

Sec.3.4.1(L)

3rd August, 2016

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: Analyst Meeting & Presentation

In terms of the SEBI (Prohibition of Insider Trading) Regulation 2015 read with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company, it is hereby informed that an Analyst Meeting is scheduled today at 4.00 p.m. in Mumbai to discuss on the Company's Strategic Plans including Non Fuel initiatives. In order to adhere to the principles, equality of access to information and simultaneously make public by submitting information to the Stock Exchanges, we forward in attachment the Presentation Material for the meeting. The Company will also post the information on its website.

Kindly take the information on record.

Thanking You,

Yours faithfully,
For Bharat Petroleum Corporation Limited


(S V Kulkarni)
Company Secretary

Encl.: A/a.



Analysts Meet – Non Fuel Initiatives

3rd August 2016

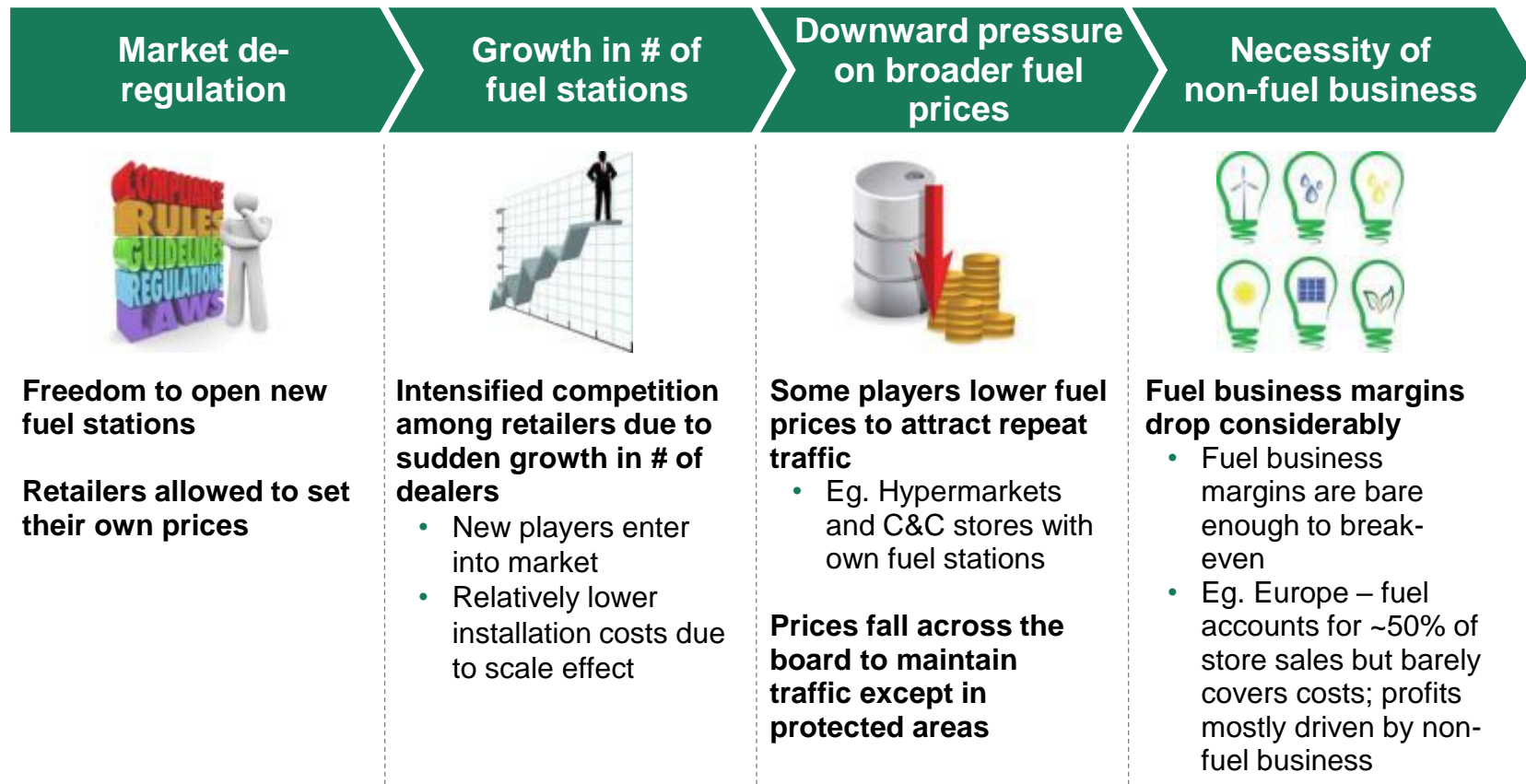
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Globally, we are seeing a clear shift towards adjacent non-fuel businesses as markets evolve



Non-fuel business becomes a necessity for most players post deregulation

Several factors will drive consumption growth in India...

Income growth

Increasing income

- **3X** increase in avg. income (2010-2020)

Growing workforce

- **137mn** more people will be added to the workforce by 2020

Social shifts

Urbanization

- **40%** of pop. will live in urban cities

Nuclearisation

- **180 mn** nuclear households

Attitudinal changes

Rise of "Gen I"

- **65 %** of population

Consumer confidence Index

- **134 points**, highest in the world

Supply side growth

Awareness

- **500x** increase in media reach

Availability and access

- **33 X** increase in choice in cars

Total Indian Market \$ 2.6 Tn

Retail : \$550-600 bn (2014) → Expected to Double → \$ 1.1 - \$ 1.2 Tn (2020)

Project Nishchay

Rural marketplace

Integrated fleet management

Personal travel offering

Urban household solutions

Rural marketplace

Integrated fleet management

Personal travel offering

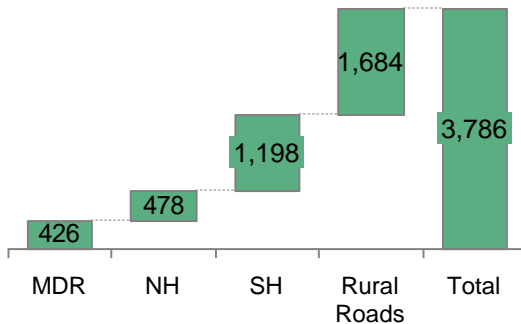
Urban household solutions

BPCL is in a prime position to play in rural India using three pillars of competitive advantage

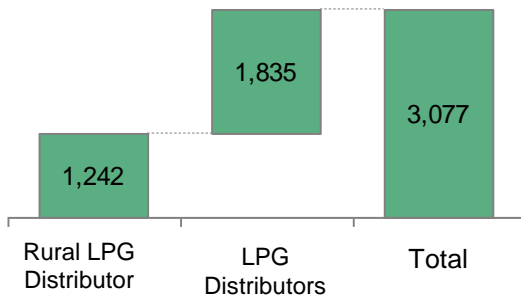
1

Physical Network

~3,800 ROs with a direct access to rural India



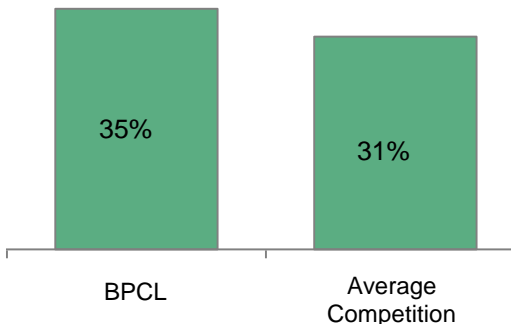
~3,100 LPG points with a direct access to rural India



2

Brand Strength

Highest top of mind recall in the industry with 35%



Highly respected brand in rural India

"The BPCL pump stands for honesty and is a key landmark in our town"
-Customer in Siddleghatta

3

Local Relationship Strength

"Our RO dealers are typically very strong local opinion leaders. They are extremely well connected within the rural taluka eco-system"
-BPCL Officer

Strong profile of our rural RO dealers

- Mr. Sri Muniyappa, Siddleghatta
 - Owns BPCL RO
 - Owns 100 acres of agri land
 - Director of local milk coop.

Shortlisted offerings within the rural marketplace

Multiple services have been launched at the pilot ROs...



..which are supported by an agri-warehousing services near mandis outside the RO



दे अरमानों को पंख.

बीपीसीएल पेट्रोल पंप पर आइए, उमंग की सुविधाओं का लाभ उठाइए.



*बीपीसीएल के सुविधा पेट्रोल पंप पर



उमंग
दे अरमानों को पंख

ऑनलाइन
सेवा केन्द्र

2-व्हीलर
सेवाएं

व्यवसायिक
शिक्षा




Kiosk based services



Two wheeler service center



**उमंग**
दे अरमानों को पंख

ऑनलाइन
सेवा केन्द्र

**बैंकिंग, रिचार्ज या खरीददारी,
उमंग देगा सुविधा सारी.**

बीपीसीएल पेट्रोल पंप पर आइए,
उमंग की सुविधाओं का लाभ उठाइए.



- बैंकिंग – ऑनलाइन मनी ट्रांसफर
- ऑनलाइन सेवा केन्द्र
- पोस्टपेड पेमेंट
- प्रीपेड रीचार्ज/बिल पेमेंट

Rural marketplace

Integrated fleet management

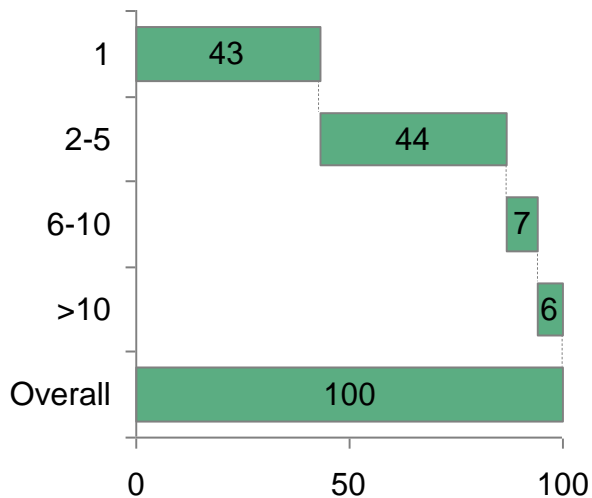
Personal travel offering

Urban household solutions

Industry analysis: Fragmented road transport industry is mired with challenges for the transporters

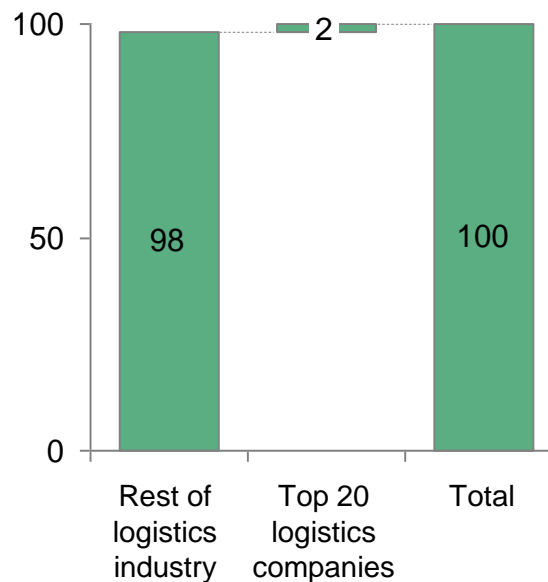
Road transport industry in India is highly fragmented

trucks in fleet



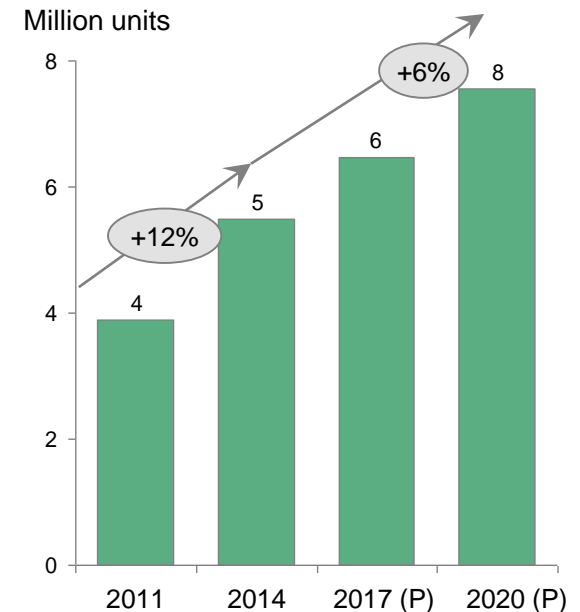
More than 80% trucks are owned by fleet owners with <5 trucks

Top 20 companies contribute only 2% to \$ 100 bn industry



Highly fragmented industry with a "long tail"

CV parc in India expected to grow up to 8 million by 2020¹



Unpredictable industry with significant cost and time over runs

BPCL is well poised to tap the opportunity

Good starting position due to strong existing play and relationships with fleets

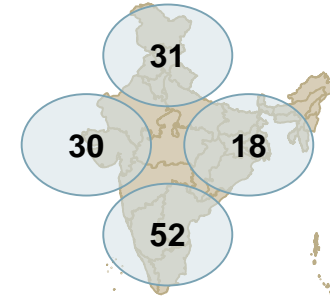
Fleetgenie
Business. Ok. Please.

Highway Network

Wide network on highways...

- 3,799** State highway ROs
- 2,644** National highway ROs
- 132** One stop trucker shop

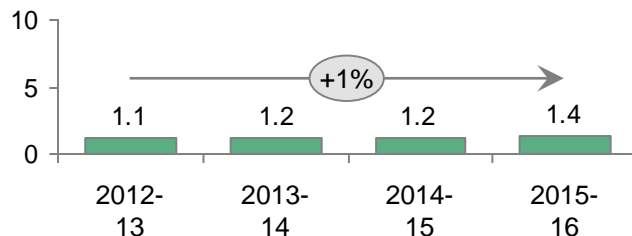
...with a nationwide spread of OSTs



Customer Loyalty

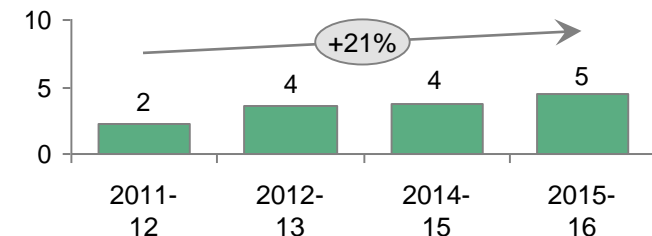
Strong base of loyalty customers...

of Fleet Owner accounts in Lakh



...and vehicles registered

of Fleet cards in Lakh



...with relationship and experience

- On ground execution of fleet card program
- Solving real time issues of fleet owners
- Executing ground events for SDCV/ LDCV customers

Identified Focus areas

Offering	Focus Areas
Freight Exchange	Payment wallet & payment gateway
Vehicle Maintenance	Mechanic training
Driver Management	Driver training Driver Verification

Offering	Focus Areas
Operations Management	Telematics device Cash withdrawal system at RO
Finance & Insurance	Working capital loan CV insurance
Driver Services	Telemedicine

**To provide end to end solution for fleet operators & shippers
through strategic partnerships with domain experts**

Our Aspiration

Fleet genie is the #1 fleet management brand delivering end-to-end solutions to drive greater customer engagement and loyalty in 5 years

Drive sales & customer relationship for core businesses

- Enhance customer base and fuel wallet share of fleet owners in emerging competitive scenario
- Increase fuel sales & alternative revenue potential for dealers through services at RO
- Increase lubricant visibility & sales through empanelled QSCs & FSCs
- Increase business relationship with BPCL B2B customers by enrolling as shipper for freight exchange



**15 K+
fleet
customers**



**~Top 20
NH**



**~1000
ROs**



**~500
kiosks**



**~400
QSCs**



**~100
FSCs**

Rural marketplace

Integrated fleet management

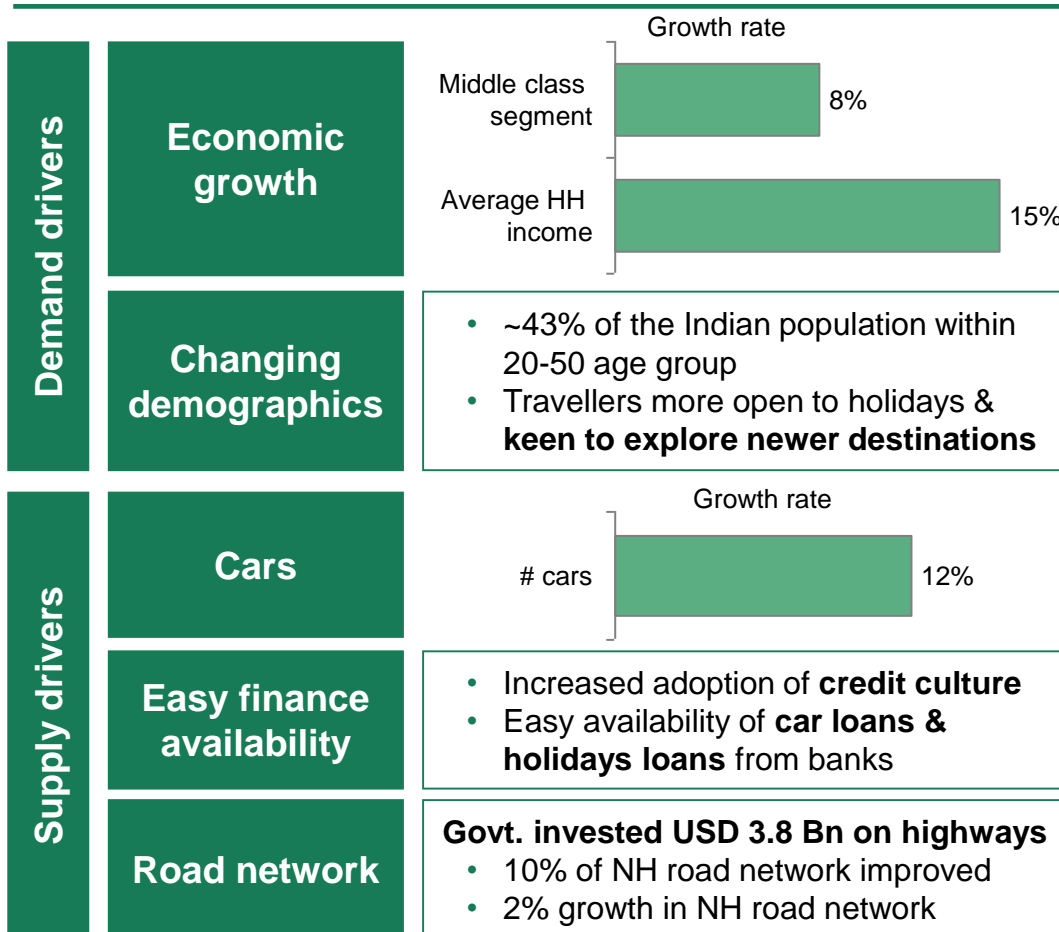
Personal travel offering

Urban household solutions

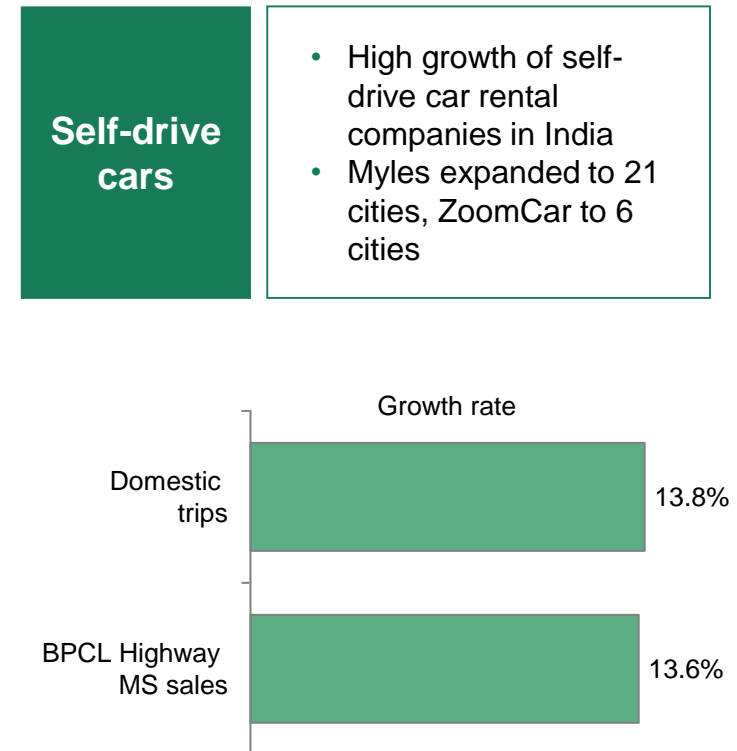
Several demand & supply side drivers leading to an increasing trend of road trips in India

Happy Roads

Growth drivers



Market trends



PTO guided by key design principles to address customers' needs

Happy Roads

Objective

is to inspire people to travel to new and exciting destinations without worrying about shortfalls in information, basic facilities or emergency services

using the following design principles
for our offering

Curation

- deliberately **restricted list** of **destinations**, instead of overwhelming the weekend road traveler with multiple options & results
- **curated, well designed** & hence limited **itineraries**

Sense of pride & personalization

- ability to **create & publish custom itineraries**, that other users can see & rate
- ability to follow other users & **user tiering basis number of followers**
- **highly personalized** experience, application to remember user's preferences, past trips & dream destinations

Assurance

- assurance to road travelers to get **assistance in any emergency need** through a **helpline service**

Increasing touch points

- focus on **increasing touch points** by building a network of non-fuel services at BPCL ROs

BPCL to leverage its assets and network to create the envisioned offering

Happy Roads

Extensive use of four key pillars..



Extensive physical network



Experienced BPCL manpower



Varied current partnerships



Strategic new partnerships

..to operationalize and execute the integrated offering

- Regular touch point for direct marketing activities
- Core to fuel & non-fuel services for the customer



- Curation of services available on selected routes
- Advanced analytics to develop core offering



- Leverage partners to advance service to customers
- Large customer base to market offering to



- Leverage our brand to build strategic partnerships
- Leverage partnerships to complete offering



Bengaluru selected as pilot location due to favourable demographics, avenues for tourism & BPCL strengths **Happy Roads**

Bengaluru

Favourable Demographics

High employment, car ownership

- 44% of total population engaged in regular employment
- 1.1 Mn car owners among 3.8 Mn working population

Young and Digitally savvy

- 54% population in 20-50 age group
- 36% households with internet penetration
- 26% of population employed in IT

Tourist destinations



Multiple tourist destinations nearby

- Mysuru
- Ooty
- Coorg
- Pondicherry
- Kochi
- Madurai
- Tirupati
- Shivasamudram falls
- Hogenakkal falls
- Hampi

BPCL network

Strong BPCL network in & around Bengaluru

- 118 retail outlets in Bengaluru
- 2 OSTTS around Bengaluru – BP Channapatna, BP Hosur

Potential for tie-ups

Easy availability of start-ups & businesses across different business ideas for potential partnerships, e.g. self-drive cars, driver on demand, trip planning, etc.

Happy Roads provides a best-in-class end-to-end digital and on-ground service solution to personal road travelers

Happy Roads

Unique road service solution for customers

- 1 million app downloads
- 15% active sustainable user base
- Best on-ground service proposition at ROs
- Ensure complete service offering and delivery via partnerships

- Top 18 cities with all associated state highways of tourist relevance to be covered in next 5 years

Measurable impact for core business

- Identifiable 1% increase in BPCL fuel market share for all covered cities
- Enhanced brand loyalty for top of mind recall for BPCL in covered cities

- Increase customer engagement with BPCL touch points
- Leverage Customer insights to aid BPCL service design

Self-sustainable business

- Additional revenue from allied services to ensure breakeven on investment
- Target major share of users' wallet

- Leverage customer insight to optimise service ecosystem for revenues

Cities

18

Destinations

200

Highways

72

Rural marketplace

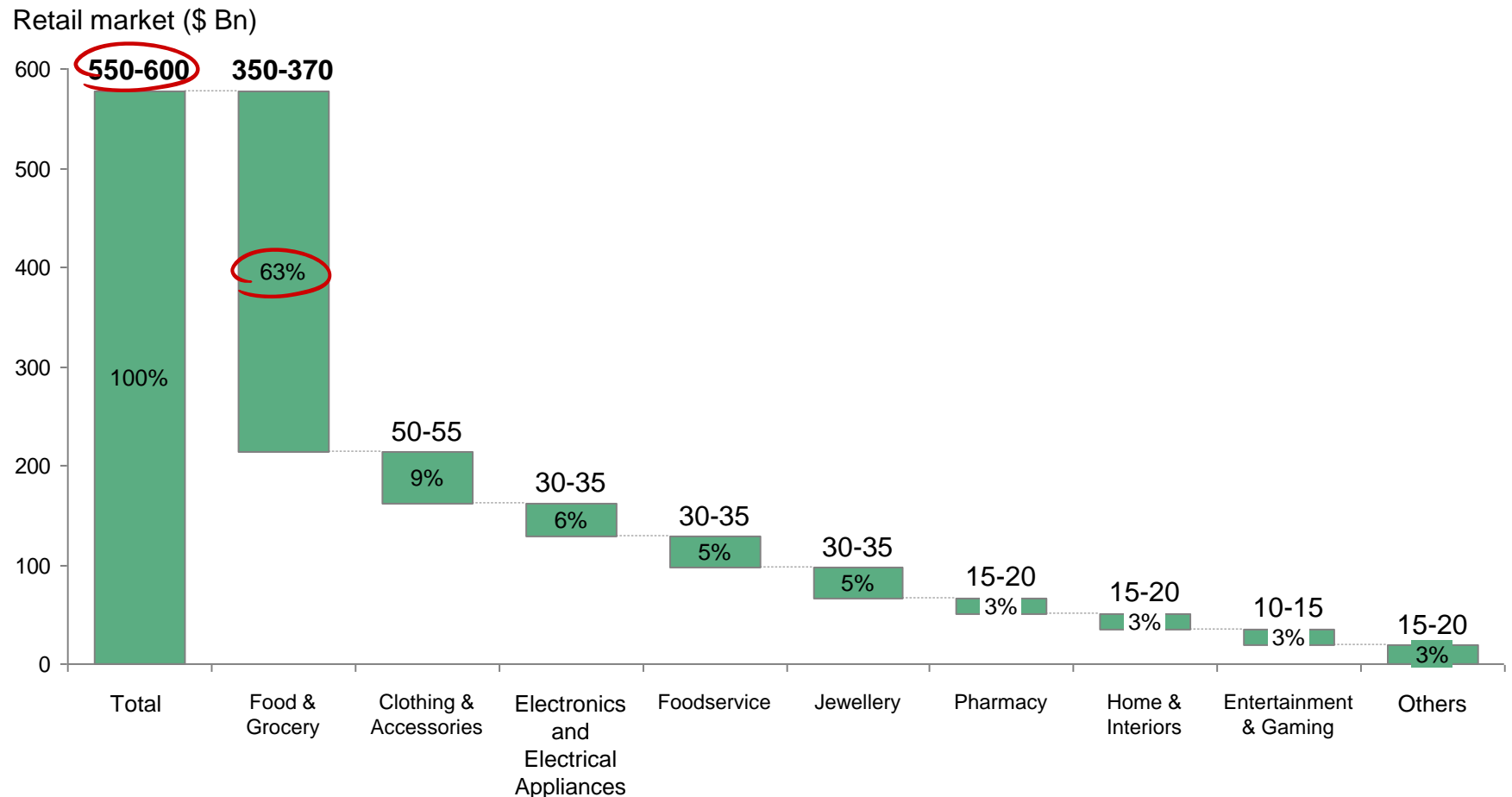
Integrated fleet management

Personal travel offering

Urban household solutions

Indian retail market is \$550-600 bn of which food and grocery is the largest, constituting >60% of the market

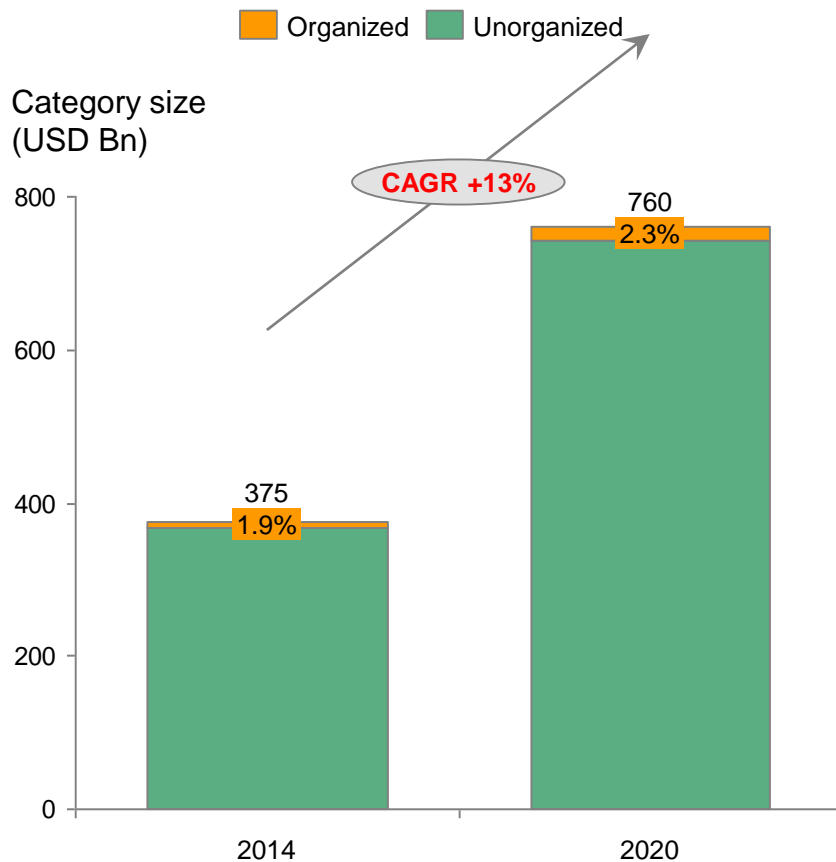
Indian retail market break-up by category, 2014



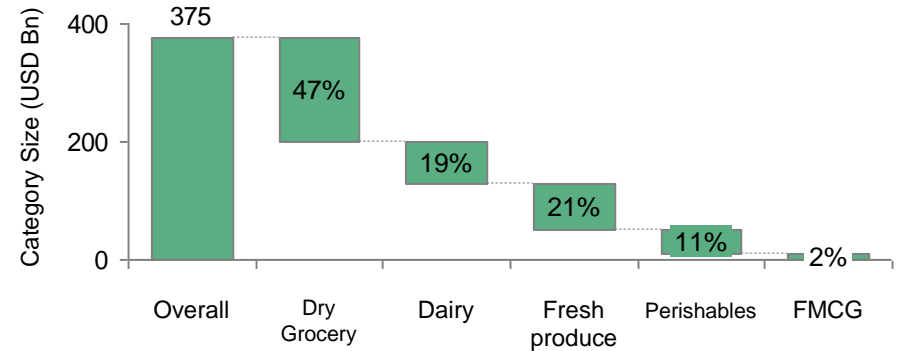
1. Includes FMCG category
Source: India Retail Report by India Retail Forum

Food and grocery is the biggest retail category with above average growth and increasing organized contribution






Overall growth rate 10-15%, organized contribution to increase to ~2.3% by 2020



Dry grocery is the biggest contributor to this category



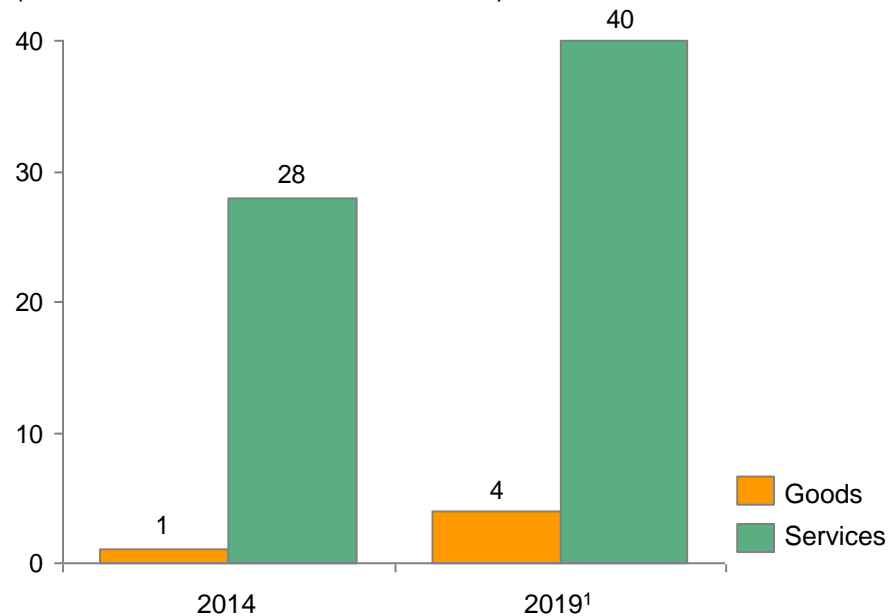
Key organized players include large hypermarkets, supermarkets and C-stores

		FY14 Rev (INR Cr)	# stores
Hypermarkets		7700	160
		4890	80
Supermarkets		6050	700
		1000	160
C-stores		314	215

India e-commerce market could be \$ 60-70 Billion by 2019

E-commerce penetration

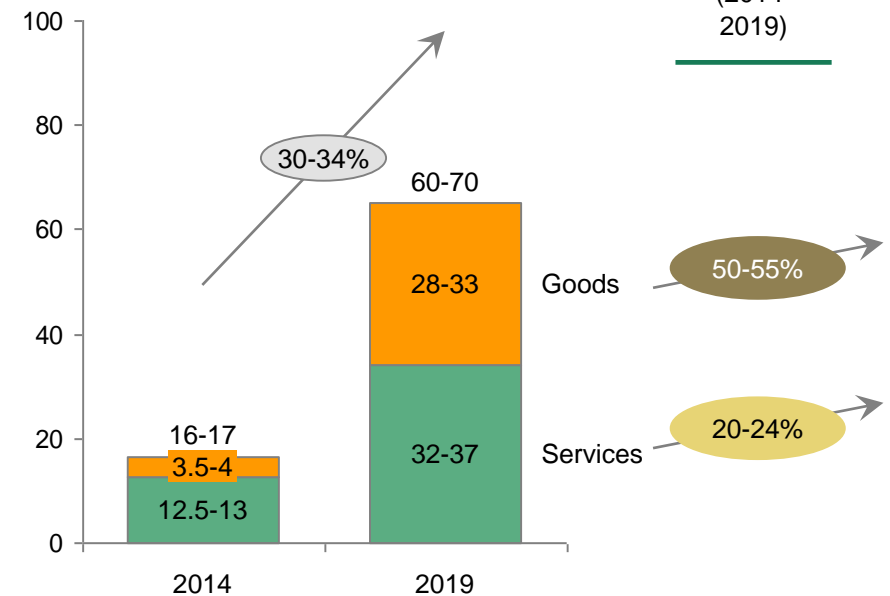
Ecommerce penetration (%)
(E-commerce market/ total market)



E-Commerce market

E-commerce transaction value (\$ Billion)

CAGR
(2014-
2019)



Food and grocery is a lever for ecom goods

Access to almost 100 Mn urban Retail Customers & LPG households

We have an extensive urban customer base and command a bond with our customers

Regular connect with customers

Once a month

- Customer books gas through IVRS/ in-person
- LPG delivery men visit the customer household
- Loyal Retail Customer base

Stands for trust, reliability and quality

Typical attributes associated with BPCL

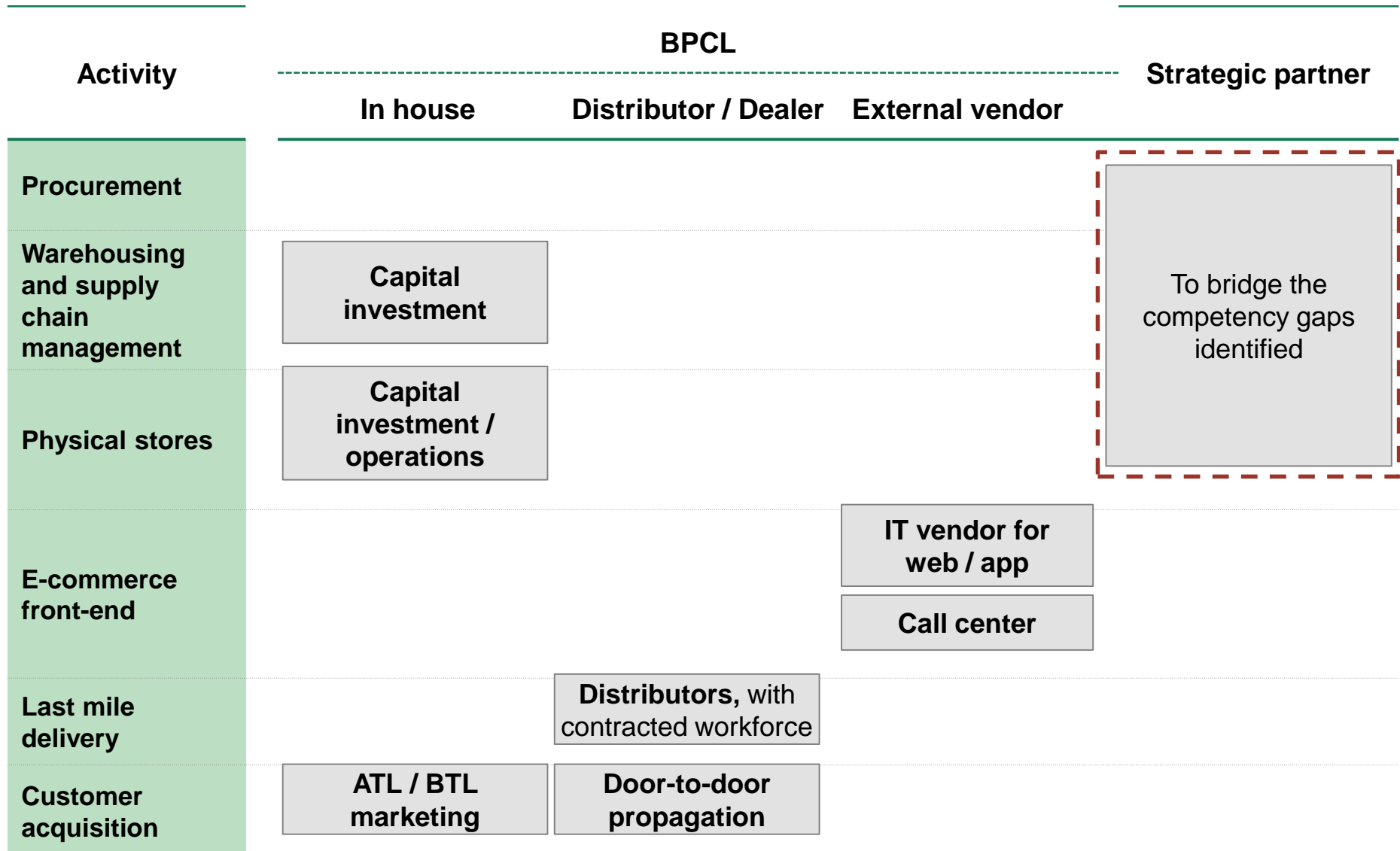
- Trusted and reliable
- Good services
- Convenient, caring and friendly for customers
- Assurance of quality

We envisage an Omni-channel offering across physical stores and digital platform

To offer this proposition, BPCL requires a wide set of expertise across the value chain...

Procurement	Branded goods <ul style="list-style-type: none"> Standard sourcing and assortment guide Centralized sourcing, contract negotiation and vendor mgmt with FMCG companies 	Private label <ul style="list-style-type: none"> Procurement of raw materials from farmers / APMC market Processing, quality control and packaging
Supply chain	Warehousing <ul style="list-style-type: none"> Regional warehouse to fulfill stores in 3-4 cities in ~100 km radius 30-35k sqft area with 12-15 days inventory 	Transportation <ul style="list-style-type: none"> Leasing of carriers for secondary transportation to stores Fulfillment in every 7-10 days
Physical stores	Retail supermarkets <ul style="list-style-type: none"> ~3000 sqft stores; serving a catchment of 1.5-2 km radius Carrying 7-10 days inventory 	Dark stores <ul style="list-style-type: none"> ~3000 sqft area; For e-com order picking, when volumes are large Not open to walk-in customers
E-commerce	Ordering channels <ul style="list-style-type: none"> Digital platform (web, mobile app) Call center (inbound and outbound) Door-to-door sales and order taking 	Last-mile delivery <ul style="list-style-type: none"> Order picking from retail supermarkets or dark stores, depending on volumes Managed by BPCL distributors
Customer acquisition	<ul style="list-style-type: none"> ATL marketing through in-house marketing team and branding agency BTL marketing through BPCL network; door-to-door salesmen managed by BPCL distributors 	

... supported by a comprehensive operating model to augment capabilities through partnership



Our proposition : We Aspire to create Omni-Channel F&G solution

Customer Value Proposition



Selectively aggressive pricing



Assured quality



Choice of products & brands



Convenience @ door-step

Key statistics for success

Target Parameter		Units	Yr 1	Yr 3	Yr 5
Daily Transaction Volume	Stores (Cust/ day)	# ('000s)	6-7	18-20	30-32
	Online (Order/ day)	# ('000s)	3.5-4	35-38	80-100
Number of Cities			2	28	58
Number of Stores			6	43	79

Summary of Non Fuel Initiatives

Umarig
De armaanon ko pankh

1



Rural Marketplace

Comprehensive marketplace in rural areas across multiple household, business and social empowerment needs of customers

Fleetgenie
Business. Ok. Please.

2



Integrated Fleet Management

End-to-end services for **fleet owners** as well as **vehicle drivers** across the business value chain

Happy Roads

3



Personal Travel Offering

Comprehensive set of services to meet **travel needs** of customers during the road trips

Under Finalisation

4



Urban Household Solutions

One-stop, omni-channel shop for **regular household needs** for **urban customers**, across goods and services

Thank You