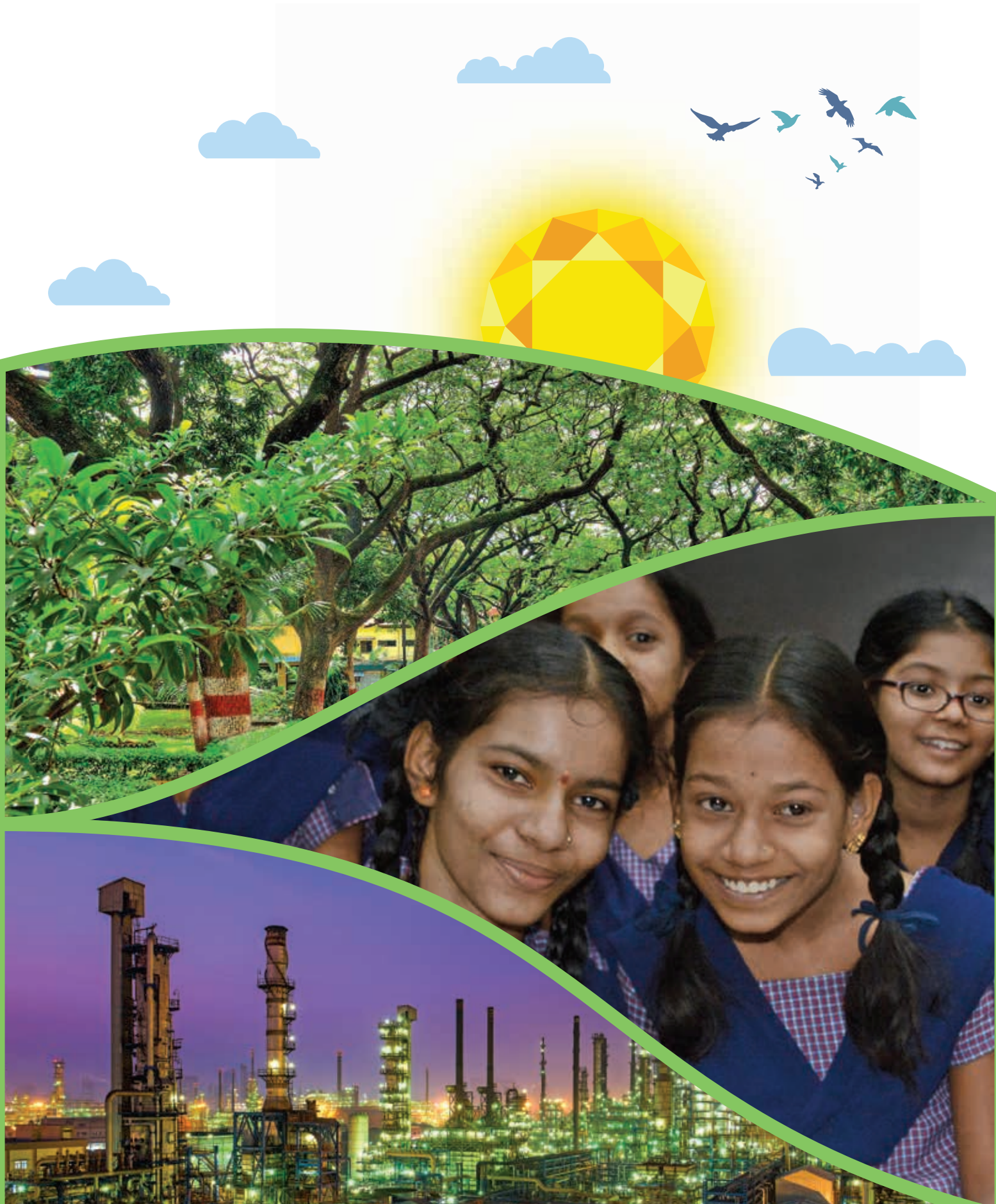
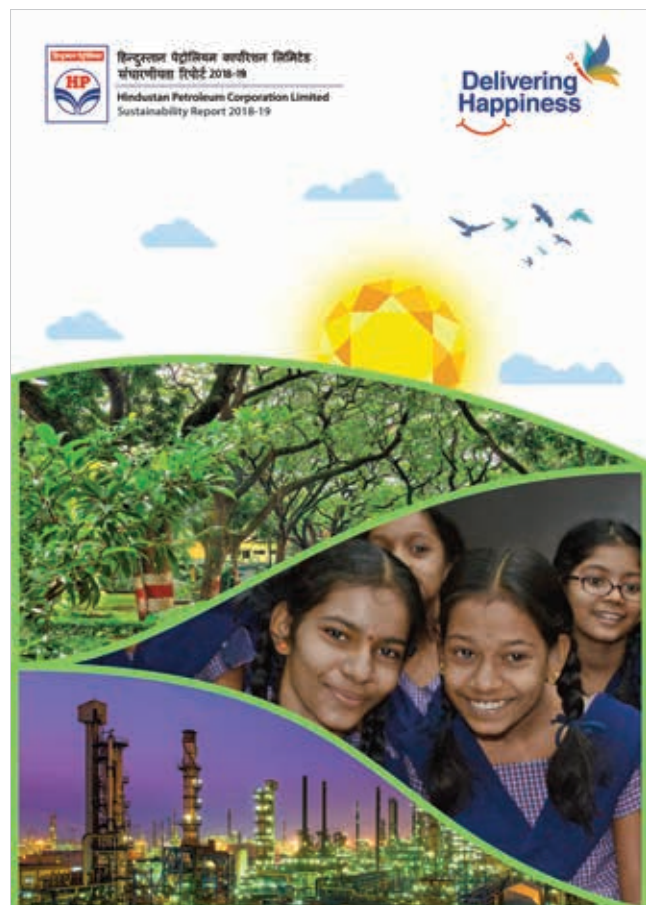




हिन्दुस्तान पेट्रोलियम कार्पोरेशन लिमिटेड
संधारणीयता रिपोर्ट 2018-19

Hindustan Petroleum Corporation Limited
Sustainability Report 2018-19





HPCL continues on its exciting journey of responsible growth, delivering happiness as it moves from one milestone to another. The key to delivering happiness lies in an organisation's ability to grow while integrating the triple bottom line framework of sustainability – planet, people and profits. Taking leaves out of nature's playbook literally, the cover of the Report illustrates the harmonious role of the three elements that energise the lives of millions in a land that's witnessing the rise of a new sun of future opportunities and prosperity.

As we grow and become more valuable than we have ever been, we recognise that while everything we deliver may have a value attached to it, the happiness we deliver, is priceless

Registered Office and Corporate Headquarters

Hindustan Petroleum Corporation Limited,
Petroleum House, 17, Jamshedji Tata Road,
Churchgate, Mumbai – 400 020, Maharashtra, India

Marketing Headquarters

Hindustan Petroleum Corporation Limited,
Hindustan Bhawan, 8, Shoorji Vallabhdas Marg,
Mumbai – 400 001, Maharashtra, India



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About this Report

Hindustan Petroleum Corporation Limited (HPCL) continues to play a crucial role in meeting the myriad needs of the people of India. Through a wide spectrum of energy solutions, we fuel the daily lives of our citizens and the nation's economy.

We continue to create significant value for our shareholders while positively impacting lives. We are committed to the triple bottom line of sustainable development – people, planet and profits. The smile we bring to people's face is the underlying force that propels and motivates us to perform continuously to fulfil our promise of 'Delivering Happiness'.

To share our journey of growth and sustainability endeavours with our stakeholders, we present our 8th Annual Sustainability Report 2018-19. The report covers our management approach, initiatives and performance on economic, environmental and social aspects and pertains to the period from April 1, 2018 to March 31, 2019. It has been developed in accordance with the Comprehensive option of the Global Reporting Initiative (GRI) Standards, including the Oil and Gas Sector Supplement.

Our sustainability vision and initiatives are guided by and aligned with the global priorities, including the United Nations Global Compact (UNGC) Principles on Environment, Human Rights, Labour and Anti-corruption; the United Nations Sustainable Development Goals (UN SDGs) and India's Nationally Determined Contributions (NDCs). A detailed mapping of how our actions are contributing to the realisation of these goals is presented at the end of this report.

The information contained in this report has undergone appropriate internal reviews and has been subjected to independent assurance by a third-party, Bureau Veritas (India) Private Limited as per the AccountAbility Assurance Standard AA1000 AS (2008) Type 2 Moderate level.

The report boundary remains unchanged from our previous report and covers fully-owned operations of the Company. These include refineries at Mumbai and Visakhapatnam and operations of Strategic Business Units (SBUs) under marketing: Aviation, Direct Sales, LPG, Lubes, Natural Gas and Renewables, Operations, Distribution and Engineering, Pipelines and Retail (Company-owned and Company-operated outlets). This report does not include joint ventures, subsidiaries and international operations.

The data presented in the report has been either sourced from our Enterprise Resource Planning (ERP) system or directly from the operations within the report boundary. The data analysis techniques and underlying assumptions/calculations have been outlined in the relevant sections of the report.

Our Annual Sustainability Report 2017-18 and other previous Sustainability Reports are available at <http://www.hindustanpetroleum.com>

Our Annual Report 2018-19 and other previous Annual Reports are available at <http://www.hindustanpetroleum.com>

There are no material restatements from our previous sustainability report.

Our stakeholders form an important part of our sustainable growth story. We welcome feedback and consider them important for us in ensuring that we, through our sustainability reports, continue to disclose information material to our stakeholders. We welcome your queries or suggestions at corporatehse@mail.hpcl.co.in or online at <https://hindustanpetroleum.com>

A unit at our Mumbai Refinery



Decisive Actions. Strengthened Foundations.

Dear Stakeholder,

Thank you for being part of the journey as your Company continues to 'Deliver Happiness' by fuelling the nation's energy needs and enriching the lives of millions. Your Company continued to demonstrate the highest standard of corporate responsibility with focus on environmental sustainability while continuing the momentum towards accelerated growth and excellence. It gives me great pleasure to present the 8th Annual Sustainability Report of your Company.

Market-led changes have accelerated a massive transformation towards cleaner, healthier and socially inclusive outcomes. To make significant contributions to the society, sustainability has been amalgamated as part of normal business practice in your Company.

Your Company continued to scale greater heights of success and registered several 'best ever' milestones and remarkable achievements across all facets of the business during 2018-19. Your Company recorded the highest ever refining crude throughput and sales volume, and exceeded the ₹6,000 Crore mark in net profit for the third consecutive year. The excellent performance during the year 2018-19 was wide-ranging, encompassing stellar physical and financial performance across all functions. During the year, your Company registered the highest ever gross sales of ₹2,95,713 Crore with an impressive growth of 22% over historical.

Your Company continued to command strong and stable credit ratings both from international agencies such as Moody's, Fitch and national agencies like CRISIL, ICRA and India Rating and Research Limited. The year witnessed enhancement of Research and Development (R&D) capabilities to create new levers for achieving growth and cost leadership through indigenous development of new products, processes and technologies. The continued focus on research and innovation across various areas in the energy sector enabled your Company to receive total 12 patents, including 6 international patents.

Sustainability Approach

Responsible business ethos is the foundation of a solid, sustainable business and is ingrained in our Vision, Mission and Values. Sustainability for HPCL means holistic awareness, ethical conduct, domain expertise and a firm commitment to cater to the nation's energy needs through sustainable business practices.

Your Company has been able to reap the benefits of the triple bottom line approach by aligning R&D, manufacturing and marketing with safe and environmentally responsible practices. Your Company is constantly reviewing and embracing environment-friendly processes, striving to reduce carbon footprint and making operations more resource efficient. The early adoption of sustainable

business practices helped your Company to stay resilient and achieve a credible performance consistently in the challenging business environment.

The future of Oil and Gas is exciting and challenging characterised by increasing competition, policy reforms and enforcement of strict environmental regulations. To continue the growth momentum and stay ahead of the performance curve, the 'T20 strategy' was formulated with a clearly defined roadmap, having safety and integrity at the heart of all actions. This strategic plan is helping your Company realise its Vision and Mission, and navigate the future business landscape by enhancing performance across the triple bottom line indicators of people, planet and profits. The 'T20 strategy' is driving sustainable business practices across operations in the business value chain.

Your Company's business activities are aligned with the United Nations' Sustainable Development Goals (SDGs) and are in consonance with India's Nationally Determined Contributions (NDCs).

Your Company's vision to be a World Class Energy Company with superior financial performance while being a model of excellence in meeting environment and social commitment keeps all employees vigilant of their responsibility towards the society and nation building.

This sustainability Report puts forth your Company's approach to economic value creation, social



To continue the growth momentum and stay ahead of the performance curve, 'T20 Strategy' was formulated with a clearly defined roadmap, having safety and integrity at the heart of all actions.

Mukesh Kumar Surana
Chairman and Managing Director

impact and environment protection while capturing a few notable highlights. The issues described in this Report have been arrived at after a detailed materiality assessment and subsequent validation exercise, and reasonably portray stakeholder expectations.

Environment

Your Company is adopting best-in-class operating systems, practices and procedures for achieving environmental sustainability. Major installations are certified with Environmental Management Systems. Effluent treatment plants, air emission control and hazardous waste management systems have been installed at various locations for monitoring, in line with the best practices.

Your Company continues to lay strong emphasis on operational and energy efficiency. Both the

refineries are actively participating in energy conservation programmes like the PAT Cycle II (Perform, Achieve and Trade) of the Bureau of Energy Efficiency (BEE), coordinated by the Centre for High Technology (CHT). Specific thrust on energy efficiency helped both refineries achieve significant reduction in their Energy Intensity Index (EII).

Your Company recorded significant gains in overall throughput performance and productivity at both the refineries and across the supply network of product pipelines, depots, terminals and LPG bottling plants. The highest ever pipeline throughput of 21.5 MMTPA was recorded during 2018-19, which has helped in safer product movement while optimising logistics costs and reducing carbon footprint. To help reduce carbon intensity of the transportation sector, your

Company is actively participating in the ethanol blending programme and has recorded the highest ever overall Ethanol Blending Percentage (EBP) of 5.5% in petrol during 2018-19.

HPCL is fully aligned with the policy initiatives undertaken by Government of India to strengthen the growth of the hydrocarbon sector and enable a shift towards a low carbon economy. Your Company, along with its JVs, has received authorisation for City Gas Distribution (CGD) networks in 20 geographical areas across nine states. Environmental clearance for development of a 5 MMTPA JV LNG Regasification terminal at Chhara port in Gujarat has been received. To promote the use of compressed biogas as transportation fuel, Letters of Intent (LOI) were issued for setting up 11 compressed biogas plants



Electric Vehicle (EV) charging stations have been commissioned at seven HPCL retail outlets

in Gujarat, Maharashtra, Punjab and West Bengal.

During the year, the supply of BS-VI grade auto fuels was commenced in the National Capital Territory (NCT) of New Delhi. Vapour Recovery System stage I and II was completed for all retail outlets in New Delhi. Electric Vehicle (EV) charging stations have been commissioned at seven HPCL retail outlets.

Your Company is leveraging renewable energy sources to reduce the carbon footprint and electricity cost across the value chain and is investing in renewable energy projects. During 2018-19, captive solar power capacity of 11.3 MWp was installed across various locations, taking the total solar power capacity to about 22.6 MWp. HPCL also has an existing wind power capacity of 100.90 MW, which generated about 190 Million kWh of electricity during the year.

Green belt development programmes have been implemented at various locations. HPCL has a green cover of 1,135 acres (within premises). Your Company continued efforts to enhance energy efficiency and water conservation across locations and has undertaken a study of 'Life Cycle Assessment' of its ENKLO Series Lubricant product on a pilot basis to understand the environmental footprint of the product.

Social

To help achieve an environment that is safer and sustainable for everyone, your Company endeavours to involve stakeholders including employees and local communities. Your Company has taken a number of initiatives to acquire and retain top talent for increasing productivity. Your Company believes in building high-performing diverse teams by cultivating a culture that promotes impactful performance across levels.

Safe operations and implementation of health initiatives continue to be at the core of all

business activities. To enhance health and safety across all spheres of operations, your Company has been making continuous improvements in the systems and procedures. All regular employees undergo Periodic Medical Examinations (PME) for preventive and curative measures. A number of employee engagement initiatives are deployed to increase cohesion between the Company, the employee and the employee's family.

A host of technical and behavioural programmes including unique initiatives such as 'Suraksha Parishad' for HSE role holders across the Company and 'Safety On Wheels' (SOW) for TT Crew have been pioneered for effective capability building and sensitisation for enhanced occupational and road safety. To ensure emergency preparedness, mock drills are regularly conducted at all locations to keep everyone in a state of readiness. A major milestone in the area of safety was achievement of about 25 Million man-hours of safe operation by Mumbai Refinery, as of March 31, 2019.

Since inception, your Company has been contributing towards nation building through effective implementation of various socioeconomic development programmes initiated by the Government of India. To help increase the coverage of clean cooking fuel in the country, about 2 Crore new LPG connections were provided under the Pradhan Mantri Ujjwala Yojana (PMUY) to low-income households. In addition, your Company sensitised over 34 Lakh people about safe and sustainable usage of LPG by conducting over 27,000 LPG Panchayats across the country.

To enhance the capacity and capability of small vendors, various vendor meets were conducted with focus on Micro and Small Enterprises (MSEs) and SC/ST MSEs. Efforts towards compliance with the public procurement policy has helped in registering 32.87% procurement from MSEs, surpassing the level of 25% specified in Government

25 Million
Man-hours of
safe operation by
Mumbai Refinery,
as of March 31, 2019



of India guidelines. Your Company has also been fully abiding by the policy related to boost the local content under the 'Make in India' initiative.

During 2018-19, your Company enriched the lives of thousands of underserved people through various CSR initiatives with an overall spend of ₹159.81 Crore.

These initiatives were undertaken in the focus areas of childcare, education, healthcare, skill development, sports, environment and community development. To support the Swachh Bharat Abhiyan, over 2,300 new toilets were constructed in various schools across the country. To bring in behavioural changes in the area of sanitation, various activities were undertaken to sensitise school children and wider sections of the society.

Sustaining growth trajectory

Your Company has formulated plans and is focussed on completing projects and activities in a time-bound manner to be prepared for production and sales of BS-VI grade auto fuels with effect from April 1, 2020.

To expand the business reach, your Company is exploring opportunities to further expand the lubricant and fuels business in the growing markets of Asia, the Middle East and Africa and is leveraging new business opportunities including participation in the Electric Vehicle

(EV) ecosystem. To capture new avenues of value creation through collaboration with technology start-ups, your Company has commenced the incubation of 15 Start-ups with project funding support under the 'HPCL Start-up India' initiative.

To leverage technology and harness the opportunities associated with Industry 4.0, your Company is strengthening its existing IT processes and incorporating emerging digital technologies across all facets of business activities.

The focus is to evolve as a future-ready company by nurturing strong linkages between people, planet and profits. The sustainability efforts presented in this report reflect the indomitable spirit and extensive cooperation and coordination across the organisation and a wider section of stakeholders. The improvements and impacts demonstrated will only accelerate going forward. Your constructive feedback and suggestions will propel HPCL to continually raise the future performance levels.

At HPCL, we look forward to your continued support towards shared success in our endeavours in Delivering Happiness to bring smiles to millions of people.

Thank you,

Mukesh Kumar Surana

Chairman and Managing Director

The sustainability efforts presented in this report reflect the indomitable spirit and extensive cooperation and coordination across the organisation and a wider section of stakeholders.

Message from Directors



Pushp Kumar Joshi
Director, Human Resources

HPCL strongly believes that human capital is one of its greatest strengths, that propels long-term success of the Company. A strategic approach to managing our people helps our business gain a competitive advantage. We focus on developing an environment that attracts and inspires excellence in people.

Success of any business is directly affected by the performance of employees within the organisation and their ability to serve and fulfil the aspirations of its stakeholders with responsibility and integrity. HPCL strives to nurture a pool of talented, committed and competent workforce by building a positive employee-organisation relationship. HPCL fosters innovation and growth and delivers value on the three pillars of sustainability. We believe that people deliver their best when they are challenged for success and growth.

HPCL has been a member of the United Nations Global Compact Network in India and continues to support its core principles surrounding human rights, labour, environment and anti-corruption. HPCL remains committed to positively impact lives by working with the marginalised and less-privileged communities through a diverse range of social interventions by addressing key development challenges.



S. Jeyakrishnan
Director, Marketing

We continue to leverage our market experience and best-in-class technologies considering the emerging energy landscape to attain sustainable growth. A competent and competitive Team - Marketing, through the times of both celebrations and challenges, has led to a stellar performance. HPCL's sustainable growth is reflected in its y-o-y performance; this year achieving landmark sales of 38.7 MMT while registering a growth of 4.9%.

Our achievements have largely been possible due to the extraordinary talent and commitment of internal and external stakeholders who have all contributed in a big way to our success.

The future will continue to present itself with numerous challenges and opportunities. With a focus on the development and adoption of renewable power, charging facilities for electric vehicles and by promotion of eco-friendly bio-fuel alternatives such as ethanol and biodiesel as well as maximising the bulk transportation of fuels through pipelines, HPCL will continue to play a significant role in sustaining energy security for the nation.





J. Ramaswamy
Director, Finance
(up to 28.02.2019)

Sustainable economic strength remains one of the key focus areas for HPCL. The corporation lays emphasis on improving the overall bottom line on the pillars of productivity, competitiveness and favourable financing, while maximising long-term cash flows and nurturing assets that maximise value.

Managing risks for conducting business in a smooth manner is essential for sustainable growth. HPCL has a comprehensive and well-defined risk management framework with robust internal control processes to augment resilience in conducting business. HPCL lays special importance to maintain high standards of corporate governance and encourages a culture of transparent, fair and accountable governance practices to conduct the affairs within the framework of policies. Adequate thrust is imparted on the creation of sustained value for its stakeholders by maximising return on investment.



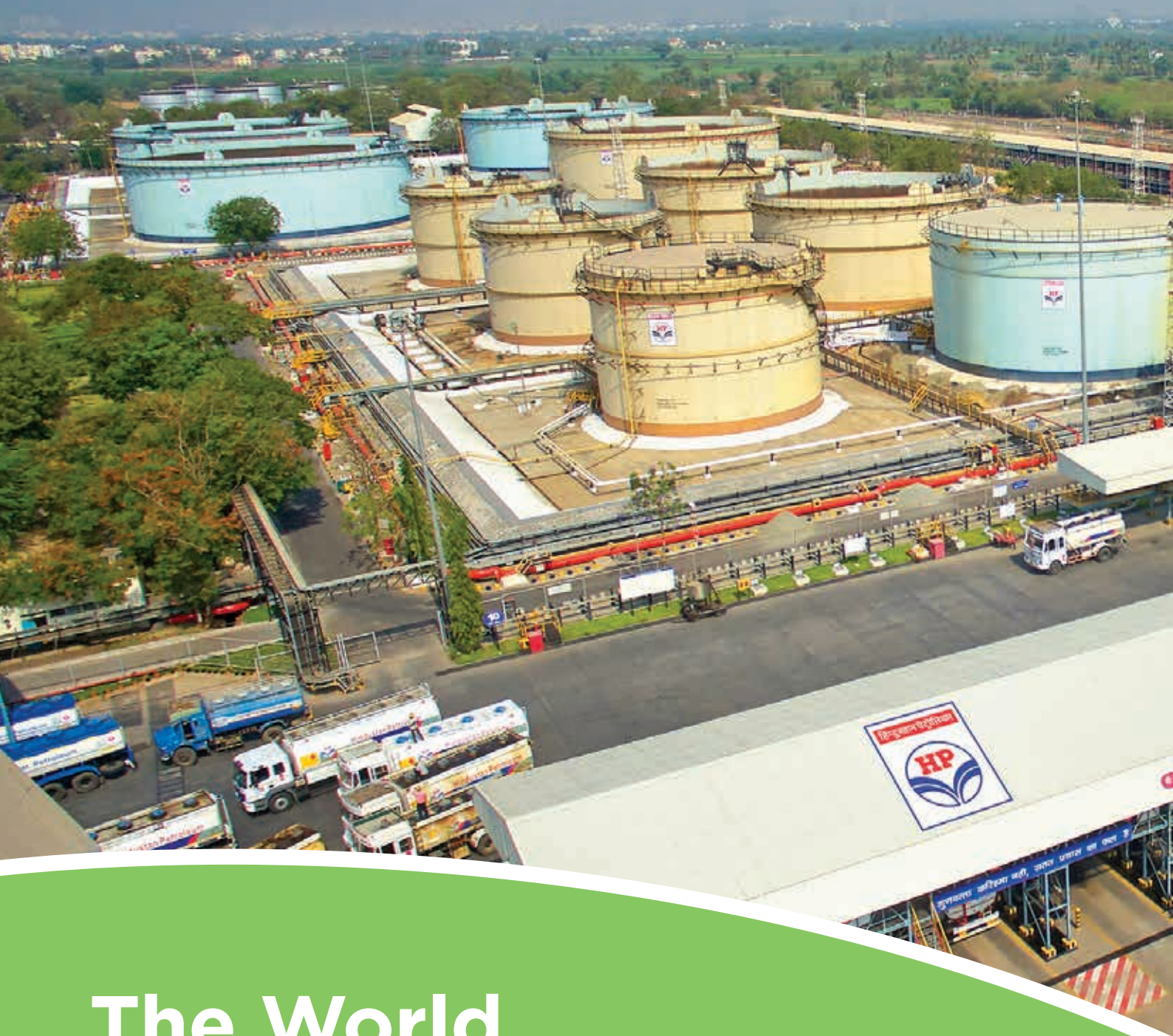
Vinod S. Shenoy
Director, Refineries

Our Mumbai and Visakh refineries have continued to demonstrate overall excellence in operations and have achieved a combined throughput of 18.4 MMTPA with a capacity utilisation of 117%. HPCL is expanding its refining capacities in sync with the increasing demand for cleaner and environment-friendly fuels through its modernisation projects. We are committed to maintain superior safety performance through best-in-class practices and procedures in various aspects of refinery operations. Our Mumbai refinery completed 24.59 Million man-hours of safe operation as on March 31, 2019.

Backed by sound environment management systems and the latest technologies, both the refineries are gearing up for compliance of BS-VI auto fuels supply as per Government of India's schedule for implementation by April 2020. HPCL's refineries continue to embrace energy efficiency through operational excellence and innovations and are actively participating in the PAT (Perform, Achieve and Trade) Cycle II of the Bureau of Energy Efficiency (BEE), being coordinated by the Centre for High Technology (CHT). Both our refineries continue to participate in varied developmental programmes and initiatives that contribute positively to the environment and the community.



A view of one of our terminals



The World of HPCL

Business Overview
Vision, Mission and Values
Corporate Governance
Internal Systems and Controls
Supply Chain
Industry Affiliations
Awards and Recognitions

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Sustainable Energy for a Strong India

As one of the largest public sector enterprises under the Ministry of Petroleum and Natural Gas, Government of India, HPCL is a designated Navratna with a remarkable history and heritage of over four decades. HPCL ranked 70 and 69 by market capitalisation, as on March 31, 2019 on the Bombay Stock Exchange and the National Stock Exchange, respectively. We have a strong presence in the petroleum refining and marketing sector with a market share of over 21% among the Indian public sector oil marketing companies (OMCs) as on March 31, 2019.

HPCL owns and operates two major refineries located in Mumbai and Visakhapatnam, producing a wide variety of petroleum fuels and specialties. We also own and operate India's largest lube refinery, which produces lube base oils of international standards. We operate and hold a 48.99% equity stake in the 11.3 MMTPA HPCL Mittal Energy Limited (H MEL) refinery at Bathinda in collaboration with Mittal Energy Investments Pte. Ltd. and a 16.96% stake in the 15 MMTPA Mangalore Refinery and Petrochemicals Ltd. (MRPL).

We have the second largest share of product pipelines in India with a pipeline network of more than 3,370 km for transporting petroleum products. Our pan-India marketing network comprises 14 zonal offices in major cities and 133 regional offices. This network is supported by our supply and distribution infrastructure comprising terminals, pipeline networks, aviation service stations, LPG bottling plants, inland relay depots, retail outlets, lube and LPG distributorships.

An overview of our marketing network



15,440

Retail Outlets



274

Lube Distributors



5,866

LPG
Distributorships



109

Clearing and
Forwarding
Agents (CFA)



1,638

SKO/ LDO
Dealerships



42

Terminals
and TOPs



305

CNG Outlets



41

Inland Relay
Depots



213

Auto LPG
Dispensing
Stations (ALDS)



49

LPG Bottling
Plants

Corporate Headquarters - Petroleum House



We have been able to deliver consistent performance due to our highly motivated workforce of over 10,000 across refining and marketing locations and the unstinted support of our various stakeholders.



43

Aviation
Fuel Stations



6

Pipelines
(Main Lines - POL)



27

Exclusive Lube
Depots
(COLD/COD)



3

Pipelines
(Branch Lines -
POL)



6

Lube Blending
Plants



1

Pipelines
(Main Line - LPG)



2

LPG Import
Locations



2

Specialty
Product Pipeline
(Lube Oil/ATF)

We have been able to deliver consistent performance due to our highly motivated workforce of over 10,000 across refining and marketing locations and the unstinted support of our various stakeholders.

To develop path-breaking technologies and products in the energy sector, we have a state-of-the-art Green R&D Centre at Bengaluru, which has been developing new technologies and upgrading the existing ones, leading to significant cost advantages and efficiency improvements.

Our marketing R&D centre ensures that HP Lubricants invariably meet the demanding international standards. The marketing R&D centre also shares relevant data with industry members and technical bodies through presentations, publications (national and international journals), seminars and conferences.

Business Overview

Our wide range of product and service offerings has fuelled our growth across various aspects of everyday lives of people. We have also widened our business portfolio to keep pace with the growing energy demand and our petroleum-based products and lubricants have a national and global reach.

Visakh Refinery Modernisation Project



We have undertaken many large-scale projects across the hydrocarbon value chain to support future growth, cater to the rising energy demand and respond to the environmental challenges. We have also pioneered numerous customer-centric initiatives and services (downstream) with a focus on technological upgradation at our refineries.

Refineries

Our refineries at Mumbai and Visakhapatnam have capacities of 7.5 MMTPA and 8.3 MMTPA, respectively. We operate the largest lube refinery in India, with a capacity of 428 TMTPA. It makes us a leader in the production of lube base oils.

Our refineries produce high-quality products under light, middle and heavy distillates such as Liquefied Petroleum Gas (LPG), Naphtha, Motor Spirit (MS), Kerosene, Aviation Turbine Fuel (ATF), High Speed Diesel (HSD), Furnace Oil, Bitumen and numerous grades of lubricants, specialties and greases. The refineries are equipped with the latest technologies to achieve optimal operational efficiency and quality requirements.

We are proactively working towards reducing emissions, achieving energy efficiency and promoting optimal usage of resources. To produce low sulphur fuels as a measure of environmental stewardship, our refineries are currently producing Bharat Stage IV (BS-IV) grade fuels, as per the directives of the Government of India.

India will be leapfrogging to BS-VI auto fuels (MS & HSD) from April 1, 2020. Accordingly, Indian refineries will need to upgrade their facilities during 2019-20, which may entail hook up shutdowns. Implementation of the International Maritime Organization's (IMO) new regulations (IMO 2020) that limit sulphur content in marine fuels used by ocean-going vessels to 0.5% is expected to come into effect from January 1, 2020. IMO 2020 is expected to create a significant shift in demand in the global marine fuel market from high sulphur marine fuels to low sulphur marine fuels. To address these changes and be future-ready, our refineries have drawn up time-bound plans and are implementing capacity augmentation and upgradation projects.

The Visakh Refinery Modernisation Project (VRMP), which aims to enhance the capacity of Visakh Refinery from 8.3 MMTPA to 15 MMTPA, along with residue upgradation facilities, as well as the Mumbai Refinery Expansion Project (MREP), which aims to enhance the capacity of Mumbai Refinery from 7.5 MMTPA, to

9.5 MMTPA are in advanced stages of execution. To augment product sufficiency, we are setting up a 9 MMTPA greenfield refinery cum petrochemical complex at Barmer, Rajasthan through a joint venture, HPCL Rajasthan Refinery Limited (HRRL). The completion of these projects will more than double our refining capacity and will introduce about 2 MMTPA of petrochemical production capacity in the product mix.

During 2018-19, our refineries recorded the highest ever refining throughput of 18.4 MMT as compared to 18.3 MMT in the previous year and achieved a capacity utilisation of 117%. Maximisation of crude processing in refineries helped HPCL achieve the highest ever production of LPG, Bitumen and Lube Oil Base Stock (LOBS). This stellar performance was attributable to robust crude sourcing, optimisation of crude mix, speedy evacuation of products from the refineries, improvement in refinery reliability, and strict adherence to safety and operating procedures.

2018-19 Key Highlights

Mumbai Refinery

- Highest ever crude throughput of 8,671 Thousand Metric Tonnes (TMT)
- Best ever safety record of 24.59 Million safe man-hours as on March 31, 2019
- Best ever specific energy consumption of 82.82 MBN
- Certified with ISO-14001:2015 Environment Management System
- Lab-accredited with ISO/IEC 17025:2017 latest version; Centre for Military Airworthiness and Certification (CEMILAC) recertification obtained

- Refinery Performance Improvement Programme (RPIP) initiated and in progress
- Sustained usage of Regasified Liquefied Natural Gas (RLNG) in Gas Turbine Generators (GTGs) / furnaces
- Addition of new lube grade Elasto 710 - R in product pool
- Installed 'R-Pulse' monitoring kiosks for team leads to monitor critical operational conditions

Visakh Refinery

- Highest ever crude throughput of 9,773 TMT
- Best ever specific energy consumption of 77.29 MBN

- Commissioned fuel gas firing to reformer in DHT-HGU
- Implemented Advanced Process Control (APC) in CCR and DHDS-ARU
- Commissioned additional hot well off-gas burners in CDU-II
- Carried out ISO 14001 recertification audit
- Rolled out multiple IT-related applications for better monitoring

Marketing

Our product offerings cater to a large and diverse customer base across the domestic, automotive, commercial and industrial segments. Our business verticals include Retail, LPG, Lubes, Direct Sales, Aviation, Natural Gas and Renewables, Operations, Distribution & Engineering and Pipelines.

Continuing with our growth momentum, we demonstrated stellar performance across verticals. We achieved the highest ever sales volume of 38.7 MMT in 2018-19, up from 36.9 MMT in 2017-18. Our domestic sales grew 4.7%, commanding a market share of over 21% among Indian public sector OMCs.

Marketing Headquarters - Hindustan Bhawan



Retail

Retail constitutes a major share of our total sales. Through a widespread network of retail outlets, we take care of our customers' fuel needs, and also provide holistic services for their vehicles through Club HP and Club HP Star outlets.

We continue to offer several products to promote cashless transactions and loyalty programmes for the convenience and benefit of our customers.



2018-19 Key Highlights

- Marked the 14th consecutive year of market share increase in MS and HSD
- Achieved total retail sales volume of 24.54 MMT, up 3.3% over 2017-18
- With over 5,000 outlets, poWer recorded total sales of 683 TKL, up 24.3%
- Sales volume of eco-friendly fuels, CNG and ALPG, grew 9.1% to 312 TMT and 44 TMT, respectively. CNG facility was added in 68 outlets, highest ever in a single year and exceeded MoU target
- Commissioned 478 new retail outlets, taking the total network to 15,440
- Automated a record 6,844 outlets during the year; we now have 14,744 automated outlets
- Entered MoU with State Trading Corporation of Bhutan to set up 24 retail outlets in Bhutan, a significant step in spreading our retail footprint beyond India
- Launched packaged drinking water brand 'Reminero', to be marketed through our retail outlet network in Hyderabad, Bengaluru and Mysuru
- Commissioned mobile fuel dispenser, HP Fuel Connect
- Digital conversion stood at 31.3% of total motor fuel sales in March 2019, crossing the 30% mark for the first time
- Increased transactions (by value) in loyalty and payment programme, HP Re-Fuel, by 20 times and surpassed the milestone of 4 Million customers on the platform
- Crossed ₹30,000 Crore sales, up 67%, on the loyalty platform
- Toilet blocks with separate facilities for men, women and 'Divyangs', under the brand 'Sugam', provided at an additional 1,639 highway outlets
- Completed setting up Vapour Recovery System stage I and II for all outlets in Delhi
- Installed solar power panels at 737 outlets and marketed energy-efficient LED bulbs through the retail network
- Commissioned electric vehicle (EV) charging stations at seven HPCL retail outlets, as on March 31, 2019

LPG

Serving over eight Crore consumers, HP Gas, our LPG brand, is credited with bringing in a revolution in kitchen, spreading warmth and cheer among millions of households with clean and efficient cooking fuel.

Today, HP Gas is synonymous with safety, reliability and convenience. HP Gas also supplies LPG cylinders for commercial and industrial purposes and bulk LPG through tankers for industries.



2018-19 Key Highlights

- Achieved highest ever sales volume of 6.55 MMT, up 7.1% over 2017-18, gaining 0.16% market share in domestic segment
- Commissioned a record 1,018 new LPG distributorships and enrolled 1.23 Crore new LPG domestic customers, including 1.01 Crore PMUY customers
- Achieved bottling of 6,421 TMT, up 8%, with a productivity of 1,584 cylinders/hour
- Handled 756 TMT of LPG through Mangalore Hassan Mysore Solur LPG Pipeline (MHMSPL), resulting in transportation savings of ₹109 Crore
- Commissioned a new LPG bottling plant at Warangal with 60 TMT/PA capacity
- Augmented capacity of bottling plants by 390 TMT/PA
- Introduced Quality Discipline Guidelines for Cylinder, Valve and DPR manufacturers
- Converted 13,824 villages to smokeless villages
- Conducted over 27,000 Pradhan Mantri LPG Panchayats across the country, sensitising over 34 Lakh people about safe and sustainable usage of LPG
- Conducted 60,000 safety clinics for educating over 29 Lakh customers about safe usage of LPG
- Procured four LPG rakes under the Liberalised Wagon Investment Scheme (LWIS) of Ministry of Railways for transportation of LPG from source to bottling plants. This helped lower logistics cost, ensure safe and easy availability of LPG, and reduce GHG emissions
- Launched HP Gas 'PRADYUT', a green initiative to deliver LPG cylinders to consumers using a customised first-of-its-kind electric three-wheeler
- Installed over 13,000 LED lights at locations to promote sustainable development

Lubes

HP Lubricants is India's largest lubricant marketer, with more than 350 grades of lubricants, specialties and greases manufactured in state-of-the-art blending plants across India.

The grades find applications in automotive, industrial, mining and construction, agriculture, fishing, defence and railways, among others. HP Lubricants has a robust marketing network that spreads across the country through warehouses, distributors, Clearing and Forwarding Agents (CFAs) and offices with highly qualified sales and technical personnel. To add further value to the bottom line, a dedicated strategic business unit was carved out of Direct Sales SBU. The journey of HP Lubricants has its roots in modest beginnings in 1974 to being established as India's largest lube marketer in 2013 and consistently escalating its leadership position in the Indian market ever since.



The World of HPCL

2018-19 Key Highlights

- Continued to be the largest lube marketer in India for the sixth year in a row
- Achieved the highest ever total lube sales volume of 646 TMT
- Market leader in value-added lubes with sales volume of 490 TMT
- Achieved best throughput of 539 TMT in lube blending plants, up 8%
- Exported lubes to Nepal, Bangladesh, Bhutan, Sri Lanka, Myanmar, Vietnam, South Korea, UAE, Democratic Republic Congo (Africa) and Ecuador (South America)
- Commenced operations for HPCL Middle East FZCO Office at Dubai
- Commissioned new distributorships in Bangladesh, Bhutan, Vietnam, UAE and Democratic Republic of Congo
- Commissioned 31 new lube distributors and CFAs
- Became the first PSU to commence own manufacturing and sales of Diesel Exhaust Fluid (DEF)
- Became the first PSU to develop and commercially launch Certified Reference Material
- Conducted trials and obtained approvals from OEMs for various grades of lubricants
- Conducted more than 2,500 market/customer connect activities across regions
- Launched new products/SKUs – Tractor Oil, Transformer Oil (26-Litre and 50-Litre SKU) Power Q Genuine Oil (Bajaj Quadricycle), Milcy Pickup, Milcy Pickup Ultra, Milcy Fleet and LAMI Tube for Grease (in 100 g)
- Developed and commercialised HP CORRMIT, which significantly reduces the effect of corrosion in cross-country product pipelines
- Carried out Life Cycle Assessment of Enklo Grade Product from cradle to gate

Direct Sales (Industrial and Consumer)

The Direct Sales (Industrial and Consumer) business unit caters to marketing requirements of bulk fuels and petroleum products – Bitumen, Naphtha and specialties – to institutional consumers such as defence, railways, power plants, and chemical, fertiliser and shipping companies, and carries out exports of these products.

2018-19 Key Highlights

- Achieved sales volume of 5.34 MMT, up 5.7%, surpassing the 5 MMT mark for the third year in a row
- Crossed 1 MMT sales volume in Fuel Oil (FO), Diesel and Bitumen individually for the fourth year in a row
- Recorded bulk diesel sales of 1,372 TMT and commissioned 50 new consumer pump facilities
- Recorded the highest ever sales of 402 TMT in specialty products such as Mineral Turpentine Oil (MTO), Solvent 1425, Jute Batch Oil (JBO), Industrial SKO, Sulphur and Propylene with 8.1% growth
- Gained market share in major product lines of Bitumen, FO and specialty products
- Signed MoUs with four paramilitary forces and Border Roads Organisation (BRO) during 2018-19 for supplying fuels and bitumen in 2019-20
- First OMC to complete Army winter stocking, overcoming multiple challenges
- Developed and commercialised HP-FurnOKare for descaling and maintaining furnaces



Aviation

HP Aviation has significant visibility across the country and provides aviation refuelling (Aviation Turbine Fuel - ATF) services at various airports in India. We are associated with several domestic and international airlines and meet stringent national and international standards on handling ATF.

Our commitment to quality is reflected in our 'quality fuel in the aircraft, safely on time; through processes aimed at enhancing customer delight' policy.

2018-19 Key Highlights

- Highest ever ATF sales volume of 875 TMT with market share gain of 0.94%
- Registered sales growth of 20% as against industry growth of 9.7%



- Recorded new businesses of more than 180 TKL from Vistara, Lufthansa, British Airways and Turkish Airlines, among others
- Commissioned new ASF at Kolhapur (Regional Connectivity Scheme), Amritsar, Bhubaneswar and Raipur
- Set up additional tankages at Srinagar and Tirupati ASFs
- Associated with SpiceJet for refuelling India's first ever biofuel powered flight
- Supported the biggest ever war combat exercise carried out by the Indian Air Force 'Gagan Shakti 2018'

Natural Gas and Renewables

India has pledged for a transition towards cleaner energy and is poised to grow on the low-carbon path. We aim to leverage this potential opportunity and have aligned our business with these emerging trends.

We have undertaken several initiatives to expand presence in the natural gas sector by increasing our footprint in the midstream and downstream gas markets in India. We are striving to evolve across the value chain from sourcing LNG from international markets and building regasification terminals to laying cross-country gas pipelines and selling gas to consumers.

2018-19 Key Highlights

- Achieved CNG sales volume of 11.56 TMT
- HPCL has authorisation to increase CGD presence to 34 districts in India covering nine states
- Emerged as one of the most successful bidders in the tenth round of CGD bidding, receiving



- authorisation for setting up CGD networks in nine geographical areas in Uttar Pradesh, Uttarakhand and West Bengal
- Released Letters of Intent (LOI) for setting up 11 compressed biogas plants in Gujarat, Maharashtra, Punjab and West Bengal with an envisaged total production capacity of 20.6 TMT/PA to increase usage of biofuels in the energy and transportation sectors of the country
- Participating in the development of three cross-country natural gas pipelines (Mehsana to Bathinda, Bathinda to Srinagar and Mallavaram to Bhilwara) through the JVs—GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL)
- With an aim to facilitate sourcing and marketing of natural gas, we are building a 5 MMTPA LNG regasification terminal at the Chhara port (Gir Somnath district) in Gujarat through the JVs—HPCL Shapoorji Energy Pvt. Ltd. (HSEPL)

Operations, Distribution & Engineering



The Operations, Distribution & Engineering SBU caters to product movement and distribution requirements through a countrywide network of terminals and depots with assured quality, quantity and safety in stipulated time.

We have also implemented an array of technologies and rolled out many initiatives to increase operational efficiency to meet the increasing demand.

2018-19 Key Highlights

- Achieved cumulative throughput of 52.36 MMT, up 4%
- Declared 11 locations as SMART terminals after implementation of end-to-end IT initiatives to

minimise manual intervention, increase transparency, enhance productivity, and ensure safety and stakeholder convenience

- Reduced secondary distribution cost by realigning several retail outlets and optimising transport movements
- Implemented electro-mechanical locking system at 13 locations to enhance Quality and Quantity (Q&Q) assurance to customers
- Completed tank wagon automation at Kanpur and Visakh terminals
- Commenced supply of BS-VI grade auto fuels in the National Capital Territory (NCT) of Delhi as a first step towards BS-VI implementation

■ Procured highest ever volume of ethanol of 55.73 Crore Litre, which resulted in an overall EBP of 5.5% versus 2.11% in 2017-18

■ Achieved the highest ever procurement of biodiesel at 2.68 Crore Litre during 2018-19 for sale of biodiesel blended diesel

■ Storage capacity for keeping 15 days of ethanol inventory has been provided at all storage locations of HPCL

■ Increased mix of higher capacity tank trucks in the fleet

■ Increased transporters registered under MSE from 5% to 35%, above 25% target

Pipelines

Cross-country product pipelines are the most cost-effective, energy-efficient, safe and environment-friendly mode of transporting large quantities of petroleum products over long distances.

Our pipelines continue to be the key strength in our product supply chain. We operate 3,370 km of pipelines with a mainline capacity of 24.93 MMTA and a branch line capacity of 11.07 MMTA. We emphasise scaling up infrastructure to augment and expand our pipeline network and enhance our capabilities for effective, safe and efficient management. With an aim to increase HPCL's mainline capacity to 33.7 MMTA and network length to about 4,500 km, implementation of large-scale expansion projects are underway with an estimated investment of ₹5,916 Crore.



Major ongoing pipeline infrastructure projects

- Capacity expansion of Mundra Delhi Pipeline (MDPL) from 5 MMTA to 6.9 MMTA along with extension of branch pipeline from Palanpur to Vadodara (235 km) and construction of greenfield marketing terminal at Vadodara
- Capacity expansion of Visakh Vijayawada Secunderabad Pipeline (VVSPL) from 5.38 MMTA to 7.7 MMTA
- Extension of VVSPL from Vijayawada to Dharmapuri (697 km) and construction of a marketing terminal at Dharmapuri
- Uran Chakan Shikrapur LPG Pipeline (168 km) of 1 MMTA capacity
- Participation in the development of India's longest LPG pipeline from Kandla to Gorakhpur (2,757 km), along with IOCL and BPCL

2018-19 Key highlights

- Achieved the highest ever pipeline throughput of 21.5 MMT
- Mechanically completed capacity expansion of RBPL from 4.71 MMTA to 7.11 MMTA
- Enabled simultaneous pumping and receipt of different products (MS/HSD) for MDPL and RBPL and simultaneous pumping of different products (MS/HSD) in MPSPL and BOPL
- Installed and commissioned 195 km of OFC-based Pipeline Intrusion Detection System (PIDS) in RBPL and RBhPL

- Developed Artificial Intelligence-based analytical system and intelligence generation based on pipeline intrusion detection system database for enhanced security surveillance
- Carried out pipeline security and surveillance trials using drones on Rewari Kanpur Pipeline (RKPL) — a first-of-its-kind initiative in the industry
- Carried out air pigging in VVSPL in reverse pumping mode for pipeline hook-up jobs, resulting in substantial water savings

In addition to the SBUs mentioned, we have functions such as Audit, Corporate Strategy and Planning, Finance, International Trade and Supplies, Legal, Refinery Coordination Department, Market Research, Analysis and Planning and others that collaborate and create a synergy for our consistent performance record.

Vision, Mission and Values



Vision

To be a world-class energy company known for caring and delighting the customers with high quality products and innovative services across domestic and international markets with aggressive growth and delivering superior financial performance. The Company will be a model of excellence in meeting social commitment, environment, health and safety norms and in employee welfare and relations.



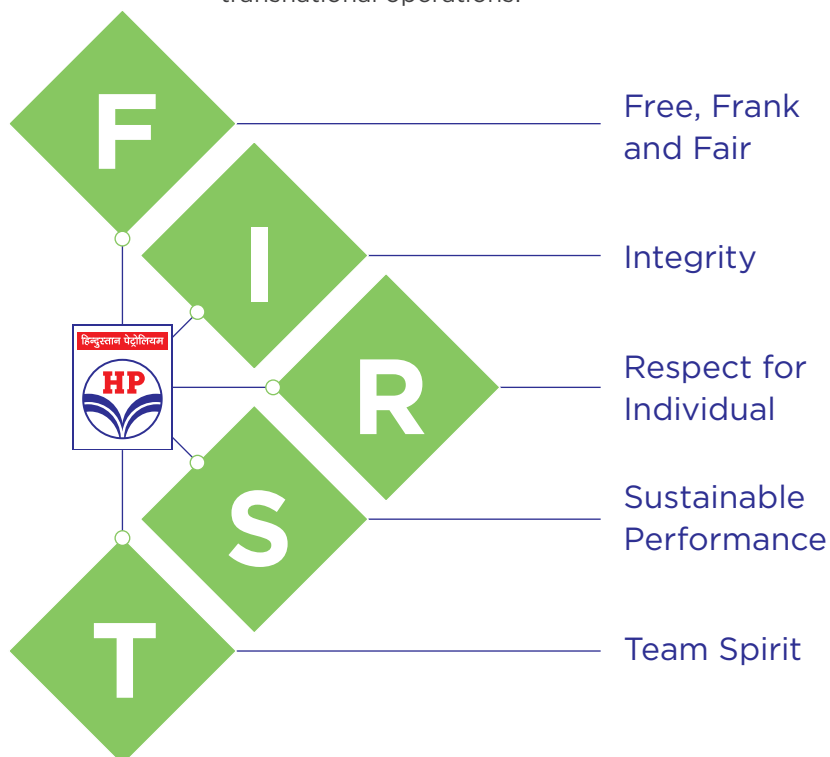
Mission

HPCL, along with its joint ventures, will be a fully integrated Company in the hydrocarbons sector of exploration and production, refining and marketing; focusing on enhancement of productivity, quality and profitability; caring for customers and employees; caring for environment protection and cultural heritage.

It will also attain scale dimensions by diversifying into other energy related fields and by taking up transnational operations.

HP 'FIRST'

We believe in holistic growth and as a company, we strive to make a difference across the three pillars of sustainable development, i.e., Environment, Social and Economic. The 'HP FIRST' philosophy is the bedrock of our organisational vision and mission and provides the foundation for the Company's daily operations.



Corporate Governance

Being a public sector enterprise, our activities are subject to review by several external agencies like the Comptroller & Auditor General of India (CAG), the Central Vigilance Commission (CVC), Parliamentary Committees, Statutory Auditors, etc.

We imbibe principles of the UNGC in our approach to corporate governance for integration with our strategies, policies and procedures, thereby nurturing a culture of integrity.

Corporate Governance at HPCL is based on the following key principles:

- Proper composition of the Board of Directors, size, varied experience and commitment to discharge their responsibilities
- Well-developed internal control, systems and processes, risk management and financial reporting
- Full adherence and compliance to laws, rules and regulations
- Timely and balanced disclosures of all material information on operational and financial matters to the stakeholders
- Clearly defined performance management and accountability
- Enhanced accuracy and transparency in business operations, performance and financial position



Board of Directors

As the highest governing body, the Board of Directors exercise powers subject to the provisions of the Companies Act, 2013. The Board facilitates formulation of policies, strategies and goals pertaining to the Company's economic, environmental and social performance. This is done in alignment with corporate vision, mission, values and business strategies.

The Board is headed by the Chairman and Managing Director appointed by the Government, as per its policy for Central Public Sector Enterprises (CPSEs). Periodic meetings of the Board are held to review and evaluate matters of business, policy and strategic importance for the Company and provide insights, guidance and approvals. In line with the provisions contained in Article 21 of the Articles of Association of HPCL, all the Directors of HPCL are appointed by the Government of India

through the Ministry of Petroleum & Natural Gas (MoP&NG).

Through Board meetings, the Directors provide insights on various aspects of the business, including human resources, refining, finance, accounting, marketing, strategy, projects, technology and operations and other related aspects. The outcomes of Board meetings pave way for the respective functionaries for their implementation and execution. In addition to discussions on new items based on agenda, the

The World of HPCL

Board reviews the progress on actionable items of previous meetings. Key decisions of the Board and its Committees are communicated to the stock exchanges.

Whole-time Directors have a tenure of five years or until their superannuation or further orders, whichever is earlier. Further, the tenure of Government Directors is until the period they continue in the Ministry or until further orders, whichever is earlier. For Independent

Directors, the tenure is three years or until further orders, whichever is earlier. The MoP&NG (Government of India) undertakes performance evaluation of all the Directors at the end of each financial year. This is done through the process of MoU on specified economic, environmental and social parameters. The MoU ratings directly affect the performance-related pay of the Directors.

The following Directors served on the Board during 2018-19:

Whole-time Directors



Centre:

Shri Mukesh Kumar Surana
(DIN:07464675)

From left to right:

Shri J. Ramaswamy
(DIN:06627920)
(up to 28.02.2019)

Shri S. Jeyakrishnan
(DIN:07234397)

Shri Pushp Kumar Joshi
(DIN:05323634)

Shri Vinod S. Shenoy
(DIN:07632981)

Government Directors



Shri Sandeep Poundrik
Ex-Officio Director
(DIN:01865958)



Ms. Sushma Taishete
Ex-Officio Director
(DIN:03585278)
(Upto 07.05.2018)



Shri Subhash Kumar
Part-Time Director
(Representative of ONGC)
(DIN:07905656)
(From 22.05.2018)

Independent Directors



Shri Ram Niwas Jain
(DIN:00671720)



Smt. Asifa Khan
(DIN:07730681)



Shri G. V. Krishna
(DIN:01640784)



Dr. Trilok Nath Singh
(DIN:07767209)



Shri Amar Sinha
(DIN:07915597)



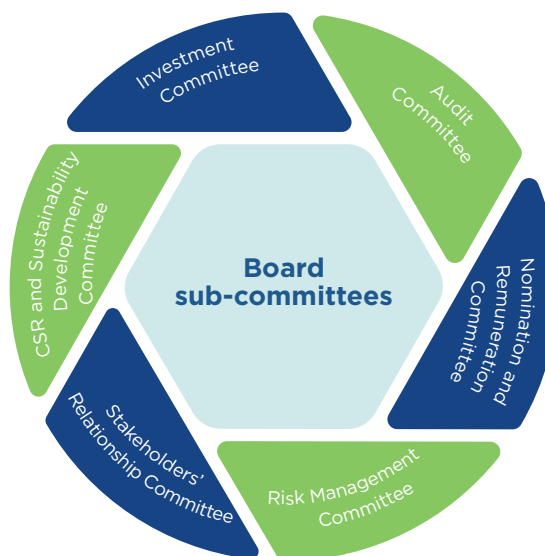
Shri Siraj Hussain
(DIN:05346215)

Board Committees

Sub-committees of the Board of Directors have been formed in accordance with the provisions contained under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations.

These committees focus on specific areas and make informed decisions within the delegated authority. They also make recommendations to the Board on various matters. Observations, recommendations and decisions of the committees are placed before the Board for information and approval. The Board is also kept abreast of the developments in sub-committee meetings through meeting minutes.

Board sub-committees as on March 31, 2019



Nomination, Selection Processes and Remuneration

The Nomination and Remuneration Committee is constituted by the Board to manage remuneration, compensation and benefits for employees. The terms of reference of the Nomination and Remuneration Committee are as prescribed under Section 178 of the Companies Act, 2013 except to the extent of exemptions granted to Government Companies and as provided under Part D of Chapter II (Corporate Governance) of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Remuneration to Whole-Time Directors is approved by the Government based on advice received through the administrative ministry, i.e., Ministry of Petroleum and Natural Gas.

Independent Directors are paid sitting fees for Board meetings and sub-committee meetings of the Board. HPCL does not have a policy of paying a commission on profits to any of the Directors of the Corporation.

Remuneration of officers below the Board level is also approved by the Government of India.

HPCL has received letters from BSE Limited and National Stock Exchange of India Limited informing levy of penalty for non-compliance of provisions of Regulation 17 (1) (b) of SEBI (LODR) Regulations i.e. for not having required number of Independent Directors on the Board (considering Chairperson of the Board being Executive Director) for the quarter ended September 2018, December 2018 & for the period Jan-February 2019. In this regard the Company has requested the Stock Exchanges for waiver of fine levied, as HPCL being a Government Company, the power to appoint Directors (including Independent Directors) and terms and conditions of appointments etc. vests with Government of India and such non-compliance is not due to any negligence/default by the Company.

Annual total compensation ratio of the highest-paid individual to the median annual total compensation for all employees (excluding the highest paid individual) was 7.489:1 in 2018-19. The ratio of percentage increase in salary of the highest-paid individual to the median percentage increase of other individuals (excluding the highest-paid individual) was 5.797:1.

Internal Systems and Controls

To ensure that ethics, transparency and integrity are ingrained in our decisions, activities and conduct, we have established policies and mechanisms such as Code of Conduct; Vigilance; Integrity Pact; Whistle Blower Policy; Conduct, Discipline and Appeal (CDA) Rules. Resonating with our vision, mission and values, these mechanisms underline our commitment to conducting business in an ethical manner, thereby creating long-term value and stakeholder confidence.

Fulfilling the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, HPCL has framed policies on material subsidiaries and policy on material-related party transactions. These are publicly available on our website. All the related/material party transactions were approved in line with the provisions contained in the relevant Act/Policies.

Risk Management

To safeguard the interests of stakeholders and ensure business sustainability, it is essential to have an effective risk management process. It acts a barrier against potential threats and risks arising out of emerging scenarios both in the internal as well as external environment.

In this regard, we have an established process for managing risks and ensuring that our business is conducted in line with our objectives as well as compliance with the regulatory requirements. The Risk Management Steering Committee (RMSC) constituted under the Risk Management Charter and Policy 2007, guides and monitors the risk management process across the organisation.

Identification of risks is undertaken in a number of ways, including structured workshops, brainstorming sessions, review of documents, etc. The next step is to evaluate the level of these risks on the basis of likelihood of occurrence and magnitude of impact. Accordingly, the identified risks are classified under critical, cautionary and acceptable risks.

According to the identified nature of the risk, effective treatment plans are identified in consultation with the management team. Periodical reviews are held

to ensure that the risks are controlled through a properly defined framework. The Board is apprised of the risk assessment and mitigation procedures. The Corporation has engaged the services of an independent expert for assistance in the risk management process.

Delegation of Authority & Roles and Responsibilities

Senior management of the Company consists of members of the Board and Executive Directors/Chief General Managers/General Managers. SBU/department heads are accountable for activities related to their respective SBU/department's performance.

The provisions contained in the Limits of Authority Manual (LAM) guide decisions pertaining to each SBU. Also, decisions related to important issues requiring approval of the Committee of Functional Directors (CFD)/Board are put up for consideration before the CFD/Board.

Detailed manuals and guidelines are available to facilitate the decentralised decision-making process at various levels of the organisation. Some examples are:

Chart of Accounts

It defines specific roles and responsibilities and approval matrices for finance-related activities. It supports documentation of bills, invoices and expense reports through a central digitised platform. Further, to ensure complete

transparency of finances, a standardised accounting system to track, collate and organise expenses and payments has been implemented.

Limits of Authority Manual (LAM)

This manual includes the scope of authority for the Board, the Committee of Functional Directors and the Executive Committee, the Contracts Committee, the Bids Committee and senior individual positions. It also includes different functions such as Sales, Crude and Shipping, Capital Projects, Operations and Distribution, Finance, HR and inter-functional groups. This ensures a well-defined and transparent decision-making process, with no room for ambiguity.

Procurement Manual

This includes details of the procedures to be followed while undertaking and finalising procurement contracts. It mentions procurement authorities at various levels and rules and processes to be followed for procurement.

In addition, there are a number of manuals at corporate and

SBU levels, which form the basis for guiding decisions and administrative functionalities in various domains of the business.

Detailed manuals and guidelines are available to facilitate the decentralised decision-making process at various levels of the organisation.

Code of Conduct (CoC)

In compliance with the terms of Regulation 17 (5)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 'Code of Conduct for Board Members and Senior Management Personnel of Hindustan Petroleum Corporation Limited' has been devised by the Company, including the duties of Independent Directors as envisaged in Regulation 17 (5) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The aim of the Code is to further enhance ethical and transparent process in managing the affairs of the Company. This Code is applicable to:

- [a] All Whole-Time Directors
- [b] All Non-whole-time Directors, including Independent Directors
- [c] Senior Management Personnel

This Code shall be read in conjunction with the Conduct, Discipline and Appeal Rules for officers applicable to Whole Time Directors and Senior Management Personnel. All Board members and senior management personnel have provided the Annual Compliance Certificate duly signed by them as on March 31, 2019. During 2018-19, there were no material transactions with Directors or their relatives having potential conflict with the interests of the Company.

Vigilance Mechanism

To ensure fair and transparent practices within the organisation, HPCL has an independent vigilance department administering the vigilance matters. Our vigilance mechanism is based on the guidelines of the Central Vigilance Commission (CVC) on vigilance management in public sector enterprises and instructions issued from time to time by the Department of Personnel and Training (DoPT) as well as the administrative ministry i.e. Ministry of Petroleum & Natural Gas (MoP&NG).

Vigilance complaints are handled as per the complaint handling policies stipulated in the Vigilance Manual 2017 of CVC.

Under preventive vigilance, various activities are conducted including surprise and regular inspections, study of systems and procedures, and regular interaction with employees, stakeholders and the public at large. In addition, the vigilance department creates public awareness by conducting sessions in schools and colleges,

promoting ethical values and sharing case studies with employees through the in-house vigilance publication, Jagaran, and observing vigilance awareness week every year.

Based on the Vigilance Awareness Week's theme for 2018-19, 'Eradicate Corruption-Build a New India,' various outreach activities were organised to spread awareness among the masses. Various campaigns were run to administer the e-Integrity pledge to employees and other stakeholders in large numbers through e-kiosks, corporate website and LPG IVRS. Interactions with employees, including new recruits and other stakeholders were held along with surprise inspections and system improvements were suggested, wherever necessary. The vigilance department coordinated with various agencies such as CVC, CBI, MoP&NG, etc.

During the year, 203 complaints were received by the vigilance department, of which 187 were resolved; 14 complaints carried forward from 2017-18 were also resolved during 2018-19.

HPCL has been conferred with the prestigious 'Vigilance Excellence Award' under Outstanding Category for 'Best Institutional Practices including IT Initiatives for Fighting Corruption in the Organisation'. On behalf of our Corporation, C&MD, Shri M. K. Surana and CVO, Shri U. Krishna Murty received this award at the hands of the Hon'ble President of India, Shri Ram Nath Kovind, in the presence of Minister of State (Independent Charge) PMO, Personnel, Public Grievances and Pensions, Dr. Jitendra Singh; the then Chief Vigilance Commissioner, Shri K. V. Chowdary and other dignitaries at the inaugural function of Vigilance Awareness Week 2018.

Vigilance Excellence Award



Ethics & Integrity

We, at HPCL, are committed to achieving economic, ecological and social responsibility objectives of sustainable development consistently through a balance in our varied operations and activities. We strongly believe in conducting business in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour.

Right to Information (RTI)

The basic objective of the RTI Act is to empower citizens, promote transparency and accountability in the working of the Government, contain corruption and make democracy work for the people in a real sense. An informed citizen is better equipped to stay vigilant on the instruments of governance and make the government more accountable. HPCL complies with the Right to Information Act, 2005 (RTI). We have hosted detailed information on our website about the procedure for exercising RTI. Officers across the country, representing different departments, have been appointed as Public Information Officers (PIO) and appellate authorities to deal with the queries received from Indian citizens under RTI.

Integrity Pact

Integrity Pact was introduced to enhance ethics/transparency in the process of awarding contracts and an MoU has been signed with Transparency International. The pact was made applicable in the Company effective September 2007 for contracts having a value of ₹1.0 Crore and above. The Integrity Pact is a part of tender documents to be signed by the Corporation and by the vendor/bidder. Independent External Monitors (IEMs) review the references received from the vendors and recommend their decisions to the management for compliance.

Whistle Blower Policy

We have a Whistle Blower Policy approved by the Board, which is available on our website. The Policy aims to nurture a culture where employees feel safe to flag instances where rules, regulations and policies are not followed in the furtherance of business. The Policy provides protection from any kind of unfair treatment or victimisation for genuine whistle blowers while any abuse of this protection warrants disciplinary action.

Public Grievance Redressal Mechanism

We believe that addressing and resolving the concerns of our stakeholders are essential to establish confidence and trust

in our business processes to create a sustainable, healthy and mutually beneficial relationship. Thus, we have established a Public Grievance Redressal System. The grievance redressal process has two levels to address any issue. Each complainant has the right to escalate issues to the next level if the resolution provided in the first level is not satisfactory. There are designated officers available at specified time at our major locations to facilitate the redressal of public grievances. Detailed information on grievance redressal officers are available on our corporate website.

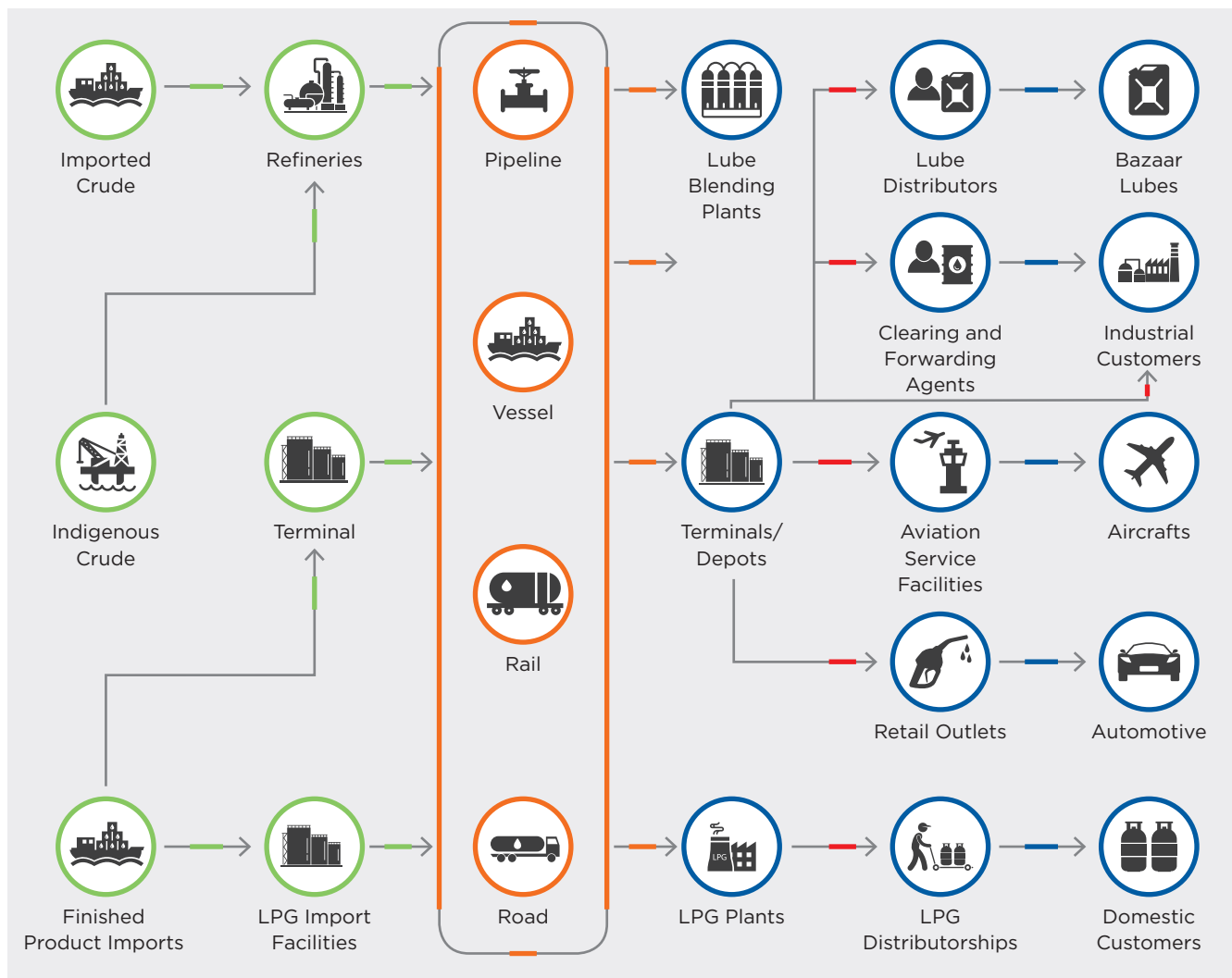
We also promote the usage of Centralised Public Grievances Redress and Monitoring System (CPGRAMS), a web-enabled grievance redressal system of the Department of Administrative Reforms & Public Grievances (DARPG), through a link on our corporate website. This provides an opportunity to stakeholders to submit their grievances, complaints or queries online. Grievances submitted on the CPGRAMS portal are forwarded by the MoP&NG to the nodal officer for redressal within 30 days.

We have toll-free helpline numbers for registering customer complaints. All efforts are made to resolve such complaints within a stipulated period. We also have customer complaint management systems embedded in our SBUs to handle specific queries/feedback/complaints.

Supply Chain

Supply chain is the key integrator of production, storage and distribution. Efficient management of supply chain is embedded in the core philosophy of our business practices. Delivering the right product, in the right quantity safely and in a timely manner is the overall objective of an efficient supply chain.

Improvements in supply chain management systems can directly improve customer service which can enhance profitability, customer loyalty, safety; reduce carbon footprint; and improve energy efficiency, among others. We also encourage the stakeholders in our supply chain to adopt green practices for a sustainable tomorrow.



Industry Affiliations

HPCL believes in taking the industry forward through an inclusive decision-making process, ensuring the interests of our stakeholders are taken care of.

We participate in consultative committee meetings for setting up policy frameworks and share our insights with the MoP&NG and other bodies such as the Oil India Safety Directorate (OISD), the Petroleum and Natural Gas Regulatory Board (PNGRB), Centre for High Technology (CHT) and others for public good and nation building.

Institutional Memberships

- All India Association of Industries (AIAI)
- All India Management Association (AIMA)
- Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Bombay Chamber of Commerce and Industry (BCCI)
- Bombay Management Association
- Chemical & Petrochemicals Manufacturers Association
- Confederation of Indian Industry (CII)
- Council for Fair Business Practices
- Federation of Indian Chambers of Commerce & Industry (FICCI)
- Global Compact Network India (GCNI)
- IMC Chambers of Commerce & Industry (Erstwhile Indian Merchants Chambers)
- Indo American Society
- Indo German Chamber of Commerce
- Maharashtra Chamber of Commerce, Industry and Agriculture
- Maharashtra Economic Development Council
- Federation of Indian Petroleum Industry (FIPI)
- Standing Conference of Public Enterprises (SCOPE)
- The Energy and Resources Institute (TERI)

Other Institutional Memberships

- National Institute of Personnel Management (NIPM)
- Vigilance Study Circle, Mumbai

Awards and Recognitions

While we try to excel in all spheres of our activities and are not limited to delivering excellence by boundaries of awards and accolades, we do believe awards and recognitions conferred by various forums/bodies/organisations are a testimony to our business ethos and an acknowledgement of our efficient functioning.

During 2018-19, HPCL received a number of awards and recognitions at various international and national forums.



'Rajbhasha Kirti Pratham Puraskar' and 'Petroleum and Natural Gas OL Shield' for two consecutive years in Official Language Implementation



'Oil Marketing Company of the Year' award by Federation of Indian Petroleum Industry (FIPI) for the third year in a row for leadership in oil marketing business in India



'Best Innovation in R&D' commendation MoP&NG for 'Diesel Lubricity Additive' and 'HP CORRMIT' for 2017-18



'Best Overall Performance Award' among oil marketing companies for oil and gas activities carried out during Saksham 2018



'Best Navratna' award in 'Manufacturing, Processing and Generating Sector' category by Dun & Bradstreet



'Industrial Innovation Award 2018' to HPCL R&D Centre, Bengaluru by Confederation of Indian Industry (CII)



'poWer' featured in 'India's Most Trusted Brand of 2018' list under 'Petrol Category' in 'The Brand Trust Report 2018' by Trust Research Advisory Institute



'Forecourt Retailer of the Year' award for the 11th time at Star Retailer Awards 2018

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'Oil Industry Safety Award 2018' to Visakh-Vijayawada-Secunderabad pipeline (VVSPL) under 'Cross Country Pipelines' category by Oil Industry Safety Directorate (OISD)



'Golden Peacock Award for Sustainability 2018' by Institute of Directors (IOD) for initiatives on environment, economic and social aspects



'Emerging Brand Award' to 'poWer 99' at Times Network National Marketing Excellence Awards 2018



'Retailer of the Year (forecourt retailing)' award at ET NOW Global Awards for Retail Excellence 2019



'India Concord Award 2018' for 'Best e-Procurement Initiative in PSUs' category at India Concord Summit and Awards 2018



'PRSI National Awards 2018' for (i) Best Annual Report 2017-18, (ii) Best House Journal (Hindi) for 'HP Samachar' and (iii) 2nd Best Sustainability Report by Public Relations Society of India (PRSI)



'Excellence Award' for 'best security practices in energy sector' from Data Security Council of India (an initiative by NASSCOM)



'National Awards for Manufacturing Competitiveness' for 2017-18 to Mazgaon and Silvassa lube blending plants by International Research Institute for Manufacturing (IRIM), India



'Best Digital Transformation Program' award to information systems of Mumbai Refinery in 'Operator-Refinery, Petrochemicals and Chemicals' category at Asian Downstream Summit



'Brand of the Year Award 2018' to 'poWer' and 'Emerging No.1 Brand of the Year Award 2018' to 'poWer 99' at World Consulting Research Corporation (WCRC) IDEASFEST 2018



'FICCI Chemicals and Petrochemicals Award 2018' to Mundra-Delhi Pipeline (MDPL) for excellence in safety in the petrochemical sector by FICCI



'5 Star Rating' awarded to Chennai New Terminal during CII - Southern Region EHS Excellent Award by CII



'Platinum Award 2018' to MDPL and Madurai LPG Plant in petroleum storage and transportation sector by Greentech Foundation



'Safety Gold Award' to Mazgaon and Silvassa lube blending plants and Calicut ASF by Greentech Foundation



'ASSOCHAM Gold Award 2018' to Skill Development Institute (SDI), Visakhapatnam in the category of 'Best Start Up in Skill Development'



'Greentech HR Award 2018' to HP Management Development Institute (HPMDI), Nigdi by Greentech Foundation for excellence in training



'Platinum Award' for Green Residential Society to HP Nagar West residential colony by Indian Green Building Council (IGBC)



'Platinum Award' for Green Building Standards to Marathon Office by IGBC

- 'Environment Gold Award 2018' to Madurai LPG Plant by Greentech Foundation
- 'Best Emergency Control Room Award' to Anantapur LPG Plant by Dept. of Factories, Government of Andhra Pradesh
- 'Vikreta Utkarsh Puraskar 2018' for best supplier among all POL suppliers from National Aluminium Company Ltd. (NALCO)
- 'Factory Safety Award 2019' to Awa location of MDPL under 'Small Scale Factory' category in Rajasthan by Ministry of Labour, Factories and Boilers, Government of Rajasthan
- 'Exceed Platinum Award 2018' to MPSPL and 'Exceed Gold Award 2018' to Mathura terminal for excellence in occupational health and safety under 'Petroleum Storage and Transportation Sector' category by Ek Kaam Desh Ke Naam NGO

- 'Best in Support Role-Strategic Partnership' award to HP Lubricants by Gabriel India Ltd.
- 'NSCI Safety Award 2018' to MDPL for occupational health and safety management by National Safety Council of India (NSCI)
- 'Best Digital PSU' and 'Employee Productivity' awards under 'Navratna' category at Governance Now PSU Awards 2018
- 'Industrial Good Relations Award' to Madurai LPG plant by Ministry of Labour and Employment, Government of Tamil Nadu
- Multiple 'Garden Awards' to HP Nagar East residential colony from Brihanmumbai Municipal Corporation (BMC) and Friends of the Trees NGO
- 'Intelligent Enterprise Awards' in 'Enterprise Mobility' category for mobile application, Parivahak and 'Big Data' category for brand sales analytics through Geo

Maps in Business Intelligence from Express Computer at Technology Senate

- 'Emerging Brand Award' to 'poWer 99' at Global Marketing Excellence Awards 2018 by World Marketing Congress
- 'Green Supply Chain Company for 2018' at Express Logistics and Supply Chain Leadership Awards
- 'FICCI Chemicals and Petrochemicals Award 2018' to 'HP-FurnOKare' and 'HP-BioActiva' by FICCI
- Award for 'Best Payments Technology/Initiative of the Year' for HP Re-Fuel Programme and 'Most Disruptive Payments Technology of the Year' for HP Fastlane at Payments and Cards Summit 2018
- Award for 'Best Use of Mobile in a Loyalty Program' to HP Re-Fuel at Customer Fest Show and Customer Loyalty Awards 2019



Sustainability Ethos

Governance & Policies
Engaging with Our Stakeholders
Topics that Matter

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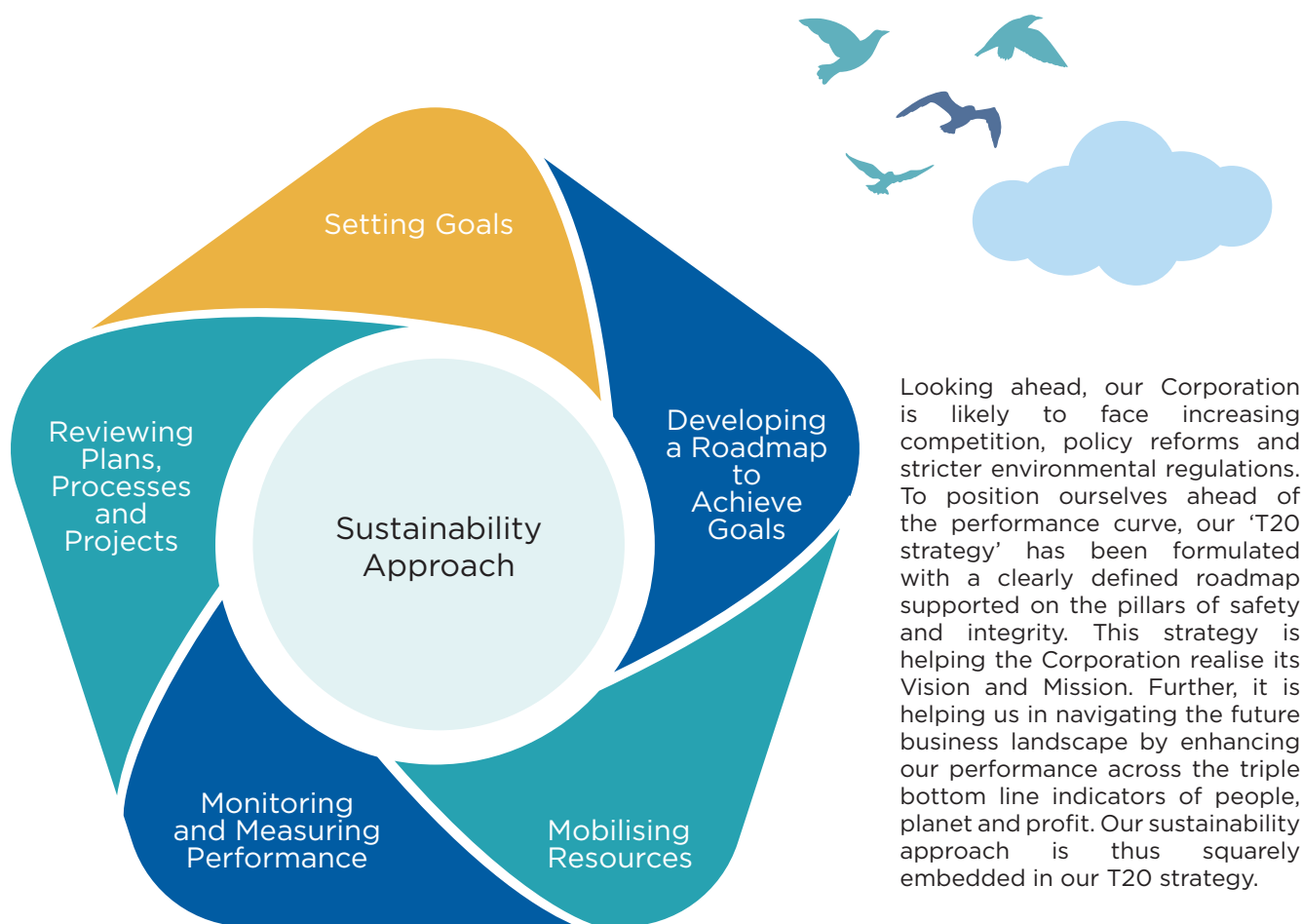


Engaged with
more than 8000
stakeholders in
past 2 years

Building Enduring Relationships

Our unwavering commitment towards balancing business growth, environmental stewardship and social progress is guided by our sustainability ethos.

As part of the oil and gas sector, we understand our crucial role in maintaining a balance between our organisational development and its impact on the society and the environment. We imbibe sustainable business practices to address the social and environmental concerns and create value for stakeholders. This helps us stay resilient in a challenging business environment, ensuring long-term success.





Our strategy is designed to maximise the value that we deliver to our stakeholders, which in turn fuels our exponential growth and accelerated profit. This is achieved by implementing strategic initiatives identified across different areas with clearly defined physical and financial goals. Key focus areas include strengthening the core businesses of refining and marketing, enhancing the natural gas business, diversifying into petrochemicals and strategically participating in renewables and upstream businesses. We implement these strategies to maximise value for our stakeholders.

Governance & Policies

Sustainability Governance

We are aware that integration of environmental and social risks and opportunities in the corporate governance framework as well as long-term business strategy is essential for an organisation's success.

We have embedded sustainability in our strategy and organisational culture across all the business verticals. An effective governance structure enables the Corporation to build a holistic sustainability strategy. This strategy provides overall accountability across

a wide range of sustainability aspects, while covering different businesses, managing goal-setting and reporting processes, and enriching relations with external stakeholders.

The Corporate Social Responsibility (CSR) and Sustainability Development sub-committee constituted by the Board of Directors is headed by an Independent Director. It provides direction and monitors progress in the sustainability focus areas. Corporate HSE Department acts as an enabler for SBUs to

implement sustainability initiatives and coordinates for information dissemination and collection. It also keeps the CSR and Sustainability Development Committee apprised of the progress. Annual review is conducted by this committee. Corporate HSE Department formally carries out the process of material topic identification, reporting on identified material topics, review and approval of the Sustainability Report. During the process, continuous feedback is taken from CFD, SBU Heads and other officers concerned and incorporated in the Report.

Sustainable Development Policy

Our Sustainable Development Policy reiterates our commitment to sustainability across business verticals and functions. The policy provides objectives and guiding principles to achieve our sustainable development goals.

Sustainable Development Policy

We at HPCL,

are committed to achieve the economic, ecological and social responsibility objectives of sustainable development consistently through our varied operations and activities.

We will strive to contribute to sustained overall economic growth by continually improving the efficiency and productivity of our operations. We will execute our business activities in such a way that the ecological balance is not impacted. We will develop and conduct programmes for the community, suitably designed towards building their individual capabilities.

We will:

- Promote sustainable development concepts amongst our employees, customers, stakeholders and others.
- Integrate the sustainable development objectives and considerations in all our business plans.
- Deploy efficient and clean technologies towards realising minimal impact on environment.
- Develop and implement good practices for optimal usage of natural resources.
- Continuously monitor and control our activities to minimise carbon footprint.
- Endeavour to provide a clean, healthy and safe working environment to our employees, neighbours, customers, consumers and stakeholders.
- Sustain appropriate development programs for our employees, customers and neighbouring communities.
- Incorporate customised management systems to monitor and control progress of Sustainability development objectives.
- Remain committed to disseminate information on our sustainability performance.

Engaging with Our Stakeholders

To ensure that we create value in short and long term, we take into consideration the concerns of our stakeholders in our business strategy and operations.

We maintain effective and regular communication with our stakeholders, which include an extensive network of people, organisations, businesses and

communities. Throughout the year, we engage with our stakeholders to discuss and understand material concerns and address them through timely and effective decisions.

Following a clearly defined path of stakeholder engagement ensures regular interaction in a systematic manner. Our sustainability division

of the Corporate HSE department and other line management representing different SBUs engage with our stakeholders through in-person interactions, group discussions, trainings, Annual General Meetings (AGMs), surveys, grievance redressal mechanisms and press releases.

Approach

To evaluate the issues raised by our stakeholders, we adopt a structured approach through effective discussions at the strategic level. To this end, we undertake stakeholder engagement workshops to sensitise our stakeholders on sustainability issues. These workshops provide an opportunity to garner perspectives and help us strengthen our partnerships.



Identification of Stakeholders

For us, stakeholders include all those impacted by our organisation's operations and those who impact our operations. The process to meet our stakeholders' expectations is initiated by identifying and defining the distinct stakeholder categories – external and internal. This is the first step of an effective stakeholder engagement strategy.



* In no order of preference

Sustainability Ethos

Stakeholder Prioritisation

The first step to establish the mode and periodicity of stakeholder engagement is stakeholder prioritisation. The periodicity and engagement mode can span from one-on-one interaction on a monthly basis to annual group level meetings to enhance strategic collaborations. To formulate an effective strategy, we assess the nature and depth of the impact that these stakeholders may have on our business and the extent to which our business decisions will make an impact.

Stakeholders prioritisation matrix

Stakeholder Group	Responsibility	Influence	Proximity	Dependency	Representation
	Towards Whom the Company has Responsibility	With Influence or Decision-Making Power	Who Regularly Interact with the Company	Directly or Indirectly Dependent on the Company	Representing Communities, Employees and Others
Management Employees	X	X	X	X	X
Non-Management Employees	X	X	X	X	X
Dealers and Distributors	X	X	X	X	X
Suppliers/Contractors	X	X	X	X	X
Transporters	X	X	X	X	
Forecourt Staff at Retail Outlet	X		X	X	
LPG Delivery Person/Staff	X		X	X	
Contract Workmen	X		X	X	
Competitors		X			
Investors	X	X	X	X	
Local Community	X	X	X	X	X
Regulatory Departments	X	X	X		
Local Administration	X	X	X		X
Shareholders	X	X	X	X	

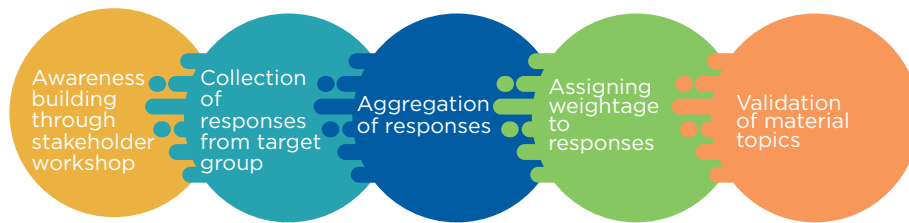
Stakeholder Engagement

While sustainability topics are complex, interdependent and interconnected, individual perspectives vary based on the stakeholder's understanding of and exposure to that issue. We consider these factors in the mode of engagement and devise requisite methodologies to extract results valuable for the business and the stakeholders.


Our preceding detailed materiality assessment included the element of survey design for each of our identified stakeholder groups. The materiality workshops and engagement sessions were carried out with various stakeholder groups across zones/regions/locations of our SBUs. Topics of sustainable development and environmental issues ranged from the latest trends, best practices and regulatory landscapes to future scenarios.

In 2018, we engaged with 1,028 stakeholders at 16 locations across India. Further, to validate the concurrency of the identified material issues during the current reporting cycle, we undertook workshops covering 278 stakeholders and received 244 sample survey responses.








Managing Stakeholder Expectations

Key Topics	Modes of Engagement	Our Response
Management and Non-Management Employees 		
Career progression opportunities for higher education	<ul style="list-style-type: none"> Annual performance reviews and appraisal system Education Growth Plan (EGP) 	<ul style="list-style-type: none"> We provide timely performance reviews and appraisals of our employees through appropriate feedback mechanism, via online performance review and appraisal system. We have devised an education growth plan for our employees to enable them to fulfil their higher education ambitions.
Focus on health and safety	<ul style="list-style-type: none"> Monthly/quarterly safety committee meetings 	<ul style="list-style-type: none"> We have established an incident-free workplace through regular safety trainings, health check-ups and awareness sessions. There is a periodic medical check-up that covers our employees under the Periodical Medical Examination (PME) Scheme and is defined by the age profile and nature of work. Safety training programmes such as Project Shapath and Shrestha. We keep safety at the core of activities and to internalise it as a culture, we conduct Behaviour Based Safety (BBS) training programmes.
Grievance redressal	<ul style="list-style-type: none"> Regular interactions E-platforms 	<ul style="list-style-type: none"> We have effective online grievance redressal mechanisms such as ICS E-Care, HR Direct and Reflexion to resolve grievances. These are made available to our employees to address their concerns.
Need-based trainings	<ul style="list-style-type: none"> Regular in-house technical and behavioural trainings Nomination to external trainings, conferences and seminars 	<ul style="list-style-type: none"> With a strong focus on initiatives and programmes to enable our employees gain competency and enhance their skills, we organise technical and behavioural trainings. Some of the capability development initiatives that are available to our employees include certified Petroleum Manager Programme, MBA (Oil & Gas), HP Academy and nomination of employees to conferences and seminars of international status.
Rewards and recognition	<ul style="list-style-type: none"> Annual/biannual recognitions schemes 	<ul style="list-style-type: none"> In order to motivate our employees to higher levels of performance, we provide incentives such as Performance Related Pay (PRP) to management employees and productivity incentive schemes to non-management. To reward our deserving employees, we have schemes such as HP Icon, Outstanding Achievers Awards, HP Gaurav Award and many more.
Work-life balance	<ul style="list-style-type: none"> Regular interactions Employee-connect forums 	<ul style="list-style-type: none"> We have undertaken meticulous efforts to uphold a conducive work environment taking up activities such as Apnotsav, Hum fit toh HP fit, picnics, quiz competitions, festival celebrations and Women's Day celebrations, to name a few. We counsel and extend our support to our employees and their family members through Paramarsh.

Sustainability Ethos

Key Topics	Modes of Engagement	Our Response
LPG Distributors 		
Competition from peers	<ul style="list-style-type: none"> One-on-one meetings 	<ul style="list-style-type: none"> Appropriate solutions are identified and executed based on the situation.
Product quality and product delivery	<ul style="list-style-type: none"> Regular distributor meets Regular visits and inspections 	<ul style="list-style-type: none"> We closely examine quality constraints during different phases of our complete value chain. We develop novel solutions and utilise technologies such as a Vehicle Tracking System (VTS), Optimised Logistics Assistant (OLA), online inventory monitoring and online LPG connection to ensure timely product delivery. Our operating workforce carries out regular inspections.
Safety	<ul style="list-style-type: none"> Training programmes on safety Regular inspections and safety audits 	<ul style="list-style-type: none"> The distributors are consistently guided on the safe management of products. Timely safety audits and reviews are carried out at retail outlets and LPG distributors.
Retail Dealers 		
Improvement in vendor services	<ul style="list-style-type: none"> Regular meetings with vendors and dealers 	<ul style="list-style-type: none"> We have established a portal to lodge, review and settle the grievances within a definite period. Also, action is taken against defaulting vendors. An effective monitoring system is established for compliance.
Upgradation of outlets and Dispensing Units (DUs)	<ul style="list-style-type: none"> One-on-one discussions Regular dealer meets 	<ul style="list-style-type: none"> During the year, we have acquired DUs in substantial numbers, with the most up-to-date configuration, and the same have been provided to our dealers. We have replaced 100% old DUs, as per MoU target.
Supplier and Vendors 		
Complaints redressal mechanism	<ul style="list-style-type: none"> Complaints redressal mechanism 	<ul style="list-style-type: none"> We have a strong grievance mechanism for our suppliers and contractors. Complaints can be directed to the unit heads at the operating locations on a specified day and at a specified time every week.
Health and safety	<ul style="list-style-type: none"> Training programmes on safety Regular health check-ups Regular meetings 	<ul style="list-style-type: none"> The suppliers and contractors are frequently involved in training programmes and fire drills planned at their work locations. Timely health check-ups are arranged with the support of renowned hospitals. To stress on secure and safe driving practices, safety parameters, trainings and awareness campaigns such as HP-SOW encompassing technical and behavioural aspects are carried out for our transporters and their crew regularly.
Higher running and maintenance costs	<ul style="list-style-type: none"> Trainings Tank truck health check-up 	<ul style="list-style-type: none"> To bring awareness about fuel conservation and defensive driving habits, we arrange regular training programmes. Through co-ordination with leading OEMs, we organise camps for tank truck fleet. We also reward the top performing drivers.
Improved RTKM transportation rates	<ul style="list-style-type: none"> Regular meets and discussions One-on-one interactions 	<ul style="list-style-type: none"> We have implemented the improved Online Logistics Assistant (OLA) in-line with the local requirements and necessities.

Key Topics	Modes of Engagement	Our Response
Increased transparency Time delay in tendering process	<ul style="list-style-type: none"> Regular supplier meets at operating level One-on-one meetings Panel meetings Pre-bid meetings 	<ul style="list-style-type: none"> To ensure transparency and reliability in the bidding process, we have a real-time tendering process. We arrange panel meetings with select representatives.
On-time payments	<ul style="list-style-type: none"> Email communications One-on-one meetings Online platforms 	<ul style="list-style-type: none"> To cater to online payments, a robust system has been set up which enables transporters to check their payment status, taxes and amount of TDS that has been deducted.
Payment process	<ul style="list-style-type: none"> Online platforms Need-based communications Vendor trainings 	<ul style="list-style-type: none"> We have an integrated disbursement module, which is a platform through which bills can be submitted and tracked by the vendors. To reduce cycle time and enhance transparency, we are constantly automating and upgrading existing processes.

Delivery Men



Customer retention	<ul style="list-style-type: none"> Regular training sessions 	<ul style="list-style-type: none"> To help our delivery staff enhance their knowledge and instil an attitude to create differentiated customer experiences, we undertake programmes such as Ji Haan Samarth and Samvad.
Training needs	<ul style="list-style-type: none"> Regular interactions Training sessions on safety 	<ul style="list-style-type: none"> We have specific SOPs for delivery men, both in LPG and retail, on safe use and handling of products. We organise training sessions for the delivery men at regular intervals.

Contract Workers



Health and safety	<ul style="list-style-type: none"> Annual health check-ups Regular wellness sessions 	<ul style="list-style-type: none"> We arrange health check-ups of contractual workmen and organise frequent sessions on healthy living. We enhance well-being and productivity of our workforce by promoting good health and safety practices.
Regular payment	<ul style="list-style-type: none"> Regular interaction Need-based communication 	<ul style="list-style-type: none"> We arrange awareness programmes on Provident Fund and ESI-related matters, thus enabling the contract workmen to understand the minimum wages in a more detailed way.
Training needs	<ul style="list-style-type: none"> Regular trainings 	<ul style="list-style-type: none"> We carry out regular trainings on workplace safety and emergency preparedness.

Regulators



Community development	<ul style="list-style-type: none"> Regular interaction with the community through our CSR initiatives 	<ul style="list-style-type: none"> We constantly engage in CSR activities in areas of childcare, education, healthcare, environment, community development, sports and skill development, among others.
Compliance	<ul style="list-style-type: none"> Regular interactions with the Government departments and statutory bodies 	<ul style="list-style-type: none"> We make sure that timely compliance to applicable statutory regulations and local laws is fulfilled. We make sure that there is regular interaction with various government departments and statutory bodies on compliance related matters.
Disaster management	<ul style="list-style-type: none"> Training on safety issues and mock drills for emergency preparedness Mutual-aid meetings Meetings with local authorities 	<ul style="list-style-type: none"> We engage with members from nearby communities and neighbouring industries in on-site and off-site mock drills to augment their level of preparedness and instil a sense of confidence.

Sustainability Ethos

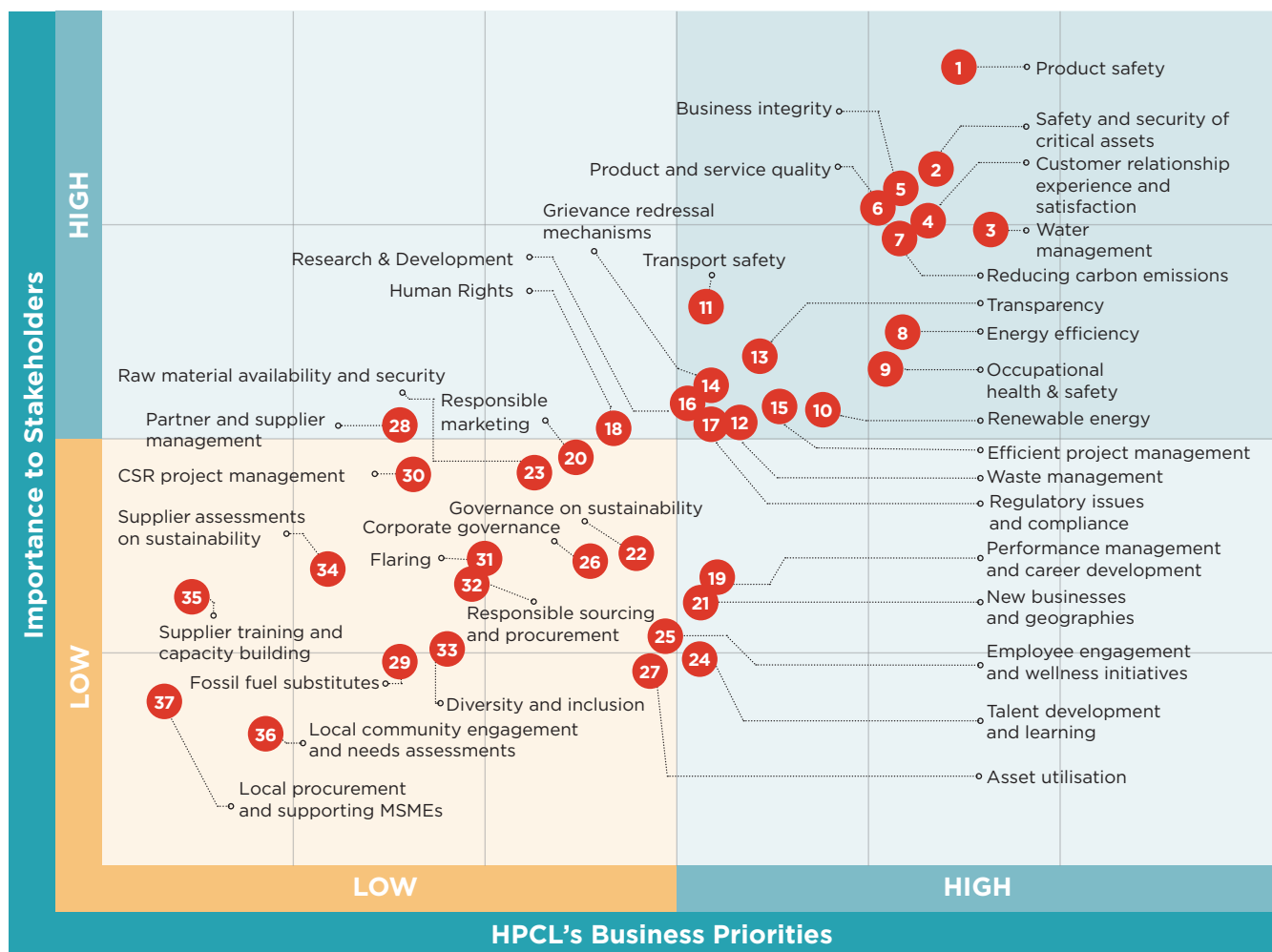
Key Topics	Modes of Engagement	Our Response
Communities 		
Meeting deadlines of projects	<ul style="list-style-type: none"> Meetings with local administration, NGOs and implementing agencies 	<ul style="list-style-type: none"> We closely work with local administration, NGOs and implementing agencies to enlighten them about the process and perspectives of each project. Timely follow-up is ensured for completion of identified projects within the defined time period.
More support and regular meetings in healthcare	<ul style="list-style-type: none"> Regular meetings with communities 	<ul style="list-style-type: none"> We are in regular contact with the local communities to upgrade the facilities provided to them.
Shareholders and Investors 		
Financial performance	<ul style="list-style-type: none"> Annual Report Periodic press releases Annual General Meeting Analyst meet 	<ul style="list-style-type: none"> We apprise our shareholders and investors on the existing business environment and the Corporation's strategy to encounter new challenges in the future.
Good corporate ethics and compliance	<ul style="list-style-type: none"> Regular meetings Online platform 	<ul style="list-style-type: none"> We have a Stakeholders Relationship Committee to address the grievances of security holders. To better recognise the apprehensions of our shareholders, we also seek feedback from our shareholders through feedback forms.
Customers 		
Awareness on safety and environment aspects	<ul style="list-style-type: none"> Periodic campaigns on safety and resource conservation 	<ul style="list-style-type: none"> We promote awareness sessions on safety to enhance customer awareness on safe usage of products. Dedicated safety clinics are set up for LPG consumers to bring about awareness on safe handling of LPG. To sensitise the masses and bring about awareness among them, we conduct programmes oil and gas conservation, retail outlets and LPG distributorships.
Product quality and service standards	<ul style="list-style-type: none"> Periodic customer satisfaction surveys and customer meets 	<ul style="list-style-type: none"> To avoid any degradation in quality and to maintain products of highest quality standards from refining to distribution, we have set-up adequate systems and processes in place. We are constantly upgrading products which have minimum environmental impact. We organise yearly customer satisfaction assessments and surveys to receive customer feedback.
Resolving complaints	<ul style="list-style-type: none"> One-on-one meetings Need-based communication Online complaint management system 	<ul style="list-style-type: none"> By means of multi-language online applications, we ensure that customer connect is established. To attend to our customer complaints on a timely basis, we have effective complaint management systems in place. We also ensure alignment with the Centralised Public Grievances Redress & Monitoring System (CPGRAMS)

Topics that Matter

Materiality assessment is one of the most crucial activities to devise a sustainability approach. It helps identify 'material issues', generate sustainability actions and communicate them to stakeholders.

An exhaustive and comprehensive stakeholder engagement and materiality analysis exercise was conducted in 2018, covering more than 1,000 stakeholders and the materiality issues were ranked in order.

Materiality Matrix



Sustainability Ethos

We outline the material topics and their linkage to the GRI Standards and the reporting boundary. This report focuses on our approach and performance, and future aspirations on these topics.

List of material topics

Sr No.	Material Topic	GRI Standards	Boundary
1	Product Safety	GRI 416 and 417	Internal/External
2	Safety and Security of Critical Assets	Non GRI	Internal/External
3	Water Management	GRI 303	Internal
4	Customer Relationships and Satisfaction	Non GRI	External
5	Business Integrity	GRI 205 and 206	Internal/External
6	Product and Service Quality	OG 8	Internal/External
7	Reducing Carbon Emissions	GRI 305	Internal/External
8	Energy Efficiency	GRI 302	Internal
9	Occupational Health & Safety	GRI 403	Internal
10	Renewable Energy	GRI 302, OG 2, OG 3 and OG 14	Internal
11	Transport Safety	Non GRI	Internal/External
12	Waste Management	GRI 306	Internal/External
13	Transparency	GRI 102	Internal
14	Grievance Redressal Mechanisms	Non GRI	Internal
15	Efficient Project Management	Non GRI	Internal
16	Research & Development	Non GRI	Internal
17	Regulatory Issues and Compliance	GRI 307 and 419	Internal/External

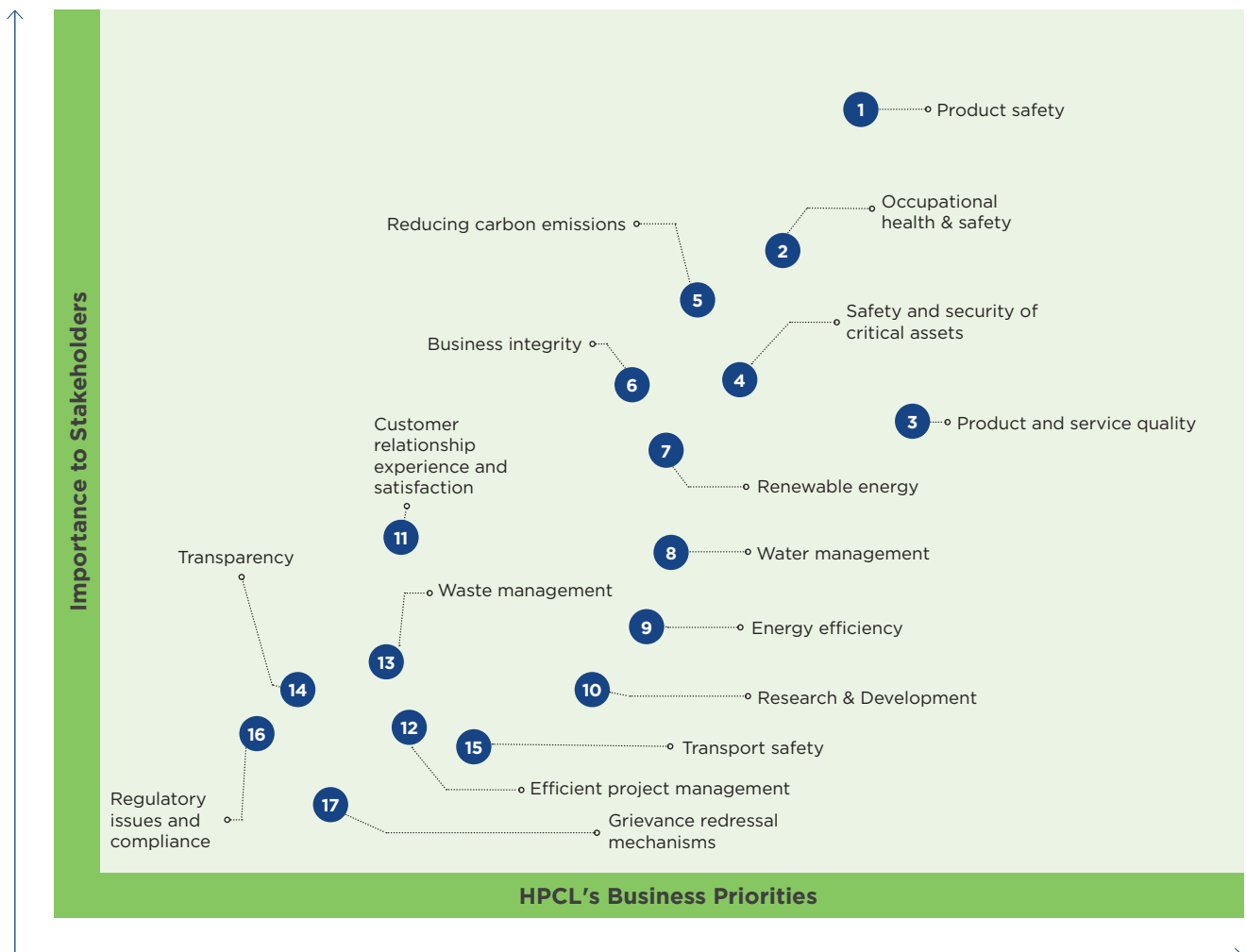




As a follow-up, this year also we conducted stakeholder engagement and materiality analysis workshops to validate issues identified during the previous reporting cycle. Stakeholder engagement workshops were conducted at key locations, i.e., Corporate HQO, Marketing HQO, Mumbai Refinery and Visakh Refinery, covering a representative sample of 278 internal and external stakeholders. These stakeholders were made aware of the latest developments in sustainability in India and globally, and of various sustainability initiatives undertaken in our Company.

Qualitative feedback about material topics obtained from the participants was used as an input in the materiality re-validation process. The feedback indicated that all the material issues identified during previous reporting cycle are still relevant to both the business and to our stakeholders with a perception shift depicted in the matrix.

Stakeholder Perception Shift on Material Topics

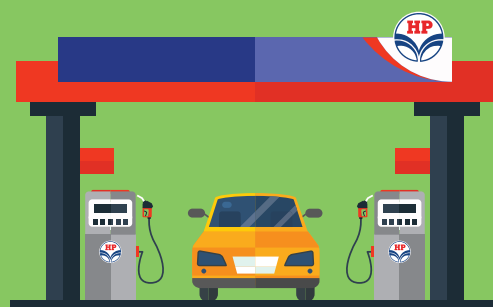




Fuelling Growth and Prosperity

Financial Performance
Physical Performance
Strategy for Tomorrow

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Strength with Stability

During 2018-19, Indian economy continued to be one of the fastest growing major economies in the world with an estimated growth of 7%.

The year witnessed a number of significant developments in India's downstream hydrocarbon sector. As India takes giant strides on its path to sustained economic growth, we are committed to fuelling our people's aspirations and contributing to this growth story.

Competition has been intensifying across all segments of the domestic downstream market. Oil marketing companies also witnessed several challenges including:

- Inventory losses
- Exchange rate variation losses
- Crude oil price volatility
- Rupee depreciation

Despite these challenges, we continued to touch new peaks of success and exceeded ₹6,000 Crore mark in net profit for the third consecutive year. The continued strengthening of balance sheet and cash flows enabled us to return greater value to our shareholders, with

a total dividend payout of ₹15.90 per share.

Our unwavering focus on balancing our triple bottom line performance has enabled us to contribute positively to India's economy and society and testifies to our ability to adapt to the changing business environment and deliver robust results amid challenges. We recognise that while everything we deliver may have a value attached to it, the happiness we deliver is priceless.

₹6,000 Crore
Mark in net profit for the
third consecutive year



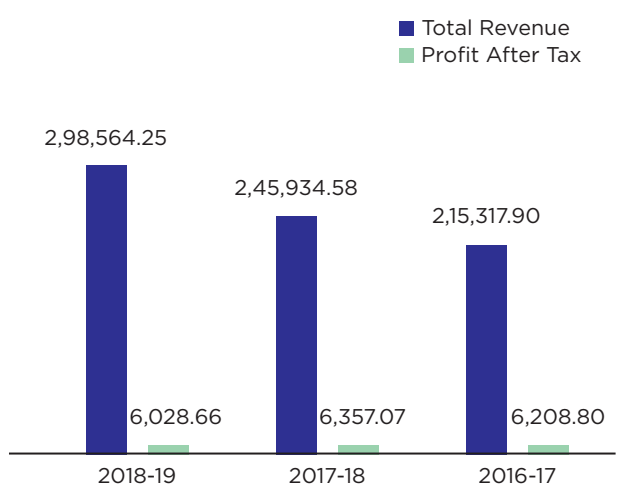
Financial Performance

Our outstanding performance in 2018-19 was built on the solid physical and financial performances delivered by our refining and marketing divisions.

- Gross sales increased to ₹2,95,713 Crore from ₹2,43,227 Crore in 2017-18
- EBITDA came in at ₹13,077 Crore vis-à-vis ₹12,521 Crore
- Profit After Tax was at ₹6,029 Crore, resulting in an EPS of ₹39.56
- Net worth increased to ₹28,175 Crore from ₹23,948 Crore

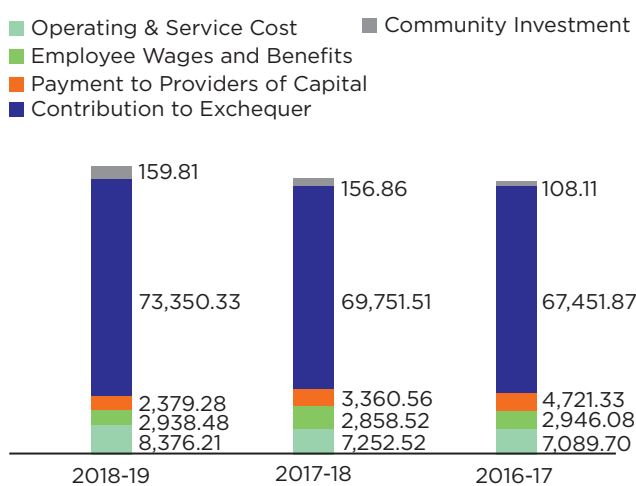
Economic Value Generated

(₹ Crore)



Economic Value Distributed

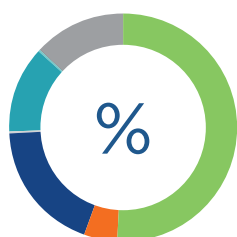
(₹ Crore)



Shareholding Pattern

(as on March 31, 2019)

Total issued shares (%)



Oil and Natural Gas Corporation Ltd.	51.11
Financial Institutions	4.65
FII/OCBS	18.60
Banks	0.27
Mutual Funds (Includes Alternate Investment Funds)	12.18
Foreign Nationals (NRI, NRI-Repat, Individuals)	0.33
Employees (Physical)	0.04
Others	12.82

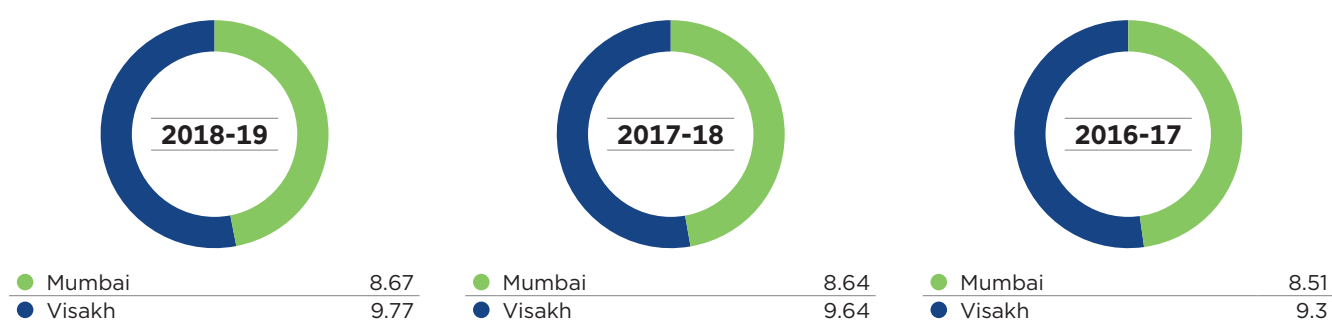
Physical Performance

Refineries

During 2018-19, our refineries at Mumbai and Visakhapatnam continued to enhance their overall physical performance with an increase in their crude throughput for the sixth consecutive year, driven by our continued focus on improving refinery processes.

Crude Throughput

(MMT)



Operating performance in 2018-19

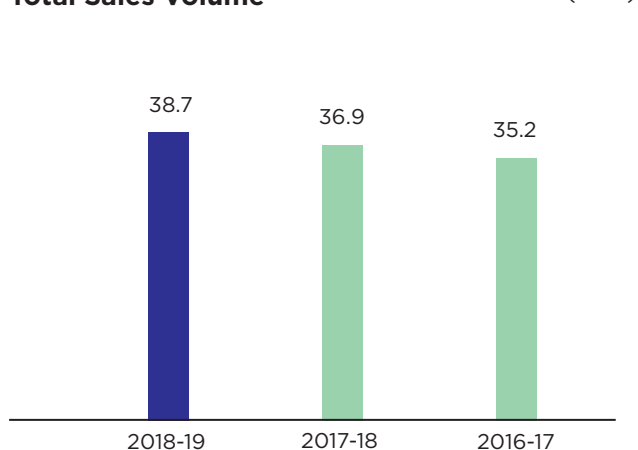
Refinery	Crude Throughput	Capacity Utilisation	Specific Energy Consumption	Fuel and Loss	Distillate Yield	Gross Refinery Margin
	MMT	%	MBN	%	%	(\$/bbl)
Mumbai	8.67	115.6	82.82	7.08	77.6	5.79
Visakh	9.77	117.7	77.29	7.33	74.5	4.31

Marketing

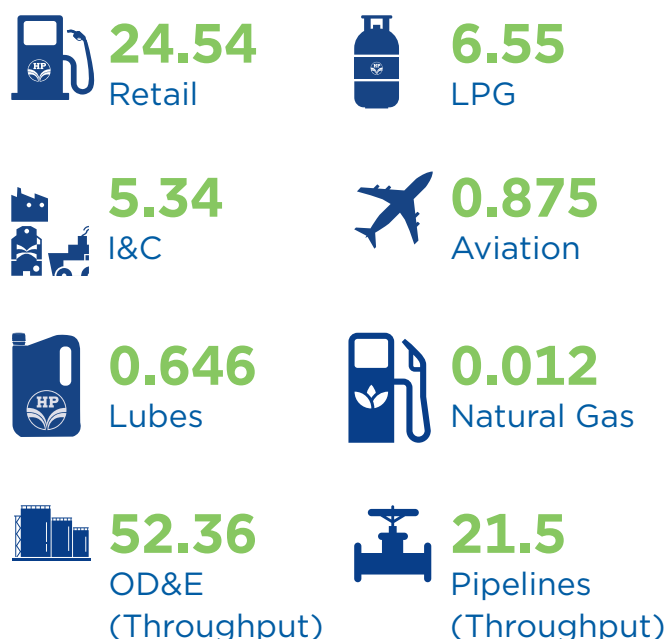
We continued our fast-paced growth in downstream marketing and achieved several best ever in 2018-19 on the back of a wide array of customer-centric initiatives with strong supply chain support. All our marketing verticals – Retail, LPG, Direct Sales, Lubes, Aviation, Natural Gas and Renewable Energy – performed exceptionally well.

Total Sales Volume

(MMT)



Sales Volume of Marketing SBUs in 2018-19 (MMT)



Strategy for Tomorrow

Our T20 strategy aims to expand our footprint in new business lines and geographies, augment our capacities in the core business areas of refining and marketing, focus on leveraging technology and attain cost leadership across the business value chain. Our T20 strategy is formulated to navigate future challenges, capitalise on emerging opportunities and make the Company future ready.

We are implementing several initiatives to fulfil the objectives of the strategy. We plan to build on the excellent performance recorded in recent years and create new levers of future growth.

Towards achieving this goal, we are expanding our refineries and marketing infrastructure through augmentation and expansion projects. Petrochemicals has been identified as a key lever of future growth. Investments are also planned to expand our natural gas portfolio.

We are leveraging new business opportunities such as participating in the Electric Vehicle (EV) ecosystem and capitalising on new avenues of value creation through collaboration with technology start-ups.

To monitor and evaluate our T20 action plan and its progress, we undertake a multi-layered review structure with focus on continuity of ongoing initiatives, identification of new initiatives, and facilitation of implementation through necessary resources. Our Key Performance Indicators (KPIs) have been aligned to the T20 objectives.

Our focus is on building a diversified and flexible business portfolio aligned with the needs of the changing market along with expansion of business footprints in overseas geographies.

In addition, HPCL has commenced incubation of 15 start-ups with project funding support under the 'HPCL Start-up India' initiative. To leverage technology for business transformation and harness the opportunities associated with Industry 4.0, we plan to capitalise on the current advancements in digital technologies. We have created an Information Systems (IS) strategy group to drive technology-led transformation. These initiatives will strengthen existing IT processes and allow us to leverage emerging digital technologies such as Artificial Intelligence (AI), Internet of Things (IoT), robotics, virtual and augmented reality, machine learning and advanced analytics.

To leverage technology for business transformation and harness the opportunities associated with Industry 4.0, we plan to capitalise on the current advancements in digital technologies.

15 start-ups supported under the 'HPCL Start-up India' initiative

Central Procurement Organisation

To promote excellence in procurement and thereby achieve enhanced efficiency and transparency, we have incorporated the Central Procurement Organisation (CPO). In 2018-19, it handled strategic procurement for SBUs, corporate and zones by placing purchase orders worth ₹19,566 Crore.

Towards achieving standardisation and consolidation in procurement, the CPO has ensured item code-based procurement and supported the stakeholders through expeditious generation of items codes, timely assignment of related HSN/SAC codes, vendor registration and scientific cost estimation. During 2018-19, various strategic initiatives resulted in a 9.8% increase in vendor participation across categories, generating a saving of ₹513 Crore at 2.6% over benchmark price.

The Government of India's key initiatives towards strengthening the ecosystem for MSMEs were closely monitored for timely implementation. Diligent efforts by CPO in maximising procurement

through the Government e-Marketplace (GeM), resulted in procurement worth ₹3.55 Crore made through the platform for commonly used goods and services in a short time. The agreement with A.TReDS Ltd. and M1Exchange for bill discounting for MSME vendors facilitated ₹103.75 Crore worth vendor invoices discounted through the Trade Receivables Discounting System (TReDS) platform, thereby benefitting our MSME vendors. Seamless Integration of ERP with A.TReDS achieved by HPCL is a first among the OMCs.

Further, the CPO is continuously driving other major initiatives of the Government. These include indigenisation activity by spearheading the INDEG Group under the 'Make in India' initiative, stage-wise implementation of recommendations to enhance efficiency and transparency in procurement, implementation of measures to revive the construction sector in line with Cabinet Committee on Economic Affairs (CCEA) directives, and implementation of the PPLC policy.

Promotion of Local Enterprises

We closely engage with various local and small vendors for procurement activities. In the reporting year, we conducted various vendor meets with special focus on MSEs and SC/ST MSEs. We ensured compliance with the Public Procurement Policy and extended various benefits such as exemption of Earnest Money Deposit (EMD), allowing to supply a portion by quoting within 15% of the matching L1 rates and supplying up to 25% of the requirement. Further, developmental orders and regular orders were released to entrepreneurs developed under the Entrepreneurship Development Project (EDP) to improve their capacity and capability. We have also been fully abiding by the initiative 'Make in India' to encourage manufacturing in India.

We have achieved 32.87% of procurement of goods and services from MSEs against a target of 25% in 2018-19.



Integrated Margin Management

Integrated Margin Management (IMM) has been striving to create new benchmarks in capturing and monitoring the entire value chain. To maximise Net Corporate Realisation (NCR), we undertook various initiatives such as maximisation of crude throughput and production of value-added products in refineries, effective utilisation of HPCL supply and logistics infrastructure, leveraging margin improvement opportunities in crude oil and product sourcing, and optimising inventory.

During 2018-19, special focus was directed towards unlocking marginal values by targeting SBU wise full potentials. These helped us improve overall margins and achieve the highest ever refinery throughput of 18.44 MMT.

We undertook efforts to improve efficiency in crude procurement

through focused endeavours towards planning for the most optimal crude basket. IMM also played a key role in identifying opportunity crudes and carrying out necessary analysis for processing them in HPCL refineries. As a result, six new grades of crude oil from USA and Norway were added in the crude basket.

For optimisation of our supply chain, IMM helped improve the utilisation of our pipeline network, thereby achieving the highest ever pipeline throughput of 21.5 MMT through meticulous planning of linkages and exchanges with OMCs. Logistics cost optimisation through realignment of secondary linkages which earlier covered POL, was extended to LPG products as well. HPCL-owned LPG rakes were deployed to lower energy expenditure and costs.

6 new grades of crude oil added

To identify margin improvement potential through planning and scheduling of the lube blending plant, a study of the supply chain of Lubes SBU was initiated.

2018-19 remained volatile and challenging for the international oil market with the Dated Brent price touching a high of US \$ 86/bbl and low of US \$ 50/bbl. However, our risk management team handled higher volumes and increased the overall risk coverage by implementing innovative strategies to protect refinery and marketing margins. Our risk management principles, policies and activities are monitored by the Oil Price Risk Management Committee regularly.

Information Systems

In the current information age, IT systems play a key role in improving efficiency, streamlining communication, aligning business processes with business objectives, enhancing transparency and leveraging opportunities. All business processes at HPCL are supported by robust information systems. Sustainable IT is becoming increasingly important and HPCL Information Systems is also having a strong focus in embracing Green IT initiatives.

To align with future requirements and respond to business challenges, we continuously strengthen our IT systems and increasingly adopt emerging technologies across business activities.

Our Business Intelligence (BI) system has enabled data-driven decision making by providing advanced analytics, enhanced graphic representation & data visualisation and superior user experience. During 2018-19, we upgraded our BI system to the latest version, which offers more flexibility and advanced features. A large number of reports, email alerts and dashboards have been developed for various stakeholders across SBUs and functions.

At HPCL, business information is effectively handled through Enterprise Resource Planning (ERP) system, workflow applications, web portals and mobile apps.

We have undertaken several pilot projects that involve applications leveraging artificial intelligence

and machine learning that use cloud-based services and Robotic Process Automation (RPA) technology. Digital initiatives such as Smart Terminal and Smart LPG plant are focused to drive IT business functions on revenue increase, cost minimisation, asset utilisation and energy efficiency, thus enabling to reduce the organisation's overall carbon footprint.

During 2018-19, various initiatives including enhancement of e-procurement system to handle crude procurement, B2B integration system, generation of exception-based email alerts, development and enhancement of new & existing web portals and new workflow applications & mobile apps were rolled out

Information Systems Center, Hyderabad



to meet the requirements of various SBUs and functions. Existing enterprise server was upgraded to IBM E980 to harness the benefits of energy efficiency. Virtualising the workload in the data center has led to significant progress in ensuring sustainability.

We are leveraging mobility as a means to deliver application capabilities to users on the move. We also developed and implemented various mobile applications such as web-based feedback system for LPG customers, updated information for dealers and distributors, and

real-time information to sales force. To manage relationships and interaction with existing and potential customers effectively, a Customer Relationship Management (CRM) tool has been procured and is being implemented. The CRM tool will also help the Corporation better understand the customers.

Security of information systems continues to be a key focus area, and we have taken several steps to address this critical area.

Existing enterprise server was upgraded to IBM E980 to harness the benefits of energy efficiency



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Doing More with Less

The father of our nation said, “The world has enough for everyone’s needs, but not for everyone’s greed”. One of the biggest challenges facing the world today is environmental degradation and climate change due to overconsumption of natural resources. We have only one earth to live on and with its limited resources, humanity is overshooting its bio-capacity. Further, excessive emission of Greenhouse Gases (GHG) is causing global warming, with its impact visible through extreme weather events, rising sea levels due to rapid melting of glaciers and decline in the population of various species.

The concept of sustainable development is not new to India. Much before the concept was formally defined, Mahatma Gandhi in his visionary statement put forth foresight on sustainable development

“The earth, the air, the land and the water are not an inheritance from our forefathers but on loan from our children. So we have to hand over to them at least as it was handed over to us.”

The visible impacts of climate change have resulted in global partnerships to move towards a sustainable future.

We, at HPCL, are aware of our responsibilities towards safeguarding the planet and conserving the environment for future generations. We strive to achieve this by making our business practices more sustainable and futuristic. We lay strong emphasis on Health, Safety & Environment (HSE) aspects of the business along with a

robust sustainable development model and framework. We have also put in place customised management systems to monitor and control progress on sustainability objectives.

To achieve environmental stewardship, we have adopted best-in-class operating systems, practices and processes. Our major installations are certified with the latest environmental management systems. Effluent treatment plants, air emission controls and hazardous waste disposal systems have been installed at our locations in line with the best practices in the industry and are being monitored. Our refineries and several marketing locations are ISO 14001 certified. As part of the ISO 14001 certification, we have undertaken Initial Environment Review (IER) at our refineries. Our annual ‘Sustainability Awards’ recognises exemplary performance by refineries and marketing locations on energy and water consumption.

To mitigate the risks of climate change, companies across the globe are striving to ensure synergies between business operations and sustainability across their value chain. For us, responding to climate change is a priority issue; it deeply influences the way our business interacts with governments, customers and local communities. We have a policy with the stated objective of reducing our carbon footprint and incorporating a ‘Green Perspective’ in our key organisational initiatives and processes.

We have a well-defined process for managing risks on an ongoing basis. We are also a member of the comprehensive study on ‘Climate Change Risks and Preparedness for Oil and Gas Sector in India’. The outcomes of the study provide direction for incorporating measures to counter probable impacts of climate change on our infrastructure, operations, and upcoming projects. Our environment policy guides our approach to environmental performance.



Environment Policy

The Corporation is committed to conduct its operation in such a manner as compatible with environment and economic development of the community. Its aim is to create an awareness and respect for the environment, stressing on every employee's involvement in environmental improvement by ensuring healthy operating practices, philosophy and training.

Our annual 'Sustainability Awards' recognises exemplary performance by refineries and marketing locations on energy and water consumption

Objectives of this policy are to:

- Adopt environment sound operating systems, practices and procedures.
- Strive to progressively bring about an improvement in the environmental performance of our facilities by adopting eco-friendly techniques/processes for optimal use of energy and to reduce hazardous emission and wastes.
- Establish procedures and devise suitable method for disposal of toxic, other hazardous waste and scrap.
- Create environment awareness amongst its employees and develop programmes for environment protection.
- Comply with the relevant statutory rules & regulations and devise appropriate standards on other cases wherever required.
- Maintain highest standards of vigilance and preparedness to respond to emergencies

supplemented with mutual aid of neighbouring facilities and Government agencies.

- Endeavour to associate with and support R&D on environment by Government agencies and reputed research institutes.
- Programme reviews and evaluation to measure progress of compliance with the policy.

World Environment Day Celebration

As an initiative to spread awareness about environment conservation, we observed the World Environment Day on June 5, 2018. Under the theme of 'Beat Plastic Pollution', we organised events such as waste reduction and handling workshop, beach cleaning drive, free Pollution Under Control (PUC) check camp to create public awareness, flash mob, competitions on environmental awareness, distribution of 20,000 cloth bags to the public and saplings to employees.

Materials Management

Efficient materials management calls for deriving maximum value from materials by their efficient conversion into finished products with minimal environmental impacts. Improved resource efficiency contributes to higher productivity, lower costs and an increase in business competitiveness. We are aware of the opportunities offered by efficient management of materials and are continuously working to improve the same.

We are mindful of our dependence on natural resources for continuing our business. We seize opportunities and craft strategies to become more resource efficient through technology upgrades, innovation and adoption of recycling techniques. We strive to ensure that we derive utmost value from the raw materials we utilise at our refineries and other facilities, thus preparing for a greener tomorrow.

Material Consumption at Refineries

Materials	Unit	Total
Additives, Chemicals and Catalyst	MT	17,794
Caustic	MT	9,558.8
Liquid Nitrogen	MT	2,584.4
Lube Oil	KL	450.4
Greases	MT	6.6
Dry Chemical Powder	MT	11.2
Cotton Waste	MT	4.0
Ethyl Mercaptan	MT	10.9
Foam	KL	56.4
Corrosion Inhibitors	KL	45.3
Filters	Nos	7,767
Wooden Pallets	Nos	600
Rubber Hoses	Nos	480
Batteries	Nos	402
RLNG	MT	15,741
Metal Containers	Nos	3,500
Hydrogen	MT	468

Recycled/Reused Materials in Refineries

Materials	Unit	Total
Slop	MT	656
Catalyst	MT	138
Plastic Containers	Nos	20,770
Metal Containers	Nos	9,845
Glass Bottles	Nos	1,37,630

Associated Material Consumption at Refineries

Materials	Unit	Total
Refrigerant	MT	0.668

Material Consumption at Marketing Locations

Materials	Unit	Total
Bottling Cylinders	MT	65,47,430
Brass Valves	MT	73,113
Additives and Chemicals	MT	20,275
HFHSD	MT	3,903
Pressure Regulators	MT	5,574
MTO	MT	638
O-rings	MT	308
Dry Chemical Powder	MT	62
Lube Oil and Greases	MT	67
Conkote	MT	767
Cotton Waste	MT	30
Caustic	MT	18
Ethyl Mercaptan	MT	17
Base Oils	KL	6,00,122
Paint & Primer	KL	1,025
Corrosion Inhibitors	KL	2,88,295
Foam	KL	143
Blue Dye	KL	24
Cartons	Nos	38,76,512
Plastic Seals and Caps	MT	3,315
Filters	Nos	1,425
Rubber Hoses	Nos	3,807
Wooden Pallets	Nos	965
RLNG	MT	2
Metal Containers	Nos	4,19,033
Plastic Containers	Nos	3,58,31,332
Glass Containers	Nos	262
Batteries	Nos	1,673

Recycled/Reused Materials in Marketing Locations

Materials	Unit	Total
Bottling Cylinders	MT	63,24,629
Brass Valves	MT	70,900
Plastic Caps	MT	2,843
O-Rings	MT	284
Metal Containers	Nos	6,404
Used Oil	MT	1,250

Highlights of resource intensity reduction initiatives:

- Introduction of 0.9 mm MS drums and optimisation of weight of HDPE containers.
- Modification in tank truck locking system from eight to two locks, thereby reducing material consumption and inventory of locks.
- Reconditioning of used MS drums at lube blending plant, resulting in substantial material savings.
- Used hand jet printer instead of stencilling methods, resulting in savings in ink consumption.
- Introduction of high-performance long drain energy-efficient engine oils.
- Replacement of wooden pallets with durable and multiple use plastic pallets.

Tank Truck Locking-8 locks (Mechanical) to 2 locks (Electromechanical)



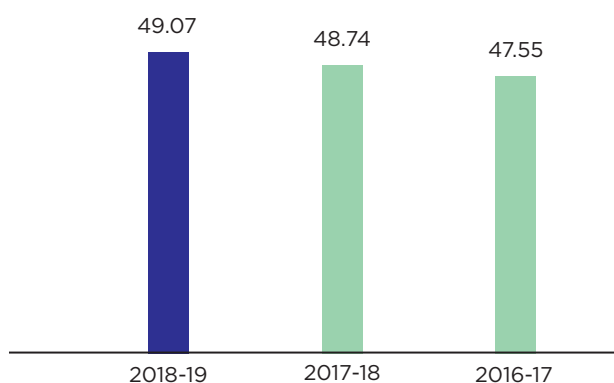
Energy Efficiency and Conservation

Energy is a key input for economic growth. Our products are a source of energy for millions and are outcomes of processes that are energy intensive and need to be monitored closely for improving productivity, efficiency and reduction in emissions. We thus regularly review our processes and systems and make the required changes to conserve energy and become more energy efficient.

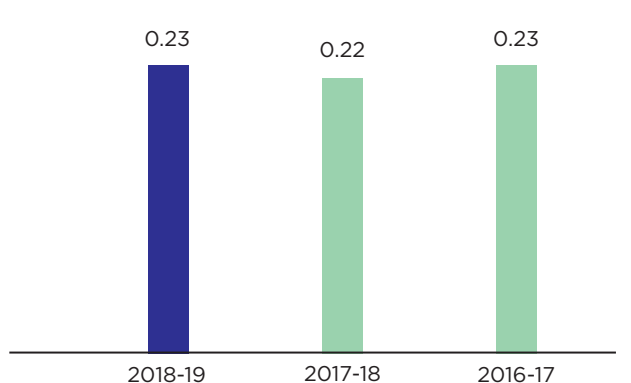
Direct Energy Consumption at Our Refineries and Marketing Locations

(Million GJ)

Refineries



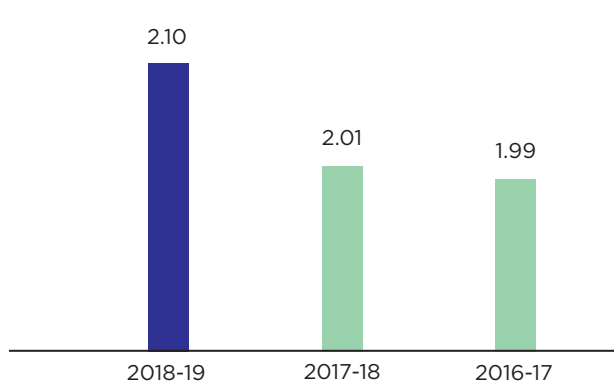
Marketing



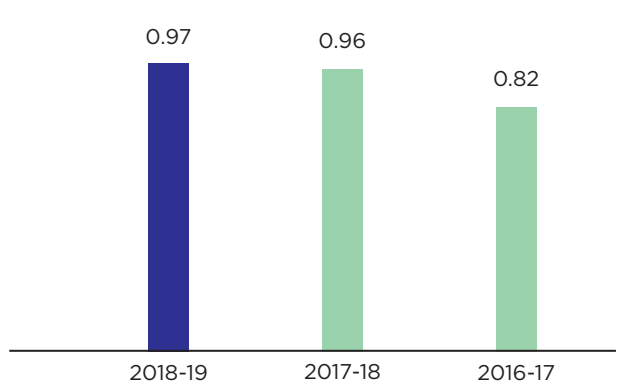
Indirect Energy Consumption at Our Refineries and Marketing Locations

(Million GJ)

Refineries



Marketing



Local conversion factors are used for energy consumption calculations.

Energy is broadly consumed either by burning of fuels in our premises or by purchasing electricity from power grid. In this report, we have provided the breakdown of energy consumption by direct and indirect usage. We are working towards reporting the breakdown of energy consumption by utility across various locations.

Energy Consumption Outside the Organisation

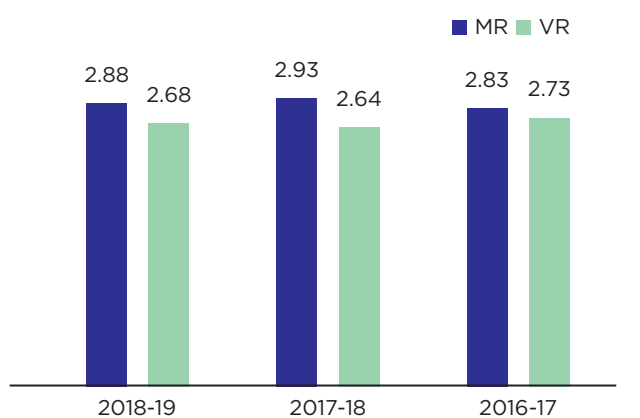
This year, we estimate 8.6 Million GJ of energy consumption towards product movement of Marketing SBUs.

Note: Energy consumption accounted for product movement by road.

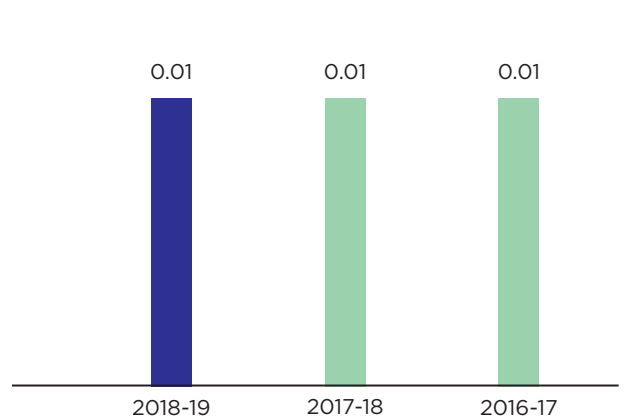
Energy Intensity (Direct and Indirect) at Our Refineries and Marketing Locations

(GJ/MT)*

Refineries



Marketing



* For Refineries: per MT of crude processed; For Marketing: per MT of product throughput

VFDs for product pumps and LED lighting in sheds for energy conservation



Preparing for a Greener Tomorrow

Energy Conservation at Refineries

Our Mumbai and Visakh refineries have implemented various initiatives to enhance energy efficiency through modern innovative technologies and advanced techniques. To achieve continued operational excellence, both the refineries are participating in performance benchmarking study conducted by Solomon Associates, USA for the fourth successive biannual period. The recommendations of the study are under implementation. In addition, our refineries are also undertaking Refinery Performance Improvement Programme (RPIP) for process optimisation and energy consumption improvement.

Energy constitutes a major component of refineries'

operating cost and conserving energy assumes highest priority. The Bureau of Energy Efficiency (BEE) has extended Perform, Achieve and Trade (PAT) Cycle II programme to the petroleum sector, which is being coordinated by the Centre for High Technology (CHT) for Indian refineries. Our refineries, along with other PSUs, are actively participating in this process and verification is in progress.

We evaluate and identify areas for substantial energy savings and implement both long-term and short-term strategies towards energy conservation. The energy conservation measures undertaken by our refineries during 2018-19 resulted in savings of about 30,710 SRFT (Standard Refinery Fuel Tonnage).

30,710 SRFT

Energy savings in refineries

Processes monitored closely for improving productivity, efficiency and reduction in emissions



Major Energy Conservation Measures

Mumbai Refinery

- Optimisation of CCR in NFCCU operation for more steam generation
- DIU operation with sustained recycling for hydrogen conservation
- Commissioning of back pressure steam turbine generator
- Introduction of lift gas to riser in NFCCU to reduce steam
- Optimisation of power consumption in PDU compressor
- Single boiler operation for efficient asset utilisation
- Energysavings through reduction in CDU-1 overhead pressure
- Ceramic coating application on walls of PDA furnace
- Revamp of SEU-1 furnace
- Effective Flare Gas Recovery for minimising flare loss

The Mumbai Refinery generated savings of ~13,116 SRFT in 2018-19.

Visakh Refinery

- Dry ice blasting of HRSG tubes
- Switching reformer fuel from naphtha to fuel gas in DHT HGU
- Commissioning of new schemes - CDU-II slop cut steam generator, tempered water coolers, two additional hot well-off gas burners, continuous capacity controller on CCR net gas compressor
- Cleaning fouled preheat exchangers in CDU II
- Repair of damaged insulations
- Optimisation of stripping steam in CDU-I & II
- Replacement of magnetic resonators in GTG III
- Improvement in crude preheat temperature in CDU-II by cleaning preheat exchangers
- Arresting compressed air and nitrogen leaks

The Visakh Refinery generated savings of ~17,594 SRFT in 2018-19.

Energy Conservation at Marketing Locations

Our marketing locations have taken several initiatives to achieve energy savings. These wide-ranging interventions involve monitoring, using energy-efficient equipment, process optimisation, fine-tuning and building capabilities.

Energy saving initiatives undertaken by marketing locations:

- Conducting periodic energy audits for identifying energy saving opportunities
- Installation of efficient energy monitoring system for energy intensive equipment
- Installation of Variable Frequency Drives (VFDs) for electrical drives
- Installation of energy-efficient equipment
- Prevention of idle running of equipment through sensitisation of workmen
- Replacement of conventional lighting with LED lights across locations towards energy conservation

Systems and processes are regularly reviewed for enhancing energy efficiency

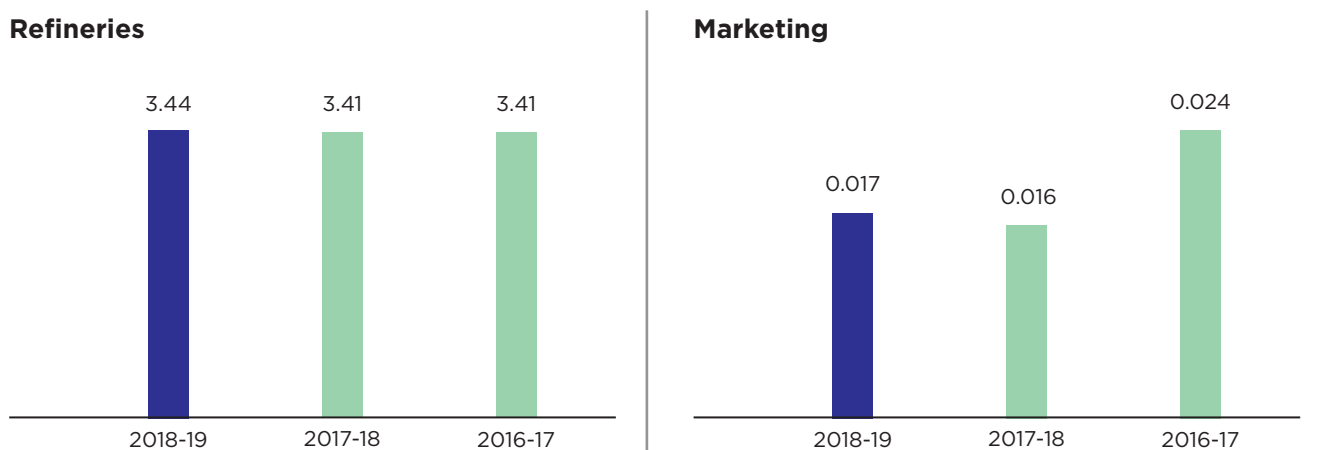


Emissions

Targeting the root cause of climate change, organisations across the world are taking steps to measure, monitor and mitigate Greenhouse gas (GHG) emissions. We are taking steps to mitigate GHG emissions through adoption of energy efficiency initiatives, switching to cleaner energy sources and carbon sequestration through trees.

Scope 1: Direct GHG Emissions at Our Refineries and Marketing Locations

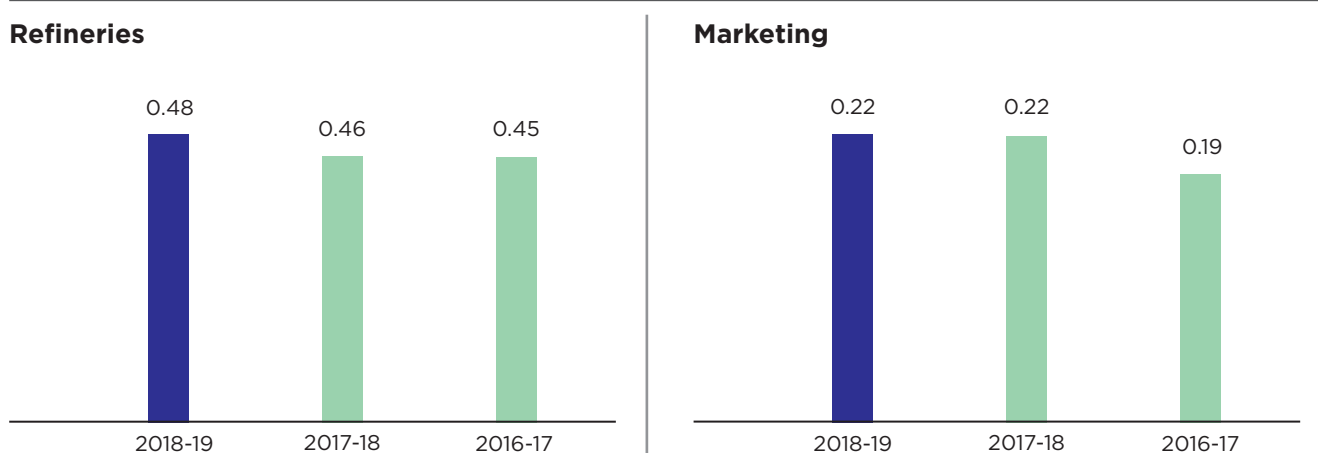
(Million tCO₂e)*



* Includes CO₂ and CH₄

Scope 2: Indirect GHG Emissions at Our Refineries and Marketing Locations

(Million tCO₂e)

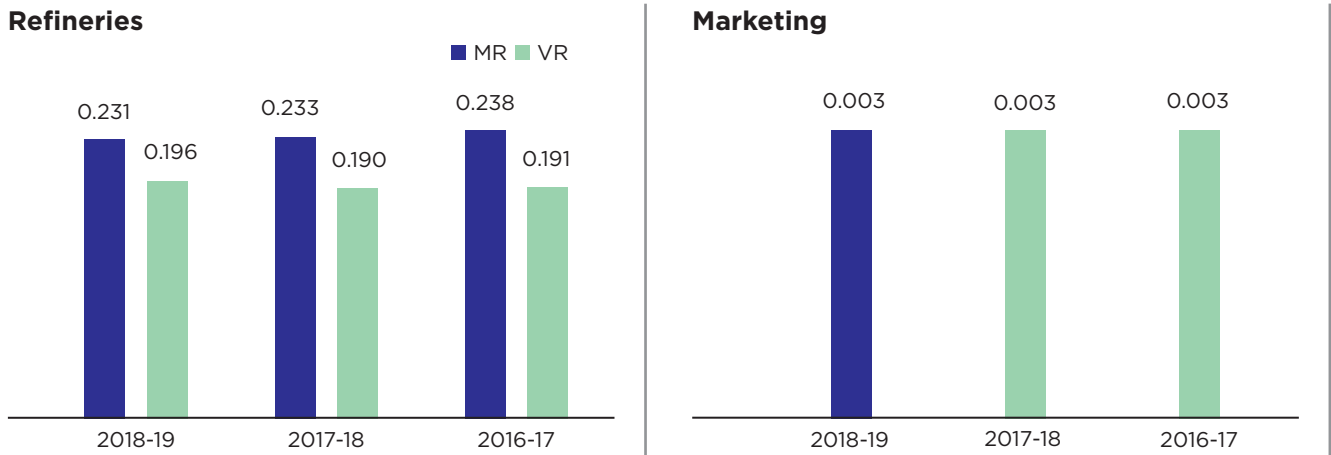


Estimation of Scope 3 Emissions

This year, we estimated 0.0059 Million tCO₂, 0.0000447 Million tCO₂, 0.0025 Million tCO₂ towards domestic business travel by air, rail and commute of our employees, respectively. We enhanced our scope of calculating Scope 3 emissions due to product movement compared to that of previous reporting years. As a result, emission due to product movement of Marketing SBUs is estimated at 3.25 Million tCO₂ (including enhanced scope of transportation by rail and road).

GHG Emissions Intensity at Our Refineries and Marketing Locations

(tCO₂e/MT)*



* For Refineries: per MT of crude processed; For Marketing: Per MT of product throughput

The standards, methodologies and assumptions (based on operational control) used to calculate are obtained from the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories – 2006, Central Electricity Authority (CEA) - CO₂ Baseline Database for the Indian Power Sector, Version 13.0, June 2018 and India GHG Programme, Version 1, 2015 (for emission factor for air and rail transport).

Significant Air Emissions at Refineries in 2018-19*

Emission Type	Unit	Total
Suspended Particulate Matter (SPM)	MT	421
Nitrogen Oxides (NOx)	MT	2,649
Sulphur Oxides (SOx)	MT	4,516

* Measured values

Pollution Control Measures and Other Environmental Initiatives

Mumbai Refinery

- Established connectivity for all CEMS, CAAMS and EQMS analysers with 100% connectivity to CPCB/MPCB servers.
- Carried out data analytics for north boundary through air dispersion modelling to locate the source of the emission.
- Set dynamic emission limits for six furnaces and established communication to CPCB/ MPCB.
- Installed open path technology, i.e., fence line monitoring system (DOAS method) at the north and west boundary.

Visakh Refinery

- Created dynamic emissions limit tags for all the dual fired furnaces/boilers in DCS of respective units. All the tags are incorporated in Process Information Network (PIN).
- Submitted Online Continuous Emission Monitoring System (OCEMS) compliance protocol data to CPCB.
- Upgraded Data Acquisition Software (DAS) to facilitate remote calibration of analysers.
- Completed field execution jobs for real-time data transfer of stack emission, liquid effluent and CAAMS to CPCB and APPCB websites.

- Carried out Leak Detection and Repair (LDAR) programme for monitoring and controlling hydrocarbon emissions.

Marketing

- Recorded highest ever overall Ethanol Blending Percentage (EBP) of 5.5% in petrol.
- Procured 5,57,300 KL of ethanol and 26,800 KL of biodiesel for blending in MS and HSD, respectively.
- Sales volume of ethanol blended MS was 53,76,174 KL and biodiesel blended diesel sale was 5,56,616 KL.

Preparing for a Greener Tomorrow

- Achieved highest pipeline throughput of 21.5 MMT, leading to logistics cost optimisation and green transportation.
- Procured four LPG rakes rolled out under Liberalized Wagon Investment Scheme (LWIS) of Ministry of Railways for transportation of LPG from source to bottling plants to reduce logistics cost, ensure safe and easy availability of LPG and reducing Scope 3 emissions.
- Lubes SBU procured four new electric fork lifts during the year.
- Marketed energy efficient LED bulbs through our retail outlet network.
- Released Letters of Intent (LOI) for setting up 11 compressed biogas plants in four states with an envisaged total production capacity of 20.58 TMT per annum to increase usage of biofuels in the energy and transportation sectors of the country.
- Enabled clean energy access to about 2 Crore low-income households by providing new LPG connections under the Pradhan Mantri Ujjwala Yojana (PMUY) to safeguard health of women and children.

Promoting e-mobility

Electric Vehicles (EV) are expected to play a significant role in future mobility solutions. In India, the adoption of electric mobility solutions is constrained by limited variants, high upfront cost, poor charging infrastructure, long refuelling time and range anxiety, among others. We are leveraging new business opportunities in the EV ecosystem and collaborating with technology start-ups to capture new avenues of value creation.

During 2018-19, we commissioned EV charging stations at six retail outlet sites – one in Hyderabad, three in Jaipur, one in Delhi and one on the Mumbai-Pune Expressway. The number of retail outlet sites with EV charging facility now stands at seven.



We have formulated a multi-pronged strategy to foray into the e-mobility space. This includes:

- Commissioning of EV charging stations at retail outlets on pan-India basis.
- Development of customised electric three-wheelers in partnership with OEMs for delivery of LPG cylinders through LPG distributors. One such pilot project with 32 'Pradyut' vehicles deployed with various LPG distributors is underway.
- Establishing battery swap station network at identified retail outlets/other locations for catering to 2/3W fleet aggregators and customers.
- Carrying out feasibility study in terms of technology and scale for setting up of battery cell manufacturing plant.
- Exploring commercialisation of alternative battery technologies such as metal air battery technology in collaboration with suitable partners.

Green Belt Development

In our effort to increase the tree cover, we have been focusing on growing indigenous local tree species found in that particular region. Through such green belt development initiatives, we strive to mitigate environmental degradation. We have developed comprehensive guidelines for our green belt initiatives and are executing them phase-wise. Through these initiatives, we contribute towards carbon sequestration.

In our commitment towards this goal, the mass movement called 'Van Mahotsav' is undertaken at our locations. During 2018-19, we observed 'Van Mahotsav' at various marketing locations with green belt development projects covering more than 28 acres. We also planted 10,000 saplings in the vicinity of our Visakh Refinery as part of the Andhra Pradesh government's 'Vanam Manam' programme.



Focus towards Renewable Energy

As the global uptake of renewable energy increases, its growth is also set to accelerate in India in the foreseeable future. The Government of India is committed to increasing the use of clean energy sources and is undertaking various large-scale sustainable power projects. The emphasis on clean energy is extremely laudable and India is on its way to attain its target of 100 GW of solar capacity by 2022.

We, at HPCL, have aligned our T20 strategy with the Government's agenda to promote renewable energy. Our total wind power and solar power installed capacity is 101 MW and 22.6 MWp, respectively.

Key Highlights of 2018-19:

- Generated ~19 Crore kWh through wind farms and 1.20 Lakh of non- solar Renewable Energy Certificates (RECs).
- Expanded solar power capacity by 3.6 MWp at POL locations.
- Expanded solar power capacity by 2.6 MWp at our LPG bottling plants.
- Installed solar power plant of 12 KWp at Calicut Aviation Service Facility (ASF).
- Installed solar lighting at Bhuj and Visakh ASFs.
- Solar power panels installed at 737 outlets during the year.

Solar PV Plant at one of our marketing locations



Water Management

The world is grappling with the problem of providing usable and potable water. Population and economic growth have placed unprecedented pressure on water. To address this challenge, individuals and industries need to adopt water-saving techniques and water-management principles. Water security is among the top global risks in terms of development impact. It is also an integral part to the achievement of the Sustainable Development Goals (SDGs).

Our locations monitor water consumption and identify water conservation opportunities employing the 4R (Reduce, Reuse, Recycle and Recharge) approach. We also promote rain water harvesting and monitoring of consumption through the water balance approach.

We are working towards achieving 'Zero Liquid Discharge' at our locations. We also conduct water audits. We ensure that our withdrawal does not negatively impact the water sources. During the reporting period, there were no significant spills or any significant effect on water bodies due to discharge from our operations.

Water Withdrawn by Source at Refineries

Source of Water	Quantity (TKL)
Seawater	95,344
Municipal	9,402
Rainwater Harvested and Collected for Reuse	122
Tanker	34
Total	1,04,902

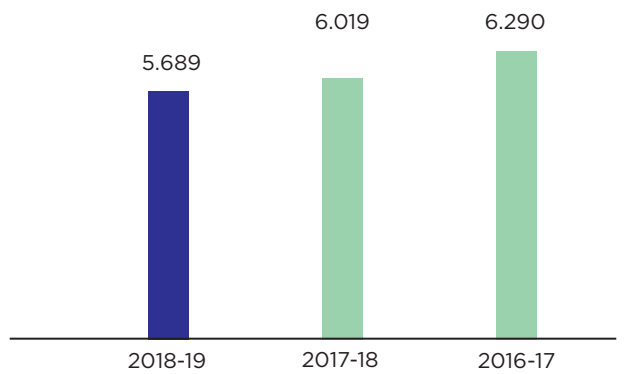
Water Withdrawn by Source at Marketing Locations

Source of Water	Quantity (TKL)
Groundwater through Borewell	728
Municipal	356
Tanker	234
Fresh Water from other Organisation	68
River/Canal Water	79
Rainwater Harvested and Collected	61
Others	31
Reservoir/Lakes	3
Total	1,560

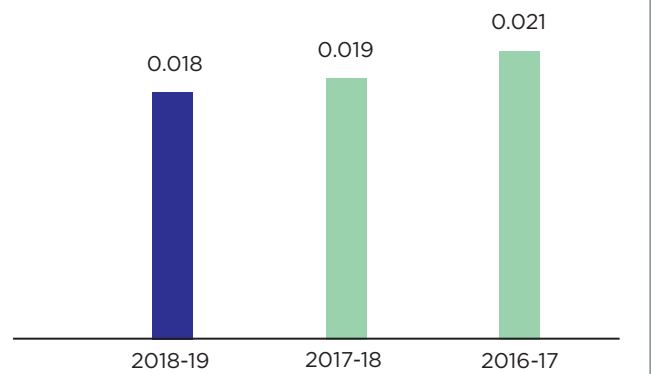
Rainwater collection pond at Jodhpur IRD



Specific Water Consumption at Refineries (KL/MT)



Specific Water Consumption at Marketing Locations (KL/MT)



Water Recycled/Reused

Type of Water	Quantity (TKL)
Refineries	
Treated Water from ETP Used within Premises	778
Condensate Recovered	1,626
RO Reject Water	1,148
Reuse of Water in Processes (Bearing Cooling)	53,600
Sub-total	57,151
Marketing Locations	220
Grand Total	57,371
Percentage of Water Recycled/Reused/Recirculated	54%

Some of Our Water Management Initiatives are:

- Installation of Effluent Quality Monitoring System (EQMS) to monitor pH, oil & gas and flow. The data connectivity of the EQMS is established till CPCB.
- Installation of water-efficient fixtures at locations.
- Conduct of water audits at marketing locations.
- Reuse of water in processes.
- Installation of phyto-remediation to recycle sewage water.
- Recycling of water through ETP and STPs while maintaining the treated effluent parameters within the limits prescribed by CPCB/SPCB.
- Capturing rainwater through rainwater harvesting structures at operating locations.
- Enhancement of employee awareness through contact programmes, newsletters and technical bulletins, among others.

Phytoremediation unit at Loni Terminal



Resource Efficiency and Waste Management

Disposal of waste in a responsible, safe and ethical manner is crucial for waste management. We believe a strong focus on recycling can reduce the adverse effects of waste on the environment, by reducing the amount of materials sent to landfills and incinerators and decreasing emissions generated from waste.

We are making conscious efforts to reduce waste in our operations. We comply with the applicable regulations stated by MoEF&CC, CPCB and SPCB.

Hazardous Waste Generation at Refineries

Type of Waste	Unit	Total
Oily Sludge (Including ETP Oily Sludge)	MT	7,840
Spent Catalyst	MT	1,837
Insulation Wool Waste	MT	252
Spent Charcoal (Including Coke)	MT	84
E-waste	MT	1.61
Oily Soaked Cotton Waste (Including Gloves)	MT	5
Tyres and Other Rubber Scrap (Including Hoses and O-Rings)	MT	1.75
Scrap Batteries	Nos	382
Spent Metal Catalyst	MT	136
Others	MT	241

Hazardous Waste Generation at Marketing Locations

Type of Waste	Unit	Total
Oily Sludge (Including ETP Oily Sludge)	MT	612
Paint Sludge	MT	51
Insulation Wool Waste	MT	30
Oily Soaked Cotton Waste (Including Gloves)	MT	7.3
E-waste	MT	1
Chemical Containers	Nos	5,224
Scrap Batteries	Nos	986
Filter Elements	Nos	1,558
Tyres and Other Rubber Scrap (Including Hoses and O-Rings)	MT	13
Used Oil	KL	21

Non-Hazardous Waste Generation at Refineries

Type of Scrap/Waste	Unit	Total
Metal Scrap	MT	12,598
Wood Waste	MT	180
Plastic Waste	MT	74
Plastic Containers	Nos	4,447
Metal Containers	Nos	4,524
Scrap Equipment	Nos	40
Others	MT	249

Non-Hazardous Waste Generation at Marketing Locations

Type of Scrap/Waste	Unit	Total
Metal Scrap	MT	6,143
Paper Waste	MT	4.5
Wooden Scrap	MT	28
Plastic Waste	MT	24
Plastic Containers	Nos	53,389
Metal Containers	Nos	11,799
Scrap Equipment	Nos	1,211
Glass Scrap	MT	0.04
Others	MT	1.6

Waste Management Measures

Refineries

- Installation of flare gas recovery systems in refineries to minimise flared gases and utilise them internally for fuel gas requirement. During the year, quantity of gas flared was 28,111 MT, registering a reduction of 6.5% over that of previous year.
- Off-spec products (slop) generated during crude oil refining as well as during product handling are reprocessed in secondary units.
- Bioremediation of low oily sludge of approx. 2,000m³ by ONGC TERI Biotech Limited (OTBL) at MR.
- Processing of sludge by Mumbai Refinery and Visakh Refinery.
- ETP - 1 major equipment turn around was carried out at VR.
- Procurement of oil spill response equipment for Single Point Mooring (SPM) and Fire & Safety at Visakh Refinery.

Marketing

- Disposal of waste generated through SPCB authorised Common Hazardous Waste Treatment, Storage and Disposal Facility (CHWTSDF).
- Set up of phytoremediation based waste treatment plants at various locations such as Visakh & Dumdum ASFs, HP MDI Nigdi.
- Commissioned new ETP at Chennai Lube Plant
- Conversion of wet waste to manure using organic waste converters and vermicomposting techniques at few locations.
- Recycling of effluents through ETP and STP.
- Reuse of scrap material.

A brief note on the progress of ongoing cases pertaining to show cause/legal notices received from the CPCB/SPCB:

- In the case before NGT Charudatt Koli & Anr Vs. Sealord Containers & Others, HPCL has complied with the directions of MPCB,

issued pursuant to NGT Orders. In Execution Application filed by petitioners, NGT directed payment of interim compensation to restore environment. On challenge, the Supreme Court has stayed the order of NGT and directed CPCB to consider the explanation of HPCL before it arrives at its conclusion. HPCL has filed its representation with detailed action plan before CPCB. The matter is pending.

- CPCB issued a circular dated 12.2.2016 directing OMCs to install VRS at all retail outlets with capacity of 300 KL/M or more, in cities with million plus population. In September 2018, the NGT disposed the matter, directing the OMCs to ensure installation of VRS, giving timelines. The OMCs filed a Civil Appeal before the Supreme Court of India and the Supreme Court vide its Order extended the timelines for installation of VRS up to 31.03.2020 for Outlets selling > 300 KL/M and up to 30.09.2020 for Outlets selling < 300 KL/M.

Green Perspective

We understand that as a responsible corporate citizen of India, we must play our part towards caring for the environment and reducing our carbon footprint. We do this by incorporating the 'green' perspective in our business decisions and operational activities. We have adopted various initiatives to address global environmental issues such as energy conservation, waste management, water management, renewable energy and green supply chain.

Green Infrastructure

On account of several green initiatives, our housing complexes in HP Nagar East and HP Nagar West at Mumbai were awarded 'Platinum' rating under green residential society rating system by Indian Green Building Council (IGBC). Our Marathon office at Mumbai was awarded with 'Platinum' rating by IGBC. Our Bhopal LPG Plant was awarded with IGBC Green Building Certification for admin block.

HP Nagar Housing Complex

Our residential complexes in Mumbai, HP Nagar East and HP Nagar West Housing Complexes are a living paradise and home to a number of families.

Various initiatives undertaken for environmental conservation at our residential complexes are:

- Harnessing the power of sun through Solar PV
- Replacement of conventional streetlights with LED streetlights
- Water meter fixing and mass awareness
- Rainwater harvesting to increase ground water table
- Drip irrigation system
- Biodiversity conservation
- Waste management through segregation and bio composters
- Regular stakeholder engagement and awareness sessions

HP Nagar - A Living Paradise



Harmony with nature



Harnessing the sun



Zero emission shuttle bus



Pathshaala - Serving the needy



GreenCo Rating

In order to promote 'green' processes in our operations, we have adopted the GreenCo rating system promulgated by the Confederation of Indian Industry (CII).

We are the first PSU and first company in the oil and gas sector to adopt GreenCo rating. In 2018-19, our five marketing locations were certified with GreenCo rating.

Location	GreenCo Rating
Hazarwadi LPG Plant	Platinum
Jabalpur LPG Plant	Platinum
Jodhpur IRD	Platinum
Silvassa Lube Blending Plant	Platinum
Ajmer LPG Plant	Gold

Hazarwadi LPG Plant



Jabalpur LPG Plant



Jodhpur IRD



Silvassa Lube Blending Plant



Ajmer LPG Plant





Our People, Our Strength

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People Drive Our Strategy

Our people are our inherent strength and the most important enabler in our endeavour to deliver happiness. The key to our success largely lies in the extraordinary talent and commitment of our employees. We are thus committed to providing them a challenging, engaging and safe environment for their sustained growth while fostering avenues for personal development.

The achievement of our strategic business objectives depends on the effectiveness of our human resource strategy. Developing, empowering and retaining value-driven, high-performing employees with the right skills is fundamental to our success in the current dynamic business environment. Our Human Resources department supports the business operations and helps enhance the capabilities and performance of each employee. Our HR policies are designed to help employees develop their personal and organisational skills, knowledge and abilities, helping them to realise their full potential. To create a robust talent pool, we focus on all aspects of human resource development such as talent acquisition, capability building, performance management, career development, reward and recognition schemes, engagement programmes and employee benefits.



People Capability Maturity Model® (PCMM)

People Capability Maturity Model® is a globally recognised HR excellence framework from CMMI Institute. PCMM consists of five maturity levels and is an integrated set of best practices that improve performance and key capabilities for organisations to improve their people management processes. People CMM Gap Assessment study is the comparison of the actual status of implementation of HR practices in HPCL with that of the Practices and Goals defined in the People Capability Maturity Model®.

HPCL undertook the PCMM Gap Assessment Project to assess the current state of HR practices against the parameters of People

Capability Maturity Model. Subject Matter Expert was brought on-board to assist with Gap Assessment and assess the maturity level of the HR practices. Quality Council of India (QCI), an autonomous organisation under Department of Industrial Policy and Promotion was engaged for assessing the maturity level for HPCL. After a rigorous process of assessment, HPCL was rated as 'level 2' under PCMM maturity level.

The detailed gap assessment report was submitted to the Board of Directors and action plan approved. It is advised to achieve maturity level "3" on People Capability Maturity Model® by March 2020.



The HP Family

Over the years, our Corporation has grown with talented people embracing cutting-edge skills and commitment that has roots which grow deeper than just an employee-employer relationship. The 'never say die' attitude and the keenness to excel is what makes our people special.

Being a part of the HPCL family means to embark upon a journey that takes its people on a trajectory of growth. We undertake a strategic approach to manage our people, helping our business gain a competitive edge. We focus on sustaining an environment that inspires excellence in people and helps them attain individual and organisational goals.

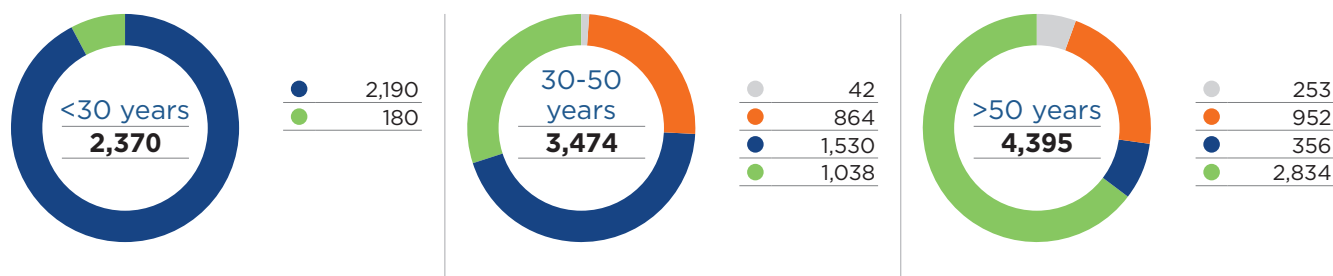
Workforce Matrix in terms of Region, Age and Gender for 2018-19

Total Number of Employees Region-wise

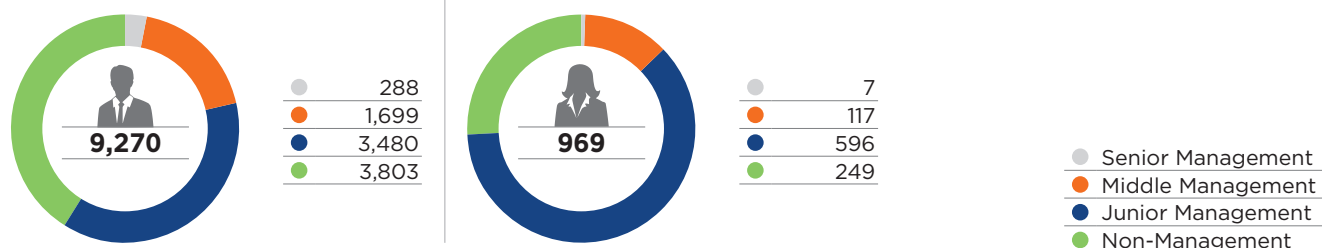
Employee Category	Senior Management	Middle Management	Junior Management	Non-Management	Total
North Zone	26	179	427	301	933
South Zone	6	120	208	251	585
West Zone	16	202	519	818	1,555
East Zone	5	129	265	303	702
North West Zone	6	102	334	195	637
North Central Zone	6	82	258	124	470
South Central Zone	15	205	482	495	1,197
Corporate HQO	94	254	391	185	924
Marketing HQO	71	198	268	82	619
Mumbai Refinery	24	194	429	735	1,382
Visakh Refinery	26	151	495	563	1,235

Total Number of Employees (Age-wise and Gender-wise)

(Age-wise)



(Gender-wise)





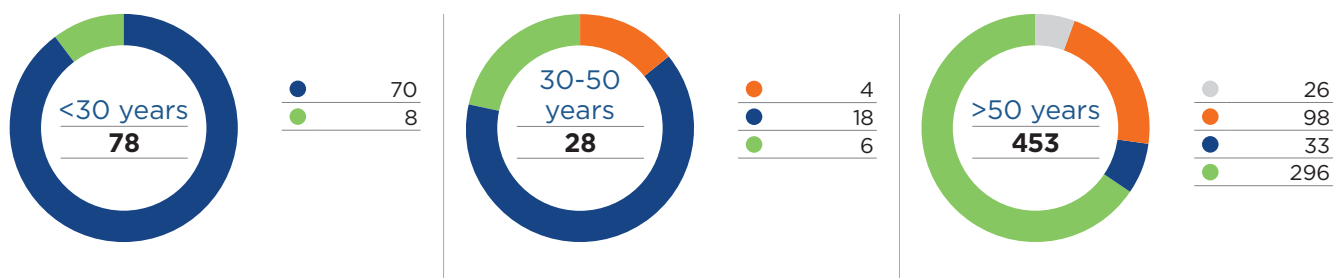
Employee Turnover Statistics

Turnover includes retired, resigned, terminated employees and those who passed away during the reporting year.

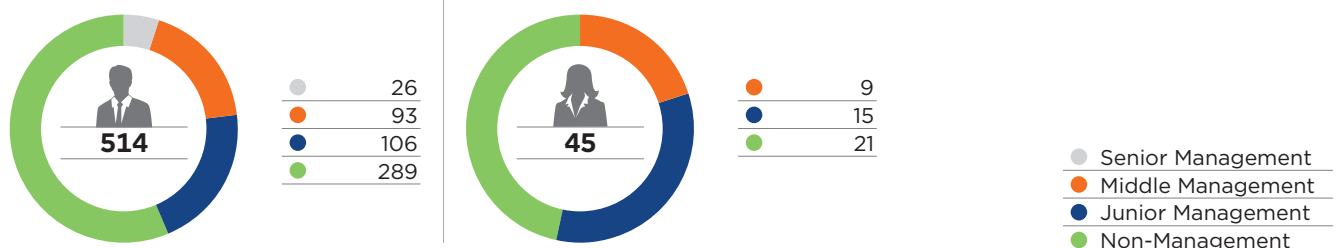
Employee Category	Senior Management	Middle Management	Junior Management	Non-Management	Total
North Zone	0	7	13	26	46
South Zone	1	8	9	18	36
West Zone	0	5	12	57	74
East Zone	1	4	5	44	54
North West Zone	0	4	6	5	15
North Central Zone	1	2	10	8	21
South Central Zone	1	20	13	40	74
Corporate HQO	14	12	16	23	65
Marketing HQO	4	4	4	13	25
Mumbai Refinery	1	22	17	43	83
Visakh Refinery	3	14	16	33	66

Employee Turnover (Age-wise and Gender-wise)

(Age-wise)



(Gender-wise)



Nurturing Talent

In today's stiff competitive business environment, acquiring and retaining talent is pivotal to sustain the business model while inducing novel ideas in the business.

We recruit the best available talent through an objective and structured assessment process. We strive to achieve diversity by hiring people from different backgrounds, gender, communities and origin. We follow the Presidential directives and guidelines issued by the Government of India with respect to reservation in services for SC/ST/OBC/PWD (Persons with Disabilities)/EWS (Economically

Weaker Sections) of the society. To make the recruitment process more transparent and efficient, we have introduced various online applications including document verification system and panel nomination.

To attract new talent and promote our employer brand, we developed Employee Value Proposition (EVP) using multiple tools such as Focus Group

Discussions (FGDs), interactions with Subject Matter Experts (SMEs) and senior management executives and online surveys. We continued with the flagship induction programme, 'Samavesh', to onboard new talent. This helped them transition to our culture and values and provided them the required exposure to various facets of our business activities.

We conducted 'Samavesh' in five batches for 381 officers with programmes such as:

- Campus to corporate programme by IIT Bombay
- HP FIRST value-orientation session
- Induction programme for newly joined secretaries

Another initiative that enables a smooth transition of new joiners is HR buddy. The initiative began in 2016 and was enhanced in 2018

with several new additions such as welcome letters, standardisation of Compensation and Benefits (C&B) and stringent feedback process.

We nurture a supportive work environment that promotes work-life balance. We protect the interests of our employees through fair and transparent policies to promote their growth, safety and wellbeing. Our human resources administrative services are automated, provide easy access, and ensure transparency and accountability.



Samavesh: Onboarding new recruits in the mainstream



Capability Building

We invest in upskilling our talent through innovative initiatives and progressive learning techniques to progress their career and grow our Company. We focus on enhancing competencies, strengthening the leadership pipeline, enhancing collaboration through cultural interventions, and leveraging technology for Learning and Development (L&D). Some of the capability-building initiatives undertaken for different cadres of management and non-management employees and extended workforce during the year were:

Interventions for Senior Management

Vasishtha

Senior management plays a vital role as decision makers in business. With an intention to enhance their decision making and leadership skills, we initiated the programme Vasishtha – an exclusive platform for our Executive Directors – that intends to create avenues which transcend boundaries through participation in various divergent activities. From being led by learned and eminent personalities across diverse fields to documentation of their life lessons in the form of biographies to opportunities to ‘give-back’ and

have new experiences, this club endeavours to create an increased sense of self-awareness and accomplishment. In 2018-19, two retreats were held in the presence of Yogi Sri M. and Shri Rakesh Sharma and 29 biographies were compiled.

Project Periscope

A continuing talent development intervention for senior executives (CGMs, GMs & DGMs) has been initiated during 2018-19. The intervention facilitates participants in understanding self, making necessary improvements through executive coaching, integrated with action learning

projects based on personal stretched targets in line with the business strategy. The participants are exposed to various talent development tools and other inputs for their overall development.

Advanced Management Programmes

Senior executives are being nominated to Leadership Development intervention having foreign component for imparting exposure to renowned faculties in India & abroad, including foreign industry visits to keep them abreast of the latest global technological advancements.



Our People, Our Strength

Interventions for Middle Management

We always look forward to motivating our employees through managerial development programmes. To this end, we have developed Shrestha, which is a management development programme aimed at giving personalised attention to managerial developmental needs of LPG plant managers and equipping them with cutting-edge techno-behavioural skills. This helps in improving engagement levels and creating a culture of safety at their location. The programme is designed to develop self-discovery, build effective teams and create an effective workplace. A total of 22 participants were covered in this programme. Taking a step further, Machine Care Programme (MCP) was also launched in 2018 in various LPG Plants. This programme is based on concepts of TPM (Total Productivity Management) and Autonomous Maintenance.

Ecosystem-based Interventions

Addressing the specific needs of individual SBUs, we have designed the following ecosystem-based interventions:

Kshitij

It aims to make sales a scientific process in the Lubes SBU and thereby develop a common dialect

across the ecosystem of Regional Managers, sales officers, channel partners and their staff. It also aims to enhance the technical competencies of the officers, provide them with better business insights and empower the sales team with tools to effectively plan and utilise resources to increase sales, leading to higher customer retention. We organised two contact programmes with the sales officers, alignment meet with Regional Managers, six CFA workshops and 16 lube distributor workshops in 2018-19.

Lakshya

With a design philosophy similar to that of project Kshitij, Lakshya was developed for the direct sales ecosystem with an aim to make sales a scientific process in the SBU. We organised two contact programmes with the sales officers and an alignment meet with the Regional Managers in 2018-19.

Sarvottam

To develop the capabilities of LPG sales officers and Regional Managers and enable them to align their actions and strategy to LPG SBU's overall business strategy, LPG SBU and the HR team collaboratively worked on a project to understand the developmental needs of the entire LPG SBU ecosystem, including Regional Managers and sales officers. The ultimate objective was to make sales a scientific process

and a way of working in the SBU. We launched this programme in 2018 and organised a 'Situational Leadership II' programme for 38 Regional Managers in the first phase.

Interventions for Junior Management

We organise various programmes for our junior management for nurturing their skills and providing impetus on making our young officers competent and industry ready.

Certified Petroleum Manager Programme (CPM)

To groom our young officers and prepare them to become future leaders, we designed CPM - a specialised year-long certification programme in collaboration with the Indian School of Professional Excellence (ISPE) - to provide the right mix of technical, functional, managerial and behavioural competencies. Over the years, 440 officers were certified as part of this course. In 2018-19, we completed CPM - 4 with 107 officers and started CPM - 5 batch with 102 officers. A special course for CPM - IS batch was launched for 20 officers from IS - technical and functional teams.

MBA Oil and Gas

The educational scheme of CPM has been extended to MBA - Oil & Gas by the University of Petroleum and Energy Studies (UPES).





MBA - Oil & Gas is a year-long programme aimed at equipping the officers with requisite knowledge to enhance their effectiveness in driving business through sustained value creation and the adoption of contemporary approach. Around 200 officers completed MBA - Oil & Gas in the initial two batches. In 2018-19, 82 officers who were certified in the CPM programme have enrolled for the third batch of the MBA programme and 92 officers who were certified in the CPM-4 programme enrolled for the fourth batch of the MBA programme.

Executive Programme in General Management

In order to enhance the managerial skills of the officers and make them future ready, HPCL collaborated with various reputed business schools like IIM Lucknow, IIM Indore and IIM Tiruchirappalli for conducting 'Executive General Management Programmes'. The objective of this intervention is to prepare the officers for realising their full potential and enabling them to achieve business objectives.

Competency Development Program 'NEEV' by IIT Bombay

A 14 weeks' medium-duration on-line programme has been introduced with an objective to strengthen the capabilities of young officers to deal with various professional challenges. This programme is designed for enhancing technical and functional competencies. The programme will enable the participants to learn all the specific skills required to prepare and adapt successfully to the dynamic business environment.

HR Path

HR Path was launched to enhance technical competencies of junior HR officers and to enable them to contribute effectively to achieve organisational goals. The programme has a unique model of crowdsourcing content wherein the learner designs the e-learning modules and the same is verified by a mentor assigned to him. In 2018-19, we developed 96 e-learning modules under different domains of industrial relations. We conducted two rounds of online games for enhanced learning and a technical competency test to gauge their acumen.

Manthan

To tap the potential of our young HR workforce, we started a year-long capability building intervention - 'Manthan'. It aims to build behavioural and technical competencies and inculcates contemporary HR practices, enabling them to practice innovation-driven solutions and achieve higher efficiencies. The initiative is based on Howard Gardner's concept of '5 Minds for the Future'. 55 HR officers underwent this contact programme and implemented some high-impact projects such as Gyanjyoti and Shrestha in 2018-19.

Paradigm

Paradigm sessions are structured contact programmes for new officers where officers are provided an opportunity to meet the HR/SBU team to understand various processes and benefits. The meetings involve a confirmation project idea presentation and an open discussion with BU heads on issues, challenges and aspirations of new joiners. This year, each zone conducted Paradigm in three phases.

WIPS Workshop

A one-day workshop, 'Managing HE & SHE together' – Leveraging Capabilities, was organised for the Women in Public Sector (WIPS) for 45 women employees of various member organisations at HP-MDI. The focus of the workshop was to appreciate gender diversity and leverage capabilities of women as well as men at the workplace, thereby maximising potential of women towards effective decision making in personal as well as professional domains.

Interventions for Non-Management Employees

We designed interventions for non-management employees to enhance their technical and behavioural capabilities and help them handle career transitions.

Project Utkarsh

A longitudinal and integrated initiative of LPG SBU, this project aims to bring productivity improvements by fostering collaboration, building ownership and imparting knowledge and skills. Since its implementation in 2009, the average production rate of LPG plants has increased more than 39%.

Project Utkrisht

Aimed at improving the overall efficiency of operations and distribution locations, this project enhanced productivity parameters such as increasing bay filling rate by 108% from baseline (2012) and decreasing tank truck turnaround time to 45 minutes from baseline (2012) figure of 104 minutes.

Project Uttam

Under this project, two productivity settlements were signed at Mazagaon and Ramnagar Lube Terminals, resulting in significant improvement in production scales.

Machine Care Programme

Aimed at preventive maintenance through involvement of shop floor workmen in the concept of TPM and Autonomous Maintenance, the Machine Care Programme (MCP) was piloted in select LPG plants under project Shrestha 2.0.

Path of Light

Path of Light is a pre-retirement programme for our non-management employees. Intended to prepare our employees

to deal with retirement from a psychological, physical and financial perspective, the programme was redesigned this year. It is organised in two phases and covers topics related to spiritual, physical, emotional and financial wellbeing of the retiring employees and their spouses.

Project Utthan

Initiated by the HR team for the employees promoted from labour to the clerical cadre, the programme is aimed at developing technical and behavioural competencies of the participants, increasing their overall efficiency at the workplace and fostering team spirit. It targets attitudinal, behavioural and internal process competencies, along with IT orientation and customer focus. Module-wise training was provided to 70 pump fitters who were redeployed in various SBUs.

Interventions for Extended Workforce

Training programmes for extended workforce include focus on health and hygiene, safety, financial planning, skills to handle grievances (customer service) and awareness-creation on operations and modes of cashless transactions.

Ji Haan Samarth and Samvad

The Ji Haan Samarth (training programme for LPG deliverymen) and the Samvad (training programme for LPG showroom/ Customer Service Cell (CSC) staff) are joint training initiatives launched by LPG SBU in collaboration with the HR team.

The Ji Haan Samarth programme has been designed to traverse the course of a day in the life of LPG deliverymen and aims to equip them with the requisite

skills, knowledge and attitudes to perform and succeed in their roles. The Samvad programme aims to sensitise the customer-service cell staff of LPG distributors on various types of customers and equip them with skills to handle grievances in an effective manner. The end objective of both the programmes is to give HP GAS customers a unique and differentiated customer experience. Since its inception in 2011, trainings have been provided to more than 50,000 deliverymen and 17,000 customer-service staff. In 2018-19, more than 10,000 deliverymen were trained.

Prerna

We deployed more than 30,000 contract workmen through various contractors for carrying out non-core jobs in various locations in the reporting year. The objective of the Prerna module is to create awareness about our operations and educate them on personal health and hygiene, safety measures, alertness at the workplace, and help them with personal financial planning, wellbeing and modes of cashless transactions. We conducted 185 Prerna programmes covering 9,194 contract workmen during 2018-19.

Trainings

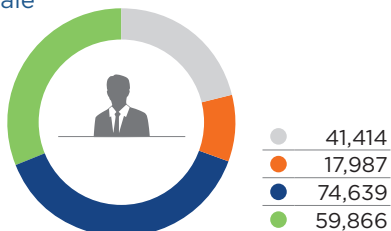
Performing every task with excellence is what separates the great from the good. We believe in building a high-performing team for all-round excellence; for this, we cultivate a Company culture that induces impactful performance across all levels. We conduct trainings for both management and non-management employees with focus areas such as behavioural, functional and technical skills.

Launch of HP Academy - An online learning management system

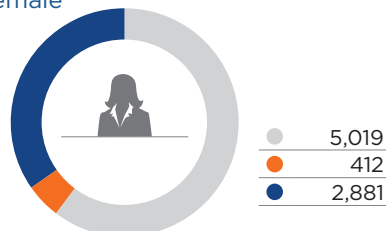


Trainings Imparted 2018-19

Male



Female



Technical Programmes

To enhance technical competencies, 308 technical/functional internal programmes covering 4,536 employees (22,131 training man-days) and 210 technical/functional external programmes covering 635 employees (2,644 training man-days) were conducted through various training and development interventions during the year 2018-19.

Learning Management System

HP Academy, an online learning management system, was launched in September 2018; 3,082 officers across the country leveraged this platform to enhance their skills. This system has encouraged self-learning among officers with

the 'Technical Trainings' section containing animated modules for all SBUs and refineries. More than 90 courses/videos are available on HP Academy, which translates to more than 435 hours of training content.

An exhaustive 'EBSCO' digital library has been made available on the HP Academy homepage that provides access to technical papers, journals, articles and e-books to all officers.

Augmented Reality and Virtual Reality (AR/VR) Based Technical Training Programmes

Leveraging technology to develop interactive training programmes, we commissioned Augmented Reality and Virtual Reality (AR/VR) facility (hardware and software)

at the Petroleum House learning centre. It is an interactive, simulated virtual environment to practice the field environment in various functions such as Refinery, Depot/Terminal, LPG Plant and Retail Outlet among others.

New Technical Training Institute at Talegaon, Pune

To enhance technical competencies of officers, a Technical Training Institute was commissioned at Talegaon, Pune in June 2018, wherein prototypes, cut sections, working models of terminal and depot equipment, viz., floating roof tank, terminal automation system and MBLC equipment, have been installed. Technical training programmes were conducted for 284 OD&E officers during the year.

Our People, Our Strength



Industry-Academia Collaboration

An MoU has been signed among Director, IIT Bombay & CM&Ds of Oil PSUs to set up a 'Centre of Excellence in Oil, Gas and Energy' to provide a competitive advantage to India's Oil and Gas industry. The Centre of Excellence is aimed at collaborative Research & Capability Building in the areas of Oil, Gas & Energy. It will work

towards developing sustainable solutions and explore new frontiers in technology for future energy needs. It will also provide an institutionalised platform for Industry-Academia interactions.

HPCL has been focusing on Industry-Academia collaboration through MoUs with premiere institutions. An MoU was signed by HPCL with IIT Bombay for

providing continued education to HPCL officers through full time M. Tech. (2 years) in Chemical Engineering at IIT Bombay with the objective of fostering collaboration between IIT Bombay and HPCL. MoU has also been signed with UPES, Dehradun for industry-academia collaboration on several joint interventions.

Managing Performance Aspirations

Our robust performance management and appraisal process is aligned to our objective of promoting a culture of meritocracy. The HR team is focused on creating a high performance work culture through a structured process of goal setting and performance reviews and rewarding employees through objective performance assessment. Goals and targets for the year are defined in terms of Key Performance Indicators (KPIs) and corresponding milestones in a balanced scorecard format. KPIs are standardised to enhance the robustness of performance management by aligning all employees towards common organisational objectives. More than 80% officers are covered under standardised KPI templates.

The following environment and social parameters are available under the standardised KPI templates, depending on the role and responsibility of the individual:

- Stakeholder Management
- Corporate Social Responsibility
- Energy Efficiency
- Environment Stewardship
- Health & Safety
- Support towards Sustainability Efforts

Rewards and Recognitions

We have implemented reward and recognition schemes aimed at motivating all employees. For executives in the senior/middle management, 'HP ICON Awards' have been instituted since 2010 to identify and recognise People Managers, i.e., officers who place the interests of their teams before individual contributions. For officers in the junior management category, 'HP Outstanding Achievers Awards' have been instituted to recognise outstanding contributions, while 'HP Gaurav Awards' recognise outstanding efforts in the non-executive category. The HP ICON Awards is a bi-annual affair, while the HP Outstanding Achievers Awards and HP Gaurav Awards are given annually.



HP ICON People Managers Awards 2018

This year, there were 16 winners from 2,121 valid nominations with 494 unique nominations.



Outstanding Achievement Award 2017-18

This year, 107 officers received this prestigious award under various categories.



HP Gaurav – Celebration of a Decade

This year we celebrated the 10th anniversary of the HP Gaurav Awards. All past winners were invited to relive their memories and special moments. This year, 92 non-management employees from the Corporate and Marketing divisions were conferred with the prestigious HP Gaurav Award.

Inclusiveness through Employee Engagement

Employee engagement programmes play a key role in making the workforce more involved and engaged about the part they play in the Company's success. We endeavour to enhance our employee engagement across all demographics. In 2018-19, we organised 136 employee engagement programmes across our locations.





HP Pariwar

HP Pariwar is an online social platform that was launched in 2018 to virtually connect with the families of employees keeping them abreast of the latest events in the Company. We also organised online competitions for different target groups.

Young Engineers' Conclave

The Young Engineers' Conclave provides a platform to young engineers to share their experiences and learning, and exposes them to various technological advancements and innovations through building interpersonal relations.

Yuvantage

We organised 'Yuvantage', a pan-India youth engagement initiative to enhance managerial, behavioural and technical competencies of HP youth. We organised a bi-annual event, Blitz, in Hyderabad this year.

Reboot 35+

We organise Reboot@35+ for officers in the 35-50 age group. This unique initiative aims to operationalise the vision of engaging self, immediate family members and build common interest networks across the Company. Under Reboot@35+, we organised various events such as national photography contest, painting contest, adventure excursions and jungle safari among others.

Paramarsh

We have an Employee Assistance Programme (EAP) called 'Paramarsh' that provides consultation on personal or professional matters to our employees, their spouses and children. We involve independent expert counsellors to ensure

confidentiality. It is a 24x7 service that can be accessed over the telephone, on the mobile app and through live chat and email.

Sparsh

Launched in 2018-19, Sparsh is a healthy maternity programme aimed to handhold and counsel new and returning mothers. It provides free of cost psychological coaching services to enhance emotional wellness for working mothers.

Hale and Hearty HPCL

Inspired by the vision of healthy India as envisioned in the #Hum-Fit-Toh-India Fit Challenge, 7,968 HPites across Corporate/Marketing/Refineries/Zones took up the challenge to walk a minimum of 5,000 steps/day or a total of 150,000 steps over 30 days. Employees across locations collectively walked the equivalent of 14,03,758 kms/20,35,449,557 steps. We also organised many on-ground activities such as ditch the elevator campaign, Zumba, masala bhangra, aerobics and cardio and laughter yoga across different locations.

Other Initiatives

- To address the impacts of sedentary work life, we organised several walkathons and marathons during the period to inculcate a healthy lifestyle. We organised 33 health workshops and 20 health check-up camps across locations to spread awareness about various health issues among employees.
- Our Mumbai Refinery organised 'Common Health Games 2019' in February; 290 employees and their spouses participated in this fitness event, where participants assessed their physical fitness as per international benchmarks.
- To attract contractors who can provide better services and higher productivity, we introduced 'Travelling Allowance' as a welfare measure payable to contract workmen engaged under respective contractor(s) at the Company's location basis their actual attendance.

Location-based Initiatives

We undertake employee engagement initiatives involving fun-filled activities at our refineries and marketing locations, to ensure that employees are relaxed, energised and committed to working with zeal and enthusiasm.

Highlights of Our Employee Connect Programmes in 2018-19:

- HPites family get-together named as Refinery Vijayotsavam at Visakh Refinery and Apnotsav at Mumbai Refinery.
- Screening of movies for employees and their family members.
- VR Got Talent and MR Got Talent show for employees and their family members.
- Outbound training programmes for union office bearers with their spouses.
- Outbound training programme for female employees.
- Celebration of International Women's Day.
- Inter departmental football and cricket tournaments, indoor games for employees.
- Diwali and New Year's celebrations in housing colonies.
- Walkathons/Marathons for promoting good health involving employees and their family members.

Employee Benefits

Our Company promotes a conducive work environment with a good work-life balance. We extend our support to our employees through several schemes and programmes, such as performance-related profit-sharing scheme, superannuation benefits, leave encashment, gratuity, during-service and post-retirement medical benefits, posthumous benefits for family members of employees, housing loan, vehicle loan, furniture loan, LFA, transfer benefits, employees' children education loan, computer loan and monthly vehicle allowance and leaves such as Maternity, Adoption, Surrogacy, Child Care and Paternity.

Upholding Human Rights

We are committed to ensuring that there is strict adherence to human rights and the relevant laws. We believe that a diverse workforce adds significant value to the Company and we embrace diversity and inclusion, thereby upholding a culture of empowerment for all. We are an equal opportunity employer and practice zero tolerance towards any kind of discrimination based on religion, origin, gender and/or status, and have strict mechanisms to deal with such cases.

All efforts are made to ensure that our employees thrive in a conducive environment. We conduct business in an ethical and transparent manner. We conduct regular trainings to generate awareness among our employees.

We adhere to the 10 principles of the UN Global Compact (UNGC) and are committed to upholding internationally proclaimed human rights. To ensure that human rights of every individual are upheld, we have a robust grievance mechanism

to deal with any cases of human rights violation. In the reporting year, there were no incidents of discrimination on the grounds of race, colour, gender, religion, political opinion, nationality, extraction or social origin.

Shri Raja Kulkarni Samman



Freedom of Association and Collective Bargaining

We strongly uphold Freedom of Association and Collective Bargaining rights. We have cordial and productive relations with unions for more than two decades. We have formal agreements with trade unions to deal with issues related to labour laws, health and safety of our employees, training and education and grievance redressal. The effective grievance management system, fairness and emphasis on transparency have aligned unions and employees to our vision. In 2018-19, HPCL Trust for Promoting Industrial Harmony awarded 'Shri Raja Kulkarni Samman' to six senior union leaders for their outstanding contribution to industrial relations.

At present, more than 94% of our non-management employees are a part of unions, which enables them to voice their concerns. Before implementing any management initiatives that impact or concern non-management employees, we discuss them with trade unions to understand their perspectives and arrive at a mutual agreement. Career Development Policy (CDP) settlements for Visakh Refinery

and Mumbai Refinery were signed in April and May, respectively, and implemented within the agreed timeframe. 84 union meetings were also organised across zones and locations to discuss and focus on resolution of day-to-day employee issues. During 2018-19, nine MoUs were signed making significant changes in our marketing operations and processes. Revision of Long Term Settlement (LTS) for Marketing, VR and MR is in process.

Management Employee Relations Committee (MERC)

We believe that effective grievance redressal system ensures employee satisfaction and creates a fair, productive and safe work environment. Employees of HPCL have access to the grievance redressal system to settle their individual grievances. The process for grievance handling through Management Employee Relations Committee (MERC) ensures effective and prompt handling of grievances. We have established detailed guidelines for timely grievance redressal through decentralised mechanism for process implementation and online workflow application for effective implementation. Through the

MERC channel, employees can log in grievances in any of the following matters:

- Grievances arising out of Performance Management (PM) related matters.
- Grievances arising out of non-receipt of eligible C&B under the Corporation Policy.
- Grievances arising out of any other Employee Relations (ER) related matters at the workplace.

Prevention of Sexual Harassment Workshop (POSH)

We organised POSH workshops in 2018-19 to inculcate appropriate workplace behaviour and promote gender sensitisation, covering provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. We also reconstituted Internal Complaint Committees (ICC) for marketing zones and refineries in view of the reassignment, superannuation, separation or completion of three years of ICC member. To empower women employees, we conducted self-defence training programmes called 'Kavach'.

Safety Culture

Our approach to safety is encapsulated in our Safety Policy, which states, 'As an integral part of its business, HPCL believes that no work or service or activity is so important or urgent that safety be overlooked or compromised'. This serves as a beacon for us to ensure a safe workplace and a healthy environment in and around all our refineries, plants, facilities and other premises. Our efforts go well beyond our operational areas as we strive to instil a culture of safety in the daily lives of our employees, their families and the community.

Live training on confined space entry



Safety Management

We believe that safety is an important tool to enhance productivity and reduce national losses. Driven towards a goal of 'zero incident', we maintain high safety standards in our operations. The safety culture is accorded priority by the top management and driven through HSE Department and Safety committees. It focuses on design and enforcement of safety rules and procedures, conducting safe operations, ensuring statutory compliance, being vigilant and prepared for emergencies, awareness creation and progress review on policy compliance. Our top management periodically reviews progress on compliance of various statutory audits and time-bound action plans for redressal of the safety observations.

Health, Safety and Environment

We have Health, Safety and Environment (HSE) departments at multiple levels, starting from the headquarters including Corporate and SBU level, Refineries, Zonal offices and at operating level, i.e., locations. They monitor and assess the safety mechanisms through regular audits, create awareness among stakeholders, and engage with government officials on relevant matters.

Safety Committees

To encourage proactive participation and involvement of the workforce in matters pertaining to HSE, Safety Committees are active at our locations, with equal representation of management and non-management employees. These committees ensure adherence to the Company's HSE policies and compliance to regulations, thereby maintaining a healthy and safe work environment. The committees obtain feedback from the workforce, discuss matters related to HSE context pertaining to the location and provide remedial recourses to strengthen safety sustainability through participative management process. These committees also identify safety-specific training needs of the employees.

Emergency Response and Crisis Management

The very nature of the products we handle make safety the

topmost priority for us. We have implemented safety and security systems at all our operational facilities to identify and manage hazards, risks and emergencies.

We provide our employees with regular training on operational safety, security, emergency preparedness and crisis management. We acquaint them on safe operating practices and protocols, thereby mitigating the risks during emergency and crisis. To enhance the confidence of our local communities and neighbouring industries, we engage them in our offsite and onsite mock drills.

The National Disaster Management Authority (NDMA) through Disaster Management Act (DMA), 2015 formulated provisions for better coordination at various levels to ensure effective emergency response. Locations require additional resources and external help to mitigate impacts of major incidents. During such disasters, clear role and responsibilities of various levels of Corporation, viz., Locations, Zonal and Corporate level enables better communication and resources mobilisation. We have a Crisis Management Plan (CMP) that documents clear roles and responsibilities with communication details of officials at respective Locations, Zones, Corporate Offices and external authorities in case of a major incident/disaster which may be natural or manmade. The objective of the CMP is to

clearly define roles at various levels, communication hierarchies, and for handling media and reporting to statutory authorities. This CMP is in addition to location-specific Emergency Response Disaster Management Plan (ERDMP).

Process Safety

Process safety is a disciplined framework that focuses on major hazards that may impact safety, cause environmental damage or lead to business losses. It deals with the prevention and control of events that have the potential to release hazardous materials and energy. It relies on principles of good design, besides engineering, operating and maintenance practices.

Process Safety Management (PSM) is well integrated in the Company's Safety and Environment policies. We have established provisions to prevent/minimise the consequences of loss of primary containment (catastrophic releases of toxic, flammable or explosive chemicals), involving our stakeholders. We maintain sound operating systems, practices and procedures equipped with multi-layered protection barriers complying with the highest standards of preparedness to tackle emergencies. We also organise awareness and refresher training programmes and compliance audits as part of the management review and continual improvement process.

Safety Performance

Employee Category	Mumbai Refinery		Visakh Refinery		Marketing Locations	
	Employee	Contractor	Employee	Contractor	Employee	Contractor
No. of Fatalities	Nil	Nil	Nil	Nil	Nil	2
Lost Time Injury Frequency Per Million Hours Worked	Nil	Nil	Nil	0.0749	0.0545	0.1524
Total No. of Recordable Injury Incident Rate Per Million Hours Worked	0.3322	0.2556	0.7547	0.1497	0.0545	0.1524

Notes:

- The above injuries/fatalities are under male category.
- Assumption is taken to calculate total man-hours worked for Marketing SBU by considering 8 hours a day for 301 days.
- The absenteeism rate for MR, VR and Marketing is 0.0073, 0.0025 and 0.0049, respectively. It is calculated by dividing absent man-days due to loss of pay by total hours worked. The occupation disease rate is reported as nil.
- The Lost Time Injury rate includes fatalities and lost workday cases.
- Total no. of recordable injury incident rate includes fatalities, lost workday cases, restricted workday cases and medical treatment cases.

Our People, Our Strength

HSE Highlights

Mumbai Refinery achieved the highest ever 24.59 Million man-hours of safe operation vis-a-vis the previous best of 12.57 Million man-hours, and completed 10.92 Million safe man-hours at the Mumbai Refinery Expansion Project (MREP).

Visakh Refinery crossed 10 Million safe man-hours at the Visakh Refinery Modernisation Project (VRMP). Our various functions coordinated for numerous HSE activities during the year.

Corporate HSE

- HP-SOW (Safety on Wheels) covering 1,192 tank truck crew which featured technical, behavioural aspects and road safety interventions to reduce road accidents.

- Conducted Suraksha Parishad covering safety, sustainability and environment topics for 111 officers.

- Organised Process Safety Management (PSM) training to process and operations officers at both refineries, covering all 20 elements of process safety for 51 officers.

- Organised live fire training to 47 officers at Institute of Petroleum Safety, Health and Environment Management (IPSHEM) to build confidence to handle fire incidents.

- Conducted emergency management inspection at POL Locations.

- Inspected project sites at VRMP and MREP.

- Compiled analysis of past incidents for awareness of employees.

- Published technical bulletins, newsletters and safety cards to create awareness and promote sustainable development concepts among stakeholders.

- Conducted Life Cycle Assessment for ENKLO series product.

- Participated in Climate Change Risks and Preparedness for Oil and Gas sector in India.

- Received GreenCo certification for five marketing locations.

- Developed Green Belt in 28 acres (within premises).

Live fire training



HSE - Marketing

- Developed e-inspection tool for online submission of electrical safety audit report and completed audit for 23 locations.
- Conducted mega road safety training to POL tank truck crew, covering 2,910 crew.
- Conducted 51 surveillance safety audits at marketing locations.
- Carried out surveillance safety audits of 112 retail outlets, covering 22 retail Regional Offices.
- Conducted inspections at private LPG bottlers.

LPG SBU

- Installed biometric access control system with flap barrier and palm vein reader authentication technique at 40 LPG locations with central monitoring server.
- Installed flameproof CCTV system in LPG filling shed of 35 LPG plants with online monitoring from Zone/HQO.
- Conducted two training programmes for 30 safety officers and plant managers at NITIE, Mumbai on risk assessment and emergency preparedness.
- Organised a two-day training programme for 35 safety officers and zonal HSE managers on OISD.

- Conducted workshops on safe driving and fuel conservation with Petroleum Conservation and Research Association (PCRA).
- Organised first-of-its-kind five-day mega training programme for 137 TT crews on behavioural, technical and motivational transformation at Mangalore LPG import facility.

OD&E SBU

- Achieved improvement in all India cumulative HSE Index to 97% as against historical of 95.3%.
- Achieved highest ever compliance of 820 OISD observations with North zone, recording nil pending points during the year.
- Recorded nil road accidents in 48 OD&E locations.



Our People, Our Strength

Others

- Pipelines SBU imparted more than 6,500 man-days of trainings to employees and contract staff.
- Retail SBU conducted electrical safety audits at 3,960 outlets across the country to ensure high standard of safety.
- LPG and OD&E SBUs imparted live fire training to 1,475 officers, contract workmen and security staff during the year.

Safety Trainings

We engage our employees in safety management processes and impart training on health, safety, security, emergency preparedness and crisis management regularly.

Project Shapath

It is a collaborative initiative of LPG SBU and the HR team to assess safety quotient of all non-executive workmen across LPG plants. This project was developed phase

wise from identifying key positions at LPG plants, understanding the different level of competencies, developing technical and behavioural competency framework for safety, ascertaining the safety quotient of locations, conducting Technical Competency Test (TCT)/Behavioral Event Interviews (BEI), and designing and rolling out of focused interventions to enhance the safety quotient of all LPG workmen. Over the last few years, we have seen an upward trend in the overall safety quotient and BEI score.

Surakshit

Our existing security workmen are primarily ex-service workmen. To enhance their technical and behavioural competencies required for security of industrial establishments, we launched a pilot training in 2018 and implemented at Kandla Terminal, Mundra Terminal, Vadodara IRD and Hazira IRD. We also organised Surakshit

trainings for security guards of Operations, Distribution and Engineering (OD&E) locations.

Ekagra

To ensure security and safety of cross-country pipelines, Pipeline SBU with the HR team designed an intervention christened as 'एकाग्र'... with the tag line 'सुरक्षा के पथ पर' that aims to develop our pipeline ecosystem. The intervention comprises uniformity and standardisation of processes, new tools to ease work, rewards and recognitions, performance monitoring and capability building of contract workmen and security personnel. The first alignment workshop for ROU officers was organised in two batches in July 2018, followed by annual security agency meet in September 2018. More than 1,500 security personnel were impacted through the programme.

Security of Assets

The continuity of our operations depends on the health, safety and security of our assets. Best-in-class technology, trainings on maintenance of equipment and reliability improvement measures enable us to address our objectives of providing a safe and secure work environment.

We make every effort to attain incident-free operations throughout the year. Asset integrity, safety and security are looked after by our Maintenance and Inspection (M&I) departments. Our M&I teams inspect our facilities to ensure

timely maintenance on a regular basis. They also recognise potential risks, prepare mitigation plans and assess the need for investments aimed to improve asset integrity and achieve safe, incident-free and efficient operations.

Our M&I teams inspect our facilities to ensure timely maintenance on a regular basis.

Promoting Health

We conduct structured programmes to promote the health and wellbeing of our human resource, leading to higher productivity and efficiency.

We have a comprehensive health insurance policy for our employees and their dependents. We also facilitated a health insurance policy for dependents of employees not covered in the corporate health insurance policy. Our wellness portal comprises latest health-related articles, news and other information on topics of health and wellbeing.

For preventive health management, our workforce undergoes periodic medical examination.

Services of designated physicians are provided at major marketing locations, while we have tie-ups with local hospitals at smaller locations to ensure accessibility to health services. In 2018-19, we organised several health education programmes, awareness sessions and diagnostic camps for our employees, their families and other stakeholders.

We organised health camps for contract workmen at working locations. Medical check-ups were

carried out for contract workmen and truck crew to ensure their wellbeing. In these check-ups, the workmen were made aware of their current health status and advised suitable measures to maintain good health. We also undertook various drives and celebrated important days such as 'World Anti-tobacco Day' at our locations.





Product Stewardship

Research & Development (R&D)
Quality Assurance
Customer Centricity

107
109
111





Helping Create a Sustainable World

We believe that environmental responsibility encompasses the complete product lifecycle. To be a true environmental steward, we seek to understand and effectively manage Health, Safety and Environmental (HSE) risks across the value chain to reduce adverse impact while enhancing business excellence and customer satisfaction.

We engage in sustainable growth by enhancing our products according to customer demands and expectations. It is this synergetic association that promotes innovation and advancement, be it incorporating intelligent systems or investing in potential technologies.

Safety is of paramount importance to us throughout the lifecycle of our products. Our facilities, including our customer-facing locations, are committed to safe operations. We have adequate safety management systems and protocols to anticipate and mitigate potential safety risks. Our workforce is provided rigorous safety training and suitable safety protection equipment. We convey

adequate information for safe use of our products, to ensure safety of our customers. We circulate booklets and guidelines, including Material Safety Data Sheets (MSDS), containing product safety information, product-handling procedures and risks. Our operations involving manufacturing, storing and marketing of products are assessed by qualified auditors at regular intervals.

We follow national and international laws to display relevant information on our product labels, as applicable. Our products are in line with BIS specifications, internationally accepted standards and customer-specific standards. There was no non-compliance

related to unfair trade practices or irresponsible advertising as per applicable regulatory codes in the reporting year. However, there were six pending cases related to alleged anti-competitive behaviour, as on March 31, 2019. We do not market any product that is banned or disputed. All lubricant packages/labels must comply with the Legal Metrology (Package Commodities) Rules, 2011. As per the rules, lube package labels should contain declaration of Quantity, MRP, Manufacturing Date, Manufacturer Name and Address, Customer Contact Details and Generic Name of product, among others. We have not recognised any non-compliance pertaining to applicable legal requirements of product labelling regulatory codes.



Safety is of paramount importance to us throughout the lifecycle of our products. Our facilities, including our customer-facing locations, are committed to safe operations.

Research & Development (R&D)

Our R&D team designs and tests new or improved technology or products. The R&D team consistently develops innovative products and adds value to our existing offerings by remodelling processes and improving quality, thereby providing a competitive advantage to the business.

The Hindustan Petroleum Green Research & Development Centre (HPGRDC) was established at Bengaluru to provide advanced technological assistance to our Marketing SBUs and Refineries. It aims to develop pioneering and path-breaking technologies and establish itself as a knowledge hub. The research centre is equipped with state-of-the-art infrastructure, comprising energy-efficient green buildings located in a sprawling campus.

In 2018-19, the HPGRDC developed many technologies such as HP2FCC technology, crude to petrochemicals technology, HP-ASAP and Slurry Hydro

Cracking (SHC) technology and plans are underway for setting up demonstration units for the same. It also improved and upgraded some of the existing technologies such as H2 PSA technology, HP-DUCER, HP CORRMIT and SprayMax FCC Feed Nozzle.

Some of the products developed and launched during the year include HP-NEUTMAX, HP THERMPRO and HP-BIOREMEDIA. Two of our products - HP-FurnOKare and HP-BioActiva - were also commercialised.

During 2018-19, HPGRDC filed 11 patents taking the total number of filed patents to 89, as of March 31, 2019. A total of 12 patents were granted to HPGRDC during the year taking the total number of patents granted to 16, as of March 31, 2019. Out of the 12 patents granted during the year, six were international patents.

In line with our T20 strategy, we are determined to develop efficient products. To meet our stakeholder expectations, we aim to develop responsible products such as cleaner fuels and lubricants. Biofuels is one such product in which we invested ₹1.5 Crore.

HP Green R&D Centre



Product Stewardship

Our Green R&D Centre Highlights

HP2FCC Technology

Performance of [HP]2 catalysts is superior in terms of propylene yield and RON gain. Plans are underway to set up a HP2FCC commercial scale unit BDEP in Visakh Refinery.

Crude to Petrochemicals HPCL's State-Of-The-Art Path-Breaking Technology

Direct conversion of crude to petrochemicals, yielding higher petrochemicals feedstock than that of conventional refinery configuration.

HP Neutmax

A novel neutralising amine with 23% lower dosage than that of benchmark formulation, meeting all other parameters.

HP Thermopro

A chemical formulation to reduce the fouling in heat exchangers in crude side and short resid side.

HP-FurnOKare

An in-house developed on-line furnace cleaning chemical which is able to achieve targeted performance in terms of arch temp reduction for all furnaces.

HP-DAK

Developed a process called HP-DAK (Dearomatised kerosene) to produce specialty solvents which can be used in paints and coatings, drilling fluids and metal working fluids.

HP-ENOCT

Developed a catalyst and process called HP-ENOCT (Enhanced Octane) to produce high octane blending component in the gasoline pool.

H2 PSA Technology

Replaced existing adsorbents with in-house adsorbent system for CCR PSA unit and DHT PSA unit at Visakh

Refinery and established enhanced plant performance in terms of product H2 purity and recovery.

HPDUCER

A chemical developed to reduce pressure drop in fixed bed reactor.

HP-CORRMIT

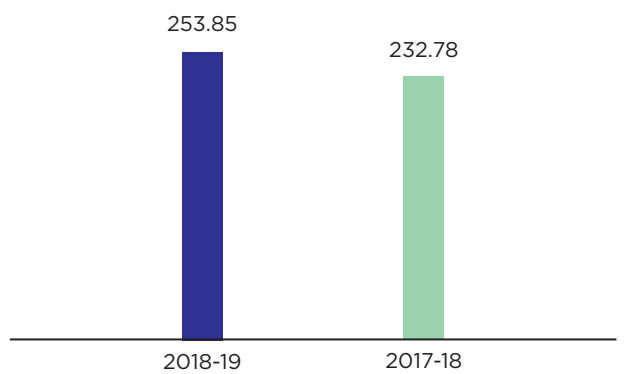
A corrosion inhibitor developed indigenously showing better performance in MHMBL LPG pipe line.

SprayMax FCC Feed Nozzle

An improved FCC feed nozzle designed and fabricated for Visakh Refinery FCC-II.

Expenditure Incurred on Research & Development

(₹ in Crore)



Quality Assurance

We deliver happiness by offering our customers quality products and services to meet their needs. Our adherence to Quality Assurance (QA), a part of quality management system, helps us to gain confidence from the management and the customers, regulators, third parties and government agencies.

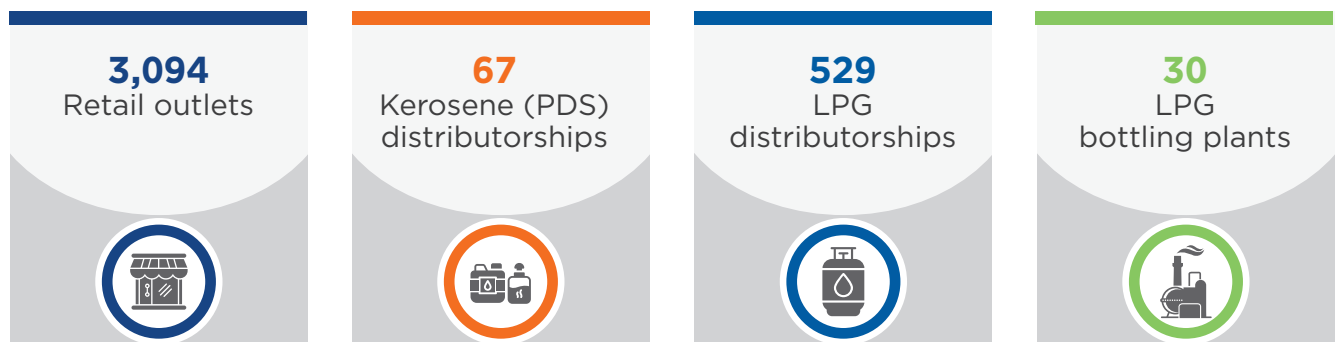
According to the directive of the Ministry of Petroleum and Natural Gas (MoP&NG), we have a dedicated QA cell with zonal officers whose roles are independent of refining and marketing functions. The QA cell carries out surprise inspections covering retail outlets, kerosene (PDS) distributorships, LPG distributorships, depots/terminals and LPG bottle plants as per the revised Marketing Discipline Guidelines (MDG) and HQO directives.

In 2018-19, the QA cell carried out inspections at 3,094 retail outlets, 67 Kerosene (PDS) distributorships, 529 LPG distributorships and 30 LPG bottling plants. Our robust QA systems enables us to set high customer service benchmarks for supply locations and channel partners, and helps us provide high quality products to our customers.

HP QC Vision

- HP QC builds customer loyalty by ensuring best quality products and services for enhanced profitability
- HP QC consistently exceeds customers' expectations
- HP QC imbibes a culture of quality assurance by every employee adopting best practices
- HP QC is committed to transparent and ethical practices
- HP QC partners with stakeholders for continuous improvement

In 2018-19, the QA cell carried out inspections at



Product Stewardship

Launch of Certified Reference Material



Quality Control

Our Marketing QC department assures quality of our products of various business units such as Operation, Distribution and Engineering, Retail, Direct Sales, Lubes, Aviation and Pipelines.

In line with the Industry Quality Control Manual (IQCM), the guideline for the oil industry to gauge product quality at various stages, we examine our product quality at every stage of handling, i.e., receipt, storage and dispatch at terminals, depots and outlets.

Our QC serves the needs of the customers through its vast network of laboratories situated across India. These laboratories are designed as stated by the requirement of the Oil Industry Safety Directorate (OISD). Our world-class laboratories at

Mumbai and Visakhapatnam refineries are equipped with advanced technologies and skilled technicians and accredited by the National Accreditation Board for Calibration and Testing Laboratories (NABL), an autonomous body under the aegis of the Department of Science and Technology, Government of India. Our major QC laboratories have also been accredited by NABL. Our various labs are approved by the Directorate General of Civil Aviation (DGCA) and the Directorate General of Aeronautical Quality Assurance (DGAQA). These agencies also conduct internal and external audits to adjudge the performance of the quality checks. We also implemented ISO 17025 Quality Management System to gauge the accuracy of our quality assessments.

Launch of Indigenously Developed Certified Reference Material

Indigenously developed Certified Reference Material (CRM) plays a vital role in the quality assurance plan of laboratories. It is a mandate to use CRMs, as per various national and international specifications, to calibrate test equipment used for certification of products. We took an initiative to accredit our Visakhapatnam marketing laboratory to develop CRMs. Certified reference material project of Quality Control department (Marketing) won the prestigious National Quality Award, popularly known as Quality Council of India - D L Shah Quality Awards in the Platinum category.

Customer Centricity

Customer centricity is an attempt to do business that delivers happiness to customers by creating a positive experience at the point of sale and after the sale. Our business strategy revolves around customer centricity, which relies on our ability to deliver quality products as per customer requirements. This also enables the Company to gain a competitive edge.

We engage with our customers both directly and indirectly through various channels of communications and interactions to understand their expectations and perceived shortfalls in delivery, which we resolve through timely interventions.

To expand our network, we commissioned 478 new retail outlets, taking the total count to 15,440 pan India. We also increased volumes in our existing network.

We automated 6,844 retail outlets in 2018-19, our highest ever, taking the count to 14,744. In this fiscal, we also commissioned a mobile fuel dispenser, 'HP Fuel Connect', for the first time.

During 2018-19, we reached more than eight crore customers through our strong LPG distributor network of 5,866 under HP Gas. The Pradhan Mantri Ujjwala Yojana (PMUY), which aimed to provide user-friendly clean fuel

to the markets at the bottom of the pyramid, played a key role in adding more than one crore new customers, taking the number of PMUY beneficiaries enrolled with us to 1.97 Crore as on March 2019. We also conducted 27,000 Pradhan Mantri LPG Panchayats and addressed 34 Lakh users across the country on safe and sustainable use of LPG. We also conducted ~60,000 safety clinics to educate 29+ Lakh customers about the safe handling of LPG.

Pradhan Mantri LPG Panchayat



Product Stewardship

Highlights of Customer Experience Enhancement Initiatives in 2018-19

Going Digital

We leveraged digital technologies across all spheres of our business operations. During the year, a large number of new initiatives were taken up towards new application development, enhancements of application functionalities and augmentation of IT infrastructure. We implemented these initiatives across the Company to enhance the efficiency of our operations.

Various digital initiatives were also implemented to improve customer experience and relationship:

- Implemented ePMUY and ePMUY II in timelines incorporating validations as per the requirement.
- Implemented Ujjwala Diwas Application – a digital initiative to capture PMUY customer contact, safety clinic and Panchayat for LPG SBU.
- Implemented HP GAS customers' feedback application, a complete system-driven collection of voice of LPG customers integrating IBM FEB-Streebo, CDCMS and HP AnyTime application.
- Implemented HPBuddy, an application for retail dealers and LPG distributors to ensure visibility of their indents, deliveries, payments and track status of indents and deliveries.

This is integrated to the VTS application for providing real-time visibility of deliveries to the customers in retail.

- Introduced voice-based questions with AI and natural language processing along with text chatbot in the Sales Sahayak.
- Implemented Gram Swaraj Abhiyan (GSA) and GSA II. Provided an application to MoP&NG for optimal allocation of villages to nearest OMC distributor to maximise efficiency.
- Developed the Sarvekshan mobile application to collect KYC data and upload documents of distributor personnel. A delivery boy application, our first in-house offline application for LPG to do surveys in remote villages for GSA 2, was extended for pre e-KYC for LPG connections with the option to capture Aadhaar, Bank Passbook and photo identity. It also includes features such as delivery confirmation and instant cylinder booking.
- Used online GST e-Way bill API, as an industry first, to generate e-Way Bill online at the time of document generation (invoice, TOA, AMTA and non-stock transfer).

Customer Safety

Customer safety is one of the top priorities in our business execution. We ensure customer safety by meeting the highest safety standards in our systems, processes and products. We have a dedicated Health, Safety & Environment (HSE) department and management system to enhance governance and compliance and ensure compatibility with our safety standards and protocols. During 2018-19, there was no incident involving health and safety impacts of products resulting from non-compliance of regulations and voluntary codes.

Customer safety is one of the top priorities in our business execution. We ensure customer safety by meeting the highest safety standards in our systems, processes and products.



Loyalty Programmes

We actively pursue initiatives to improve customer service and promote customer loyalty.

Highlights of Customer Loyalty Initiatives in 2018-19

HP Re-Fuel Program

HPCL HP Refuel is a powerful loyalty and payment program that provides complete fuel management solution to vehicle and kitchen (HP Gas). This innovative prepaid payment mechanism adds value to the individuals and businesses by giving them greater control of fuel consumption and operating costs.

DriveTrack Plus Loyalty Card Program

DriveTrack Plus is a powerful prepaid fleet card that provides complete fleet management solution with a combination of control, convenience, security and

attractive reward points. This card can be used to purchase fuel and lubricants at participating HPCL petrol pumps across the country and offers a host of unparalleled benefits.

Another attractive reward scheme is the Payback card programme, a multi-coalition loyalty programme. We offer co-branded credit cards with ICICI Bank and Amex and a co-branded debit card with ICICI Bank. We also launched the revamped Star Retailer Loyalty Scheme 'Pragati' through mobile application for retailers and mechanics.

Customer Feedback

Our sustained growth lies in our endeavour to improve our products according to social expectations and consumer preferences. Our association with customers hinges on the symbiotic relationship that encourages innovation and improvement, from incorporating intelligent systems to investing in future technologies.

LPG

LPG SBU developed HP GAS domestic customer feedback application which can be used by customers to provide feedback on receipt of their refill delivery. Customers receive SMS with a link to provide feedback in the application post-delivery. Customers are welcome to provide suggestions as well.

A survey was conducted on industry basis with pan India coverage through external third party for PMUY (sample size: 54,553) and non-PMUY (sample size: 1,05,724) consumers to provide inputs and feedback for an effective strategy by understanding the ground realities and perceptions of LPG consumers through a structured questionnaire.

Retail

For the first time in industry, an AI-driven machine learning application was utilised to capture and analyse customer feedback across selected outlets on a pan India basis via the 'Talk to Us' initiative. The customer feedback was collected through emails, IVR, QR and SMS. A total of 71,966 responses were collected at 400 retail outlets during the pilot campaign.



Fuelling scientific temper through Project Agastya



Creating Shared Value

CSR Approach
Focus Areas
CSR Footprint

117
118
119





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पूजला, जाधपुर

Building a Self-sustaining Society

As a responsible corporate citizen, we recognise, understand, appreciate and strive to meet the needs and concerns of a wide array of stakeholders. Our Corporate Social Responsibility (CSR) values, policies and practices are aligned to our overarching objective of 'Creating Shared Value'. We thus reach out to our stakeholders – involved in our value chain directly or indirectly – by adopting a holistic approach, which entails working towards the socioeconomic development of the local communities and the society. Our CSR approach is guided by our corporate Vision and Mission and helps us transform the lives of people and deliver happiness to the last mile.

We believe in playing the role of a catalyst in transformation through our CSR endeavours. We believe that business growth and societal development are interdependent; thus, we always seek opportunities to fulfil our commitment of 'Delivering Happiness' by making a positive impact on the lives of people through proactive and participatory engagement.

We initiated several programmes for empowerment and socioeconomic welfare of host communities largely where we operate. We engage in dialogue

with the local community members to incorporate stakeholder engagement practices. Through our shared value approach, we have developed strong relationships with them, enabling us to make a mark in various geographies.

Over the years, we have undertaken various activities under the CSR umbrella. Various initiatives of the Government of India such as the Swachh Bharat Abhiyan, Digital India and Skill India, among others have been carried out in areas we operate.



CSR Approach

To create social capital, we strive to maximise the impact of our CSR initiatives by integrating and internalising them into the core of our business operations. Intervention models that have the potential to provide sustained, long-term impact not only for the beneficiaries but also for the social factors that lie at the root of the problems are given utmost support and encouragement.

We focus on creating measurable societal value by identifying and addressing societal needs and challenges intersecting with our business. Our CSR activities aim to identify gaps in the existing system of delivery and address them meaningfully to create a long-term, sustainable impact, rather than parallel systems.

We promote programmes and activities, in collaboration with the local communities and administration, which create a progressive, nurturing and conducive environment for holistic social development of the less privileged.

We interact with local communities through various channels to understand their needs and concerns, identify the most effective way to address them, and and carry out impact assessment of our initiatives. We partner with government agencies, CBOs, local panchayats and district administration for effective implementation. The active participation of the community plays an important role in the formulation and implementation of various CSR projects.

CSR Policy

HPCL believes in the creation of shared value and interdependency of business and stakeholders.

Our CSR Policy defines the scope, and guidelines for identification, implementation and monitoring of CSR projects and initiatives to bring uniformity in various operations and functionalities of its activities. The policy aims to address the developmental challenges faced by the communities.

CSR Objectives

HPCL will focus its CSR activities on local communities around which it has its operations like Refineries, Terminals, Depots, LPG Plants, Pipelines, Aviation Stations, Lube Blending Plants, Project locations and other offices, etc. HPCL is committed to allocate at least 60% of the CSR budget for these local communities.

HPCL will implement CSR activities to empower weaker, less privileged and marginalised sections of the society to create social capital.

CSR Management

We have a Board-level sub-committee, on CSR and Sustainability Development (CSR&SD) consisting of Whole-time Directors and Independent Directors which oversees and executes the CSR plans, provides inputs to strengthen the strategy, ensures effective needs assessment and reviews progress.

CSR projects are identified in consultation with community and its needs, developmental challenges faced and opportunities available for impactful interventions. Post implementation, project progress is monitored at regular intervals to ensure that the set objectives and goals are met.

Focus Areas

Our CSR focus areas are inspired by and aligned with international developmental goals and national policies and legislations on Child Rights, Child Development and Education, National Health Policy and National Health Missions, Healthcare in India – Vision 2020, National Skill Development Mission and policies on community and rural development.



CSR Footprint

We embarked on various developmental initiatives in 2018-19 to reach out to the less privileged in the society. Propelled by passion and efforts of our employees, the Company was able to touch the lives of people through innovative, value-driven and well-designed CSR projects.

More than 450 projects and activities under various CSR focus areas were undertaken during the year to create shared value, in collaboration with the local administration and the community. These activities included provision of basic amenities such as health and education infrastructure in remote rural areas, and scholarships to meritorious students from SC, ST, OBC and PWD segments.

We focused on supporting developmental initiatives in aspirational districts, as identified by NITI Aayog, by committing more than 40 projects in select geographies

These focused efforts towards social development through the creation of community infrastructure and social interventions led to the socioeconomic welfare of beneficiary communities and the society.

Childcare and Education



Childcare and education is one of the core areas of our CSR programme, as we believe it is key to transforming the lives of our future generations and contributing to nation-building. We plan to improve the quality of education by imparting training, skill development, technical know-how and by providing healthy meals to school students. We also promote projects that focus on woman empowerment and education of differently-abled individuals. Our education-focused projects include Nanhi Kali, Unnati, Akshayapatra and Agastya.

Project ADAPT

Disability is one of the least understood and accepted conditions in the society. Thus, ensuring equal opportunities and dignity to Persons with Disability (PWD) requires significant efforts, awareness and mobilisation, beyond addressing their medical needs.

Our Project ADAPT aims to create a model of inclusivity and equal opportunity by offering special education and state-of-the-art therapies along with skill training opportunities to Children with Special Needs (CwSN) in an enabling environment to bring them into the mainstream.

In 2018-19, we supported the holistic development of 300 special children by providing education, therapies and vocational training.

Project Akshayapatra

Hunger and malnutrition are considered one of the major causes affecting the health and education of school children in our country. This has led to introduction of Mid-Day Meal Programmes. In line with this, we launched Akshayapatra, which is a programme to alleviate classroom hunger, increase school enrolments and attendance, address malnutrition, and improve socialisation among different communities.

Akshayapatra impacts the lives of school children by providing hygienic and nutritious meals through specialised agencies.

The intervention through this programme resulted in enhanced enrolments and a reduction in dropout rates at schools. It also helped deliver quality education and contributed to

the overall improvement in student performance. As part of this project, we have provided nutritious mid-day meals to 15,000 students in government schools.

Project Nanhi Kali

Promoting education of girl child and developing gender sensitive communities are some of the biggest challenges to the society. Project Nanhi Kali aims to address this important issue by providing academic, social and material support to first generation girl child learners from educationally and economically less developed communities.

Through this planned intervention, we have been able to reduce the dropout rate of girls, prevent child marriages and promote higher education. Under Project Nanhi Kali, we have supported quality education for 13,000 girls.

Creating Shared Value

Project Agastya

We have undertaken Project Agastya to ignite and inculcate the scientific spirit in young minds. Under this project, we provide hands-on, practical science education to the new generation of learners from less-privileged communities. In 2018-19, we provided practical science knowledge exposure to 28,338 students from 127 schools through mobile science labs.

Project Unnati

In the current information age, e-literacy and computer skills have assumed an important role in daily transactions, on personal and professional fronts. Thus, enhancing these skills can help create a future-ready workforce who is capable of meeting the requirements of the professional world.

We have partnered with specialised agencies to provide computer awareness and basic education to school students from Class VI to Class IX in semi-urban and rural areas. Moving beyond classroom teaching, we are following the

'Train the Trainer' model wherein the school teachers are also trained to ensure sustainability of the project. We have also installed well-equipped computer labs at these schools to ensure continuous practice for the students.

Project Unnati widened the horizon of education and improved future employability of these less privileged children when they reach adulthood. Under this project, we provided free computer education to 12,000 students.

Project Kashmir Super 30 (Medical)

To provide state-of-the-art educational facilities for medical stream aspirants, we initiated Project Kashmir Super 30 (Medical) in collaboration with the Indian Army. This is a full-time residential coaching project for NEET aspirants of Jammu & Kashmir.

As part of this project, we have provided state-of-the-art infrastructure for comfortable study and stay of the students from Jammu & Kashmir. The facilities are housed in the Army campus at Srinagar. The students have

₹6.21 Crore

HP Scholarships distributed

been selected through a rigorous process in partnership with the Indian Army. The initiative will enable talented yet needy students from J&K to fulfil their dreams of becoming a doctor and to serve the society.

HP Scholarships

To empower academic talent, scholarships worth ₹6.21 Crore were distributed to over 11,000 meritorious students from the socially and economically weaker communities.

HP Scholarships



Healthcare



Access to healthcare is a fundamental human right. However, people across India face diverse challenges to access quality and affordable healthcare. Essential healthcare infrastructure and social support services need to be enhanced for a large percentage of the population, especially for those in rural areas.

We work towards providing solutions to issues around health, hygiene and sanitation. We enhance access to quality and affordable preventive as well as curative healthcare through several programmes for the less privileged sections of the society.

Project Dhanwantari

To address critical health requirements and provide basic medical facilities to people in need in remote rural areas and urban slums, we have partnered with grass-root level NGOs to run unique Mobile Medical Units under Project Dhanwantari.

Our key objective is to create awareness, and provide diagnostic and curative services to the community. We focus on providing basic medical facilities at doorsteps for common ailments by providing free medicines while making necessary referrals for major ailments. Under this project, we operate 24 mobile medical vans.

Project e-WASH

e-WASH (Water, Sanitation and Hygiene) in Schools programme began in December 2017 to create and sustain 300 children-friendly clean government and government-aided schools for 45,000 school children across Gujarat, Jharkhand, Karnataka and Uttarakhand. The project aims to develop and strengthen safe drinking water provisions, build and rejuvenate sanitation infrastructure and undertake Social Behavioural Change Communication (SBCC) interventions to inculcate improved hygiene practices.

We completed construction and repair works of toilets, urinals and handwash units in 300 schools for WASH infrastructure. We also ensured the availability of safe drinking water by installing water purifiers as per the needs and pre-intervention availability of the same facilities in schools.

Project Dhanwantari



We developed and rolled out a detailed Behaviour Change Communication (BCC) strategy across schools in four states. Member of the school management committee of every school were trained on WASH behaviours, and operation and maintenance of infrastructure developed. The project touched the lives of more than 45,000 children from remote rural areas of the four states and contributed towards the goal of clean India.

Project Suraksha

The National AIDS Control Organisation has identified long distance truckers as a high-risk category for AIDS, and thus this target group is one of the most vulnerable stakeholders in our supply chain.

To address this issue, we undertook Project Suraksha. The key objectives of this project include encouraging truckers to adopt safe sexual behaviour and practices, along with diagnosing and treating Sexually Transmitted Infections (STIs) at the Khushi Clinics set up at strategic locations on highway filling stations.

The Khushi Clinics provide basic medical facilities along the highways, besides working towards providing AIDS awareness, STI treatment, social marketing of condoms and counselling to ensure the health and well-being of truckers. Under this project, seven Khushi Clinics were operated.

Project Dil without Bill

Our Project Dil without Bill aims to save lives by facilitating heart surgeries by providing financial assistance to the economically less-privileged sections of the society. In association with our implementation partners, this project helps those who would have otherwise been unable to afford such expensive medical procedures or would have inevitably taken on huge debts to meet the expenses.

This project is designed to reach out to patients with pre-existing heart conditions and those diagnosed at camps set up to address the basic needs of patients and increase awareness about heart diseases. Through this project, we supported 400 heart surgeries.

Creating Shared Value

Skill Development



India has a significant youth population and the country's future and economic development is dependent on their capability to contribute meaningfully to the nation's growth. It is vital to train them with the relevant skills so that they are empowered to become self-sufficient and valuable members of the society.

The human capital requirements of a location vary depending on the infrastructure and industries available in those locations. Efforts are required to ensure that adequate manpower with the required skills is available at these locations to ensure sustained growth. To achieve this, we are proudly participating in the 'Skill India' vision through our CSR initiatives to train and empower youth across the country.

Project Swavalamban

As part of the Skill India Mission, Project Swavalamban provides skill training to youth and school dropouts from less privileged areas in various trades such as mechanical, electrical, construction and geriatric care. It also imparts soft skills and other trainings required to sustain their employment and earn a livelihood. Through project Swavalamban, 2,500 youth were trained to increase their chances of finding employment.

Contributions to Skill Development Institutes (SDIs)

To strengthen the 'Skill India' initiatives of the Government of India, contribution was made to six Skill Development Institutes (SDIs) at Rae Bareilly, Ahmedabad, Visakhapatnam, Kochi, Guwahati

and Bhubaneswar to promote skill training and employability skills.

Skill Development Institute, Visakhapatnam managed by HPCL has been awarded a 5-Star rating for 14 job roles across six Sector Skill Councils by National Skill Development Corporation (NSDC) under Ministry of Skill Development & Entrepreneurship. This is the first among the six SDIs set up by MoP&NG to receive 5-star accreditation. A 5-star rating establishes SDI Visakhapatnam as a benchmark institute and attracts prospective employers to get quality/trained manpower, which translates into better placement opportunities for SDI trainees. SDI, Visakhapatnam has won ASSOCHAM Gold award for 'Best Start-up' received at the hands of the Hon'ble Union Minister

of State, Skill Development and Entrepreneurship during the year. The institute has set up the first ever virtual reality lab in Andhra Pradesh for job roles in the pharma sector. The institute has provided training to over 5,800 trainees in more than 30 vocational trades, including 725 prisoners of Rajahmundry and Visakha Central Prisons, and facilitated employment opportunities for more than 75% of the trainees.

2,500
youth trained under
project Swavalamban

Promoting Sports



We promote sports and regularly participate in various tournaments organised under the aegis of Petroleum Sports Promotion Board (PSPB) and All India Public Sector Sports Promotion Board (AIPSSPB). In 2018-19, we organised annual sports meet, indoor games and cricket tournaments for our employees across the country. We also hosted PSPB veterans cricket tournament at Dharamshala, Himachal Pradesh and AIPSSPB table tennis/tournament at Chandigarh.

We also participated in PSPB tournaments in athletics, badminton, basketball, bridge, carrom, chess, cricket (men & veterans), football, golf, table tennis and tennis. We also support young and talented sports persons, preferably from the economically weaker sections of the society.

We observed International Day of Persons with Disabilities on December 3, 2018 to promote inclusivity and create awareness among stakeholders on various disabilities

To spread awareness on breast cancer, our women employees and their family members participated in Pinkathons held at Chennai and Visakhapatnam.

Our Mumbai Refinery organised the 13th edition of Inter School Athletic Championship, as part of our CSR initiatives for students of schools situated in Chembur; 1,700 students participated from 66 schools, out of which 40% came from municipal schools. National-level athletes under the age of 16 also participated in the event.

Environment and Community Development



To develop a sustainable ecosystem, we conduct community development programmes, promoting awareness on environment conservation and building a responsive community.

Swachh Bharat Abhiyan

Swachh Bharat Abhiyan is a nation-wide campaign aimed to cultivate a culture of maintaining cleanliness in our surroundings and eliminating open defecation through construction of toilets.

Active participation in this initiative enabled us deliver tangible benefits to the community by helping them adopt a healthier life and improve their standard of living. We surpassed the physical and financial targets towards sanitation initiatives.

We constructed more than 850 toilets in schools, hospitals & communities and upgraded more than 500 school toilets. We also constructed new toilet blocks at 1,639 retail outlets, christened 'Sugam', having separate facilities for male, female and divyangs.

To increase awareness and build a culture of cleanliness, we conducted more than 2,500 activities such as painting contests, cycle rallies, essay competition, skits through radio, virtual campaigns and Swachhta Se Safalta campaigns, involving about two lakh people from various parts of the country.

HPCL ranked among best performing CPSEs (Oil & Gas) for contribution towards Swachhta Pakhwada by MoP&NG



We were associated with the Swachh Iconic Places initiative (Golden Temple, Amritsar).

We also undertook Open Defecation Free (ODF) project in association with the Municipal Corporation, Amritsar.

Our employees at various business locations actively participated in two Swachhta Pakhwada and Swachhta Hi Seva campaigns and participated in various activities in association with the local administration, institutes, community and the society.

Employee Volunteering



Inclusivity is the most important aspect for creating a sense of belongingness and propelling developmental initiatives. Our employees and stakeholders promote inclusivity by volunteering in projects aimed at nation-building, social empowerment, upliftment of various disadvantaged sections

of the society, capacity building and participating in health and environment initiatives.

Some of our community development activities include supporting the flood-affected areas; undertaking tree plantation drives; donating bus, books, stationery items; visiting blind schools; distributing water

purifiers at local schools; providing scholarship to children; installing water tanks; distributing medicines and wheel chairs to various schools and organisations. Through such participation, we delivered happiness to those in need and brought about a sense of ownership and responsibility to the participants.

Creating Shared Value

HP Sampark... Ek Prayaas

HP Sampark is an employee volunteering programme aligned to the Company's values, vision and culture, providing employees a platform to drive our vision.

The aim is to provide our employees and their families with opportunities to make a positive difference to the less privileged section of the society.

Under Khushiyaon Ka Recycle-HP Sampark Ke Saath, more than 1,000 employees volunteered by contributing towards the 3Rs-Reduce, Reuse and Recycle collection campaign of new/used school stationery and household items through our partner NGO.

Under HP Sampark, a unique initiative 'Daan Utsav' was undertaken to facilitate employees to volunteer for multiple causes. These included mid-day meal programme, community-based rehabilitation programme, education promotion, granting wishes of children suffering from

life-threatening medical conditions, and providing support to old age home, orphanage, shelter home for girls and differently-abled children, to residential care for men with disabilities, spinal cord injuries and paraplegia, as well as to day-care centres for children with mental disorder and other disability.

Some of our round-the-year initiatives included clothes and books distribution, support to flood-hit areas, car rally for awareness, visit to old-age homes, and cleaning material distribution.

Blood Donation Camps

Under HP Sampark, we organised a volunteering month during July-August starting with blood donation week. The blood donation camp was organised across locations, covering more than 500 people.

Under Khushiyaon Ka Recycle-HP Sampark Ke Saath, more than 1,000 employees volunteered by contributing towards the 3Rs-Reduce, Reuse and Recycle collection campaign of new/used school stationery and household items.



Pradhan Mantri Ujjwala Yojana (PMUY)

The objective of this Government of India initiative is to provide clean cooking fuel to poor households, especially in rural areas. Use of fossil fuels and conventional fuels such as cow dung, kerosene and biomass, has adverse effects on the health of rural women and children. Use of LPG as a cooking fuel helps in effectively addressing health hazards associated with the use of conventional sources of cooking fuels.

In 2016-17, the Government of India launched PMUY aimed to provide eight crore LPG connections by 2020. HPCL enabled clean energy access for about two crore low income households by providing new LPG connections under the scheme, which aims to safeguard the health of women and children by providing them clean cooking fuel.

HPCL enabled clean energy access for about two crore low income households by providing new LPG connections.

Training on safe usage of LPG



HP Shakti Club

HP Shakti Club is an endeavour to provide a platform to our women employees and female family members to create an active, supportive and comfortable platform to address their problems, explore social connections, foster friendships, share joyful moments and give back to the society through philanthropic and social initiatives.

Through this initiative, our women employees contributed towards festivals' celebration, conducted workshops and health camps for support staff, facilitated deserving people from the community, and participated in social programmes such as Swachh Bharat Abhiyan, Rally for River directly and through partner NGOs.

Additionally, we also undertook initiatives such as awareness sessions for less privileged kids, visit to old age homes, and supporting differently-abled kids.

Other Projects

- HPCL participated in Tata Mumbai Marathon in January 2019, for the sixth year in a row. As part of the 'Champions with Disability' category, our employees paired with differently-abled children as buddies and gave a positive push to their wheelchairs. Our employees participated in different race categories, demonstrating their enthusiasm towards the event.
- We contributed to the Armed Forces Flag Day Fund for care, support, welfare and rehabilitation schemes for Ex-Servicemen (ESM) and their dependents.
- During the heavy rainfall and flooding in Kerala, Tamil Nadu and Odisha, our Regional Offices and locations rendered assistance for the flood relief activities and distribution of relief materials to the affected.

Creating Shared Value

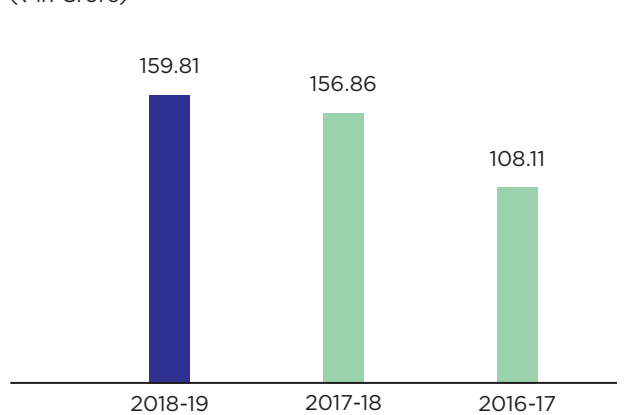
Investment in CSR Projects

Our efforts to ensure mandated expenditures on CSR reaffirm the Company's commitment towards societal development. With effect from April 1, 2014, every company, private limited or public limited, which either has a net worth of ₹500 Crore or a turnover of ₹1,000 Crore or net profit of ₹5 Crore, needs to spend at least 2% of its average net profit for the preceding three financial years on CSR activities.

During 2018-19, we enriched the lives of thousands of less privileged people by creating social capital across our CSR focus areas of childcare, education, healthcare, skill development, sports, environment and community development with investments of ₹159.81 Crore, especially in the host communities of our business. This accounts for 2.01% of our average net profit for the last three years (2014-15 to 2017-18) and surpasses our previous years' spend of ₹156.38 Crore (2017-18) and ₹108.11 Crore (2016-17), reflecting our sincere commitment to building stronger communities.

Driven by passion and propelled by commitment, these focused, innovative, value-driven and well-designed developmental CSR projects helped to reach out and transform the lives of marginalised and less privileged sections of society.

Total Expenditure on CSR Activities
(₹ in Crore)



Focus Area	Expenditure (₹ Crore) (2018-19)
Childcare and Education	29.93
Healthcare	12.70
Skill Development	20.23
Sports	0.78
Environment & Community Development (Including Pradhan Mantri Ujjwala Yojana (PMUY) and Swachh Bharat Abhiyan)	96.17
Total	159.81

Monitoring and Evaluation

Monitoring and evaluation play a crucial role in tracking the execution and outcomes of a project in a systematic way. Recurrent reviews and impact assessments are essential to measure the success of the projects in which investments are made. Well-timed implementation and completion of our CSR projects is vital to meet our defined objectives and for deployment of budgetary allocations, making sure that the overall defined CSR goals are met. To achieve this, there is an internal monitoring mechanism that monitors our CSR activities on a quarterly basis.

Our social impact projects are thoroughly assessed and monitored to gauge their impact and collect feedback. We also undertake third-party impact assessments of our major projects and identify interventions to ensure that the projects achieve sustainability.

As part of our internal two-tier monitoring mechanism, the CSR Committee and the CSR Council monitor our CSR activities. Reviews are undertaken by the CSR Committee, which also provides insights and gives timely feedback to the Board.

Driven by passion and propelled by commitment, these focused, innovative, value-driven and well-designed developmental CSR projects helped to reach out and transform the lives of the marginalised and less privileged sections of society.

Global CSR Platinum Award by World Petrocoal Congress



Awards

Some of the awards and accolades received in various forums for our CSR initiatives are as follows:

- Ranked among the top three best performing CPSEs (Oil & Gas) for contribution towards Swachhta Pakhwada by MoP&NG.
- Received Platinum category award by Energy and Environment Foundation Global CSR Award 2019.
- Received 'CSR Excellence Award' by Apex India Foundation.
- Received 'Swachh Bharat Award' in 'Sanitation - Infrastructure Building'.
- Received 'Global CSR Platinum Award' by World Petrocoal Congress.
- Granted 'Apex India Excellence Award' to MDPL under categories of occupational health & safety and sustainability, to Mumbai-Pune-Solapur Pipeline (MPSPL) under categories of sustainability, environment and CSR management and to Loni Terminal for best practices in sustainable development by Apex India Foundation.
- Granted 'FAME Award 2018' for the best innovative CSR project to MPSPL by Foundation for Mass Empowerment (FAME), India.
- Granted 'Bhamashah Award' by the Government of Rajasthan to Jodhpur Retail & LPG regional office for CSR activities for the second consecutive year.
- Received the highest recognition by The Economic Times in the CSR domain, 'The ET 2-GOOD 4-GOOD' rating.
- Emerged as finalists at S&P Platts Global Energy Awards.

SDGs and Our Business Practices

Goal No	Sustainable Development Goal	Page no.
 1 NO POVERTY	End poverty in all its forms everywhere	52-55, 116-126
 2 ZERO HUNGER	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	119-120
 3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote well-being for all at all ages	94-95, 103, 119-121, 123
 4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote life-long learning opportunities for all	87-92, 119-120, 122
 5 GENDER EQUALITY	Achieve gender equality and empower all women and girls	86-92, 96, 119-120
 6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all	74-75, 123
 7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all	73, 66-69, 111-113, 125
 8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	52-55, 86-92, 96
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	14-21, 55, 74-75, 107-108

Goal No	Sustainable Development Goal	Page no.
	Reduce inequality within and among countries	116-126
	Make cities and human settlements inclusive, safe, resilient and sustainable	74-79, 116-126
	Ensure sustainable consumption and production patterns	62-79, 107-108
	Take urgent action to combat climate change and its impacts	62-79, 107-108, 123
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	74-75
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	72, 78-79
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	23-30, 96-97
	Strengthen the means of implementation and revitalise the global partnership for sustainable development	32, 72, 116-126

NDCs and Our Business Practices

NDC No	Nationally Determined Contribution	Page No.
1	Sustainable Way of Living	38-40, 62, 123
2	Climate Friendly and Cleaner Path to Economic Development	62, 107-108
3	Reducing Emissions Intensity of GDP by 33-35%	62, 66-73
4	40% cumulative electric power installed capacity from non-fossil fuel based energy resources by 2030	73
5	Creation of Additional Carbon Sink of 2.5-3 BTCO ₂ e	72
6	Better Adaptation to Climate Change	62-79, 116-118
8	Building Capacities for diffusing cutting-edge climate technology	70-73, 107-108

UNGC Principles Connect

UNGC Principle	Category	Description	Reference	Page No.
1	Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	Upholding Human Rights	96-97
2	Human Rights	Businesses should make sure that they are not complicit in human rights abuses	Upholding Human Rights	96-97
3	Labour	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Upholding Human Rights	96-97
4	Labour	Businesses should uphold the elimination of all forms of forced and compulsory labour	Upholding Human Rights	96-97
5	Labour	Businesses should uphold the effective abolition of child labour	Upholding Human Rights	96-97
6	Labour	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Nurturing Talent, Upholding Human Rights	86, 96-97
7	Environment	Businesses should support a precautionary approach to environmental challenges	Risk Management, Sustainability Ethos, Preparing for a Greener Tomorrow	27, 38-40, 62-63
8	Environment	Businesses should undertake initiatives to promote greater environmental responsibility	Sustainability Ethos, Preparing for a Greener Tomorrow	38-40, 62-63
9	Environment	Businesses should encourage the development and diffusion of environmentally friendly technologies	Preparing for a Greener Tomorrow, Product Stewardship	62-63, 106-108
10	Anti - Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	Corporate Governance, Internal Systems and Controls	23-30

Independent Assurance Statement



Introduction and objectives of work

BUREAU VERITAS has been engaged by **Hindustan Petroleum Corporation Ltd. (HPCL)** to conduct an independent assurance of its **Sustainability Report** for the year **2018-19**. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the **Sustainability Report 2018-19** are the sole responsibility of the management of HPCL. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on its content.

Scope of work

The assurance process was conducted in line with the requirements of the Assurance Standard **AA1000AS 2008 (with 2018 addendum) Type 2** assurance. The scope of work included:

- Data and information included in Sustainability Report 2018-19 for the reporting period 1st April 2018 to 31st March 2019;
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported;
- Evaluation of the Report against the main principles of the AA1000 Assurance Standard (2008)¹
 - Inclusivity
 - Materiality
 - Responsiveness
 - Impact
- Evaluation of the Report against the principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability, Timeliness and Stakeholder Inclusiveness, as defined in the GRI Sustainability Reporting Standards² “In accordance-Comprehensive”;

The level of assurance has been applied as **“Moderate”** for all sections of the report.

Methodology

As part of its independent assurance, Bureau Veritas undertook the following activities:

1. Visited selected locations of HPCL and interviewed relevant management personnel of HPCL.
 - Corporate HSE Dept., Mumbai
 - Lubes Blending Plant, Silvassa
 - Retail Outlet, Bandra Kurla Complex, Mumbai
 - Pipelines, VVSPL- Ghatkeswar, Hyderabad
 - Mumbai Refinery
 - OD & E, Lucknow IRD
 - LPG Plant, Panagarh Kolkata
 - Aviation Service Facility, Goa

¹ Published by Accountability: The Institute of Social and Ethical Accountability <http://www.accountability.org.uk> (AA 1000 AS 2008 is the latest version of the assurance standard with 2018 addendum)

² GRI Standards are published by the Global Reporting Initiative, P.O. Box 10039, 1001 EA, Amsterdam, The Netherlands and can be downloaded from the GRI web site www.globalreporting.org

Independent Assurance Statement

We interviewed Plant Operations & Maintenance, Health, Safety & Environment managers and also the Sustainability team of HPCL:

2. HPCL had submitted performance data on reported disclosures of GRI standard topics. The data management at the above locations visited was assessed by Bureau Veritas.
3. The data management systems and procedures were assessed on a sampling basis. Data on various GRI standard disclosures was verified.
4. Bureau Veritas reviewed stakeholder engagement activities that had been undertaken by HPCL as a part of its stakeholder engagement process. Various records of the stakeholder engagement activities were reviewed to confirm how topics material to HPCL's stakeholders had been determined had been determined.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance.

The work was planned and carried out to provide a **"Moderate"** level of assurance and we believe it provides an appropriate basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above, it is our opinion that:

- Nothing has come to our attention to indicate that the reviewed statements within the scope of our verification are inaccurate and the information included therein is not fairly stated;
- It is our opinion that HPCL has established appropriate systems for the collection, aggregation and analysis of quantitative data such as Environmental, Health & Safety, Human Resource, Labour as well as Product and Investor related data.

Alignment with the principles of AA1000AS (2008)

Inclusivity

HPCL has processes in place for engaging with a range of key stakeholders including socially responsible investors, Government officials, local community representatives and has undertaken stakeholder engagement activities that have served as inputs for its Sustainability report 2018-19, covering a range of topics such as Customer satisfaction, Employee welfare, Supply Chain, Community Welfare and Environment.

Materiality

The Report addresses the range of environmental, social and economic issues of concern that HPCL and its stakeholders have identified as being of highest material importance. The identification of material issues has considered both internal assessments of risks and opportunities to the business, as well as stakeholders' views and concerns. The material issues were identified by a process of stakeholder engagement and interaction and the entire process was conducted through a survey in which the stakeholders were requested to provide their feedback relating to various issues.

Responsiveness

HPCL is responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making. The company has taken various initiatives towards delivering environmentally friendly services along with occupational health and safety, appropriate measures for emergency handling, control and risk management in its operations.

Impact

There is no finding from our assessment that HPCL had not monitored, measured or has not been accountable for its actions related to its material topics and their effect on the broader ecosystem

Evaluation against Global Reporting Initiative (GRI) Sustainability Reporting Standards

Bureau Veritas undertook an evaluation of **HPCL Sustainability Report 2018-19** against the GRI Sustainability Reporting Standards 2016. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI reporting option.

Based on our work, it is our opinion that the **Sustainability Report 2018-19** has been prepared in accordance with the GRI Standards including appropriate consideration of the Reporting Principles and necessary indicators to meet the requirements of **GRI Reporting Option “In accordance-Comprehensive”**.

Limitations and Exclusions

Excluded from the scope of our work is assurance of any information reported by HPCL relating to:

- Activities outside the defined assurance period stated hereinabove;
- Positional statements (expressions of opinion, belief, aim or future intention) by HPCL and statements of future commitment;
- Competitive claims in the report claiming “first in India”, “first time in India”, “first of its kind”, etc;
- Our assurance does not extend to the activities and operations of HPCL outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.
- Our assurance of the economic and financial performance data of HPCL is based only on the audited annual report 3 of HPCL for the Financial Year 2018-19 and our conclusions rely solely upon that audited report

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 180 years history in providing independent assurance services, and an annual turnover in excess of € 4.60 billion.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest.

No member of the assurance team has a business relationship with HPCL, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes and has over 5 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Bureau Veritas (India) Private Limited

72 Business Park, 9th Floor, MIDC Cross Road ‘C’, Opp. SEEPZ Gate #2, Andheri (East) Mumbai-400 093 India.



Jitendra Kadam
Lead Assuror

Date: 11-Aug-2019
Mumbai



Rupam Baruah
Technical Reviewer
General Manager, Eastern Region, India



³ The Annual Report of HPCL is available for public reference at the web link <http://www.hindustanpetroleum.com/financial> and can be downloaded from that link

GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission		
						Part Omitted	Reason	Explanation
GRI 101: Foundation 2016								
General Disclosures								
GRI 102: General Disclosures 2016	Organisational profile							
	102-1	Mandatory	Name of the organisation	Cover Page	Assured			
	102-2	Mandatory	Activities, brands, products, and services	14-21	Assured			
	102-3	Mandatory	Location of headquarters	Inside Cover	Assured			
	102-4	Mandatory	Location of operations	14-21	Assured			
	102-5	Mandatory	Ownership and legal form	12, 54	Assured			
	102-6	Mandatory	Markets served	16-21	Assured			
	102-7	Mandatory	Scale of the organisation	14-21, 52-55, 84-85	Assured			
	102-8	Mandatory	Information on employees and other workers	84-85	Assured			
	102-9	Mandatory	Supply chain	31	Assured			
	102-10	Mandatory	Significant changes to the organisation and its supply chain	2, 14-21, 55	Assured			
	102-11	Mandatory	Precautionary Principle or approach	27-30	Assured			
	102-12	Mandatory	External initiatives	2, 32	Assured			
	102-13	Mandatory	Membership of associations	32	Assured			
	Strategy							
	102-14	Mandatory	Statement from senior decision-maker	4-7	Assured			
	102-15	Mandatory	Key impacts, risks, and opportunities	27	Assured			
	Ethics and integrity							
	102-16	Mandatory	Values, principles, standards, and norms of behavior	22-26	Assured			
	102-17	Mandatory	Mechanisms for advice and concerns about ethics	30	Assured			
	Governance							
	102-18	Mandatory	Governance structure	23-30	Assured			
	102-19	Mandatory	Delegating authority	28	Assured			
	102-20	Mandatory	Executive-level responsibility for economic, environmental, and social topics	26, 38-40	Assured			
	102-21	Mandatory	Consulting stakeholders on economic, environmental, and social topics	41-46	Assured			
	102-22	Mandatory	Composition of the highest governance body and its committees	23-30	Assured			
	102-23	Mandatory	Chair of the highest governance body	23-30	Assured			
	102-24	Mandatory	Nominating and selecting the highest governance body	23-30	Assured			
	102-25	Mandatory	Conflicts of interest	28	Assured			
	102-26	Mandatory	Role of highest governance body in setting purpose, values, and strategy	23-30	Assured			
	102-27	Mandatory	Collective knowledge of highest governance body	23-30	Assured			
	102-28	Mandatory	Evaluating the highest governance body's performance	23-30	Assured			
102-29	Mandatory	Identifying and managing economic, environmental, and social impacts	27-30, 47-49	Assured				
102-30	Mandatory	Effectiveness of risk management processes	27	Assured				
102-31	Mandatory	Review of economic, environmental, and social topics	47-49	Assured				
102-32	Mandatory	Highest governance body's role in sustainability reporting	40	Assured				

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission		
						Part Omitted	Reason	Explanation
GRI 102: General Disclosures 2016	102-33	Mandatory	Communicating critical concerns	40	Assured			
	102-34	Mandatory	Nature and total number of critical concerns		Assured		Confidentiality Constraints	Confidential being a business information
	102-35	Mandatory	Remuneration policies	26	Assured			
	102-36	Mandatory	Process for determining remuneration	26	Assured			
	102-37	Mandatory	Stakeholders' involvement in remuneration	26	Assured			
	102-38	Mandatory	Annual total compensation ratio	26	Assured			
	102-39	Mandatory	Percentage increase in annual total compensation ratio	26	Assured			
	Stakeholder engagement							
	102-40	Mandatory	List of stakeholder groups	41	Assured			
	102-41	Mandatory	Collective bargaining agreements	96-97	Assured			
	102-42	Mandatory	Identifying and selecting stakeholders	41-46	Assured			
	102-43	Mandatory	Approach to stakeholder engagement	41-46	Assured			
	102-44	Mandatory	Key topics and concerns raised	41-46	Assured			
	Reporting practice							
	102-45	Mandatory	Entities included in the consolidated financial statements	2	Assured			
	102-46	Mandatory	Defining report content and topic Boundaries	2, 47-49	Assured			
	102-47	Mandatory	List of material topics	47-49	Assured			
	102-48	Mandatory	Restatements of information	2	Assured			
	102-49	Mandatory	Changes in reporting	2	Assured			
	102-50	Mandatory	Reporting period	2	Assured			
	102-51	Mandatory	Date of most recent report	2	Assured			
	102-52	Mandatory	Reporting cycle	2	Assured			
	102-53	Mandatory	Contact point for questions regarding the report	2	Assured			
	102-54	Mandatory	Claims of reporting in accordance with the GRI Standards	2	Assured			
	102-55	Mandatory	GRI content index	134-138	Assured			
	102-56	Mandatory	External assurance	131-133	Assured			
Material Topics								
GRI 200 Economic Standard Series								
Anti-corruption								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	23-30	Assured			
	103-3	Material	Evaluation of the management approach	23-30	Assured			
GRI 205: Anti-corruption 2016	205-1	Material	Operations assessed for risks related to corruption	27-30	Assured			
	205-2	Material	Communication and training about anti-corruption policies and procedures	27-30	Assured			
	205-3	Material	Confirmed incidents of corruption and actions taken	27-30	Assured			

GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission		
						Part Omitted	Reason	Explanation
Anti-competitive Behavior								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	106	Assured			
	103-3	Material	Evaluation of the management approach	106	Assured			
GRI 206: Anti-competitive Behavior 2016	206-1	Material	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	106	Assured			
GRI 300 Environmental Standards Series								
Energy								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	66	Assured			
	103-3	Material	Evaluation of the management approach	66	Assured			
GRI 302: Energy 2016	302-1	Material	Energy consumption within the organisation	66	Assured			
	302-2	Material	Energy consumption outside of the organisation	67	Assured			
	302-3	Material	Energy intensity	67	Assured			
	302-4	Material	Reduction of energy consumption	68-69	Assured			
	302-5	Material	Reductions in energy requirements of products and services	107-108	Assured			
Water								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	74	Assured			
	103-3	Material	Evaluation of the management approach	74	Assured			
GRI 303: Water 2016	303-1	Material	Water withdrawal by source	74	Assured			
	303-2	Material	Water sources significantly affected by withdrawal of water	74	Assured			
	303-3	Material	Water recycled and reused	75	Assured			
Emissions								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	70	Assured			
	103-3	Material	Evaluation of the management approach	70	Assured			
GRI 305: Emissions 2016	305-1	Material	Direct (Scope 1) GHG emissions	70	Assured			
	305-2	Material	Energy indirect (Scope 2) GHG emissions	70	Assured			
	305-3	Material	Other indirect (Scope 3) GHG emissions	70	Assured			
	305-4	Material	GHG emissions intensity	71	Assured			
	305-5	Material	Reduction of GHG emissions	70-72	Assured			
	305-6	Material	Emissions of ozone-depleting substances (ODS)	64	Assured			
	305-7	Material	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	71	Assured			

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission		
						Part Omitted	Reason	Explanation
Effluents and Waste								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	76	Assured			
	103-3	Material	Evaluation of the management approach	76	Assured			
GRI 306: Effluents and Waste 2016	306-1	Material	Water discharge by quality and destination	74-75	Assured			
	306-2	Material	Waste by type and disposal method	76-77	Assured			
	306-3	Material	Significant spills	74	Assured			
	306-4	Material	Transport of hazardous waste	76-77	Assured			
	306-5	Material	Water bodies affected by water discharges and/or runoff	74	Assured			
Environmental Compliance								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	62-63	Assured			
	103-3	Material	Evaluation of the management approach	62-63	Assured			
GRI 307: Environmental Compliance 2016	307-1	Material	Non-compliance with environmental laws and regulations	77	Assured			
GRI 400 Social Standards Series								
Occupational Health and Safety								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	98-99	Assured			
	103-3	Material	Evaluation of the management approach	98-99	Assured			
GRI 403: Occupational Health and Safety 2016	403-1	Material	Workers representation in formal joint management-worker health and safety committees	99	Assured			
	403-2	Material	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	99	Assured			
	403-3	Material	Workers with high incidence or high risk of diseases related to their occupation	99, 103	Assured			
	403-4	Material	Health and safety topics covered in formal agreements with trade unions	97	Assured			
Customer Health and Safety								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	106	Assured			
	103-3	Material	Evaluation of the management approach	106	Assured			

GRI Content Index

GRI Standard	Ref No.	Status	Disclosure	Page No.	Status of Assurance	Omission		
						Part Omitted	Reason	Explanation
GRI 416: Customer Health and Safety 2016	416-1	Material	Assessment of the health and safety impacts of product and service categories	106	Assured			
	416-2	Material	Incidents of non-compliance concerning the health and safety impacts of products and services	112	Assured			
Marketing and Labeling								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	106	Assured			
	103-3	Material	Evaluation of the management approach	106	Assured			
GRI 417: Marketing and Labeling 2016	417-1	Material	Requirements for product and service information and labeling	106	Assured			
	417-2	Material	Incidents of non-compliance concerning product and service information and labeling	106	Assured			
	417-3	Material	Incidents of non-compliance concerning marketing communications	106	Assured			
Socioeconomic Compliance								
GRI 103: Management Approach 2016	103-1	Material	Explanation of the material topic and its Boundary	49	Assured			
	103-2	Material	The management approach and its components	116	Assured			
	103-3	Material	Evaluation of the management approach	116	Assured			
GRI 419: Socioeconomic Compliance 2016	419-1	Material	Non-compliance with laws and regulations in the social and economic area	26, 126	Assured			
Oil and Gas Sector Supplement (OGSS - GRI G4)								
GRI G4 OGSS - Oil and Gas Sector Supplement	OG 2	Material	Total amount invested in renewable energy	73	Assured			
	OG 3	Material	Total amount of renewable energy generated by source	73	Assured			
	OG 8	Material	Benzene, Lead and Sulphur content in fuels	15	Assured			
	OG 14	Material	Volume of Biofuels produced and purchased	16-21, 107	Assured			

Abbreviations

ALDS	Auto LPG Dispensing Stations
ALPG	Auto Liquefied Petroleum Gas
AMTA	Asset Master Transfer Application
APC	Advanced Process Control
API	Application Program Interface
ASFs	Aviation Service Facilities
BDEP	Basic Design Engineering Packages
C&B	Compensation & Benefits
CAAMS	Continuous Ambient Air Monitoring Station
CCR	Continuous Catalytic Reformer
CDCMS	Centralised Distributor & Consumer Management System
CDP	Career development Policy
CDU	Crude Distillation Unit
CEMS	Continuous Emission Monitoring System
CFA	Clearing and Forwarding Agents
CFD	Committee of Functional Directors
CGD	City Gas Distribution
CMMI	Capability Maturity Model Integration
CMP	Crisis Management Plan
CNG	Compressed Natural Gas
CPCB	Central Pollution Control Board
CPGRAMS	Centralised Public Grievances Redress and Monitoring System
CPM	Certified Petroleum Manager
CPO	Central Procurement Organisation
CPSEs	Central Public Sector Enterprises
CRM	Customer Relationship Management, Certified Reference Material
CSR	Corporate Social Responsibility
CVC	Central Vigilance Commission
DCS	Distributed Control System
DHDS-ARU	Diesel Hydrodesulfurisation-Aromatics Recovery Unit
DHT	Diesel Hydrotreating Unit
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
EGP	Education Growth Plan
EQMS	Enterprise Quality Management Software
ER	Employee Relations
ERP	Enterprise Resource Planning
ESI	Employees' State Insurance
ETP	Effluent Treatment Plant
EV	Electric Vehicle
FCC	Fluid Catalytic Cracking
FII	Foreign Institutional investors
FO	Furnace Oil
FY	Fiscal Year
GDP	Gross Domestic Product

GeM	Government e-Marketplace
GHG	Green House Gas
GJ	Gigajoule
GRI	Global Reporting Initiative
GSA	Gram Swaraj Abhiyan
GST	Goods and Services Tax
GTG	Gas Turbine Generator
HDPE	High-Density Polyethylene
HFHSD	High Flash High Speed Diesel
HGU	Hydrogen Generation unit
HPCL	Hindustan Petroleum Corporation Limited
HPGRDC	Hindustan Petroleum Green Research & Development Centre
HP-SOW	HP-Safety on Wheels
HQO	Head Quarters Office
HR	Human Resource
HRSG	Heat Recovery Steam Generator
HSD	High Speed Diesel
HSE	Health, Safety & Environment
HSN/SAC	Harmonized System of Nomenclature/ Service Accounting Code
ICC	Internal Complaint Committees
IGBC	Indian Green Building Council
IMM	Integrated Margin Management
IMO	International Maritime Organisation
IPCC	Intergovernmental Panel on Climate Change
IRD	Inland Relay Depot
ISO	International Standards Organisation
IT	Information Technology
IVRS	Interactive Voice Response System
KPI	Key Performance Indicators
kWh	KiloWatt hour
KYC	Know Your Customer
LED	Light Emitting Diode
LFA	Leave Fare Assistance
LPG	Liquefied Petroleum Gas
MBLC	M B Lal Committee
MBN	MMBTU/Barrel/NRGF
MCP	Machine Care Programme
MDPL	Mundra Delhi Pipeline
MERC	Management Employee Relations Committee
MMT	Million Metric Tonne
MMTPA	Million Metric Tonne Per Annum
MoEF&CC	Ministry of Environment, Forest & Climate Change
MoP&NG	Ministry of Petroleum & Natural Gas
MOU	Memorandum of Understanding
MPCB	Maharashtra Pollution Control Board
MPSPL	Mumbai Pune Solapur Pipeline

Abbreviations

MR	Mumbai Refinery
MREP	Mumbai Refinery Expansion Project
MS	Motor Spirit
MSEs	Micro and Small Enterprises
MSMEs	Micro, Small and Medium Enterprises
MT	Metric Tonne
MTO	Mineral Turpentine Oil
MW	MegaWatt
MWp	MegaWatt peak
NABL	National Accreditation Board for Calibration and Testing Laboratories
NDC	Nationally Determined Contributions
NFCCU	New Fluid Catalytic Cracking Unit
NGT	National Green Tribunal
NOx	Nitrogen Oxides
NRI	Non-Resident Indian
NSCI	National Safety Council of India
OD&E	Operations, Distribution & Engineering
OEM	Original Equipment Manufacturer
OISD	Oil India Safety Directorate
OMC	Oil Marketing Companies
ONGC	Oil and Natural Gas Corporation
PAT	Perform, Achieve and Trade
PCMM	People Capability Maturity Model
PDA	Propane De-Asphalting
PM	Performance Management
PME	Periodical Medical Examination
PMUY	Pradhan Mantri Ujjwala Yojana
PSA	Pressure Swing Adsorption
PSPB	Petroleum Sports Promotion Board
PSU	Public Sector Undertakings
PV	Photo Voltaic
PWD	Persons with Disabilities
QA	Quality Assurance
QC	Quality Control
QR	Quick Response
R&D	Research & Development
RLNG	Regasified Liquefied Natural Gas
RMSC	Risk Management Steering Committee
RON	Research Octane Number
ROU	Right Of Use
RTI	Right to Information
SBCC	Social Behavioral Change Communication
SBU	Strategic Business Unit
SDG	Sustainable Development Goals
SDI	Skill Development Institute
SEBI	Securities and Exchange Board of India
SEU	Solvent Extraction Unit
SOx	Sulphur Oxides

SPCB	State Pollution Control Board
SPM	Suspended Particulate Matter, Single Point Mooring
SRFT	Standard Refinery Fuel Tonnage
STP	Sewage Treatment Plant
tCO ₂ e	Tonnes of Carbon Dioxide Equivalent
TDS	Tax Deducted at Source
TKL	Thousand Kilo litre
TMT	Thousand Metric Tonnes
TOA	Trans-shipment Order and Advice
TReDS	Trade Receivables Discounting System
UNGC	United Nations Global Compact
VR	Visakh Refinery
VRMP	Visakh Refinery Modernisation Project
VRS	Vapour Recovery System
VTs	Vehicle Tracking System
VVSPL	Visakh Vijayawada Secunderabad Pipeline
WIPS	Women in Public Sector



Sustainability Report 2018-19

Feedback Form

Your feedback is important for continuously improving our Sustainability performance and reporting. Please take a few minutes to answer the following questions:

- How would you rate the overall report quality?
☐ Excellent ☐ Good ☐ Average ☐ Poor
- Which aspect/(s) did you like the most in the report?
☐ Coverage of topics ☐ Design & Layout ☐ Data Representation ☐ Readability
- Which section/(s) did you like the most in the report?
☐ The World of HPCL ☐ Sustainability Ethos ☐ Fuelling Growth and Prosperity
☐ Preparing for a Greener Tomorrow ☐ Our People, Our Strength
☐ Product Stewardship ☐ Creating Shared Value
- What additional information would you like to see in our future reports?

- Any other comments/suggestions?

Kindly provide us your contact information for further correspondence:

Which of the following best describes your occupation/industry?

- ☐ Academia ☐ Corporation ☐ Customer ☐ Financial Analyst
☐ Government ☐ Media ☐ NGO ☐ Shareholder
☐ Others, please specify

Name: _____ Company: _____

Address: _____

Phone: _____ Email: _____

Mail your responses to:

Sustainability Division - Corporate HSE

Hindustan Petroleum Corporation Ltd.
Mumbai Refinery, Lube Admin Building
B D Patil Marg, Chembur, Mumbai - 400 074
Email ID: corporatehse@mail.hpcl.co.in

Online Feedback can be given at:
<https://hindustanpetroleum.com>





सत्यमेव जयते

GOVERNMENT OF INDIA

CABINET SECRETARIAT DIRECTORATE OF PUBLIC GRIEVANCES

Unresolved Grievances Bothering You ?

You may seek help of Directorate of Public Grievances [DPG] in resolution of Grievances relating to Ministries / Departments and Organizations under its Purview. In last few years, nearly ninety percent of the grievances taken up by the Directorate have been resolved favourably.

Please read carefully the conditions listed below before lodging your grievance :

- You should have exhausted the Departmental remedies for individual grievances
- Your grievance should not relate to service matter [other than payment of terminal benefits like gratuity, GPF etc.], a case disposed off at the level of Minister of the concerned Department, commercial contract, a subjudice case, a case where quasi-judicial procedures and appellate mechanisms are prescribed for decision making, RTI matter, Religious matter.
- Suggestion of any sort will not be treated as grievance.

List of Ministries / Departments / Organizations under DPG's purview

[a]	Ministry of Railways	[i]	Public Sector Banks
[b]	Department of Posts	[j]	Public Sector Insurance Companies
[c]	Department of Telecommunications including BSNL and MTNL	[k]	National Saving Scheme of Ministry of Finance
[d]	Ministry of Urban Development including Delhi Development Authority, Land & Development Office, SPWD and Directorate of Estates	[l]	ESI Hospitals and Dispensaries directly controlled by Employees State Insurance Corporation under Ministry of Labour and Employment
[e]	Ministry of Petroleum and Natural Gas including its Public Sector Undertakings	[m]	Employees' Provident Fund Organization
[f]	Ministry of Civil Aviation including Airports Authority of India and Air India	[n]	Regional Passport Authorities under Ministry of External Affairs
[g]	Ministry of Shipping, Road Transport and Highways	[o]	Central Government Health Scheme under Ministry of Health and Family Welfare
[h]	Ministry of Tourism	[p]	Central Board of Secondary Education, Kendriya Vidyalaya Sangathan, National Institute of Open Schooling, Navodaya Vidyalaya Samiti, Central Universities, Deemed Universities [Central] and Scholarship Schemes
		[q]	Ministry of Youth Affairs

Note : You can lodge your Grievance online on our website
<http://dpg.gov.in>.

You may also send your grievance to us by post or fax with complete information and relevant documents

Contact us at :

The Secretary
Directorate of Public Grievances
2nd Floor, Sardar Patel Bhawan, Sansad Bhawan, New Delhi 100001
Tel : 011-23743130, 011-23741228, 011-23363733
Fax : 011-23345637, e-mail : secypg@nic.in
Website : <http://dpg.gov.in>



सत्यमेव जयते

भारत सरकार

मंत्रिमंडल सचिवालय लोक शिकायत निदेशालय

क्या आप अनसुलझी शिकायतों से परेशान हैं ?

आप लोक शिकायत निदेशालय के कार्य क्षेत्र के अंतर्गत मंत्रालयों/विभागों और संगठनों से संबंधित शिकायतों के समाधान के लिए लोक शिकायत निदेशालय की सहायता ले सकते हैं। पिछले कुछ सालों में, इस निदेशालय द्वारा उठाई गई लगभग नब्बे प्रतिशत शिकायतों का संतोषजनक समाधान किया गया है।

अपनी शिकायत दर्ज कराने से पहले कृपया नीचे दी गई शर्तों को ध्यानपूर्वक पढ़ें:-

- आपने अपनी शिकायतों को सम्बन्धित विभाग के समक्ष समाधान हेतु प्रस्तुत कर लिया हो।
- आपकी शिकायत सेवा मामले (रोच्युटी, जीपीएफ इत्यादि जैसे सेवांत हितलाभों के भुगतान के अलावा) संबंधित विभाग के मंत्री के स्तर पर निपटाए गए मामले, वाणिज्यिक अनुबंध, न्यायाधीन मामले, ऐसे मामले जहां निर्णय लेने के लिए अर्द्धन्यायिक पद्धति और अपीलिय प्रक्रियाएं निर्धारित की गई हैं, आरटीआई मामले, धार्मिक मामले से संबंधित न हो।
- किसी भी प्रकार के सुझाव को शिकायत रूप में नहीं माना जाएगा।

लोक शिकायत निदेशालय के कार्यक्षेत्र के अंतर्गत आने वाले मंत्रालयों/ विभागों/संगठनों की सूची

(क)	रेल मंत्रालय	(ज)	सार्वजनिक क्षेत्र के बैंक
(ख)	डाक विभाग	(झ)	सार्वजनिक क्षेत्रों की बीमा कंपनियां
(ग)	बीएसएनएल और एमटीएनएल सहित दूरसंचार विभाग	(त्र)	वित्त मंत्रालय की राष्ट्रीय बचत स्कीम
(घ)	दिल्ली विकास प्राधिकरण, भूमि और विकास कार्यालय, सीपीडब्ल्यूडी और सम्पदा निदेशालय सहित शहरी विकास मंत्रालय।	(ट)	श्रम और रोजगार मंत्रालय के अंतर्गत कर्मचारी राज्य बीमा निगम नियंत्रित ईएसआई अस्पताल और औषधालय।
		(ठ)	कर्मचारी भविष्य निधि संगठन
(ड)	पेट्रोलियम और प्राकृतिक गैस मंत्रालय, इसके सार्वजनिक क्षेत्र के उपक्रम सहित	(ड)	विदेश मंत्रालय के अंतर्गत क्षेत्रीय पासपोर्ट प्राधिकरण
(च)	भारतीय विमानपतन प्राधिकरण और एअर इंडिया सहित नागर विमानन मंत्रालय	(ढ)	स्वास्थ्य और परिवार कल्याण मंत्रालय के अंतर्गत केंद्रीय सरकार स्वास्थ्य योजना
(छ)	केंद्रीय माध्यमिक शिक्षा बोर्ड, केंद्रीय विद्यालय संगठन, राष्ट्रीय मुक्त विद्यालयीय संस्थान, नवोदय विद्यालय समिति, केंद्रीय विश्वविद्यालय समविश्व-विद्यालय(केंद्रीय) और मानव संसाधन विकास मंत्रालय की छात्रवृत्ति स्कीमें।	(ण)	पर्यटन मंत्रालय
		(त)	युवक कार्यक्रम मंत्रालय
		(थ)	पोत परिवहन, सड़क परिवहन और राजमार्ग मंत्रालय

नोट: आप हमारी वेबसाइट
<http://dpg.gov.in> पर
अपनी शिकायत दर्ज कर सकते हैं।
आप अपनी शिकायत, संपूर्ण सूचना
और संगत दस्तावेजों के साथ
हमें डाक/फैक्स
या ईमेल द्वारा भेज सकते हैं।

हमसे यहां संपर्क करें:-
सचिव
लोक शिकायत निदेशालय
दूसरा तल, सरदार पटेल भवन, संसद मार्ग, नई दिल्ली- 110001
दूरभाष : 011-23743139, 011-23741228, 011-23363733
फैक्स : 011-23345637
वेबसाइट : <http://dpg.gov.in>

Sustainability Performance 2018-19



Economic

₹2,98,564
Total Revenue

₹6,029 Crore
Crossed 6,000 mark in Net Profit
for 3rd consecutive year

₹73,350 Crore
Contribution to Exchequer

18.4 MMT
Highest Ever Crude
Oil Processing

38.7 MMT
Highest Ever Sales Volume



Environment

30,710 SRFT
Energy Conservation at Refineries

22.6 MWp
Doubled solar power capacity

19 Crore kWh
Wind energy generation

21.5 MMT
Highest ever pipeline throughput

5.5%
Ethanol Blending achieved



Social

24.59 Million Safe Man-Hours
Best ever safety record at Mumbai Refinery

1.01 Crore New LPG Connections
Released under the PMUY programme

₹159.81 Crore
Expenditure on CSR Activities

Project Akshayapatra: 15,000
Children provided with mid-day meals across India

Project Nanhi Kali: 13,000
Girl Children Supported in backward areas

Project Unnati: 12,000
Students trained with basic computer education



Hindustan Petroleum Corporation Limited

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Churchgate, Mumbai - 400 020

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