

**REVIEW BY THE GOVERNMENT OF INDIA, MINISTRY OF PETROLEUM AND NATURAL GAS OF 65<sup>TH</sup> ANNUAL REPORT OF HINDUSTAN PETROLEUM CORPORATION LIMITED (HPCL) FOR THE YEAR 2016-2017**

**CORPORATE HIGHLIGHTS**

Hindustan Petroleum Corporation Limited (HPCL) was established as a Government Company in March 1974.

**1. Share Capital:**

The authorized and subscribed share capital of the Corporation as on March 31, 2017 stood at ₹2500 crores and ₹1015.88 crores respectively. The Govt. of India holding in HPCL is 51.11%. **(Page No. 145)**

**2. Performance:**

During the year 2016-2017 the two refineries of the Corporation in Mumbai and Visakh achieved a combined crude thruput of 17.81 Million Metric Tonnes (MMT) as against 17.23 Million Metric Tonnes (MMT) during previous year. The total sales of the petroleum products during the year under review was 35.22 million tonnes corresponding to ₹2,13,904.15 crores as compared to 34.21 million tonnes corresponding to ₹1,97,655.81 crores for the previous year. The total number of retail outlets as on 31.03.2016 were 14,412. The net profit for the year 2016-17 was ₹6208.80 crores as against ₹3726.16 crores in 2015-16. **(Page Nos.24).**

**3. Refineries:**

During the year 2016-2017, HPCL's refineries at Mumbai and Visakh have maximized crude processing and achieved combined refining thruput of 17.81 MMT with a capacity utilization of 113%. Mumbai Refinery has achieved crude thruput of 8.51 MMT while Visakh Refinery has achieved crude thruput of 9.30 MMT. **(Page No.24)**

**4. Retail:**

HPCL increased its market share of 23.63% during the year 2016-2017. HPCL has commissioned 624 new outlets during 2016-2017 taking the total number to 14,412 retail outlets. **(Page No.76).**

**5. Direct Sales – Industrial & Consumer:**

During 2016-2017, HPCL has achieved 5.00 Million Tones Volume with a sales growth of 2.6%. The Strategy to focus on maximising volumes in three focus products helped HPCL cross 1 million tonne sales in Fuel Oil, Diesel and Bitumen in the same year for the second year in a row. **(Page No.78).**

**6. Direct Sales – Lubes:**

During the year 2016-2017, the Corporation has recorded total Lube Sales of 607 TMT, thereby retaining the No. 1 Lube Marketer Position in the country for the fourth consecutive year. **(Page No.78)**

**7. LPG:**

During 2016-2017, HPCL has achieved highest ever LPG sales volume of 5.63 MMT and registered a growth of 11.1%. HP GAS served more than 61 million customers through a network of 4,532 LPG distributors. During the year 2016-2017, HPCL registered 6.9 million beneficiaries and released 5.3 million new LPG Connection under the PMUY Program. **(Page No.77)**

**8. Aviation:**

During the year 2016-2017, HPCL Aviation SBU has achieved sales volume of 691 TMT with growth of 13.4% against PSU industry growth of 9.9% resulting in market share gain of 0.35%. **(Page Nos. 79)**

**9. Operations, Distribution & Engineering:**

A key focus area during 2016-2017 was to achieve conversion from BS-III to BS-IV Fuels. The entire focus of migrating BS-III to BS-IV was done on All India basis through meticulous planning and executing the planned activities. The migration to supplying BS-IV was successfully completed at all POL locations within the timelines. **(Page No. 80).**

**10. Pipelines:**

The Corporation achieved remarkable successes with a record combined thruput of 17.91 MMT during the financial year 2016-2017. Pipeline capacity expansion remains a major focus area for HPCL and projects are underway with a capital expenditure of ₹2601 Crore which are envisaged to be completed within next 3 years. **(Page No. 81).**

**11. Corporate Social Responsibility:**

HPCL initiatives in Corporate Social Responsibility are broadly classified under Focus Areas: Child-Care and Education, Health Care, Skill Development, Environment and Community Development. HPCL as a responsible citizen, has been contributing towards the betterment of the society. **(Page Nos.89,90 & 91).**

**12. Official Language Implementation:**

Official Language Implementation (OLI) has been given the utmost importance in the Corporation. HPCL had headed Mumbai Town Official Language Implementation Committee since 1983. HPCL has bagged 37 awards in Official Language Implementation. **(Page No.91)**