolve to take the next giant leap. At the core of Project Sankalp will be our customers whose patronage has brought us this far, our people whose deep sense of commitment and passion for excellence will continue to take this Company to greater heights, path-breaking technology that will be leveraged to weave all the pieces together and the abundant opportunities waiting to be exploited. I am confident that we will be able to undertake the large capital expenditure program as will be required and that these projects will deliver immense value to all the stakeholders.

I would like to touch upon the current status of the major initiatives that have been launched by your Company.

Exploration & Production

BPCL's ambitious plans in the upstream exploration & production sector are being undertaken by its wholly owned subsidiary company, Bharat PetroResources Limited (BPRL). At present, BPRL has Participating Interest (PI) in 17 exploration/appraisal blocks. Of this, seven blocks are in India, six blocks in Brazil and one each in Mozambique, Indonesia, Australia and East Timor. BPRL's PI in these blocks range from 10% to 40%. All these blocks are in various stages of exploration/appraisal and the total area of all these blocks is about 24,375 sq.km, of which approximately 88% is offshore acreage. In Mozambique, the operator and the consortium members have been interacting closely with the Government, and the discussions held so far indicate that the consortium would soon be in a position to move into the development phase of the project.

Looking ahead, your Company is focused on value enhancement through early monetization, moving up the hydrocarbon value chain and skill based expansion through operatorship.

Refining Sector

BPCL's Mumbai and Kochi refineries have continued with their stupendous performance. The refineries achieved a capacity utilization of 108.6% in the year 2014-15 and have earned healthy gross refining margins.

The Integrated Refinery Expansion Project (IREP) undertaken at Kochi Refinery is making progress and is expected to be commissioned in May 2016. The project envisages capacity expansion of the refinery by 6 Million Metric Tonnes Per Annum (MMTPA) and modernisation of processing facilities to produce auto-fuels conforming to Euro-IV/ V specifications.

Commenced during 2012-13, the ₹16,504 crore project has already achieved an overall physical progress of 86.66% with a total commitment of ₹14,410 crores. The successful implementation of this project will substantially increase the complexity of the refinery, improve the distillate yield, reduce specific energy consumption, upgrade the refinery residue stream to value added distillates and create synergy for future diversification into value added petrochemical products.

BPCL is also embarking upon the Propylene Derivative Petrochemical Project in Kochi. The Board had approved the diversification into Petrochemicals at an estimated capital cost of ₹ 4,588 crores. BPCL plans to produce niche petrochemicals such as Acrylic Acid, Acrylates



and Oxo Alcohols, that are predominantly being imported into the country. Such niche products will be produced using Polymer Grade Propylene that will be available after the ongoing IREP is completed. We have been successful in signing up the technology partners for the project and the environmental clearance has already been obtained.

Over the next few years, BPCL proposes to undertake several significant projects in the refineries that will add tremendous value in terms of quality and higher throughput, efficacy of processes, positive environmental impact and health and safety of all stakeholders.

Marketing Investments

Marketing infrastructure is the key to our competitiveness. Having complete control on our product sourcing and being able to move the product at the right time and in the right quantity is what will determine our ability to compete at the marketplace. Augmenting the marketing infrastructure is high on our priority list. BPCL is in the process of expanding its pipeline network and extending it to the hinterlands. This will ensure that the refinery production is evacuated in a timely manner and the product is delivered to the customer through the safest and most cost efficient mode. Investments in cross-country pipelines, import terminals, additional tankages and city gas networks are all on the anvil.

Fortifying the marketing infrastructure has also been one of the key highlights for future investments. Almost ₹10,000 crores is planned in marketing infrastructure alone in the coming five years.

Customer Centric Initiative

Your Company has always taken pride in being a customer oriented company and has pioneered several customer centric initiatives over the past years.

In view of the feedback from customers, BPCL focused on improving the fundamentals, so as to create a positive impact on a customer every time he or she connects with BPCL. As part of the BPCL First initiative, the organization has launched a robust grievance redressal mechanism – the Customer Care System (CCS). CCS provides a single window for BPCL customers to reach out to BPCL for feedback, complaints or queries on any of its products and services. It has been designed to provide ease of access to customers to connect with BPCL through our corporate website and the toll free number, which are displayed across customer touchpoints. An important feature of CCS is to seek customer feedback on an ongoing basis to assess customer satisfaction and identify his latent needs.

Your Company has been able to create a differentiation by upgrading various forecourt service initiatives to the next level by leveraging technology and automation. BPCL has garnered customer confidence through assurance of quality and quantity and payment integration with fuelling delivered through automation. BPCL has 5,657 Automated Retail Outlets with a facility to monitor the outlet premises remotely and track them to monitor service standards, identify product stocks in real time, reflect price changes quickly and ensure better and efficient utilization of assets. These efforts have helped in building customer trust, customer identification and acquisition, good governance, better asset utilization, inventory management, effective outlet management and in creating a competitive advantage.



Providing consumers with ease of completing LPG related transactions was another area of focus. The consumers were extended the convenience of online interactions for all their LPG related transactions such as refill booking, new connection registration, distributor audit and surrendering subsidy, thus bringing in greater transparency. BPCL has continued to encourage digital options for booking of cylinders such as SMS, IVRS, web and mobile applications, as a result of which more than 90% refill bookings were received through the digital mode. Further, MOP&NG has also very recently launched “Sahaj” – for new LPG consumers to apply for LPG connections online.

Another customer initiative that BPCL is focusing on is that of Enhanced Customer Offerings in addition to fuel. BPCL has launched Project Nischay, (a part of Project Sankalp), to develop the vision and business strategy for multiple business verticals beyond fuel in the Organization. This project is centered on “breakthrough” growth and has been poised to leverage the increasing income levels, growing workforce, increasing urbanization, growing aspirations of the rural market, enhanced levels of consumer awareness and access and growing technological reach. It is my firm belief that we have the wherewithal and resolve to establish ourselves as Industry leaders in beyond fuel propositions – an untapped growth opportunity for BPCL.

Human Resources

In line with our vision of leveraging talent and technology, we have made rapid strides in key HR processes such as Career Advancement through multiple role exposures, Performance Management, Potential Assessment and a Learning Management Framework.

Further, the conscious decision to develop the Strategy Document for the next five years, leveraging the abundant talent available in the Company is a significant step towards sowing the seeds of ownership, entrepreneurship and accountability. The uniqueness of Project Sankalp is highlighted by the fact that this will be an in-house initiative planned and driven by BPCians themselves. This has been possible due to our tremendous focus on learning and development in the past few years.

Preparing the leadership pipeline and grooming future generations remains high on our priority list. Almost 200 employees have been nominated for Executive Management Programs in leading Management Institutes. Further, 135 senior personnel have also been exposed to our intensive management program - Excelerator, specially designed in-house by the Talent Development Team aimed at equipping our leaders with relevant leadership competencies to enable them to unleash their potential for necessary business impact.

During 2014-15, the second cycle of the ASCEND process, a 360 degree competency assessment framework was rolled out, covering 2800 officers in the mid and senior levels. The outcome of this process is being used to formulate focused individual development plans through candid feedback conversations aimed at career development.

We continue to focus on our people and their development, as it is they who will lead the Company through this challenging and volatile environment and ensure that sustained value creation is achieved.



Operating Performance

I would like to touch upon the performance highlights of 2014-15.

During the year, the crude throughput at BPCL's refineries at Mumbai and Kochi was 23.36 MMT, as compared to the level of 23.35 MMT registered in 2013-14. The average GRM for the year was at USD 3.62 per barrel, 16% lower than the level of USD 4.33 per barrel in the previous year. The lower refining margins can be attributed mainly to the drastic fall in crude prices, which have caused significant quantum of inventory losses.

In the marketing domain, BPCL's market sales volume rose to 34.45 MMT, as compared to 34.00 MMT in the previous year. This represented a growth rate of 1.32% over the previous year. BPCL's market share amongst the public sector oil companies stood at 23.29% as at 31st March, 2015.

The Retail business continued to deliver superior performance during the year and achieved the highest sales growth amongst the public sector oil companies. The total market sales for the business reached 24.09 MMT, which represented a growth of 2% over last year. 695 retail outlets have been added during the year to the BPCL network, that has a distinct format of retail outlets with unique services and technology, designed to make them relevant for the diverse needs of the customers visiting them.

BPCL is always driven by the philosophy of providing total fuel solutions to its Industrial & Commercial customers. The Industrial & Commercial business has taken its partnership with the Indian Army to new heights by commissioning HSD, SKO and ATF tankages at Dahung in the north-east, on the China border. The business has also commissioned two consumer pumps in the Kargil Sector at an altitude of 11,000 feet. Having consolidated margins over the last two years, the I&C business is geared up to focus on increasing volumes in future.

During the year 2014-15, the Gas business faced a peculiar dilemma with the steep fall in the short term LNG prices. BPCL is aggressively pursuing its efforts for enhancing its presence in the Gas markets in India, by securing access to infrastructure, sourcing of LNG and participation in development of City Gas Distribution networks.

The Lubricants industry in India continues to be extremely competitive with several new players including MNCs. Concentrated efforts were employed throughout the year to promote the MAK brand. Further, while traditionally we have focused on developing new grades across customer segments, the focus this year has been to develop lubricant solutions for new generation vehicles.

The year 2014-15 was an eventful year for the LPG Business. One of the major achievements was the roll out of the PAHAL scheme of the Government of India. BPCL successfully enrolled 316 lakh customers into the scheme. Making clean cooking fuel available and accessible to the people of India remained a priority and in line with the same, BPCL enrolled 48.9 lakhs new customers during the year, taking the domestic customer base to 458 lakhs. To make available a steady supply of LPG to the consumers, 30.2 lakh additional cylinders were issued to consumers taking the Double Bottle Connection holders' tally to 49%. To enhance the penetration of LPG in



the country and with an objective to provide clean fuel to remote rural pockets, the focus has been on network expansion. BPCL added 339 Regular Distributors and 366 Rajiv Gandhi Gramin LPG Vitraks (RGGLV), taking the total number of Distributors to 4,044. Of these, the number of LPG Distributors in rural areas is 1,583.

For the Aviation business, acquisition of new customers and retention of existing customers remained the most important focus area. This has been made possible due to the world class services offered in the competitive business environment. The portfolio was expanded by the enrolment of international and domestic carriers. Further, this year, BPCL has become the first Indian oil marketing company to pass on the benefit of SFIS (Serve For India Scheme) to Jet Airways.

During the first quarter of the current financial year, BPCL has once again outperformed itself. Profit after tax for the period was ₹2,376.16 crores. The softening of international crude oil prices and deregulation in the pricing of diesel will increase the competition from private players. BPCL is well equipped to deal with the dynamic market conditions and fully geared to take on any challenge in the times to come.

Health, Safety, Security & Environment

Upholding the "Safety First Safety Must" mantra, your Company continues to take Workplace Health, Safety, Security & Environment (HSSE) including Sustainable Development as an integral component of its business policies and strategic plans. To ensure smooth and safe operations across locations, each of the critical processes, systems and their implementation methodology were reviewed and their monitoring and governance practices were strengthened, along with bringing clarity in responsibilities and accountabilities.

Renewable Energy and Sustainability are thrust areas under Project Sankalp. The Indian power sector is witnessing a revolution as excitement grips the nation about harnessing electricity from various renewable sources of energy. These include wind, solar, bio-mass, hydro and wastes. Electricity generation from renewable energy sources especially Solar and Wind would play an important role in the achievement of a variety of primary and secondary energy policy goals in the years to come. Your Company is committed to leveraging this opportunity and is in the process of evaluating the options available for growth in this space.

Corporate Social Responsibility

Through its CSR initiatives, BPCL has widespread impact throughout the country, in and around our business locations as well as in rural / tribal communities. Every year brings new learnings and using these inputs, we have scaled up various projects, taken up new projects and exited from certain projects that have attained sustainability. Our core thrust areas for CSR are education, water conservation, skill development, health and hygiene and community development.

We also wholeheartedly got involved in the national mission of 'Swachh Bharat - Swachh Vidyalaya,' by committing towards supporting and constructing 1,864 toilets across 7 states in India (Bihar, Odisha, Chhattisgarh, Madhya Pradesh, West Bengal, Telangana and Andhra Pradesh). Not only do we support construction, but post construction, we will



assist in maintaining these for a minimum period of three years. Towards this, we are closely co-ordinating with the respective State Governments and the Central Government.

Corporate Governance

We at BPCL are committed to nurture and facilitate the highest level of ethical standards in the Organization. As an important catalyst in its Corporate Governance structure, Team Vigilance focuses on proactive and preventive efforts to promote and further good governance and ethical standards in all business processes in the organization.

Susceptible areas are identified in existing procedures and processes with a view to institute better controls. Information technology is being extensively utilized to effectively institute more transparent processes, thereby instilling confidence of being a just and fair organization amongst our vendors, channel partners and customers.

Acknowledgements

The stellar performance of your Company during 2014-15 is the outcome of the dedication, sincerity and wholehearted contribution of every individual across the Organisation. The Board would like to record their earnest appreciation for the hard work put in by every employee.

The dealers and distributors continue to support us in our quest for excellence. They are undoubtedly one of our greatest assets and we are extremely grateful for their unwavering support and invaluable contribution to our growth.

Our customers, bankers, suppliers and contractors have a very significant role in our outstanding performance. We are thankful to them for their encouragement and faith in our capabilities.

We are grateful to the Ministry of Petroleum & Natural Gas for their guidance and advice which has helped us navigate through these challenging times.

On behalf of the Company and the Board, I would like to place on record our sincere thanks and appreciation of Shri J.R. Varma and Shri B. Chakrabarti for their guidance and support in furthering the business of the Company during their tenure as Directors.

I would like to convey my deep gratitude to all my colleagues on the Board for their unconditional cooperation and support, without which such a performance would not have been possible.

Finally, I thank each and every shareowner of BPCL for the unwavering confidence exhibited in our competence and ability in maximizing returns to all stakeholders.

Thank you, ladies and gentlemen.



S. Varadarajan
9th September, 2015