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IndianOil

67th Annual GENERAL MEETING

Chairman's Address

31st August 2026

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Esteemed Shareholders,

Welcome to the 67th Annual General Meeting of your Company.

At the outset, I thank each one of you for the trust you continue to repose in IndianOil and for your steadfast support.

The year gone by was marked by heightened geopolitical uncertainty and disruptions in global energy markets. Yet, your Company remained resilient, delivered a strong all-round performance and **ensured reliable energy supplies to the nation.**

1. Navigating Global Disruption

Against this wider backdrop, India stands at an important inflection point. Our economy continues to expand, energy demand remains robust, and the scale of opportunity before the country is significant. **For IndianOil, this brings both opportunity and responsibility.**

Towards the close of FY 2025-26, and continuing into the current financial year, events in West Asia have reminded us how quickly the global energy landscape can change.

The escalation of conflict and continued disruption to maritime trade through the Strait of Hormuz have posed serious challenges to global energy security. For India, which imports more than 88% of its crude oil requirement, the stakes have been particularly high - around 45% of our crude imports and nearly 90% of LPG imports are linked to this critical maritime corridor.

For IndianOil, the priority during this unprecedented crisis has remained **crystal clear** - to maintain continuity of energy supplies despite constrained sourcing options and volatile international markets.

With close monitoring and guidance from the **Ministry of Petroleum and Natural Gas**, our teams **have responded** with agility - diversifying crude sourcing, **realigning** refinery operations and strengthening **supply-chain coordination to secure alternate supplies, optimise cargo movements and rebalance products across regions. 24x7 control rooms, daily reviews and real-time market monitoring** have enabled us to respond quickly to emerging gaps and maintain product availability across markets. Years of investment in our infrastructure, technology and people have made this agility possible.

Despite a significant shift away from Middle Eastern crude grades, **our refineries operated above 100% utilisation, LPG production was ramped up by nearly 30% within a short period,** and our gas business maintained supplies to priority sectors while securing additional LNG from diversified geographies.

I am proud of the commitment shown by Team IndianOil, whose response has once again underscored your Company's role as a dependable pillar of India's energy security.

This capability is backed by the sheer scale of our presence - 9 refinery units, 124 terminals, 101 LPG bottling plants, over 20,000 km of pipelines, more than 43,000 retail outlets, nearly 13,000 LPG distributorships and over 5,700 consumer pumps. Every day, thousands of IndianOil people across this network keep the nation's energy flows moving.

It is this sense of responsibility that is reflected in a principle we hold deeply - "Pehle Indian, Phir Oil" - and in our value of "Nation First". In moments of national need, the country's energy security comes first.

This experience has reinforced an important lesson: resilience has to be built before it is tested. In an uncertain world, energy security depends not only on scale, but equally on **agility, diversification and preparedness.**

2. Record Performance and Continued Momentum

Turning to 2025–26, your Company delivered a strong all-round performance during the year.

Your Company recorded a turnover of around **₹8.86 lakh crore**, with aggregate sales of over **105 MMT** across petroleum products, natural gas and petrochemicals, and a standalone net profit of **₹36,802 crore**.

Our core businesses achieved new benchmarks. Refineries recorded their **highest-ever crude throughput of 75.45 MMT**, liquid pipelines achieved their **highest-ever throughput of 102.52 MMT**, while domestic petroleum product sales reached an all-time high of **88.97 MMT.**

We commissioned 2,635 new retail outlets during the year - the highest addition among oil marketing companies - taking our network to 42,818 outlets, the largest retail footprint in the country. At the same time, our clean-mobility ecosystem continued to expand, with our EV-charging and battery-swapping footprint growing to more than 15,000 locations, the widest such network among OMCs. Our CNG network also crossed 2,600 stations, keeping us at the forefront of India's alternative fuels infrastructure.

I am also pleased to share that this operational momentum has continued into 2026–27. In the first quarter, refineries processed a record **19.17 MMT** of crude at **109.4% capacity utilisation**, pipelines recorded their highest-ever quarterly throughput of **28.55 MMT**, and our domestic market share in **petroleum product sales** increased to **43.1%.** Motor Spirit and High-Speed Diesel also recorded their highest-ever quarterly sales, **further reinforcing IndianOil's position as the country's leading fuel marketer**.

While profitability during the quarter remained under pressure from higher crude costs arising from the West Asia conflict, **the strength of our operating performance gives us confidence in the underlying resilience of your Company**.

3. SPRINT – From Transformation to Results

At our last AGM, I had spoken to you about SPRINT - our enterprise-wide transformation programme to strengthen the core and prepare IndianOil for the future. A year on, I am encouraged that SPRINT - an initiative particularly close to me - is moving from intent to measurable outcomes.

The results are visible across business segments. Among the most significant, our refineries delivered their best-ever Energy Intensity Index of 90.1, with Panipat and Mathura achieving Quartile-1 performance for the first time in Solomon benchmarking. Across businesses, we also recorded our highest-ever automotive lubricants sales, expanded bunker and bitumen sales, **reduced LPG bottling costs by 12% and aviation operating costs by 8%.**

Focused operational excellence and cost-optimisation initiatives generated savings of over ₹2,000 crore during the year, strengthening profitability and resilience.

For me, however, SPRINT is ultimately about more than just these numbers. It is about embedding a culture of performance, cost consciousness, faster execution and continuous improvement across IndianOil. Our endeavour now is to institutionalise these gains and translate them into sustained competitiveness and long-term value for our shareholders.

4. Strengthening the Core, Building the Future

A. Financial strength & shareholder trust

Strong operational performance and robust internal cash generation enabled your Company to sustain its investment momentum without placing additional strain on the balance sheet. During 2025–26, our debt-to-equity ratio improved significantly to **0.54 from 0.75**, even as capital expenditure remained strong at **₹32,405 crore.**

This continues a sustained investment trajectory - over the past five years, IndianOil has invested more than ₹30,000 crore annually in strengthening India's energy infrastructure, while maintaining financial discipline.

The trust of the investing community has also broadened considerably. Today, nearly **29 lakh shareholders** are invested in your Company, compared with around **6 lakh at the start of the decade.** This places an even greater responsibility on us to deploy capital prudently and create sustainable long-term value.

For us, capital expenditure is not about creating assets alone. Every investment must strengthen competitiveness, improve operational flexibility, enhance energy security or create sustainable new avenues for growth - while generating appropriate returns.

B. Strengthening the core

Our expansion projects at three of our major refineries are central to IndianOil's next phase of growth - Panipat is being expanded from **15 to 25 MMTPA**, Gujarat from **13.7 to 18 MMTPA**, and Barauni from **6 to 9 MMTPA**. Together, these projects will take IndianOil's refining capacity from **80.75 MMTPA to around 98 MMTPA.**

The scale of this expansion is significant in the national context. As India moves towards **300 MMTPA** of refining capacity, **IndianOil alone will contribute more than 40% of the incremental capacity,** strengthening the country's ability to meet rising energy demand while deepening our petrochemical integration.

Supporting this expansion, augmentation of the **Salaya–Mathura Crude Oil Pipeline** was completed during the year, while the New **Mundra–Panipat Crude Oil Pipeline** is nearing completion. Through IHB Limited (a Joint Venture Entity), we are also developing the **2,805-km Kandla–Gorakhpur LPG Pipeline, envisioned to be the world's longest LPG pipeline**, with the Kandla–Bhopal section already completed.

We also commissioned the **672 KTPA integrated lube blending plant at Chennai,** the world's largest facility of its kind, and commenced production of advanced **Group III/III+ base oils**, strengthening domestic supply capability and supporting import substitution.

We are also unlocking value from IndianOil's decades of engineering and project-execution expertise through **EPCM services**. Today, we are executing over **3,000 km of pipeline projects for external clients,** while extending these capabilities to gas and emerging areas such as CBG. **What we have built for IndianOil over decades, we are now taking to the wider energy sector as a new avenue for growth and value creation.**

Across all our projects and operations, safety remains non-negotiable and central to the way we work.

C. Broadening our growth engines

Alongside strengthening our core, we are broadening the businesses that will drive future growth.

Our petrochemicals business achieved record sales of

3.40 MMT*. Commissioning of the Acrylics and Oxo-Alcohol Project at Gujarat Refinery also marked IndianOil's entry into high-value petrochemicals, strengthening downstream integration and import substitution. Looking ahead, we aim to progressively raise our Petrochemical Intensity Index to about 15% by 2030.

Our Natural Gas business recorded its highest-ever sales of **7.09 MMT**, while our City Gas Distribution business achieved positive EBITDA. Looking ahead, we have set a target of increasing natural gas sales by **1.5 times by 2030**, supported by expansion across the global gas value chain.

In upstream, commercial gas production commenced from our CBM block in Jharkhand and first oil production from the Jyoti-1 & Jyoti-2 well in Gujarat. Internationally, we made two significant oil discoveries at **Shilaif and Habshan in Abu Dhabi**. Building on this, we aim to increase upstream integration to over 10% by 2031, supported by an expanding portfolio of domestic and overseas exploration assets.

Our international downstream business is also expanding. During 2025–26, product exports increased to **5.21 MMT**, with supplies to neighbouring countries growing by over 10%. **We are steadily widening our presence in international markets.** Most recently, IndianOil entered into a long-term agreement with the State Trading Corporation of Mauritius to meet the country's entire import requirement of **Motor Spirit, High-Speed Diesel and Aviation Turbine Fuel - strengthening our overseas presence while reinforcing India's role as a reliable regional energy partner.**

Technology is also becoming a source of commercial value. Our indigenously developed XtraFlo™-P Drag Reducing Agent achieved its first commercial export to Saudi Aramco, following successful deployment in Oil India's Naharkatia–Barauni Pipeline.

D. Building the Future Energy Ecosystem & Energy Transition

Our future, however, is not confined to refining or our traditional businesses. We are progressively building a broader energy ecosystem across Petrochemicals, Natural Gas, Renewables, Biofuels and CBG, Green Hydrogen and SAF while exploring opportunities in several emerging areas, including Critical Minerals, energy trading and Nuclear Energy. A strategic initiative now at an advanced stage is our partnership with a leading Indian shipping company and other OMC partners to jointly acquire and operate a fleet of vessels - strengthening our logistics supply chain, enhancing reliability and giving us greater strategic control over energy logistics.

Digital technologies are also becoming an important part of this future ecosystem. We are harnessing Artificial Intelligence, advanced analytics and automation to improve decision-making, operational efficiency and customer experience. Looking ahead, we are exploring opportunities in data centres, sovereign cloud and allied digital services, leveraging our nationwide digital footprint, optical fibre network and operational expertise.

* Including Exports & Benzene

Our objective is to evolve into a more diversified and integrated energy major, with multiple engines of growth across the energy value chain.

Across the energy transition, we are already moving from intent to execution. IndianOil became the first company in India to receive **ISCC CORSIA certification** for SAF production at Panipat through the co-processing route, while we continue to evaluate scalable pathways such as HEFA and Ethanol-to-Jet.

Construction has also commenced on our large-scale **Green Hydrogen Plant at Panipat,** while our fleet of 15 hydrogen fuel-cell buses has crossed **1.7 lakh kilometres**. Through **Terra Clean Limited,** development of **1 GW of renewable energy capacity** is underway, with another **4.3 GW** under preparation.

Our approach remains pragmatic - scaling solutions that are commercially viable while ensuring that sustainability and value creation move together.

5. Responsibility, Governance and Closing

As we pursue growth and transformation, our responsibilities extend well beyond business performance. During 2025-26, IndianOil implemented over **700 CSR projects**, with an expenditure of **₹488.63 crore**, focusing significantly on health and nutrition, Aspirational Districts and the PM Internship Scheme.

Strong governance, integrity and accountability will remain central to the way we conduct our business. As we deploy capital and enter new areas of growth, we remain committed to prudent decision-making and the highest standards of corporate governance. **Your Company continues to fully comply with the applicable guidelines issued by the Department of Public Enterprises, details of which are provided in the Corporate Governance Report forming part of the Annual Report.**

Looking ahead, I am confident in IndianOil's ability to navigate change, capture new opportunities and create sustainable value. **Our responsibility goes beyond delivering energy - it is to support India's growth, strengthen the nation's energy security and contribute meaningfully to the journey towards a Viksit Bharat.**

I thank the Government of India, the **Ministry of Petroleum and Natural Gas**, regulatory and statutory authorities, banks and financial institutions for their continued guidance and support. I also place on record my sincere appreciation for our employees and thank our customers, business partners, contractors and vendors.

Above all, I thank you, our shareholders, for your continued trust and confidence in IndianOil.

Across mobility, industry and everyday life, IndianOil touches virtually every part of India's energy ecosystem. When India thinks energy, it thinks IndianOil - the Energy of India.

Together, we will continue to energise India and take IndianOil confidently into its next phase of growth.

Thank you. Jai Hind!

A S Sahney
Chairman, IndianOil