

Sec.3.4.1(L)

3rd April 2020

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 : Clarification

We refer to your email dated 31.3.2020 seeking additional information. As required, we give below the information sought by you:-

1. Whether the acquisition would fall within related party transactions and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length";
 - Yes, Bharat Oman Refineries Ltd (BORL) is a related party of Bharat Petroleum Corporation Ltd (BPCL).
 - In the subject case, 36,11,11,111 convertible warrants issued by BORL on 25.03.2013 to BPCL, are being converted into 64,96,02,778 equity shares on the expiry of seven years on 24.03.2020, at a pre-defined conversion ratio.
 - Yes, the transaction is at arm's length.
2. Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);

BORL was promoted as a joint venture company by BPCL and is in the business of Refining of Crude Oil into Petroleum Products, which is within the main line of business of BPCL. Even before this transaction, BPCL held 50% of the issued share capital of BORL.

3. Brief details of any governmental or regulatory approvals required for the acquisition;

No approval from regulatory or government authorities like Competition Commission of India, Petroleum and Natural Gas Regulatory Board etc. was required for this conversion.

4. Cost of acquisition or the price at which the shares are acquired;

Cost of acquisition, on conversion of warrants after expiry of seven years is Rs. 10.01 per equity share.

5. Nature of consideration - whether cash consideration or share swap and details of the same;
Cash consideration has been paid by BPCL to BORL in March 2013 at the time of subscribing to warrants. Presently, it is only a conversion of share warrants into equity shares at no additional consideration.

6. Name of the target entity, details in brief such as size, turnover etc;
- Name of the target entity- Bharat Oman Refineries Limited
 - BORL has a refinery of 7.8 MMTPA capacity at Bina, Madhya Pradesh, Crude Oil import / supply system consisting of a Single Point Mooring System, Crude Oil Terminal at Vadinar, Gujarat and 937 KMs long cross country crude oil pipeline from Vadinar to Bina.
 - Turnover for FY 2018-19 : Rs. 31,597 crore
7. Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).
- Brief Background : BORL was conceived as a joint venture project by Government of India and Government of Sultanate of Oman. BORL was incorporated in the year 1994 as a Joint Venture company between Bharat Petroleum Corporation Limited (BPCL) and Oman Oil Company S.A.O.C (OOC), to setup a refinery of 6 million metric tonnes per annum (MMTPA) capacity at Bina in Madhya Pradesh. The refinery was commissioned in June 2011. BORL has recently increased its nameplate capacity by 30% from 6 MMTPA to 7.8 MMTPA. The Company imports crude at its Crude Oil Terminal at Vadinar in Gujarat and transports the same to the refinery through a dedicated crude pipeline from Vadinar to Bina. BORL, through the Bina Dispatch Terminal (Marketing Terminal), distributes the product to locations in Central & Northern regions of the country.
 - Products : Petroleum Products
 - Date of Incorporation : February 25, 1994
 - Last three years turnover :
 - FY 2018-19 : Rs 31,597 crore
 - FY 2017-18 : Rs 31,287 crore
 - FY 2016-17 : Rs 27,059 crore
 - BORL does not have any presence out of India

Yours faithfully,

For Bharat Petroleum Corporation Limited

Sd/-

(V. Kala)

Company Secretary