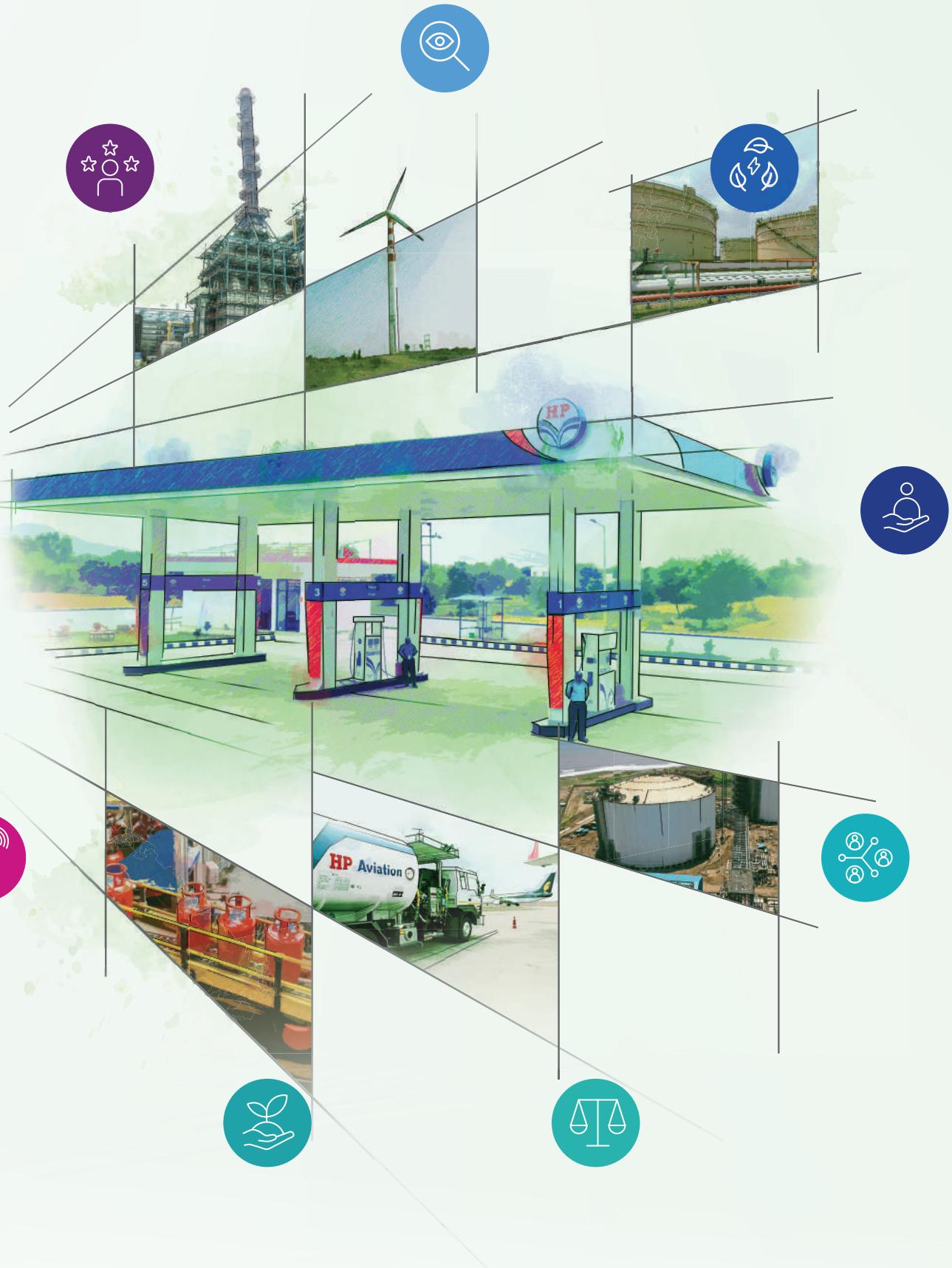




हिन्दुस्तान पेट्रोलियम कार्पोरेशन लिमिटेड  
संधारणीयता रिपोर्ट 2022-23

Hindustan Petroleum Corporation Limited  
Sustainability Report 2022-23



# Nayaa HPCL..

Hindustan Petroleum Corporation Limited (HPCL) is transforming the energy landscape with solutions that satisfy a spectrum of requirements not just across the nation but also beyond. Embedding diversified energy requirements with myriad innovative offerings, we constantly endeavour to bring the latest solutions in the evolving energy and responsible climate landscape. We operate in an environment steered by innovative technology to create value for our stakeholders.

We advance hand-in-hand with nature and live the mantra of Delivering Happiness through safety, sustainable growth and community engagement every moment.

Acknowledging the profound impact on sustainability and the pressing need to address ongoing challenges, the energy sector is swiftly transforming and adopting strategies to mitigate and minimise its influence on the environment. This evolution points towards a future characterised by a diverse energy landscape, reduced carbon emissions and a strong focus on customer needs.

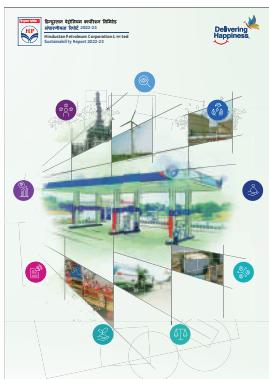
In light of these transformative trends, we are adjusting our course to head seamlessly into the future while upholding our commitments to achieving the economic, ecological and social responsibilities outlined in sustainable development.

Inspired by these shifts, HPCL has undertaken to channelise itself with renewed resolve to create a Nayaa HPCL. Nayaa in every respect and known across the globe for its human values, integrity, superior performance, agility and out-of-the-box thinking by rekindling the true HP Spirit which our future generations would be proud of.



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The cover page option provides a pictorial view of various businesses of HPCL in a creative rendering. The entire business of HPCL is shown encircled by the 9 principles of National Guidelines of Responsible Business Conduct (NGRBC) denoting HPCL's commitment to conduct its business in a responsible manner.

The infographics of NGRBC denotes the 9 principles of NGRBC viz.

- P1: Ethics, transparency and accountability;
- P2: Product life cycle and sustainability;
- P3: Employee Well-being;
- P4: Stakeholder Engagement;
- P5: Human Rights;
- P6: Environmental Protection;
- P7: Public Policy Advocacy;
- P8: Inclusive Growth;
- P9: Customer Satisfaction

## 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, Ballard Estate, Mumbai - 400 001 Maharashtra, India

# 2022-23 Highlights

## Environment

**85,042**

standard refinery fuel tonnage (SRFT)

Energy conservation at refineries

**23.25 MMT**

Highest-ever pipeline throughput

**9,75,429 KL**

Water recycled at Mumbai refinery

**2,037**

Retail outlets with EV-charging facility

**185.26 MW**

(100.9 MW of wind power + 84.36 MW of solar power)

Renewable power capacity

**10.59%**

Ethanol blending achieved

**1st**

In India to launch bio-marine fuel

**4,406 MT**

Plastic waste recollected

**20.43 Crore kWh**

Renewable energy generation

**5,46,672 KL**

Rainwater harvested

**476**

Cumulative LOIs released for compressed biogas plants



## Social

### 35.6 Million

safe man-hours

Best-ever safety record at Mumbai refinery

### ₹ 154.85 Crore

Expenditure on CSR activities

### 3,800+

Students trained for employment enhancement at SDI, Visakhapatnam

### ~9.75 Lakh

Mapped beneficiaries of CSR projects

### 16,000+

Scholarships provided to students from socially and economically disadvantaged sections

### 38.97%

Procurement from MSEs\*

## Economic

### ₹ 4,64,684 Crore

Highest sales revenues

### ₹ 92,204.21 Crore

Contribution to the exchequer

### 43.45 MMT

Highest-ever sales volume

### Zero

Cybersecurity incidents leading to breach of business-critical systems



# Report Profile

## About the Report

Our Sustainability Report 2022-23 provides insights into our approach towards integrating sustainability into our governance system, strategy, and performance. This Report highlights the environmental, social, and economic aspects of our operations. This Report aims to share our sustainability commitments with various stakeholders, including investors, shareholders, customers, suppliers, employees, communities, and the government. We consistently review our performance on sustainability parameters and communicate the same with our stakeholders.

### Reporting Period

We prepare and publish our Sustainability report annually. In this Sustainability Report, material information related to our business, performance, operating context, material risks, interests of its stakeholder's strategy, outlook and prospects and governance, among others, covering the financial year April 1, 2022, to March 31, 2023, is presented which also aligns to the reporting period of our Corporate Annual Report.

The most recent Sustainability report for 2021-22 and all our previous Sustainability Report are available at: <https://www.hindustanpetroleum.com/pages/sustainability>

### Reporting Boundary

The report boundary remains unchanged from our previous reports and encompasses all fully owned operations of the Company. This boundary includes:

- Our refineries at Mumbai and Visakhapatnam
- The operations of the Strategic Business Units (SBUs) under marketing:
  - Aviation
  - Industrial & Consumer
  - LPG
  - Lubes
  - Natural Gas
  - Biofuels and Renewables
  - Supplies, Operations and Distribution
  - Projects and Pipelines
  - Retail (Company-owned and Company-operated outlets).
- This report does not include joint ventures, subsidiaries and international operations. HPCL's significant location of operation is India. Entities included in the consolidated financial statements are detailed in our Annual Report for 2022-23 which can be accessed at HPCL Corporate Website.
- The Corporation has robust internal management systems governing all facets of operations. Data/information which forms part of this report gets collected from these internal systems at the corporate and operative levels. The data presented in the report gets sourced either from our Enterprise Resource Planning (ERP) system and IT applications or directly from the operations within the report boundary.
- The data measurement techniques and underlying assumptions/calculations are mentioned duly in the relevant sections of the report.

## Restatements

Restatements to data, if any, have been marked in relevant sections of the Sustainability report with their reasons and effects.

## Frameworks, Guidelines and Standards

The report provides a transparent disclosure of HPCL's Environmental, Social and Governance performance for the reporting period.

This report has been prepared in-accordance with the Global Reporting Initiative (GRI) Standards, GRI 1: Foundation 2021, Applicable GRI Sector Standard(s): GRI 11: Oil and Gas Sector 2021 and has also been aligned to the requirements of:

- India's Nationally Determined Contributions
- Mission LiFE
- United Nations Sustainable Development Goals (UN-SDGs)
- United Nations Global Compact (UNGCG) Principles
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-related Financial Disclosures (TCFD)
- Sustainability reporting guidance for the oil and gas industry by The International Petroleum Industry Environmental Conservation Association (IPIECA); The International Association of Oil and Gas Producers (IOGP); The American Petroleum Institute (API)

## Assurance

The quality of information and disclosures in this report are maintained through a robust assurance process, leveraging our internal expertise and external assurance methodology.

The information in this Report has undergone appropriate internal reviews. It has been subjected to independent assurance by a third-party, M/s Bureau Veritas India Private Limited, under the AccountAbility Assurance Standard AA1000AS version 03 Type 2 Moderate assurance. Readers can access further details on the independent assurance statement in the annexure of this Report.

## Forward-looking statements

This report contains forward-looking statements that describe projections, targets, expectations and forecasts based on certain assumptions, historical data and predictions of future events, which are continuously evolving considering contemporary industry developments, market conditions, government regulations, laws and other prevailing factors therefore, our actual results, performance or achievements could differ materially from those projected or implied. Important or unforeseen factors that could make a difference to the Corporation's operations include economic conditions, demand/supply and price conditions in the domestic and international market, changes in regulations and other incidental factors.

## Feedback

We welcome feedback on our reports to ensure that we are on the right path to disclose and make relevant information available to our readers and stakeholders in an easily comprehensible manner.

Any queries, suggestion or feedbacks can be submitted giving your details at: [corporatehse@mail.hpcl.co.in](mailto:corporatehse@mail.hpcl.co.in) or online on the HPCL website at <https://crminterface.hpcl.co.in/CRMInterface/hpclcomplaints.aspx>

# Building a Better, More Sustainable World



## Dear Esteemed Stakeholders,

Thank you for partnering with us in traversing the ebbs and the flows as your Company crosses one milestone after another to attain its vision of being a World Class 'Energy' Company. I am delighted to unveil the vibrant Sustainability Report for the fiscal year 2022-23, capturing the remarkable journey of Hindustan Petroleum Corporation Limited (HPCL) during this period. HPCL stands at the frontier of a transformative energy revolution, reshaping not only our nation's energy landscape but extending its influence far beyond. Amid the rippling currents of change in the energy sector, including the progressively changing Oil & Gas Industry, HPCL is actively engaged through a process of reflection, reconceptualisation, adaptation and action to transform in to an "Energy" Company.

## Reporting What Matters

Committed to providing energy to society in varied forms, anytime and across the nation, we are driven

by a vision that transcends boundaries. Increasing momentum of business growth, we continue to 'Deliver Happiness' by fulfilling the nation's energy needs while demonstrating the highest standard of corporate responsibility with focus on environmental and social sustainability. As part of our communiqué, we have shared our Environment, Social and Governance (ESG) and Sustainability disclosures for the year 2022-23 in our inaugural Business Responsibility and Sustainability Report, as mandated by the Securities and Exchange Board of India (SEBI). We appreciate SEBI for its proactive step in mainstreaming ESG in corporate disclosures. While our annual report provides insights into various aspects of our financial and physical performance, this Report goes further, offering a comprehensive view of our accomplishments, future prospects, and business landscape, meticulously aligned with the latest GRI standards. This report speaks about our untiring efforts in cultivating a sustainable business model.

HPCL's five-year strategy roadmap up to 2025-26, christened as "T25 strategy," is under implementation. The aim is to capture opportunities in the changing energy landscape, leverage the emerging opportunities, navigate the future challenges, and diversify into new business lines helping in de-risking business portfolio.

### **ESG – From Priority to Core Value**

Responsible business ethos is the foundation of a solid, sustainable business and is deep rooted in our Vision, Mission and Values. HPCL 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. We are constantly reviewing and embracing environment-friendly processes, striving to reduce carbon footprint and making operations resource efficient. The early adoption of sustainable business practices has helped your Company to consistently stay resilient in the challenging business environment.

The future of Oil and Gas is exciting and challenging characterised by increasing competition, policy reforms and enforcement of progressively evolving environmental and carbon related regulations. In a nutshell, we see the future as "Less Carbon, More Energy". Over the years, we have incorporated ways of working with enhanced focus on ESG aspects moving from compliance to priority to making it a core value.

HPCL's five-year strategy roadmap up to 2025-26, christened as "T25 strategy," is under implementation. The aim is to capture opportunities in the changing energy landscape, leverage the emerging opportunities, navigate the future challenges, and diversify into new business lines helping in de-risking business portfolio.

The T25 strategy is intended at creating value and delivering growth responsibly by strengthening existing businesses, leveraging new growth engines such as petrochemicals and natural gas, and seizing green and emerging opportunities with a focus on technology and innovation. Special emphasis on ESG parameters and building strategic partnerships will provide a competitive edge to the organisation in the changing business landscape.

The Corporation plans to achieve net zero Scope 1 & 2 emissions by 2040 and is guided by the validated roadmap developed in 2022-23 towards this direction. We have identified numerous initiatives under the categories of Fuel Substitution, Green Hydrogen, Energy Efficiency & new refining technologies, usage of renewable energy, flare reduction and abating emissions by CCU/offsetting, to reduce overall emission intensity.

To have focussed approach, we have set up separate verticals for Natural Gas Business, Biofuels and Renewable Energy and an Energy transition Cell to drive these activities. The progress of our initiatives shall be transparent disclosed in a timely manner to stakeholders.

Being a signatory of United Nations Global Compact (UNGC), HPCL supports the principles on Human Rights, Labour, Environment and Anti-Corruption. HPCL's business activities are aligned with the United Nations' Sustainable Development Goals (SDGs) and are also in consonance with India's Nationally Determined Contributions (NDCs).



### **The Dawn of "Nayaa HPCL"**

Inspired by the transformative tide in oil and gas industry to be multi-energy, low-carbon, and customer-centric, HPCL has embarked on the journey to become a "Nayaa HPCL" – a paradigm shift towards being globally recognised for its human values, integrity, exceptional performance, agility and innovative thinking. Our aim is to craft an energy enterprise that generates value and drives responsible growth, all while nurturing the spirit of HP-FIRST for generations to come.

### **The Year that Was**

In the fiscal year 2022-23, we achieved an unprecedented turnover of ₹ 4,64,684 Crore, a remarkable growth of 24.7% in a challenging macroeconomic landscape. Our refineries achieved record-breaking crude throughput of 19.09 MMT with a capacity utilisation of 107% and our sales numbers soared to new heights of 43.45 MMT. Average GRMs for 2022-23 were US\$ 12.09 per barrel compared to US\$ 7.19 per barrel during the corresponding period of the previous year,

recording an increase of 68.2%. The exceptionally high international oil prices along with suppressed marketing margins on select transport fuels, severely impacted the profitability.

HPCL continued to augment its refining and distribution capacities to ensure availability and seamless and cost-efficient distribution energy products across the country. During the year, HPCL attained multiple milestones in major projects which have sustainability built in by design.

The ongoing Visakh Refinery Modernisation Project (VRMP) attained the critical milestone of commissioning a highly energy efficient 9 MMTA Crude Distillation Unit (CDU-4). The commissioning of the 697 km long Vijayawada Dharmapuri pipeline (VDPL), along with a major greenfield terminal at Dharmapuri and the 650 km long Hassan-Cherlapalli LPG pipeline (HCPL), helped increase the operating cross-country pipeline network to 5,132 km thereby enabling mass transportation of products in an environment friendly manner.

We also reached 21,186 Retail Outlets mark with the commissioning of 1,161 Retail Outlets during 2022-23. In addition, 45 new LPG distributorships and 51 non-domestic distributorships were established during the year, bringing the total number of distributors to 6,283 and 328 respectively.

Several projects are underway to strengthen our distribution network. These include the Bathinda-Sangrur product pipeline, the Haldia- Panagarh LPG pipeline, the revamping of Raipur and Vashi POL terminals, new LPG plants at Varanasi (Uttar Pradesh) and Abu Road (Rajasthan) and the 80TMT LPG Cavern at Mangaluru.

During 2022-23, HP Green R&D Centre (HGRDC) developed and launched 33 new products/ technologies. HGRDC filed 90 patents in 2022-23, taking the cumulative Indian and international patent applications to 443. During the year, 36 patents were granted to HGRDC, taking the cumulative patents granted to 160 as of March 31, 2023.

### **Less Carbon, More Energy – Greening the Business Lines**

In consonance with our long-term vision to reduce carbon intensity of our products, HPCL increased its scale of low carbon energy offerings during the year. We achieved 10.59% of ethanol blending in motor spirit while also being the first oil marketing company to commence 12% blending from December 2022. E20 fuel was launched at 23 Retail Outlets along with Green Mobility Rally by Hon'ble Prime Minister in February 2023. Augmentation

We have a green cover of over 1,450 acres inside our premises as on March 31, 2023. We focus on planting tree species which are native to the location, have low water requirement and offer high carbon sequestration.

of ethanol tankages was carried out coupled with transportation of ethanol by railway rake.

HPCL is constructing a Second-Generation ethanol bio refinery at Bathinda, Punjab, with a production capacity of 100 KL per day of ethanol from biomass. HPCL's first Compressed Biogas Plant (CBG) of 100 TPD Biomass processing capacity has been commissioned at Badaun, UP. HPCL launched the Country's first Bio-Marine fuel from its Visakh New Black Oil Terminal (10% Biodiesel Blended VLSFO). This Biodiesel supply was sourced from International Sustainability & Carbon Certification (ISCC) certified supplier to meet the stringent global norms specified for bunker supply to ships.

HPCL is setting up a waste-to-biogas plant at Yerada Park in Vizag, Andhra Pradesh and a Compressed Biogas (CBG) plant of 100 TPD of cow dung processing capacity under the CSR scheme at Pathmeda, Rajasthan. During the year, HPCL released Letters of Intent (LOIs) for setting up 63 Compressed Bio-Gas (CBG) Plants with a production capacity of ~321 ton/day, taking the cumulative to 476 LOIs with capacity of ~2,584 ton/day across the country to increase usage of biofuels in the energy and transportation sectors.

In the natural gas value chain, HPCL along with its JVs have authorisation for setting up of CGD network in 23 Geographical Areas (GA's) comprising 48 districts spread across 12 states with planned investment of over ₹ 10,000 Crore during next few years. CNG facilities were added in 301 retail outlets taking the total number of HPCL outlets with CNG facilities to 1,387 as of March 2023. HPCL's subsidiary HPCL LNG Limited has achieved mechanical completion of the 5 MMTPA LNG terminal at Chhara, Gujarat.

With 1,026 new EV charging stations commissioned during 2022-23, HPCL now has EV Charging facilities at 2,037 outlets i.e. nearly 10% of its retail network.

On the renewable electricity front, HPCL has 100.9 MW of installed wind power which generated 18.29 Crore kWh during the year. The installed capacity of solar power was increased by ~30 MW to reach 84.36 MWp within HPCL premises and at 10,475 retail

outlets. HPCL also provided solar street lights at 400 locations in Uttar Pradesh under CSR benefitting the public in an environment friendly manner.

HPCL is using Green Hydrogen in operating hydro processing pilot plants and batch reactors at its Green R&D Centre. HPCL was the first Oil Marketing Company to place an order for Electrolyser to produce Green Hydrogen. The 370 TPA green hydrogen plant at the Visakh Refinery is in an advanced stage of completion.

In pursuit of energy efficient operations, both Mumbai and Visakh refineries have taken a proactive role by continuously improving their operating practices. HPCL refineries through Energy conservation schemes achieved a savings of 85,042 SRFT. Various energy saving initiatives are also implemented at marketing locations such as efficiency monitoring, high efficiency prime movers, energy audits, stakeholder awareness among others.

We have a green cover of over 1,450 acres inside our premises as on March 31, 2023. We focus on planting tree species which are native to the location, have low water requirement and offer high carbon sequestration.

HPGRDC also continued to support energy transition through innovation, research, indigenisation, cost optimisation and revenue generation improving the self-reliance. During the year, HPGDRDC developed a process for producing H<sub>2</sub> enriched CNG (H-CNG) technology without emission of CO<sub>2</sub> and requirement of any water; Battery and electrolyser technology (for producing green hydrogen) and scaled up blue hydrogen generation using in-house developed process intensification concept for demonstration.

## Caring for the Environment

HPCL is actively implementing the action plan for 'Mission LiFE', an India-led global mass movement to nudge individual and community action to protect and preserve the environment, propounded by our Hon'ble Prime Minister.

During January-April 2023, HPCL displayed Mission LiFE creatives on energy conservation, water conservation and single use plastic reduction at 1,250 retail outlets, engaged more than 5,000 Pro Planet People, recollected more than 1,000 MT

# 1,026

New EV charging stations commissioned during 2022-23.

of waste plastic, planted more than 1,500 trees, sold more than 9,000 high efficiency thermal LPG stoves with efficiency more than 73% and organised numerous awareness session such as nukkad natak, street plays, school competitions etc.

HPCL has best-in-class operating systems, practices and procedures oriented to environmental preservation to achieve environmental stewardship. Both refineries and major marketing installations have adopted ISO 14001 environment management system to ensure continuous improvement in environmental protection. HPCL also has a process of HSSE audits to ensure compliance with applicable environmental laws and regulations at various locations.

State-of-the-art effluent treatment plants for treating and recycling effluent water are available at major locations to ensure the protection of the environment. During the year, Mumbai refinery recycled about 975 TKL of water. As part of ongoing expansion project (VRMP), Integrated Effluent Treatment Plant is installed where the treated effluent will be further treated in RO DM plant and reused. The reject will be used as make up for sea water cooling tower.

Best-in-class technologies such as Volatile Organic Compound (VOC) monitoring and the Leak Detection and Repair (LDAR) programme has been adopted for monitoring and controlling fugitive emissions at major installations. Vapour Recovery Systems (VRS) have been installed at various supply locations and 1,458 retail outlets. HPCL recollected 4,406 MT of plastic waste (including packaging) as part of Extended Producer Responsibility. Environment awareness programmes are regularly conducted in the Corporation to promote sustainability in all facets of the business. For addressing the issue of used oil, HPCL joined hands with the Petroleum Re-Refiners Association of India (PRAI), in association with Rosefield Energy Tech during 2022-23 to hold a Seminar on "Business Opportunities in Used Oil - Transformation by 2027" at New Delhi. This is the first time when all the stakeholders (Policy Makers/Lubes Manufacturers/Re-Refiners/Subject Matter Experts on environmental studies and taxation, etc.) were brought to a common Platform. This collaboration with the lube eco-system of the country was made to help fast-track the journey of this entire sector towards a more sustainable future through adoption of principles of circular economy.

## Enriching People, Fostering Growth

HPCL's success is intricately woven with the competency of its workforce. HPCL has over 8,500 trained and loyal employees with an average age ~42 years. The human resources profile of the organisation is a mix of energetic youth and experienced seniors so as to harmonise the efforts jointly. We have diverse expertise to handle various forms of energy and materials, i.e. Solid/Gas/Liquid fossil fuels, emerging fuels, renewables among others. HPCL has embraced the principles of DEI (Diversity, Equity, and Inclusion) to foster innovation, engage employees, attract top talent, enhance reputation and meet legal and societal expectations.

**HPCL has embraced the principles of DEI (Diversity, Equity, and Inclusion) to foster innovation, engage employees, attract top talent, enhance reputation and meet legal and societal expectations.**

We have myriad employee support policies and programmes to help employees meet their aspirations. During 2022-23, we had a return-to-work rate of 98% for our permanent employees availing parental leave. We have nurtured a culture of continuous learning, participation, and feedback. Multi-modal training methodologies such as webinars, experiential workshops, e-modules, certifications, simulations, action learning, drama-based workshops, etc. are undertaken with extensive use of technology for progressive learning and building the capabilities of employees.

HPCL has been making continual improvements in HSE management systems and procedures with the adoption of new technologies, upgradation of infrastructure, benchmarking of existing practices and regular surveillance audits. Safety performance, OISD and Internal Audit, recommendations, their compliance status and incident analysis are periodically reviewed by Senior Management and also reported to CFD and Board. During the year, HPCL underwent Organisational HSE Audit by OISD wherein the HSE management systems of the organisation were audited.

Vulnerability Index (VI) for job safety monitoring has been implemented in refineries in 2022-23. Vulnerability Index implementation helps in identifying potential safety risks and hazards in operations, enabling proactive measures to mitigate those risks and ensuring a safer workplace.

Mumbai Refinery has achieved its best-ever safety performance, with 35.6 million man hours of safe operation as of March 31, 2023.

We engage the extended workforce such as contract workers engaged through contractors, apprentices, tank truck driver crew, suppliers, dealer and distributor staff among others to raise their awareness levels on important issues. During 2022-23, we conducted over 25,000 trainings for LPG deliverymen and Showroom staff, over 4,100 programmes for Retail Outlet Customer Service Assistants, over 3,700 programmes for Transport crew, about 860 programmes for dealers/distributors among others.

**25,000**

Trainings for LPG deliverymen and Showroom staff, over 4,100 programmes for Retail Outlet Customer Service Assistants

We celebrate Statutory Compliance Fortnight every year to recognise and honour the enormous and toiling efforts put in by the workers and disseminate awareness among them of their rights. This initiative follows a multi-dimensional approach of Education, Engagement and Empowerment.

During the year, HPCL also celebrated Vigilance Awareness Week engaging about 1.65 lakh citizens across 2,941 locations with the Central Theme "Corruption Free India for a developed Nation".

## Digital Dexterity for Organisational Sustainability

Recognising technology's transformative power, we have woven it into our fabric to enhance customer experiences, transparency, and convenience. With initiatives like SMART terminals and advanced analytics, we are enhancing safety, operational efficiency, and stakeholder satisfaction. The "Parikalp" digital transformation programme and Project "Aarohan" further solidifies our commitment to technological advancement.

During the year, the ERP modernisation project, aimed at building a robust digital foundation in HPCL, has reached an advanced stage of completion. HPCL also launched training practices with Virtual Reality (VR) techniques in both refineries, AI/ML based demand forecasting solution for fuel stations and LPG distributorships, Crude to Customer application for strategic insights to management teams, analytics and visualisation solution for enhancing workforce productivity, drone surveillance for pipelines, robotic loading system for LPG cylinders among various other digital initiatives.

HPCL undertook several cybersecurity upgrade projects and trainings thereby ensuring nil cybersecurity incidents during the year.

### Serving Those in Need

HPCL has always strived to be a model of excellence and a catalyst of transformation in all its endeavours be it business prosperity or its commitment to society. It has always believed in creating shared values and delivering happiness through its various initiatives that have touched millions of lives.

During the year, HPCL spent ₹ 154.85 Crore on CSR activities covering more than 200 CSR projects under the focus areas of Childcare, Education, Health Care, Skill Development, Sports and Environment and Community Development touching about 9.75 lakh lives. HPCL also has several community-based initiatives which have benefitted various sections of the society as a whole.

This year, we also released the impact assessment of 9 CSR projects having outlays of one crore rupees or more and which have been completed during financial year 2020-21.

HPCL observed Swachhata Pakhwada Campaign by undertaking various initiatives to spread awareness through all HPCL locations and involving more 20 Lakh stakeholders across country. For Swachhata Pakhwada campaign held during the period July 1-15, 2022, HPCL was awarded among top three Oil and Gas CPSEs by Ministry of Petroleum and Natural Gas.

### Awards

For outstanding performance in its sustainability commitments, HPCL has been recognised as the "Sustainably Growing Corporate of the Year" at the FIPI Oil and Gas Awards 2022. This esteemed award acknowledges HPCL's significant impact in the realm of sustainability and its unwavering commitment to a greener and more sustainable future. Ministry of Corporate Affairs, Government of India announced HPCL as Winner of National CSR Awards 2020 under Sub-category '1.1: Companies having eligible CSR Spend equal and above ₹ 100 Crore'.

### Charting the Way Forward

As we move ahead, we find inspiration in "Mission LiFE" introduced by Hon'ble Prime Minister. Our initiatives and projects echo its essence, inspiring positive behavioural change and fostering environmentally conscious lifestyles. As the global energy landscape evolves, 'Naya' HPCL is embracing change with environmental and social commitment, leading by example to create sustainable value and deliver happiness through collaboration.

With gratitude for your unwavering support and constructive feedback, we extend our best wishes for success in all your endeavours.

**Thank you**

**Pushp Kumar Joshi**



► "Sustainably Growing Corporate of the Year" award to HPCL at the FIPI Oil and Gas Awards 2022

# Leading with Purpose



**RAJNEESH NARANG**

Director – Finance

HPCL is committed to serving the energy needs of our nation. The year gone by was indeed a challenging one for the Oil industry as a whole and OMCs in particular. HPCL was no exception to the dynamics of geopolitical developments. Despite these challenges, our Corporation achieved all-round stellar performance in physical parameters during 2022-23. The ongoing geo-political situation has had its bearing on Crude prices. Stressed marketing margins, mainly on Retail petroleum products and hardening of interest rates with adverse INR/USD exchange rates, self-sufficiency in meeting marketing volumes from own refineries, impacted us.

To ensure availability, seamless and cost-efficient distribution of petroleum products across the country, HPCL significantly expanded the refining and supply chain infrastructure during the year with a capital expenditure of ₹ 14,043 Crore (including equity investment in its JVCs and subsidiaries) in 2022-23.

HPCL has updated the existing Enterprise Risk Management (ERM) framework by adopting the best practices recommended by international standards

such as COSO ERM 2017 and ISO 31000:2018 Framework. The updated ERM Policy covers all types of risks impacting the strategic objectives and performance of the organisation, including ESG-related risks, information and cyber security related risks and business continuity plan.

The design of internal controls and their operating effectiveness for the key business processes is tested by reputed external consultant who observed that there are no material weaknesses in Internal Controls over Financial Reporting. As of March 2023, your Corporation commands international long term issuer rating at par with sovereign ratings from Moody's Investors Services and Fitch Ratings.

The finance function is working with the strategy group to contribute towards Corporation's Net Zero Target. Substantial investments are planned towards achieving Net Zero target. Work is underway on unlocking value by consolidation of all green and emerging business opportunities under one umbrella and also exploring options including carving out to unlock value in the lubricant business which would enable a differentiated focus on this high growth high potential distinct business line.



**S BHARATHAN**  
Director - Refineries

HPCL refineries play a strategic role in the crude to products value chain to ensure availability, quality, safety and viability while prioritising environmentally sustainable and robust practices. During 2022-23, HPCL refineries achieved highest ever combined crude throughput of 19.09 MMT with a growth of 36.7% over historical. Highest ever annual MS, HSD and LOBS production was also achieved during the year. Market opportunities were capitalised by maximising opportunity import of crude oil.

Mumbai and Visakh refineries are certified with ISO 14001 environment management system. Best-in-class practices are being implemented at refineries to address impacts on air, water, soil, GHG emissions among others.

HPCL has undertaken major projects at refineries for increasing the refining capacity, substantially improving distillate yield, reducing dependence on outsourced products and improving energy efficiency. During 2022-23, there was reduction in the energy intensity (GJ of Direct and Indirect Energy consumed per ton of crude throughput) of Refineries by 7.2% while there was a reduction in the GHG Intensity (Scope 1+2 GHG emitted in tCO<sub>2</sub>e per ton of crude throughput) by 5.5%. While numerous energy efficiency schemes were included in Mumbai Refinery Expansion Project which was completed last year, as part of Visakh Refinery Modernisation Project, a highly energy efficient 9 MMTPA Crude Distillation Unit, LPG and Off-gas Treating Units were commissioned in March 2023. During the year, HPCL refineries achieved 85,042 SRFT of energy savings in absolute terms.

Our refineries have a major role to play in contributing to HPCL achieving its goal of Net Zero Scope 1 and 2 emissions by 2040. We have identified major decarbonisation levers as Fuel substitution, Green Hydrogen, Energy Efficiency and new refining technologies, Usage of renewable Energy, Flare reduction among others. Projects have

been identified and are undergoing detailed study for feasibility.

Refineries are committed to prioritising workplace safety, health and the environment in all aspects of their operations. The Vulnerability Index (VI) for job safety monitoring has been implemented in refineries in 2022-23. Mumbai Refinery has achieved its best-ever safety performance, with 35.6 million manhours of safe operation as of March 31, 2023.

Showcasing continuous efforts towards innovation and research, HP Green R&D Centre (HGRDC) received its 36th patent during the year, taking the total patents to 160; 90 patent applications were filed in the year, taking the total to 443.

During 2022-23, 33 new products and technologies were developed and launched by HGRDC.

HGRDC is also aligned to HPCL's decarbonisation initiatives and during the year undertook process for producing H<sub>2</sub> enriched CNG (H-CNG) technology without emission of CO<sub>2</sub> and requirement of any water; Battery and electrolyser technology (for producing green hydrogen) and scaling up of Blue H<sub>2</sub> using in-house developed process intensification concept for demonstration.

HGRDC is a 'Platinum' rated building by Indian Green Building Council (IGBC) and 5-star-rated by Green Rating for Integrated Habitat Assessment (GRIHA) Council. Continuing its momentum on adoption of green features, during the year, HGRDC administration block which is approx. 60,000 sq.ft. with a designed load of 200 KW has been awarded with Net Zero Energy Rating by IGBC. This is the first building with "Net Zero Rating" for HPCL and one amongst the very few in India.

Refineries have been focused on reducing water footprint by wastewater recycling, water efficiency and rainwater harvesting. In Mumbai refinery about 1,42,368 KL rainwater was harvested in 2022-23 thereby saving equivalent quantity of BMC water for community usage. In Visakh Refinery, as part of ongoing expansion project (VRMP), state-of-the-art integrated Effluent Treatment Plant is under advance stage of commissioning with Zero Discharge concept. These efforts will go a long way in ensuring sustainability of scarce natural resources.

HPCL was a part of "The Energy Transition Advisory Committee of the Ministry of Petroleum & Natural Gas which published the report titled "The Green Shift" in keeping with India's endeavour to reach Net Zero emissions by the year 2070 and making India a key player in the global fight against climate change.

## Message from Directors



**AMIT GARG**  
Director – Marketing

As a responsible corporate citizen, HPCL has been in the forefront of leading the change in the new energy landscape and actively participating in inclusive growth. The Company strives to accelerate India's transition to a low carbon path and create value for the nation by elevating the quality of life across the entire socio-economic spectrum.

Sustainability is at the core of HPCL's mission, and our annual sustainability report serves as a vital tool to communicate our progress, achievements, and future goals in this crucial area. The sustainability report for 2022-23 represents a comprehensive overview of our Environmental, Social, and Governance (ESG) initiatives, highlighting our commitment to responsible business practices, environmental stewardship, and social responsibility.

The year 2022-23 has been a phenomenal year of physical performance for HPCL. HPCL achieved its highest ever annual sales of 43.45 MMT with growth of 11%, registered highest ever sales in all the three major products with Petrol sales growing by 16.2%, Diesel sales by 16.5% and LPG sales by 4.9%. This was also the 7th consecutive year of market share gain in Domestic LPG segment. The lubricants business also registered an impressive YoY growth of 16.0%.

With deeper focus on ESG, HPCL is taking proactive steps to improve the "Green" quotient of its products as well as marketing infrastructure. HPCL retail outlets with CNG and EV charging facilities stood at 1,387 and 2,037 respectively as of March 2023. Towards reducing carbon footprint and enhancing safety in product movement HPCL

pipeline network was increased to 5,132 km with the commissioning of 2 new pipelines viz. 697 km long Vijayawada-Dharmapuri pipeline (VDPL) along with a major greenfield terminal at Dharmapuri and 650 km long Hassan-Cherlapalli LPG pipeline (HCPL).

HPCL has implemented Environment Management Systems and Greenco Rating System at our major marketing installations. HPCL has a renewable energy installed capacity of 100.90 MW (wind) and 84.36 MWp (captive solar). The wind power projects generated 18.29 Crore kWh during the year. Solarisation of 4,067 retail outlets was undertaken in 2022-23, whereby about 49% of the total retail outlets have now been solarised.

HPCL is actively working towards promoting the usage of biofuels in the transportation sector. During 2022-23, HPCL achieved ethanol blending of 10.59% in motor spirit and launched E20 fuel at 23 retail outlets. Compressed biogas plant (CBG) with 100 TPD biomass processing capacity has been setup at Budaun. Another CBG plant with 100 TPD of cow dung processing capacity is being set up at Pathmeda, Rajasthan under CSR scheme. This year also witnessed the launch of Country's first Bio-Marine fuel at the hands of Secretary-PNG, MoPNG which is 10% Biodiesel blended with VLSFO.

HPCL is poised on a path of growth by offering clean, green and differentiated products and services while adopting environment and social stewardship in its businesses and supply chain network. We are dedicated to embodying 'Nayaa HPCL' in all aspects of our business to transform sustainably.



**SURESH K SHETTY**  
Director - Human Resources

HPCL has recorded its best-ever physical performance during 2022-23, a testimony to exemplary performance of its most valuable asset – its employees. Being a value-driven Corporation, the key focus is towards ensuring consistent and quality engagement with employees, retaining high performing talent, and providing better opportunities for employees to grow and build lasting careers at HPCL.

Over the years we have made significant strides in the HR domain from being transactional to becoming transformational. In the times to come enabling human performance and leveraging human potential will continue to be the guiding factor for HR.

HPCL has embraced the principles of DEI (Diversity, Equity, and Inclusion) to foster greater inclusivity at the workplace, attract diverse talent, enhance reputation and meet legal and societal expectations. The percentage of women employees as a percentage of total employees has been steadily increasing over the years. As of FY 23 end, HPCL's average workforce age is ~42 years. Our seniors play an important role in passing on their experience, positive attitudes and the values of HP First to the next generation to take the Company to greater heights.

Among the key HR leading indicators for supporting Nayaa HPCL are building competencies in the emerging business lines, enhancing existing capabilities through developmental programmes and feedback mechanisms, active engagement with millennials and building a robust leadership succession pipeline.

During the year, 'HP Possible' – a flagship 11-month leadership development programme aimed at building leadership competencies in future leaders was launched. We introduced 'Vista - Agla Kadam' – a role-based competency framework, learning and development curriculum model wherein 3,900 officers were covered. We also continued ecosystem-based learning interventions, employee engagement programmes throughout the year among other initiatives.

To engage the extended workforce and disseminate awareness among them of their rights, we celebrated 'Statutory Compliance Fortnight' which follows a multi-dimensional approach of Education, Engagement and Empowerment.

HPCL continues to positively impact the lives of those in need through its societal interventions. During the year, we were able to touch around 9.75 Lakh lives through our CSR activities including our projects in aspirational districts. We also continued several community-based initiatives which have benefitted various sections of the society as a whole.

# Transforming Energy Responsibly

## About HPCL

Hindustan Petroleum Corporation Ltd. (HPCL) is one of the largest public sector enterprises under the administrative control of the Ministry of Petroleum and Natural Gas, Government of India, having 'Maharatna' status. We stand 149th and 147th by market capitalisation as of March 31, 2023, at the BSE Limited and National Stock Exchange of India Limited (NSE). We have a strong presence in the petroleum refining and marketing sector.

We supply mobility fuels and LPG solutions to numerous households in India and are the largest distributor of industrial and automotive lubricants in the country. We are actively involved in the sale of bulk petroleum products and the transportation of such products through pipelines. Furthermore, we are progressively expanding our involvement in the renewable energy sector, specifically through wind and solar power generation.

## Major Products

### Light Distillates

- ↳ Liquefied Petroleum Gas
- ↳ Motor Spirit
- ↳ Naphtha
- ↳ Hexane
- ↳ Propylene
- ↳ Solvent

### Middle Distillates

- ↳ High Speed Diesel
- ↳ Superior Kerosene Oil
- ↳ Light Diesel Oil
- ↳ Aviation Turbine Fuel
- ↳ Mineral Turpentine Oil
- ↳ JBO
- ↳ Lube Oil Base Stock/ Turbine Oil Base Stock

### Heavy Distillates

- ↳ Bitumen
- ↳ Furnace Oil
- ↳ Low Sulphur Heavy Stock
- ↳ Others

## SHAREHOLDING PATTERN AS ON MARCH 31, 2023

Category	% of total issued shares	Shares held
Oil and Natural Gas Corporation Ltd.	<b>54.9</b>	<b>77,88,45,375</b>
FPI (includes OCBs, FIIs & Foreign Banks)	<b>14.36</b>	<b>20,37,03,673</b>
Mutual Funds (Includes AIF)	<b>13.44</b>	<b>19,05,81,178</b>
Public	<b>7.55</b>	<b>10,70,07,142</b>
Insurance Companies	<b>7.97</b>	<b>11,30,69,750</b>
Other Bodies Corporate	<b>0.87</b>	<b>1,23,80,204</b>
Foreign Nationals (includes NRI)	<b>0.44</b>	<b>62,71,099</b>
Financial Institutions (includes NBFC)	<b>0</b>	<b>61,097</b>
Banks	<b>0</b>	<b>559</b>
Others	<b>0.47</b>	<b>66,28,268</b>

Pursuant to the Share Purchase Agreement entered into between the President of India (POI) and Oil and Natural Gas Corporation Limited (ONGC) for sale of Government of India (GOI) Shareholding in HPCL, 77,88,45,375 (Seventy-Seven Crore Eighty-Eight Lakh Forty-Five Thousand Three Hundred Seventy-Five) of Equity Shares of ₹ 10 Each representing 51.11% of the total paid-up equity share capital of HPCL, have been transferred to ONGC on 31.1.2018. Consequent to the Buy Back of Equity Shares by HPCL during the period from November 17, 2020 till May 14, 2021, the percentage of shareholding of ONGC has increased from 51.11% to 54.90%.

Consequent to the transfer of the above shares by GOI to ONGC, the current shareholding of GOI in HPCL is "NIL". However, HPCL continues to be a Government Company within the meaning of Section 2(45) of the Companies Act, 2013.



## 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.



## Our Values – HP First

HP First is our cultural motto and instils pre-eminence of HPCL's vision and mission above all else and act as a guiding beacon in all our professional endeavours and engagement.

It guides us to ensure that the organisational interest, its long-term sustainability and value creation objectives receive pre-eminence over personal egos, aspirations and conflicts.

### Free, Frank and Fair

We are informal but disciplined

### Integrity

We do the right thing

### Respect for Individual

We value people

### Sustainable Performance

We work together towards tomorrow

### Team Spirit

We connect, collaborate and celebrate

## Our Logo, Our Pride

The HP logo serves as the visual representation of the brand HP. It plays a vital role in establishing the identity of HPCL in the minds of consumers and stakeholders. It creates a distinct and recognisable brand identity, making it easier for people to identify and connect with the Corporation.

Our logo conveys essential information about HPCL's industry, values, and unique selling propositions through its design elements, colour scheme, and typography. It conveys that the Corporation is Dependable, Reliable, Efficient, Business-like and Service-oriented, Nationally owned and yet an independent entity, not bureaucratic but innovative and alive.



## Markets Served

### Types of customers

The Company's primary customers can be categorised into domestic (household), automotive, commercial, government and industrial.



**28 States  
and 6 UTs**

National Presence



**18 Countries**

International Presence

## Refineries

We own and operate two refineries at Mumbai (West Coast of India) and Visakhapatnam (East Coast of India). These refineries process crude oil into Light, Middle, and Heavy distillates producing many value-added products. Both refineries underwent upgradation to produce BS-VI-compliant transportation fuels.

We also own India's largest Lube Refinery in Mumbai, producing lube oil base stocks which go into making multiple grades of lubricants, specialties, and greases. Additionally, we source our product requirements from Guru Gobind Singh Refinery at Bathinda, a joint venture between HPCL

and Mittal Energy Investments Pte. Ltd., Singapore, with an equity holding of 48.99% and from the Mangalore Refinery and Petrochemicals Ltd. (MRPL) a schedule 'A' Miniratna, Central Public Sector Enterprise (CPSE) based in Mangaluru with equity of 16.96%.

We are setting up a new 9 MMTPA Greenfield Refinery-cum-Petrochemical complex at Pachpadra in the Barmer district of Rajasthan through a joint venture company, HPCL Rajasthan Refinery Limited (HRRRL) in joint venture with the Government of Rajasthan. The construction activities are progressing in full swing at the site.

**9.5 MMTPA**

Mumbai Refinery

**8.3 MMTPA**

Visakh Refinery\*

**428 TMT**

Mumbai Lube Refinery

**11.3 MMTPA**

JV HMEC Refinery

**15 MMTPA**

JV MRPL Refinery



\* Under expansion to 15 MMTPA - phase-wise commission in progress



## HP Green R&D Centre

We have established a prestigious research and development (R&D) unit, 'HP Green R&D Centre' in Bengaluru, to develop innovative and path-breaking technologies and products for the government and private sector and works closely with various stakeholders, including academia and industry.

## Marketing Infrastructure

From being a key supplier of kerosene oil in the early 1900s, we have evolved to meet the country's fuel demands through various petroleum products over the last seven decades. Today, we are also catering to India's future energy needs through new business like EVs, Natural Gas, CNG, and CGD.

Our business verticals include HP Retail, HP Gas, HP Lubricants, HP Aviation, HP Direct Sales, HP Projects and Pipelines, HP Supplies, Operations and Distribution (SOD), HP Natural Gas & Renewables and HP Petrochemicals.

Over the years, we have been expanding our infrastructure and marketing network to delight our stakeholders through our distinguished products and services across the country. The end users of our products include domestic, automotive, commercial, and industrial segments.

Our marketing infrastructure is supported by a vast network of 154 offices (Zonal, Regional) in the Retail, Direct Sales, Lubes and LPG segments spread across the length and breadth of the country to bring business offerings near esteemed customers and close coordination with the stakeholders for Delivering Happiness through our differentiated services.

Our Strategic Business Units (SBUs) get ably supported by other departments/ functions, such as Audit, Company Secretary, Corporate Strategy and Planning, Finance, Human Resources, International Trade and Shipping, Legal, Public Relations, Refinery Coordination Department, Market Research, Analysis and Planning, HSE among others that

create a synergy for our superlative performance. Our extensive PAN India marketing infrastructure consists of Pipeline network, Terminals/ Installations/Tap Off Points, Aviation Service Facilities (ASF), Auto LPG Pumps, CNG outlets, Depots, LPG Bottling Plants, LPG Import Facilities, Lube Blending Plants, Petrol Pumps, HP Gas LPG Distributors, SKO/LDO Distributors, and Lube CFAs, among others, which serve as the connecting link to place the product to the needs of our customers.



**Marketing Infrastructure** (As on 31.03.2023)



## Supply Chain

We are committed to adopting responsible business practices across our supply chain for a greener future and holistic societal development. Among our stakeholders, our suppliers, distributors, dealers and transporters are our vital supply chain partners who are engaged regularly in our business processes for inclusivity in the sustainability ecosystem.

We serve the energy needs of millions of citizens through our high-quality, value-added products and distinguished services. This requires us to have close collaboration and synergies among our facilities, infrastructure, network and stakeholders at various levels in the hierarchies entailing efficient management of the supply chains.

### Our Supply Chain Network

**HPCL supply chain broadly includes the following:**

- Crude oil suppliers, shipping vendors
- Dealers, distributors, business partners
- Transporters including transport crews
- Suppliers, contractors including contract workmen, security personnel, services providers, material suppliers

We engage with vendors/suppliers in our value chain from national and international geographies dealing in a wide range of products and services. Depending on the business process requirements, these suppliers have various types of engagements, which may range from one-time to short-term or long-term associations as per contractual terms. During 2022-23, we transacted with about 11,000 vendors of which around 3,700 were MSE vendors.

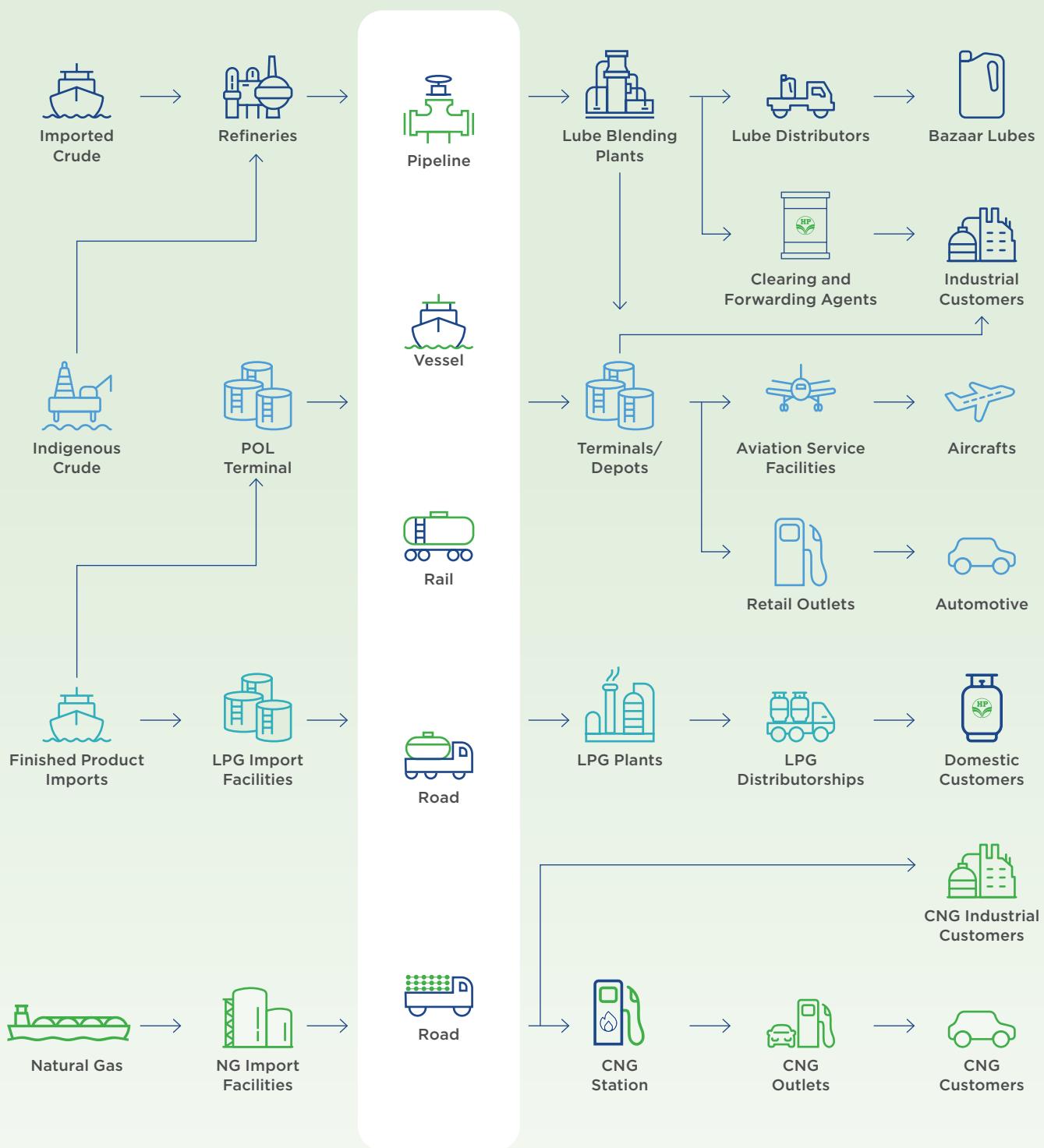


1

**During the year 2022-23, HPCL was conferred with the following Awards:**

- Express Logistics and Supply Chain Conclave & Leadership Awards in categories of Supply Chain Disruptor of the Year and Best Supply Chain Team.<sup>1</sup>
- Prestigious Awards at the CPSE Conclave on Public Procurement Policy amongst Maharatna CPSEs during 2021-22 on Highest Procurement in terms of procurement value from SC-ST MSEs, Highest Procurement in terms of % of total procurement from SC-ST MSEs & Highest Procurement in terms of procurement value from Women Entrepreneurs.

## Our Supply Chain Network



We also conduct business through Subsidiaries and Joint Venture companies in various areas, including oil refining and petrochemicals, value-added bituminous products, marketing of POL products, POL pipelines, natural gas pipelines, LPG pipelines, City Gas Distribution (CGD), LPG cavern, LNG terminal, Aviation fuel farm facilities and biofuels. Readers can access details of Joint Ventures & Subsidiaries from our Annual Report and Corporate Website.

### **Significant changes in the supply chain during 2022-23:**

- Investment of ₹ 14,043 Crore in 2022-23 (including equity investment in its JVCs and subsidiaries) to strengthen Refining & Marketing infrastructure.
- As part of the Visakh Refinery Modernisation Project (VRMP), a highly energy efficient 9 MMTPA Crude Distillation Unit, LPG and Off gas Treating Units was commissioned in March 2023.
- Commissioned 697 km long Vijayawada-Dharmapuri pipeline (VDPL) along with a major greenfield terminal at Dharmapuri and 650 km long Hassan-Cherlapalli LPG Pipeline (HCPL), taking the total pipeline network to 5,132 km.
- Commissioned three new LPG plants with a combined capacity of 360 TMTPA at Barhi (Jharkhand), Patalganga (Maharashtra) and Sitarganj (Uttarakhand).
- The 5 MMTPA underconstruction LNG Terminal through the subsidiary Company, HPCL LNG Limited, achieved mechanical completion in March 2023.
- With the commissioning of 1,161 new Retail outlets, HPCL crossed the milestone of 21,000 Retail outlets during the year and has 21,186 Retail outlets under its network.

### **Greening the Supply Chain**

We have mapped our supply chain and continuously work to identify the bottlenecks, improve logistics and expand the network to enhance the reach and resource optimality. The wide adoption of digitalisation and digitisation, technology, resource conservation practices and many other innovative initiatives have enabled us to synergise with our supply chains for environment and social stewardship.

We utilise best-in-class optimisation tools to plan and optimise sourcing, transportation linkages and infrastructure requirements. This helps in the reduction of carbon footprint and transportation costs by maximising product movement through

energy-efficient modes like pipelines, coastal and rail over conventional road transportation.

We are also making strides towards sourcing materials locally and sustainably to reduce the supply chain's emissions. Various local and small vendors are encouraged to participate in green initiatives undertaken by the organisation.

Through continuous evaluation, review and upgradation of the systems and processes, adoption of environment-friendly interventions like enhancing the share of renewables for energy requirements, expansion of transition fuels PNG, CNG, LNG for captive usage and in the product basket, promotion of bio-fuels and expansion of EV charging network, we are promoting green element in our supply chain.

### **We map the environmental impacts in our Supply Chain and have put in place mitigation measures to address the same.**

Significant Impact	Mitigation Measure
GHG/Air Emissions arising from products	<p>Expanding the cleaner energy offerings such as:</p> <ul style="list-style-type: none"> <li>• BS VI Auto fuels</li> <li>• Bio-ethanol, Bio-diesel, Compressed Bio Gas</li> <li>• Very Low Sulphur Fuel Oil (VLSFO)</li> <li>• Other allied products such as Long Drain Engine Oils, HP-Diesel Exhaust Fluid, Lubes with re-refined oils among others</li> </ul>
Operational GHG/Air Emissions arising from manufacturing, supply, distribution and retailing	<ul style="list-style-type: none"> <li>• Vessels engaged are required to meet global emission standards set by the International Maritime Organisation (IMO), whereby they use VLSFO for fuel or use scrubbers in the event of high sulphur fuels</li> <li>• Evacuating more than 80% products from refineries through pipelines</li> <li>• Increasing installed capacities of renewable energy generation within premises and in retail outlet network</li> <li>• Deploying energy efficiency measures at refineries and marketing locations</li> <li>• Having age limit in selection of Tank Trucks used for transporting products</li> <li>• Installing Vapour Recovery System at major POL terminals/depots and Retail Outlets</li> <li>• Implementation of GreenCo Rating System at marketing locations</li> <li>• Sensitisation of value chain partners towards sustainability</li> <li>• Network optimisation tools for improved logistics and reduced carbon footprint</li> </ul>
Used Oils and Product Packaging Waste	<ul style="list-style-type: none"> <li>• Setting up of systems for collection and reprocessing of used oils and lube oil packages/ containers under EPR</li> </ul>

## Supplier Assessment

Suppliers, distributors, dealers and transporters have been identified as important stakeholders and are involved in stakeholder engagement sessions in order to make them aware of the important sustainability topics. We choose our suppliers on a combination of quality, cost, location and compliance to our policies.

We undertake assessments on health and safety and working conditions for all of our Dealers, Distributors and Transporters. We also undertake supplier screening parameters based on PCBs/ IS /BIS /OISD /PNGRB /OSHAS / other statutory provisions etc. as per applicability or stipulate specific performance criteria on a tender-to-tender basis per project requirements.

**We address significant concerns arising from assessments of health and safety practices and working conditions of value chain partners:**

### Retail Network/Dealers/Distributors



Health and Safety Concerns	Major Efforts Undertaken
<b>Safety in Operations</b>	<ul style="list-style-type: none"><li>A flagship programme called Total Retail Safety is conducted to train field officers on aspects of retail safety.</li><li>Specialised training programmes are conducted for Dealers/Fore court Sales Managers (FSMs) and COMCOs/sales officers.</li><li>Management Development Programmes (MDP) are conducted, covering Dealers on SOP Training and Fore court Sales Managers. Through a structured "Gurukul" training programme FSMs are trained.</li><li>Training and awareness on Incident handling and Root cause analysis are imparted.</li><li>Field officers carry out Regular Safety Audits/ inspections as per Oil Industry Safety Directorate (OISD) standard no. 225 Checklist. Corrective actions on violations as per Marketing Disciplines Guidelines get taken.</li></ul>

### Transporters/ TT Crew



Health and Safety Concerns	Major Efforts Undertaken
<b>Safety in Road Transportation</b>	<ul style="list-style-type: none"><li>To promote secure and safe driving habits, safety guidelines, training and awareness initiatives, such as Sadak Suraksha and HP-Safety on Wheels (SOW), are carried out regularly for our transporters and their crew.</li><li>Drivers of the vehicles also possess special endorsement to carry hazardous goods from RTOs after detailed training as per CMV Rule 9. We include age limit and fitness criteria for selecting Tank Trucks for transporting products. During the induction of these vehicles under contract and the pendency of the contract, we ensure that they have RTO-certified fitness certificates, PESO approval and Pollution under Control certificates before these get loaded. Regular checks are also get carried out to ensure the Road fitness of the vehicles.</li><li>TT crew working at locations are facilitated with health camps and guided on health issues. We also organise training Camps for tank truck fleets in collaboration with leading OEMs. We also award the best drivers.</li><li>As per Transport Disciplines Guidelines, we have implemented a vehicle tracking system (VTS) to monitor truck movements and corrective actions on violations.</li></ul>

### LPG Delivery chain/Customers



Health and Safety Concerns	Major Efforts Undertaken
<b>Safe delivery and usage of LPG cylinders</b>	<ul style="list-style-type: none"><li>Distributors are regularly advised and guided on product safety management through campaigns, meetings and training programmes.</li><li>LPG distributors undergo periodic safety inspections and evaluations.</li><li>Specific SOPs for delivery men on product safety and handling are in place.</li><li>SOP has been developed for mass awareness about the safe usage of LPG. LPG users are continuously engaged with and educated on the safe usage and handling of LPG through safety clinics.</li><li>Corrective actions on violations as per Marketing Disciplines Guidelines get taken.</li></ul>

We make a concerted effort to ensure that all our suppliers adhere to national and international standards. Our suppliers have to abide by various terms and conditions of contracts which cover topics of safety and health, working environment, compliance to labour laws enactments thereby, human rights, ethical behaviour, environmental preservation, etc. We ensure that while our suppliers help us meet our business objectives and targets, quality and safety remain sacrosanct.

For us, crude oil is a major raw material. Our International Trading department undertakes only Principal to Principal sourcing. Tender Documents and Purchase Orders/Awards include Anti-bribery and Anti-corruption clauses.

To ensure responsible execution of shipping logistics, the vessels engaged are required to meet global emission standards set by the International Maritime Organization (IMO), whereby they use Very Low Sulphur Fuel Oil (VLSFO) for fuel or scrubbers in the event of high sulphur fuels. Vessels necessarily must undertake Protection and Indemnity for \$1 Billion and are bound by International Conventions such as the Civil Liability Convention, International Maritime Organization (IMO), International Convention for the Prevention of Pollution from Ships (MARPOL) and International Convention for the Safety of Life at Sea (SOLAS) guidelines.

Vessels calling on ports adhere to the requirements of the port authority for enabling the grant of free pratique (to ensure crew health) before berthing. We do not contract aged vessels to ensure environment-friendly and safe operations. We only engage vessels with valid Ship Inspection Reports (SIRE) assessed and cleared as per Oil Companies International Marine Forum (OCIMF) guidelines and issued by Oil Majors. We demand a valid certificate of SIRE during the tendering process and further ensure that the certificate is valid during the period that the vessel is engaged by us.

We engage a large fleet of tank trucks and LPG-packed trucks for transportation of its products. During induction during the pendency of the

contract for these vehicles, we ensure that they have RTO-certified fitness certificates, PESO approval and Pollution under Control Certificate before loading. We also conduct regular checks to ensure that vehicles used for transportation are fit for the road.

As a Principal employer, we ensure applicable statutory compliances such as the Minimum Wages Act, Employee Compensation Act, etc. are being made by the respective contractors, including timely disbursal of wages through e-payment and other statutory benefits, remittance of statutory contributions of the contract workmen before the concerned Statutory Authorities (EPFO/ESIC, etc.). Prior to processing the bills, the concerned contractor needs to attach the proof of ensuring applicable Statutory Compliances, remittance of contributions before EPFO/ESIC, etc. Periodic Check audits are conducted wherein compliances are checked at three levels i.e. Officer handling the activities, Location Incharge and Finance Team level.

This year also Training Programmes were conducted to sensitise the employees, workers, and contractual workforce on various aspects of human rights. These trainings briefly focused on nuances of labour legislations viz. prohibition on employment of child labour, no forced labour, timely wage payment, payment of statutory payments, ensuring deduction under PF/ESI and others, Prevention of Sexual Harassment (POSH), safety measures, awareness on various government schemes like Pradhan Mantri Jan-Dhan Yojana (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJY), among others, and focusing on financial literacy and investment, etc.

Observations, if any, arising from the assessments carried out by the organisation or statutory authorities with respect to human rights and other labour law enactments are appropriately responded to, by us and mechanisms are set in place to prevent a recurrence of the same. We share the learnings through various media with the concerned stakeholders.



► HPCL engages regularly with its value chain partners

### Approach to Contract Transparency

- We follow the guidelines issued by the Government of India, CVC and other competent authorities from time to time and procurement is based on the principles of fairness and transparency taking into consideration the specific requirements pertaining to the type of industry.
- We have our own e-procurement platform certified by STQC under MeITY. All tenders are floated on the e-Procurement platform or on the GeM platform. Receipt and opening of bids are done on the e-Procurement platform using digital keys and digital signatures and can be viewed by the participating bidders.
- Reverse auction if specified in the ITB is also conducted on our online Reverse Auction platform or on the GeM platform.
- The e-Procurement platform and reverse auction platform have audit trails. GeM follows their own methodology of document security/audit trails.
- Details of Purchase orders placed are displayed on the corporate website as well as the CPP portal as per the Public Procurement Policy.
- We have a corporate-wide ERP system where all purchase orders, receipts, and payments get recorded.
- We also have an online bill-tracking system where vendors can track the status of their payments.
- All payments are made through electronic systems.
- We have functionality for recording all measurements of works contracts through eMB (electronic measurement book) which provides a concurrent recording of the physical and financial progress of works. These joint measurements flow through a defined workflow, from the contractor to the approving authority; and further enable payments.
- The annual procurement plan is also displayed on our website.

### Promoting Local Procurement and Vendor Development

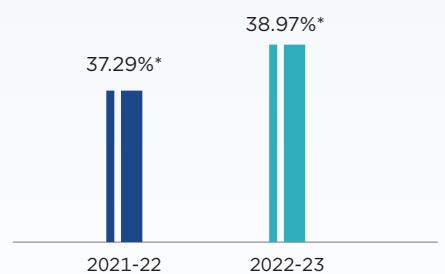
In order to encourage our first level of suppliers and contractors, an approved list of suppliers for a product or service is maintained in the organisation to float limited tender enquiry up to certain value as per Organisation laid down criteria.

New suppliers can also get registered for the items through online vendor enrolment process. After evaluation, new suppliers that satisfy the requirements as per guideline are enrolled for limited tenders. It helps to utilise possible suppliers that have not previously been used in the supply chain after due diligence.

We provide purchase preference to local suppliers, MSEs, and startups in line with Government and company policies. We give purchase preference to MSEs as per the applicable Public Procurement Policy.

**Percentage of input material (inputs to total inputs by value) sourced from suppliers**

**Directly sourced from MSEs / small producers**



\*We have achieved the stated percentage of procurement against a target of 25% of procurement of goods & services from MSEs excluding items beyond the scope of MSEs. The excluded items are Crude Oil, Petroleum Products, and logistics costs through shipping, Railways & Pipelines, LNG/Natural Gas, API Line pipes, OEM spares & services, proprietary items and services, Technology Licenses and Licenser mandated items, Plant & Machinery and single item value equal to or more than ₹ 50 Crore.

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 and its amendments thereof. In line with said Policy, HPCL had set an annual goal of sourcing a minimum procurement of 25% of its total requirements from MSEs and within it, 4% of total requirement has been earmarked for procurement from MSEs owned by SC/ST entrepreneurs and another 3% from women entrepreneurs. For the benefit of MSEs, the MSE procurement details are regularly uploaded on the Sambandh Portal of the Ministry of MSME, besides displaying the Annual Procurement Plan on the Corporation's website.

During 2022-23, the percentage of input material (inputs to total inputs by value) directly sourced from MSMEs/small producers/suppliers is 38.97%. HPCL has achieved this percentage of procurement against a target of 25% of procurement of goods & services from MSEs excluding items beyond the scope of MSEs. The excluded items are Crude Oil, Petroleum Products and logistics costs through shipping, Railways & Pipelines, LNG/Natural Gas, API Line pipes, OEM spares & services, proprietary items and services, Technology Licenses and Licenser mandated items, Plant & Machinery and single item value equal to or more than ₹ 50 Crore.

During the year, 3.07% of total procurement (by value) came from vulnerable and marginalised suppliers.

In order to strengthen the manufacturing sector, we are aligning with Government policies related to public procurement. Such efforts aimed at developing domestic vendors will also lead to economic development as local suppliers would be able to comfortably cover a widespread area for providing items in demand.

We are registered with the TReDS Digital platform, an institutional mechanism set up by the Reserve Bank of India (RBI), to facilitate the trade receivable financing of Micro Small and Medium Enterprises (MSMEs) from corporate buyers through multiple financiers. Integrating our ERP System with that of 3 of the service providers, namely; A.Treds Ltd., Mynd Solutions Pvt. Ltd. and Receivables Exchange of India Ltd., we have enabled the MSMEs to auction their trade receivables at competitive rates through online bidding by financiers. Numerous MSME vendors have onboarded this platform and benefitted from the bill discounting facility that provides liquidity.

## Supplier Training

To compete for bidding and contracting opportunities, MSEs are made aware of the latest Government policies through vendor development programmes to make them competitive with other companies. Pre-bid meetings are also conducted which helps to bridge the gap between the requirement of the organisation and the existing capacity of local vendors.

To engage vendors into discussion/their development, national vendor development programmes (VDPs) are organised by MoMSME and other industrial federations like CII, FICCI, DICCI, etc. wherein HPCL participates along with other PSUs/Private Companies. Wherever domestic vendor is not available, the organisation approaches DPIIT to provide the list of possible suppliers in India with the help of various chambers of commerce.

We organise workshops to promote and enhance procurement from SC/ST MSEs and Women MSEs, dedicated VDPs and workshops to increase their participation in our tenders. Also, we took the initiative to conduct Entrepreneur Development Programmes in the past for SC/ST enterprises along with their hand holdings.

To promote the objectives of procurement from MSEs as laid down in Public Procurement Policy, 71 Vendor Development Programmes/Buyer-Supplier meetings for MSEs were conducted during the financial year. During these meets, the Corporation's procurement processes were articulated through detailed presentations to MSE vendors with an intent to increase awareness of the vendor registration process, tendering process, availability of the TReDS platform, procurement on the GEM platform, etc. Implementation of various Government directives/policies of providing relief to MSMEs and promoting indigenisation of products and services was also explained during the programme.

We regularly engage with its dealers, contractors and suppliers to conduct business ethically, improve transparency and ensure compliance with national, state and international laws and regulations. We collaborate with them for optimising operations and collective growth.

71

**Vendor Development Programmes/Buyer-Supplier meetings for MSEs were conducted during the financial year.**

**Awareness programmes conducted for value chain partners during the financial year include:**

Total number of training and awareness programmes held	Topics/principles covered under the training	% of value chain partners covered under the programmes
25,029	SOP, Safety for LPG Deliverymen/ Showroom Staff	100%
4,168	SOP, Safety for Retail Outlet Fore Court Salesmen	51%
3,767	SOP, Safety, Fuel Efficient Driving for Transport Crew	100%
2,396	SOP, Safety, Statutory Compliances for Contractors/Suppliers	90%
859	Refresher Programme for Dealers / Business Trainings for Distributors	-60%
187	Medical Camps/ Trainings/Health and Wellness/ Eligible Benefits Awareness to Contract Workers	17.9%
121	Vigilance Awareness for Value Chain Partners	90%
71	Procurement Related Awareness Session for Value Chain Partners	14.4%



## Awards and Recognitions

Our commitment to excellence is validated by awards from diverse forums, industry bodies, and government authorities. These accolades in 2022-23 reflect our relentless pursuit of innovation, best practices, and exemplary leadership. Here's a snapshot of some national and international awards bestowed upon HPCL during this period. Details of many other awards/recognition under various categories are available in our annual report.

### Environment, Sustainability



► Swachhata Pakhwada 2022 Award to HPCL by the Ministry of Petroleum & Natural Gas (MoP&NG).

- Hazarwadi LPG Bottling Plant wins SAKSHAM 2022 Award for Best EEE Score.
- Zee National Achievers Awards from ZeeDigital to HP Lubricants Sustainability Push.
- HP Lubricant won the Best Brand Award at ET Ascent National Awards for Excellence in CSR and Sustainability categories of Best Sustainable Business Practices & Customer Service and Loyalty.
- HP Nagar East Housing Complex, Mumbai, certified with IGBC Platinum Ratings.
- Best Brand Award for Sustainable Excellence & Award for Customer-Centric Excellence at the ET Ascent Global Business Leader Awards (21st edition).
- Company of the Year awards in two categories - EV Charging Installer- Public and EV Charging Infrastructure - PPP at EV Charge Leadership Awards - 2023, Maharashtra.
- Platinum Award" in "Grow Care India Sustainability Award 2022" instituted by Grow Care India in 'Oil and Gas Refining and Marketing Sector'.



## HR, CSR, Skill Development

- एचपीसीएल को वर्ष २०२१-२२ में उत्कृष्ट राजभाषा कार्यान्वयन के लिए पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय की राजभाषा शील्ड (प्रथम पुरस्कार) से सम्मानित किया गया है।
- Organisation with Proactive IR Practice award to Visakh Refinery at Southern India Chamber of Commerce and Industry IR Awards 2022.
- NHRDN People First Ace Award, Winner in the category of Learning & Development and 2nd Runner Up in the category of Employee Relations.
- Global HR Skill Development 2023 - Platinum Award by Energy & Environment Foundation.
- Excellence in the categories of CSR Commitment, Reskilling of Employees (Learning & Development) and Investment in Start-Ups amongst all Central PSUs from Governance Now.
- Best Leadership Transformation Program of the Year and Impactful Learning Program of the Year as winners in both categories at L&D Confex Awards 2023.

- Bagged prestigious Award for Swachhata Pakhwada Campaign (1st – 15th July, 2022) instituted by Ministry of Petroleum and Natural Gas.
- Bagged 'Best CSR Integrated Business' for embedding CSR as part of Business Operations by 'ET Ascent National Award for Excellence'.
- Winner of Leadership Award 2022 for Project Kashmir Super-30 Medical – Education Adding Value to the Local Community (Education, Health, Sports) at 11th India CSR Awards instituted by India CSR Network.
- Winner of 9th CSR India Awards 2022 under the category 'Welfare of Divyangs' instituted by Greentech Foundation.
- 1st Runners-up of CSR & Sustainability Award at 12th PSE Excellence Awards & Conclave instituted by Indian Chamber of Commerce (ICC).



- एचपीसीएल को वर्ष २०२१-२२ में उत्कृष्ट राजभाषा कार्यान्वयन के लिए पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय की राजभाषा शील्ड (प्रथम पुरस्कार) से सम्मानित किया गया है।

## Business, Communications



- Awards at Express Logistics and Supply Chain Conclave & Leadership Awards in Supply Chain Disruptor of the Year & Best Supply Chain Team categories.
- Prestigious Awards at the CPSE Conclave on Public Procurement Policy amongst Maharatna CPSEs during 2021-22 on Highest Procurement in terms of procurement value from SC-ST MSEs, Highest Procurement in terms of % of total procurement from SC-ST MSEs & Highest Procurement in terms of procurement value from Women Entrepreneurs.
- HP Gas was awarded Gold at the ET Brand Equity Shark Award for its Marketing Campaign on the COVID-19 crisis.
- Best Performance Award & Long-Term Association Award to HP Lubricants by M/s. Bosch India.
- Eleven PRCI Excellence Awards at the 16th Global Communication Conclave to HPCL for House Journal Print (Regional), Best Production of Book, Digital News Letter under Gold Category, for Consumer Relations Campaign, Best Corporate Event, Website of the Year, Corporate Business Communication Campaign, Corporate Social Responsibility Campaign under Silver Category and for Internal Communication Campaign, Annual Report under Bronze category and Consolation Award for House Journal - Print (English).
- CGD Company of the Year 2022 Award to Avantika Gas Ltd. at ET Energy World Annual Gas Awards 2022.
- Emerging Brand of the Year Award to Happy Shop at Global Marketing Excellence Award Ceremony
- PRSI National Awards 2022 by Public Relations Society of India for CSR communication campaign, Internal Communications Campaign, Annual Report, House Journal (English), House Journal (Hindi) and Sustainability Report.
- Best Aviation Fuel Provider award by ASSOCHAM at their 14th International Conference for Civil Aviation.
- CII Supply Chain and Logistics Excellence (SCALE) Awards 2022 for Exemplary Performance in Improving of Ethanol Logistics in the Country.

## Digital



- CII Digital Transformation (DX) Award 2022 in most Innovative Best Practice in Digitize Maximize: Digital All Along and Innovative Best Practice in AI/ML-based demand forecasting solutions.
- PSU Awards 2022 in Digital Transformation Category during Dun & Bradstreet PSU and Government Summit 2022.
- Data Centre Champion Award to HPCL at Data Centre Infrastructure Summit 2022.
- Award for Excellence for Use of Emerging Technologies in Analytics/Big Data, Artificial Intelligence and Data Centre Storage amongst all Central PSUs from Governance Now.

## Innovation, R&D



- HP Green R&D Centre bagged the prestigious Innovation Award instituted by IESA.
- Golden Peacock Award 2022 to HP Gas for HP VITRAN App in the Innovative Product & Service Award category.

## Safety



- Apex India Health & Safety Awards 2022 in Petroleum Storage & Transport Sector to Mumbai Pune Solapur Pipeline, Mazagaon Lube Plant, Kanpur Terminal in Platinum Category and to Miraj IRD, Sewree II Terminal, Silvassa Lube Terminal, Uran Chakan Shikrapur Pipeline in Gold Category.
- Golden Peacock Award 2022 to Palghat LPG Plant in Occupational Health and Safety category.
- FAME National Award 2022 to Irumpalam Terminal, Mangalore Hassan Mysuru Bangalore LPG Pipeline, Mangalore LPG Import Facility for excellence in Occupational Health & Safety Excellence.
- Best Industry Award to HP Gas Bahadurgarh LPG Plant under Occupational Health & Safety category for Longest Accident-free Period & Lowest Accident Frequency by DoS&H, Haryana Government.
- NSCI Safety Award 2022 to three HPCL locations for their outstanding contributions in the Occupational Safety and Health (Manufacturing Sector) Excellence.

# Accountability Drives Performance

## Governance

At HPCL, we believe that strong corporate governance plays a key role in augmenting trust and securing the long-term interests of our shareholders and other stakeholders. We continue to improve systems and processes that integrate sustainability priorities into overall business conduct and ensure oversight and accountability.

At HPCL, we conduct our business transparently, following the policies and internal and external regulations. Being a government company, our operations are scrutinised by various external agencies and authorities that include the Comptroller and Auditor General of India (CAG), the Central Vigilance Commission (CVC) and Parliamentary committees. We are also a signatory to the United Nations Global Compact supporting principles on Human Rights, labour standards, environment, and anti-corruption. Our management accords these areas due importance to implementing compliance.

### Salient Governance Principles and Practices

- Well-defined policy frameworks for uniform understanding, effective implementation and controls
- Clearly defined management performance roles, responsibilities and accountability
- Well-exercised internal control systems, processes and procedures, risk and strategy management and financial reporting mechanism
- Complete adherence and compliance to the prevalent and associated rules, regulations, regulatory frameworks and legal requirements
- Accuracy and transparency in business operations, performance and financial transaction
- Timely disclosures of material information on operational and financial aspects to the stakeholders

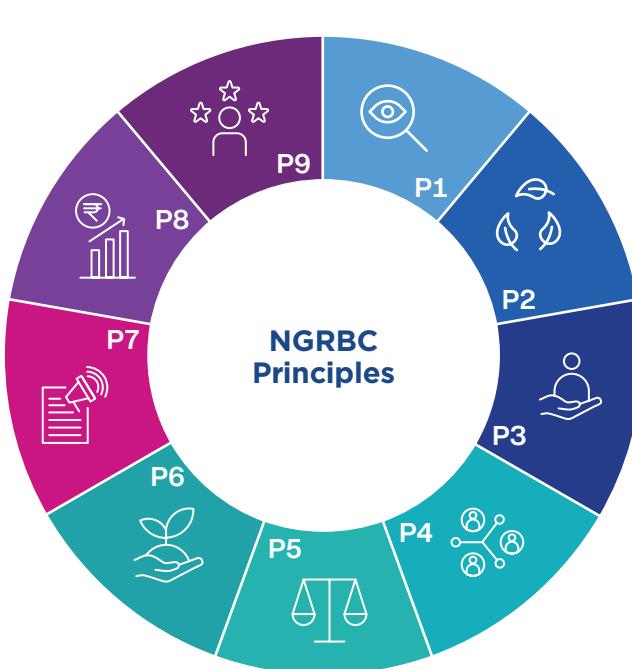
### Policy Framework

The National Guidelines for Responsible Business Conduct principles emphasise the importance of maintaining ethical and sustainable practices by industry. By embracing these principles - conducting and governing business with integrity and being ethical, transparent and accountable; practicing sustainable development; ensuring the well-being of employees, including value chain partners; respecting interests and being responsive towards stakeholders; promoting human rights; protecting and restoring environment; maintaining transparency and responsible manner in the advocacy of public policy; promoting inclusive growth & equitable development; and providing value to consumers in a responsible manner - the oil and gas industry can demonstrate their commitment to responsible business conduct,

minimise environmental impacts, address social concerns and contribute to a more inclusive and responsible global economy.

We have formulated the policies as per the relevant statutory laws, guidelines issued by the Government of India, Regulatory bodies and industry-best practices. We refer to National/ International Standards while formulating these policies. Standards such as ISO 9001/14001/27001/45001, BIS, OISD, GHG Protocol etc, as applicable, are adopted. We review these policies regularly to keep them updated in light of emerging trends and business paradigms. These Policies are approved by Board/Competent Authorities. We have translated the policies into procedures. These policies extend to the value chain partners as per applicability.

**Our policies and guidelines cover the principles and the core elements of the National Guidelines on Responsible Business Conduct (NGRBCs) viz.**



#### Web Link of the Policies

Policy	Weblink
Code of Conduct	↗ <a href="https://hindustanpetroleum.com/pages/code-of-conduct">https://hindustanpetroleum.com/pages/code-of-conduct</a>
Whistle blower Policy	↗ <a href="https://hindustanpetroleum.com/images/Whistle_Blower_policy.pdf">https://hindustanpetroleum.com/images/Whistle_Blower_policy.pdf</a>
HSE Policy	↗ <a href="https://hindustanpetroleum.com/health-at-hpcl">Health</a> ↗ <a href="https://hindustanpetroleum.com/safety-at-hpcl">Safety</a> ↗ <a href="https://hindustanpetroleum.com/environment-at-hpcl">Environment</a>
Sustainable Development Policy	↗ <a href="https://hindustanpetroleum.com/pages/sustainability">https://hindustanpetroleum.com/pages/sustainability</a>
UNGCG	↗ <a href="https://hindustanpetroleum.com/pages/un-global-compact">https://hindustanpetroleum.com/pages/un-global-compact</a>
CDA Rules	↗ Company Intranet
Human Resource Policies	↗ These include Inter alia (Appointment, Compensation, work related reimbursements and location-based allowances, transfer benefits, Leave Policies (EL, CL, LHP, SSL, Study leave, Maternity, Adoption, Paternity, Surrogacy, Childcare, CDO, SCDO, Festival holidays, special leaves), Employee benefits, Welfare Measures, Promotions, Idea Sharing, Performance Appraisal, Separation and Post-Retirement Benefits). All HR Policies are on our Intranet.
Climate Change Policy	↗ <a href="https://hindustanpetroleum.com/documents/pdf/HPCL_Climate_Change_Policy.pdf">https://hindustanpetroleum.com/documents/pdf/HPCL_Climate_Change_Policy.pdf</a>
CSR Policy	↗ <a href="https://hindustanpetroleum.com/images/pdf/HPCL_CSR_Policy_wef%2020052021.pdf">https://hindustanpetroleum.com/images/pdf/HPCL_CSR_Policy_wef%2020052021.pdf</a>
Citizen's Charter	↗ <a href="https://hindustanpetroleum.com/documents/pdf/HPCL_Citizens_Charter.pdf">https://hindustanpetroleum.com/documents/pdf/HPCL_Citizens_Charter.pdf</a>
Privacy Policy	↗ <a href="https://hindustanpetroleum.com/pages/WebPolicy">https://hindustanpetroleum.com/pages/WebPolicy</a>

## Board of Directors

The Board of Directors (consisting of Whole-time Directors, Government Nominee Directors and Independent Directors) is the highest governing body in the organisation.

HPCL being a government company, our Directors are appointed by the Government of India through the administrative ministry, i.e. the Ministry of Petroleum & Natural Gas, , after due assessments as per the laid down guidelines. A Public Enterprises Selection Board, a high-powered body constituted by the Government of India and appointed by MoP&NG, selects the Company's Whole-time Directors who possess adequacy and the required competency/skills/expertise in the business context and sector. These selections get due approval from the Appointments Committee constituted by the Government of India from a combination of eminent personalities with requisite expertise and experience in diverse fields. The Director profiles and their experience can be accessed at: <https://www.hindustanpetroleum.com/board-of-directors>

The Chairman, Managing Director, and other Whole-time Directors generally get appointed for five years from the date of assuming charge or till the date of their superannuation or until further orders from the Government of India, whichever is earlier. Independent Directors usually get appointed for three years. Government Nominee Directors continue the Board at the discretion of the Nominating Authority or till ceasing to be officials of such nominating authority.

The performance evaluation of the Directors is undertaken by MoP&NG at the end of each financial year through the process of MoU on specified economic, environmental and social parameters. The MoU Ratings directly affect the performance-related pay of the Directors.

### Whole-time Directors



**Shri Amit Garg**  
Director Marketing  
(DIN: 08515246)  
From 27/12/2022

**Shri Rajneesh Narang**  
Director Finance  
(DIN: 08188549)

**Shri Pushp Kumar Joshi**  
Chairman & Managing  
Director  
(DIN: 05323634)

**Shri S Bharathan**  
Director Refineries  
(DIN: 09561481)  
From 01/10/2022

**Shri Suresh K Shetty**  
Director Human  
Resources  
(DIN: 09760899)  
From 01/05/2023

## Government Nominee Directors



**SMT. SUJATA SHARMA**  
Joint Secretary (M&OR), MOP&NG  
(DIN: 07775238) From 27/12/2022



**SHRI PANKAJ KUMAR**  
ONGC Representative  
(DIN: 09252235) From 22/06/2022



**SHRI SUNIL KUMAR**  
Joint Secretary (Refineries), MOP&NG  
(DIN: 08467559) Up to 27/12/2022

## Independent Directors



**SMT. VIMLA PRADHAN**  
(DIN: 09398793)



**SHRI BECHAN LAL**  
(DIN: 09397116)



**SHRI VIVEKANANDA BISWAL**  
(DIN: 00977767)



**SHRI RAMDARSHAN SINGH PAL**  
(DIN: 09400298)



**DR. NAGARAJA BHALKI**  
(DIN: 09451587)



**SHRI K S NARENDIRAN**  
(DIN: 10070865) From 15/03/2023

## Independent Directors



**SHRI G RAJENDRA PILLAI**  
(DIN: 08510332) Up to 14/07/2022

## Whole-time Directors



**SHRI MUKESH KUMAR SURANA**  
Chairman and Managing Director  
(DIN: 07464675) Up to 30/04/2022



**SHRI VINOD S SHENOY**  
Director Refineries  
(DIN: 07632981) Up to 30/09/2022

## Diversity of Governance Body

Name of Director	Gender	Age
Shri Pushp Kumar Joshi	Male	Over 50 years
Shri Rajneesh Narang	Male	Over 50 years
Shri S Bharathan	Male	Over 50 years
Shri Amit Garg	Male	Over 50 years
Shri Suresh K Shetty	Male	Over 50 years
Shri Pankaj Kumar	Male	Over 50 years
Smt. Vimla Pradhan	Female	Over 50 years
Shri Bechan Lal	Male	Over 50 years
Shri Vivekanand Biswal	Male	Over 50 years
Shri Ramdarshan Singh Pal	Male	Over 50 years
Dr. Nagaraja Bhalki	Male	30-50 years old
Smt. Sujata Sharma	Female	30-50 years old
Shri K S Narendiran	Male	Over 50 years

## Role of Board in overseeing the Management of Impacts

The Board, Board Committees, C&MD, Functional Directors and Executive Directors are responsible for implementing and overseeing the principles as identified in the National Guidelines of Responsible Business Conduct issued by the Ministry of Corporate Affairs (MCA), Government of India.

The Board holds periodic meetings to review, evaluate and approve matters of policy, strategy, risks, business opportunities and governance, etc. for the corporation aligned to the national priorities through strategic supervision across various aspects of business, including human resources, refining, finance, accounting, marketing, strategy, projects, technology and operations, among others. The Board is presented with statutory and material information to discharge its responsibilities efficiently.

The outcomes of the Board meetings are implemented and executed by the respective functionaries in the business domains. In addition to new items of discussion based on the agenda, specific progress reviews of actionable items from previous meetings are also undertaken and discussed. Key decisions of the Board and its committees are communicated to the stock exchanges.

The Board has constituted a Corporate Social Responsibility and Sustainability Development (CSR&SD) Committee that provides leadership and direction in matters of Sustainability and Corporate Social Responsibility. It also conducts an annual review of progress and performance across identified focus areas under its purview. This committee is headed by an Independent Director.

The corporate HSE department under the guidance of the Executive Director - HSE (Corporate) formally carries out the process of material topics identification, reporting on identified materiality topics and Sustainability Reporting based on a consultative process with the CFD (Committee of Functional Directors), SBU (Strategic Business Unit) heads and concerned officials.

The recent materiality matrix for HPCL is an outcome of a stakeholder engagement during which the external strategy experts undertook Belief audits with top and senior management during the development of the environment strategy to understand their vision for the Company and the perceived importance of the list of material topics.



Please refer 'Matters critical to value creation' of this Report for more details.

To create an atmosphere of synergy, team spirit and collaboration, our top management and senior officials undertake regular field visits, including visits to locations and field offices. This approach leads to productive engagements with employees, senior officials and stakeholders from various SBUs and departments, reinforcing corporate commitment to growth and excellence

& infusing collective responsibility as HPCL brand ambassadors to conduct in a way that reflects our commitment to the organisation every day, every moment. The discussions focus on leadership development, succession planning and the key focus areas of our various business streams, plans and expectations as per the constitution of the participating stakeholders.

## Board Committees

The Committees constituted by the Board focus on specific areas and make informed decisions within the delegated authority framework to make specific recommendations to the Board on matters in their purview. The decisions and recommendations of the committee are placed before the Board for information or approval, as per requirements.

**There are six committees of the Board which were functional as on March 31, 2023, as follows:**



The Board and its different committees consult with the relevant internal stakeholders (Strategic Business Unit Heads, Senior executives, and other concerned officials) for developing, approving and updating strategies, risks and processes, values, mission statements, policies and goals of the Company. The Board and the concerned committees conduct periodic reviews of progress and performance on referred and related topics under their purview for updates on the status, feedback, and follow-up action plans to provide leadership and direction.

Members of the committee of Functional Directors engage with subject experts, regulatory experts, trade associations and various industry bodies in national and international forums and OMCs, among others, in the area of Business, emerging trends, risks, strategy, technology, expansion, growth and consolidations, among others, through direct engagements, structured presentations and case studies and regular visits and interactions at the field and administrative office levels.

## Sustainability @ Board Room

To reduce the use of paper in organisations, an initiative named, Digital Board Meeting solution was implemented to digitalise the board meeting proceedings. The solution is being leveraged for conducting key management meetings and various sub-committee meetings. This solution helps in the efficient management of records, and effective monitoring of projects and enhances collaboration.

### Remuneration of Directors

The Pay scales, pay-related benefits/allowances and superannuation benefits for Board-level Executives, among others, are governed by Pay revision guidelines for CPSEs issued by Department of Public Enterprises Guidelines (DPE) vide its Office Memorandums issued from time to time. The Department of Public Enterprises is the nodal department for all the Central Public Sector Enterprises (CPSEs) and formulates policy pertaining to CPSEs.

It lays down policy guidelines on performance improvement and evaluation, autonomy and financial delegation and personnel management in CPSEs. The DPE is independent of the organisation (HPCL), its highest governance body and senior executives.

The remuneration policies constructed as per DPE guidelines are put in for Board resolution. These are then put up to the administrative ministry for Presidential directives. The remuneration payable to officers below the Board level is also approved by the GoI.

The Independent Directors are paid sitting fees for Board Meetings and Committee Meetings of the Board attended by them. HPCL does not pay commission on profits to any of the Directors of the Company. The Government Nominee Directors are not paid any remuneration/sitting fees.

The Corporation has constituted a Nomination and Remuneration Committee as required under the Companies Act, SEBI LODR and DPE Guidelines. The terms of reference of the Nomination and Remuneration Committee are as prescribed under Section 178 of the Act and as provided under Part D of Schedule II of Regulation 19 (4) of the SEBI LODR, 2015, except to the extent of exemptions granted to Government Companies. It also approves performance-related pay to the executives of the Company as per the DPE Guidelines.

A component of total remuneration, i.e., performance-related pay of the Board-level executives and senior executives, is based on ratings as per the MoU of the organisation with Administrative Ministry, Strategic Business Unit (SBU) ratings and their performance ratings. The parameters of MoU, SBUs and Individual Rating consider economic, environmental and social impacts. Aspects such as economic performance, environmental performance considerations such as energy consumption, water consumption, rainwater harvesting, green belt enhancement, plastic recollection and social factors such as stakeholder engagement, risk management, health and safety initiatives, project safety measures, skill development and training as applicable to the job role are considered for arriving at the performance rating parameters.

In 2022-23, the annual total compensation ratio of the highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is 3.04\*. The ratio of the percentage increase in annual total compensation of the highest-paid individual to the median percentage increase of all other individuals, excluding the highest-paid individual, is 1.03\*.

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## 3.04

Annual total compensation ratio of the highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)

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## 1.03

Ratio of the percentage increase in annual total compensation of the highest-paid individual to the median percentage increase of all other individuals, excluding the highest-paid individual

\*The above are calculated considering the Basic Salary + Dearness Allowance applicable to employees. The salary of the highest-paid individual and the rest of the organisation is taken for 2021-22 and 2022-23. The median is calculated for both and the ratio of the percentage increase is accordingly calculated and reported.

## Internal System and Control Mechanisms

### Business Ethics, Transparency and Compliances

At HPCL, we conduct our business transparently, following the policies and internal and external regulations. Being a government company, our operations are scrutinised by various external agencies and authorities that include the Comptroller and Auditor General of India (CAG), the Central Vigilance Commission (CVC) and Parliamentary committees. We are also a signatory to the United Nations Global Compact (UNGC) and voluntarily submit our Annual Communication on Progress declaring support for the principles of Human Rights, Labour Standards, Environment and Anti-corruption. Our management accords due importance to these areas to ensure compliance.

We have systems and procedures in place for review of compliances to various statutory requirements

in the form of audits, inspections, system-based alerts, approvals and escalation matrices. Digital tools are leveraged to ensure compliance. We also have adequate Internal Financial Controls for ensuring the orderly and efficient conduct of our business including adherence to our policies; the safeguarding of its assets; the prevention and detection of frauds and errors; the accuracy and completeness of the accounting records and the timely preparation of reliable information, commensurate with our operation.

We foster an environment where employees feel safe and empowered to raise concerns regarding non-compliance with laid rules, regulations and policy directives.

### Delegation of Authority, Role and Responsibilities

The Members of the Board, Executive Directors, Chief General Managers and General Managers constitute the Senior Management of the Corporation. The head of the SBU/Department is accountable for activities related to the respective SBU/Department's performance.

We have detailed manuals and guidelines to facilitate decentralised decision-making at multiple levels of hierarchy in the organisation. These manuals form the basis of guiding the decisions and administrative functionalities across our business domains. Some of these are as follows:

#### **Empowerment and Authority Manual (EAM)**

We have a well-documented Empowerment and Authority Manual (earlier known as Limits of Authority Manual).

The EAM serves as a reference guide for employees at all levels in the organisation. It lays down the authorities that can be exercised at various levels, i.e. the Board, Committee of Functional Directors, the Executive Committee, the Contracts Committee, the Bids Committee and the senior individual positions for different activities of the Corporation.

The manual has segments representing functions/activities like Sales, International Trade, Supply, Operations, Distribution, Sourcing of RLNG/Gas/Hydrogen-Refinery, Procurement and Marketing of Biogas, Finance, Capital Projects, Operations & Distribution, Finance, Capital Projects, Procurement, Disposal & Mega Projects, Leases, Human Resources, Information Systems, Public Relations & Corporate Communications, Company Secretary Research & Development, Digital Initiatives. It provides for a decision-making process through various committees, as above, represented by inter-functional groups, including Finance. This approach ensures a transparent, well-considered, and streamlined decision-making process adhering to the laid down systems and procedures, leaving no room for arbitrariness.

The provisions in the EAM guide decisions about various levels of officers. The decisions related to key concerns requiring approval from the Committee of Functional Directors (CFD) or the Board as per the LAM get put up for the consideration of the CFD or the Board.

### Procurement Manual

The Procurement Manual is a handbook developed to outline policies and procedures governing the following functions:

- Procurement of materials and supplies and award of construction/service contracts.
- Disposal of obsolete, surplus, unserviceable, and slow-moving materials, equipment, and scrap.

All the procurement policies and procedures currently prevalent in the corporation, as well as the guidelines issued by the Government from time to time, are incorporated in the manual. All procurement for supplies is governed by the provisions enumerated in the Corporation's

Procurement Manual, which includes various anti-corruption policies based on the broad principles outlined in the GFR of the Government of India.

This manual lays down elaborate procedures to be followed while undertaking procurement and in the finalisation of contracts. It lays down, inter-alia, the procurement authorities at various levels, norms, and processes for procurement.

The endeavour is always on building trust with shareholders, employees, Customers and other stakeholders based on the basic principles of Corporate Governance, i.e. transparency, fairness, disclosure and accountability.

### Risk and Opportunities

We operate in a dynamic environment which not only provides opportunities but also exposes the business to various risks.

To proactively identify and manage key risks for achieving our strategic objectives and to enable the Corporation to deal with these enhanced business challenges and risks, an effective and pragmatic risk management process has been institutionalised across the organisation. Keeping up with leading global best practices, technology remains at the forefront to support the Enterprise Risk Management processes with a focus on optimising risk exposures and automating risk reporting across the organisation.

Our current Risk Management charter and policy document is aligned with the regulatory requirements in relation to Risk Management specified under the relevant regulations of SEBI (LODR) Regulations, 2015 (including SEBI LODR (Second Amendment) Regulations, 2021) and Companies Act, 2013. We updated the existing Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy, which is embedded in the forefront of business strategies and focuses on forging a stronger, deeper and trust-based relationship with the stakeholders; by adopting the best practices recommended by international standards such as COSO ERM 2017 and ISO 31000:2018 Framework.

Our ERM framework demonstrates management's acceptance and adoption of a set of self-regulated processes and procedures to ensure that business is conducted in a risk-conscious manner.

An important purpose of the ERM is to outline a structured and comprehensive risk management system which establishes a common understanding, language and methodology for identifying, assessing, monitoring and reporting risks. It also provides management and the Board, assurance, that key risks are being identified and managed proactively in a consistent and standardised manner. It provides necessary support to the business to steer through the continuously evolving risk terrain through a dynamic risk management approach that embraces disruption and enhances resiliency and trust. Risks and the effectiveness of control measures are continuously monitored, the risk register is updated, and the progress of risk treatment action plans is assessed periodically by our respective SBUs and Departments.

The updated ERM Policy covers all types of risks impacting the strategic objectives and performance of the organisation, including but not limited to - operational, regulatory, financial, sectoral, strategic, and sustainability in particular ESG (Environmental, Social, and Governance) related risks, information and cyber security related risks and business continuity plan.

Under the emerging Risks, the framework includes the identification and management of new risks or familiar risks that become apparent in new or unfamiliar conditions that the trends indicate to be on the horizon.

Reputed professional external consultants have also been engaged to facilitate the transformation of existing ERM processes. We undertook workshops across SBUs and updated the risk registers considering changing trends and risk areas including ESG risks with their probable severity, likelihood, velocity and likely impact to categorise them into critical, cautionary and acceptable risks.

The Risk Management Committee meets periodically (at least twice in a year) to ensure that appropriate methodology, systems and processes are in place to review these risks as well as monitor the progress of implementation of various mitigation steps.

The Board is updated regularly on the risk assessment and mitigation procedures of the identified risk and a summary of the Board reportable risks is also placed before the Audit Committee for information.

## Code of Conduct

We have a “Code of Conduct for Board Members and Senior Management Personnel of Hindustan Petroleum Corporation Limited” in compliance with the terms of Regulation 17 (5)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the duties of Independent Directors as envisaged in Regulation 17 (5) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code aims to further enhance ethical and transparent processes in managing the affairs of the Corporation.

This Code has been made applicable to:

- All Whole-time Directors
- All Non-Whole-time Directors including Independent Directors
- Senior Management Personnel

The Code of Conduct stipulates that: The Board Members and the Senior Management Personnel shall act within the authority conferred upon them, keeping the best interests of the Company and shall not involve in taking any decision on a subject matter in which a conflict of interest arises or which in his opinion is likely to arise.

**Our Code of Conduct policy is available at: <https://hindustanpetroleum.com/pages/code-of-conduct>**

The Code would be read in conjunction with the Conduct, Discipline and Appeal for management employees. Part II – Section A of Discipline and Appeal Rules of the CDA rules define ‘misconduct’ which includes corruption and bribery while Section B of Discipline and Appeal Rules of the CDA rules lays down the different types of penalties for the misconducts. For non-management employees, the conduct is guided by standard procedures as defined in the Standing Orders, which clearly identifies areas of misconducts in corruption and bribery.

All Board Members and senior management personnel have provided the Annual Compliance Certificate duly signed by them as on March 31, 2023.

During the financial year 2022-23, there were no materially significant related party transactions with Directors or their relatives having potential conflict with the interest of the Company; there were no complaints received in relation to issues of Conflict of Interest of the Directors/KMPs; there were nil Cases of Disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/KMPs/employees/ workers and no adverse orders have been passed by the regulatory authorities related to anti-competitive conduct.

### Vigilance Mechanism

Vigilance mechanism in HPCL follows the directives issued by the Central Vigilance Commission (CVC), Department of Personnel & Training (DoPT) and Ministry of Petroleum & Natural Gas (MoP&NG) from time to time.

The Vigilance Department is headed by the Chief Vigilance Officer (CVO), who administers supervision and control of all the vigilance matters in the Corporation. The Vigilance Department deals mainly with matters related to corruption and matters having a Vigilance Angle. The complaints get handled as per the compliant handling policy stipulated in the Vigilance Manual 2021 of the Central Vigilance Commission (Hosted at HPCL Corporate website under URL: <https://www.hindustanpetroleum.com/pages/vigilance>)

Complaints containing factual details and verifiable facts are taken up for investigation. As per guidelines in vogue, anonymous and pseudonymous complaints are generally not entertained. The Vigilance Department also carries out focused preventive vigilance activities, which help ensure transparent business decisions by respective Departments. The CVC, the country's apex integrity institution and the MoP&NG's vigilance wing review the Vigilance activities regularly.

All procurement for supplies is governed by the provisions enumerated in our Procurement Manual, which includes various anti-corruption policies based on the broad principles outlined in the GFR of the Government of India. Anti-corruption clauses are included in tenders and agreements that HPCL has with its business partners. Purchase Orders of value ₹ 1 Crore and above placed for contracts for goods and services include an Integrity Pact in line with the directions of CVC on the subject.

Apart from conducting preventive vigilance activities, the major work areas of Vigilance include investigating complaints received from various sources, including citizens, stakeholders, the Ministry of Petroleum and Natural Gas, the Central Vigilance Commission, the Management and others.

During 2022-23, various operational areas were reviewed for systemic improvements throughout the year. In addition to investigating complaints, surprise inspections of Depots, Terminals, LPG Plants, Regional Offices, LPG Distributors, Retail Outlets, Tank Trucks, Major Works (CTE Pattern), Tender Review and other facilities were conducted.

All locations of HPCL under CVO, HPCL jurisdiction, have been assessed for corruption-related risks. The Corporation's anti-corruption policies and procedures have been communicated to all the governance body members, and employees.

During the year, there were 19 vigilance cases that were recommended to the disciplinary authority; while there was one public legal case regarding corruption brought against the organisation during the reporting period. There were eight cases of violations involving business partners recommended for action to the Competent Authority.

### Preventing Corruption

CVO, HPCL is part of Vigilance Study Circle, a group of CVOs of CPSE of Mumbai where knowledge gets shared regarding various corruption risks and mitigation measures. The vigilance department publishes a Quarterly Newsletter, "Sajag", which contains articles, dos and don'ts and case studies to sensitise employees about corruption and policy adherence.



- ▶ Spreading awareness on vigilance, corruption eradication, usage of technology for integrity, business ethics through 'Jagaran', HPCL's in-house Vigilance magazine



► Hon'ble Lokpal of India, Hon'ble Member Lokpal, CVC, Addl. Director - CBI and Senior Officials of CVC. HPCL and BPCL organised Regional Conference of CVOs of Western India Region

Our Vigilance department, during the investigation, identifies the avenues where systemic controls can be implemented to enhance transparency and accountability in business processes and suggest systemic improvement to Management. During 2022-23, the Vigilance Department suggested 28 systemic improvements to Management.

Every year, Vigilance Awareness Week (VAW) is observed at all our locations. During 2022-23, the VAW was observed under the central theme of "Corruption Free India for a Developed Nation". Various training programmes and awareness activities, viz. focused group presentations, Quizzes, Drawing/Painting Competitions, Skits/street plays, Workshops, Technical talks, Grievance redressal camps/Awareness Gram Sabhas, Rallies/Walkathons, School/College Programmes were undertaken to spread awareness among citizens/stakeholders and employees. Besides, VAW also witnessed various other awareness activities, such as the display of banners/posters at all retail outlets/LPG distributorships/Offices/Schools, Colleges and other areas. Awareness was spread using audio messages, IVRS messages, pamphlet distribution, grievance redressal camps, and social media.

During the week, the Vigilance Department identified and nominated employees for the Preventive Vigilance Award of the Central Vigilance Commission. CVC has recognised the contribution of nine officers for their preventive Vigilance action. The CMD and CVO felicitated these nine officers during VAW 2022.



► Making the youth aware of the importance of Preventive Vigilance

Activity	Locations	No. of Participants
Integrity e-pledge Kiosk	2,000	1,00,211
Awareness Programmes for stakeholders	465	19,521
School and College Programmes	241	31,671
Programs at Village(s) and Rural Areas	78	5,352
Technical talks through Internal/External Experts	36	5,422
Transporter/ Vendor/Other Meets	121	2,796

### Grievance Redressal

We strive for excellence in delivering services, customer delight and sustainable business conduct, thereby targeting minimal grievances to the public. We believe in creating shared value through effective and transparent communication with our stakeholders. Proactive measures are in place to seek advice, understand and address the suggestions and concerns of our extensive network of people, organisations and communities. Our SBUs and departments maintain structured mechanisms to stay connected with stakeholders. This approach helps us identify key material issues by prioritising the concerns of the internal and external stakeholders.

We conduct discussions at various levels to evaluate stakeholder concerns and continuously review to incorporate their inputs into our systems to enhance the stakeholder engagement process.

For seeking advice, raising concerns by various stakeholders and seeking feedback on various matters of business, sustainability, social engagement, ethics, transparency, vigilance and ideation, we have internal and external communication channels as follows:

- Regular interactions – one-to-one, segmental meetings
- Annual General Meeting
- Press releases
- Training workshops Group Discussions
- Feedbacks & Surveys
- Grievance Redressal mechanism – Management Employees Relations Committee (MERC), ICS E-care, HR Direct, Reflexion
- E-platforms, online platforms
- Stakeholders Relationship Committee to addresses security holders' grievances

We have a structured grievance redressal mechanism to address all stakeholders' grievances. We address citizens' grievances meaningfully through effective coordination and qualitative redressal. Our grievance mechanism enables customers to reach out through the corporate website, customer care numbers and customer apps or by directly registering grievances/suggestions at our customer touch points or through the customer complaints management systems embedded in our SBUs to handle specific queries, feedback, or complaints.

Our Public Grievance Redressal system has designated officers during specified times at our major locations to facilitate the redressal of grievances of the public. The details of the Grievance Redressal Officer are available on our corporate website.

We also promote the use of the 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. It is a web-based One India One Portal that aims to provide citizens pan-India with a platform to redress their Grievances. It is a single window application for various Ministries/ Departments/Organisations of the Government of India to receive grievances from various channels and process them for redressal with stipulated timelines. Individuals can access this application at: <https://pgportal.gov.in/>

Root cause analysis of grievances and necessary updating of our service standards help eliminate the recurrence of such cases.

We also have a structured Grievance Redressal policy to resolve the grievances of employees including grievances pertaining to human rights. The procedure starts with a complaint by the aggrieved employee in an e-enabled platform through the HP Portal. The Employee Relations Committee looks into grievances and discusses the same with aggrieved employee. The aggrieved employee, if not satisfied with the decision of the committee may appeal within 10 days.

We also ensure compliance with various provisions under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To inculcate appropriate workplace behaviour and promote gender sensitisation, we have mandated all our executive employees to undergo awareness sessions through online courses and workshops conducted on the subject.

In respect of the Disclosure in compliance with relevant provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, there were three cases of filed complaints which were disposed of. The number of complaints pending as on the end of 2022-23 is nil.

Internal Complaint Committees (ICC) of the Corporation have been reconstituted and detailed guidelines on procedures relating to the functioning of the ICC have been circulated. Guidelines are also framed regarding the procedure to be adopted while conducting an inquiry by Internal Complaint Committees (ICC) for handling any complaints.

Guidelines pertaining to grievance redressal are updated from time to time to address the grievances of employees. No changes were required to be made during 2022-23.

### **Stakeholder Grievances/Complaints during 2022-23:**

<b>Stakeholder group from whom complaint is received</b>	<b>Grievance Redressal Mechanism and Link</b>	<b>Number of complaints filed during the year</b>	<b>Number of complaints pending resolution at close of the year</b>	<b>Remarks</b>
 <b>Customers/ Citizens/ Communities</b>	Centralised Public Grievance Redress and Monitoring System <a href="https://pgportal.gov.in/">https://pgportal.gov.in/</a>	3,778	43	Complaints received on Centralised Public Grievance Redress Portal. Average Disposed time: 10 days. Pending complaints less than 0-15 days.
 <b>Investors and Shareholders</b>	rnt.helpdesk@linkintime.co.in	70	1	Complaints received from SEBI/NSE/BSE/RTI/Public Grievances.
 <b>Employees and workers</b>	HPCL's Internal Employee Portal; Transparency Portal on HPCL website <a href="https:////hindustanpetroleum.com/pages/transparency-portal">https:////hindustanpetroleum.com/pages/transparency-portal</a>	1,158	0	1. Performance rating-related complaints raised by employees  2. Complaints raised by employees with HPCL vigilance department and processed subsequently as per guidelines
 <b>Customers</b>	Centralised Public Grievance Redress and Monitoring System; Transparency Portal on HPCL website <a href="https://www.hindustanpetroleum.com/pages/transparency-portal">https://www.hindustanpetroleum.com/pages/transparency-portal</a>	187,937	247	Customer Complaints
 <b>Value Chain Partners</b>	Transparency Portal on HPCL website <a href="https://www.hindustanpetroleum.com/pages/transparency-portal">https://www.hindustanpetroleum.com/pages/transparency-portal</a>	40	3	Integrity Pact-related references received from Vendors  Tender-related grievances, Vigilance-related complaints from vendors/dealers and processed subsequently as per guidelines
 <b>Others</b>	<a href="https://www.hindustanpetroleum.com/pages/transparency-portal">https://www.hindustanpetroleum.com/pages/transparency-portal</a>	559	27	Vigilance-related complaints raised by LOI holders, prospective business partners and general public and processed subsequently as per guidelines

### Right to Information

The dictum "knowledge is power" applies to the modern world, and information is the most important means to acquire knowledge. The information in the possession of the Public Authorities, by itself, does not give any added value to the public. This information belongs to the public and gets held for public benefit. UN General Assembly realised this and resolved that the Freedom of Information is a fundamental human rights touchstone for all freedoms the UN consecrates. The Commonwealth Human Rights Initiative propounds that the right to information underpins all other human rights.

In this direction, The Right to Information Act 2005 (RTI) empowers the people of India with a free flow of information from the Government. We comply with the Right to Information Act, 2005 (RTI), which went into effect on October 12, 2005.

We are also affiliated with the DoPT (Department of Personnel & Training), the Government of India's Online RTI portal. All applications/appeals received through the portal, including physical applications, get handled there. Mandatory reports, such as quarterly and annual reports, are submitted regularly within the timeframes specified on the Central Information Commission's website, [www.cic.gov.in](http://www.cic.gov.in). All relevant details and suo motu disclosures under Section 4(1)(b) of the Act, have been hosted on the corporate website <https://hindustanpetroleum.com/> for greater transparency and public understanding.

We have designated a Nodal Officer at our Headquarters Office to coordinate and oversee the implementation. The RTI applications get addressed within 30 days through the Online RTI portal [www.rtionline.gov.in](http://www.rtionline.gov.in).

A team of Central Public Information Officers (CPIO) and First Appellate Authorities (FAA) spread across the country, covering various functions at the Head Offices, Zones, Refineries and major SBUs like Retail, LPG, Direct Sales, Lubes, Zones, Head Office, ensure the smooth handling of RTI applications.

Detailed information is available on the website [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com).

### Integrity Pact

We imbibe the spirit of transparency, integrity and accountability in our business. We have integrated the virtues into the system as a prerequisite for achieving its Vision of becoming a major integrated energy company. Our business relationships with its numerous domestic and international contractors and vendors of goods and services are steered constantly towards a well-thought-of direction with transparency and ethical standards as guiding lights in the transaction process.

We have been among the first Public sector units to sign an MOU with Transparency International India (TII) in July 2007 to implement the integrity Pact in procurement processes and contracts. The Integrity Pact has come into effect from September 1, 2007, and is applicable for contracts of ₹ 1 Crore and above. The Integrity Pact had become a part of tender documents to be signed by the Company and by the vendor(s)/bidder(s).

The Integrity Pact and the appointment of Independent External Monitors (IEM) have been conceptualised to usher in greater transparency in the purchase process. Under the above mechanism, we appoint IEM(s) in consultation with the TII and the Central Vigilance Commission (CVC). The implementation procedure is full of cooperation and monitoring of standards.

The references received from the Vendors are placed before the Independent External Monitors (IEM) for their review and recommendation of their decision to the Management for compliance. Meetings of the IEMs are also held regularly to brief on our Purchase Process and review of orders covered under the Integrity Pact. Apart from ensuring a higher level of transparency, the process is also beneficial for resolving disputes through the IEM.

Salient features of the integrity pact are available on our Corporate Website.

### Whistle blower Policy

We believe in conducting our business fairly and transparently by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. We are therefore committed to developing a culture where it is safe for employees - officers and workers to raise concerns about instances if any, where such rules, regulations and policy are not followed in furtherance of business.

Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia, provides as a non-mandatory requirement for all listed companies to establish a mechanism called “whistle blower policy” for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. This mechanism is also required to provide adequate safeguards against the victimisation of employees who avail of the mechanism and for direct access to the Chairman of the Audit Committee.

Our whistle blower policy is approved by the Board and the same is available to stakeholders on our website. This policy enables employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct or Ethics Policy. This mechanism also provides adequate safeguards against the victimisation of employees who avail of the mechanism and for direct access to the Chairman of the Audit Committee. It also warrants disciplinary action against misuse of the policy. The policy does not absolve employees - officers/ workers from their duty of confidentiality in the course of their work. It is also not a route for taking up personal grievances.

## **Memberships, Affiliations, Participative Collaboration, Advocacy**

We engage responsibly with government bodies and regulators in public policy discussions to share our views and the perspectives of our clients, employees and communities on issues relevant to our business.

By regularly participating in the nominated consultative committee meetings for setting up policy frameworks and providing opinions to the government, its departments and constituted bodies like the Ministry of Petroleum & Natural Gas and other bodies such as the Oil India Safety Directorate (OISD), Petroleum and Natural Gas Regulatory Board (PNGRB), Center for High Technology (CHT), Bureau of Indian Standards (BIS) etc. towards the advancement of public good and nation building.

The topics covered during these meetings range from the formulation of standards, policies, frameworks, guidelines, and topics on issues of governance, climate change, environment, social aspects, community developments, economic aspects, strategic directions, technology, etc. among others.

During 2022-23, we actively engaged and participated with “The Energy Transition Advisory Committee (“Committee”) of the Ministry of Petroleum & Natural Gas in the formulation and publishing of the report titled “The Green Shift” (“Report”) in keeping with India’s endeavour to reach Net Zero emissions by the year 2070 and making India a key player in the global fight against climate change. During the year, we also actively engaged with the Capacity Building Commission

(CBC), Government of India with regards to the exercise on strengthening the succession planning and leadership development processes across Maharatna and Navratna CPSEs.

We were actively involved with Karmayogi Bharat for conducting an exercise/development of Framework of Roles, Activities and Competencies (FRAC) for various Government agencies/companies & their training platform. We have also participated in the process of documenting excellent efforts in public administration for the Gyaan Kosh through constant engagement with the CBC.

Some of our Institutional Memberships are with:

- All India Association of Industries (AIAI)
- Confederation of Indian Industries, Delhi (PSE Fund) (CII)
- Council For Fair Business Practices
- Federation of Indian Chamber Of Commerce & Industries (FICCI)
- Federation of Indian Petroleum Industry (FIPI)
- IMC Chamber of Commerce & Industries
- Indo German Chamber of Commerce
- Standing Conference of Public Enterprises (SCOPE)
- The Associated Chambers of Commerce And Industry Of India (ASSOCHAM)
- United Nations Global Compact (UNGC)

# Key Trends Transforming the Industry

## Operating Context

In today's evolving energy landscape, decarbonisation, renewables, innovative technologies, and ESG concerns are driving a global shift towards lower-carbon energy alternatives. Geopolitical uncertainty further impacts the market dynamics, affecting energy security and affordability. Amid this unprecedented volatility, it's imperative that we, as part of the oil and gas (O&G) sector, align with the Paris Agreement for climate action. We understand that success hinges on our capacity to evolve in tandem with industry.



### Global Trends

#### World Economic Outlook

The global economy's forecasted growth presents an opportunity that influences our operations and market dynamics.

**Projected growth by  
2.8% in 2023,  
rising to  
3.0% in 2024**

Source: IMF

#### Energy Demand Projections

India's transition into the world's most populous country brings forth a surge in energy demand. Significant investments will be required across energy sources, including oil, which currently meets one-third of the country's energy demands, emphasising the need for a sustainable and diversified energy mix aligned with energy security and climate change goals.

**India's oil demand is projected to rise from  
4.7 mn barrels per day (2021) to  
6.7 mn barrels per day by 2030**

Source: IEA

#### India's Economic Outlook

India's economy is projected to grow at a rate of 6% to 6.5% in 2023-24. Key drivers include agricultural production, post-pandemic recovery in contact-intensive services, and improved financial health in both the private and public sectors increasing credit supply and the government's capex push.

**India is projected to emerge as a  
\$26 trillion economy by 2047**

Source: EY

#### Climate Change Imperatives

Climate change is a paramount challenge with global repercussions. The Paris Agreement's objective to limit temperature rise to 2°C (or even 1.5°) by 2100 is a pivotal focus, with the global oil industry playing a catalytic role in achieving these goals.

#### Evolving Energy Industry Dynamics

The energy industry is undergoing a transformative shift. Key global trends encompass decarbonisation, an increased share of renewables, the role of natural gas as a transition fuel, and the rapid emergence of innovative technologies such as Electric Vehicles (EVs), Green Hydrogen (H<sub>2</sub>), and e-fuels.



## Our Response

As the way forward, these factors necessitate that we embrace evolving consumption trends marked by enhanced environmental and safety concerns. This shift calls for increased green electrification, technological adaptation, digitalisation, and customer-centric approaches.

To align with changing stakeholder expectations and address Environmental, Social, and Governance (ESG) concerns, energy markets must incorporate climate change considerations into organisational policies for enhanced environmental stewardship and redressal of ESG concerns.



► HPCL's shares its vision and journey on SDGs and climate action with industry

## Navigating the Future through our T25 Strategy

At HPCL, we are in the midst of executing our five-year T25 strategy, stretching until 2025-26. This comprehensive plan is designed to seize opportunities in a dynamic energy landscape, bolster our market presence, and diversify into new business realms, thus mitigating risks in our existing portfolio.

### Creating Sustainable Value

Our T25 strategy is laser-focused on creating value while upholding ESG principles. We are committed to strengthening our core businesses, tapping into new growth engines such as petrochemicals and natural gas, and capitalising on green and emerging opportunities through innovation and technology.

### Charting a Greener Path

We are dedicated to environmental stewardship. We have devised a validated roadmap, developed with the guidance of world-renowned consultants, aimed at achieving Net Zero emissions in Scope 1 and 2 by 2040. Our emphasis on transitioning into a multi-energy green corporation aligns us with the global shift toward sustainable energy solutions.

# Managing our Relationships Efficiently

## Stakeholder Engagement

Stakeholder dialogue plays a critical role in our innovation investments enabling us to create opportunities to design services and solutions with high growth potential. Indeed, our ongoing discussions with our stakeholders are essential for our business operations and our corporate responsibility process which includes our yearly materiality assessment process.

We have identified our stakeholders as those persons, groups or organisations directly impacted by our activities, as well as those persons, groups or organisations who can reasonably be foreseen to impact our activities. A planned system of engagement exists to ensure the timely communication of accurate and relevant information to and interaction with each stakeholder group in a consistent manner.

## Engagement Approach

We have adopted a structured approach of effective discussion at various levels to evaluate the concerns raised by our stakeholders. In line with this, we sensitise our stakeholders on sustainability issues and garner feedback through stakeholder engagement workshops/meetings/interactions. We consistently improve our stakeholder engagement process through continuous review and incorporating the inputs received from our stakeholders.



### Stakeholder Identification



### Stakeholder Prioritisation



### Stakeholder Engagement



### Stakeholder Expectation Management



### Stakeholder Identification

Our key stakeholders are identified based on their levels of association with our business and their impacts on our business. For our business, we have established the following stakeholder categories:

#### Internal Stakeholder

- Employees
  - Management
  - Non-management

#### External Stakeholder

- |                                       |   |
|---------------------------------------|---|
| → Customers                           | → Contract Workers/<br>Security Personnel |
| → Dealers<br>and Distributors         | → Competitors                             |
| → Suppliers/<br>Contractors           | → Investors                               |
| → Transporters                        | → Local Community                         |
| → Forecourt Staff at<br>Retail Outlet | → Regulatory<br>Departments               |
| → LPG Delivery<br>Person/Staff        | → Local<br>Administration                 |
|                                       | → Shareholders                            |



### Stakeholder Prioritisation

Stakeholder prioritisation is the preliminary step when determining the manner and frequency of stakeholder engagement. This may range from one-on-one interaction at a different frequency to annual group-level meetings, strengthening the strategic partnership. We analyse the nature and depth of the impact these stakeholders may have on our business and the extent to which our business decisions may affect them to develop an effective strategy.



## Stakeholder Engagement

Stakeholder engagement is a method for understanding stakeholders' realistic expectations, interests, and information needs. Each stakeholder may have varying understanding, opinions, and appreciation for a specific subject in the context of our business. As a result, we have built and refined our stakeholder engagement approach over years of organising engagement workshops across the country.

Our comprehensive materiality analysis consists of customised questionnaires for our targeted stakeholder groups. During our stakeholder engagement workshops and materiality assessment exercises, we discussed topics such as sustainable development, environmental challenges, current trends, best practices, regulatory landscapes, and future scenarios.



► Synergising ideas through stakeholder engagement



## Stakeholder Expectation Management

**List of stakeholder groups identified as key for our entity and the frequency of engagement with each stakeholder group:**

Channels of Communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement	
 <b>Customers</b>	SMS, website, advertisements, face-to-face interactions	Periodic campaigns and surveys	<ul style="list-style-type: none"> <li>→ Product quality and service standards</li> <li>→ Awareness on safety and environment aspects</li> <li>→ Resolving complaints</li> </ul>

## Sustainability at HPCL

Channels of Communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
 <b>Investors and Shareholders</b> E-mail, newspaper, website, Others - Annual Report, AGM, Analyst meet, Sustainability Report, Response to ESG ratings	Annually, Periodic press releases	<ul style="list-style-type: none"> <li>→ Financial performance</li> <li>→ Good corporate ethics and compliance</li> <li>→ ESG performance</li> </ul>
 <b>Regulators</b> E-mail, face-to-face meetings	Regular interactions	<ul style="list-style-type: none"> <li>→ Compliance</li> <li>→ Disaster management</li> </ul>
 <b>Employees (Management and non-management)</b> SMS, Website, Notice Board	Annually, Half-yearly, Quarterly, Regular interactions	<ul style="list-style-type: none"> <li>→ Focus on health and safety</li> <li>→ Aspirations for career progression and higher education</li> <li>→ Grievance redressal</li> <li>→ Ecosystem-based and need-based trainings</li> <li>→ Work-life balance</li> <li>→ Rewards and recognition</li> </ul>
 <b>LPG Distributors</b> SMS, E-mail, Website	Regular interactions	<ul style="list-style-type: none"> <li>→ Product quality and delivery</li> <li>→ Safety</li> <li>→ Competition from peers</li> </ul>
 <b>Retail Dealers</b> SMS, E-mail, Website	Regular interactions	<ul style="list-style-type: none"> <li>→ Upgradation of outlet and dispensing units</li> <li>→ Improvement in vendor services</li> </ul>
 <b>Delivery men</b> Regular training sessions, Interactions	Regular interactions	<ul style="list-style-type: none"> <li>→ Customer retention</li> <li>→ Training needs</li> <li>→ Health and Safety</li> </ul>

Channels of Communication	Frequency of Engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement	
 <b>Suppliers and Vendors</b>	E-mail, Supplier portal, face-to-face interactions	Regular and as per business requirements	<ul style="list-style-type: none"> <li>→ Health and Safety</li> <li>→ Higher running and maintenance costs</li> <li>→ Complaint redressal mechanism</li> <li>→ Improved RTKM transportation rates</li> <li>→ Increased transparency</li> <li>→ On-time payments</li> <li>→ Payment process</li> </ul>
 <b>MSE, SC/ST Vendors</b>	E-mail, Supplier portal, face to face interactions	Regular and as per business requirements	<ul style="list-style-type: none"> <li>→ Health and Safety</li> <li>→ Complaint redressal mechanism</li> <li>→ Increased transparency</li> <li>→ On-time payments</li> <li>→ Payment process</li> <li>→ Preferred vendor status</li> </ul>
 <b>Contract Workers</b>	Training sessions, regular interactions	Regular and as per business requirements	<ul style="list-style-type: none"> <li>→ Health and Safety</li> <li>→ Regular payment</li> <li>→ Training needs</li> </ul>
 <b>Local Communities</b>	Multiple modes	On regular basis	<ul style="list-style-type: none"> <li>→ Empowerment, upliftment and overall development of communities</li> <li>→ Provision of sanitation, educational and health infrastructure in rural areas</li> <li>→ Collaboration during special cleanliness awareness campaigns</li> </ul>

## Corporate Communication

Through the corporate communication department we ensure that our messaging is clear, consistent and aligned with our business goals and objectives. By leveraging both internal and external communication tools, we build trust, enhance our reputation and create a positive engagement with society while achieving business goals.

During 2022-23, mega events such as Energy Technology Meet, India Energy Week, multitudes of events under Azadi Ka Amrit Mahotsav, Har Ghar Tiranga, World Biofuel Day, Saksham 2022, Iconic Week of DPE, etc. were organised and hosted/co-hosted by HPCL for increased visibility, branding, awareness and engagement amongst our employees and stakeholders.

# Matters Critical to Value Creation

## Materiality

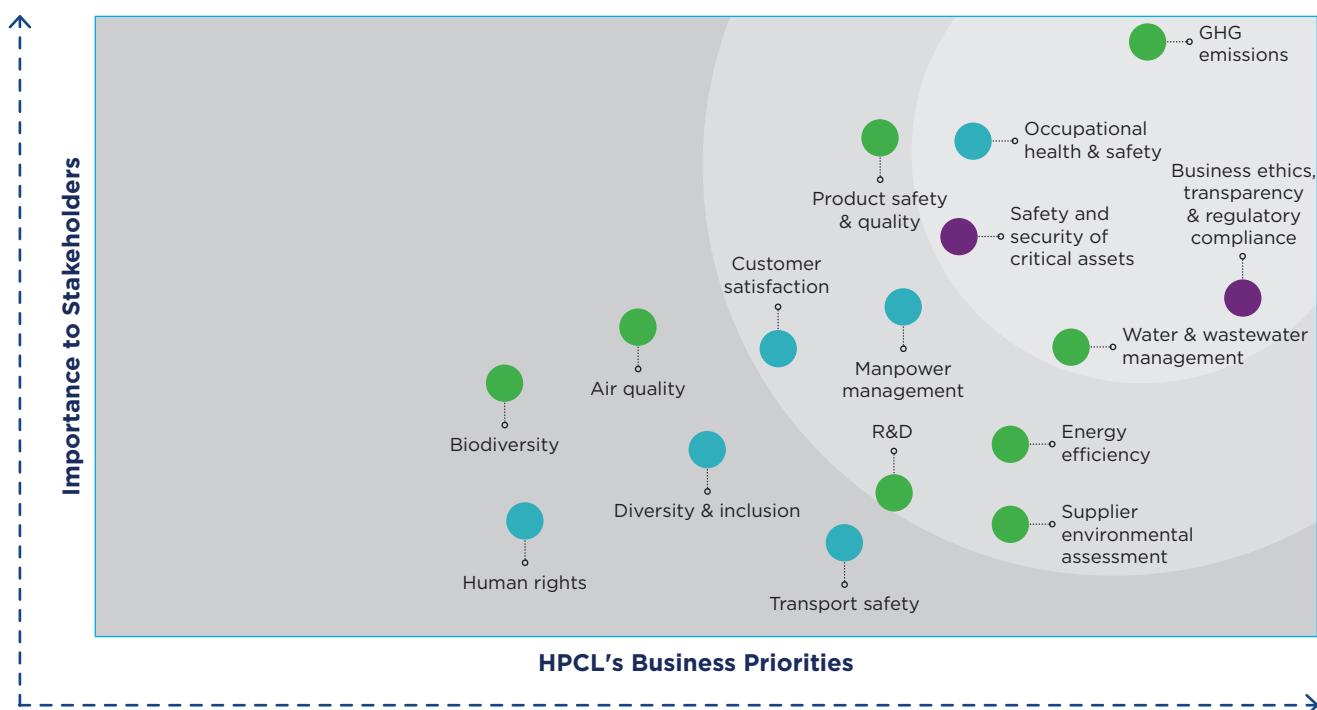
At HPCL, we understand and resolve material issues which are relevant to our business and that need to be addressed by stakeholders to achieve long-term success as a responsible and sustainable business.

Material topics represent an organisation's most significant impacts on the economy, environment, and people, including impacts on their human rights across the organisation's activities and business relationships. An issue is considered to be material if it has the potential to considerably impact our commercial viability, social relevance and quality of relationships with our stakeholders.

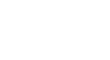
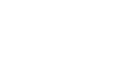
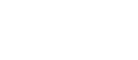
Our material issues are informed by the economic, social and environmental context in which we operate. Oil & Gas Refining and Marketing and Oil & Gas Storage & Transportation companies are covered under the GRI-11-Oil & Gas Sector Standard. Accordingly, the GRI-11-Oil & Gas Sector applies to us and has been used to report the applicable material topics.

The latest materiality topics for us are an outcome of a consultative process of engagement with relevant stakeholders and experts. We have recently formulated our environment strategy to achieve Net Zero Scope 1 and Scope 2 emissions by 2040 by engaging the expert services of a world-renowned consultant who have helped in redefining the materiality matrix for HPCL.

### Materiality Matrix



## List of Material Topics

ESG Pillar	HPCL Materiality Topic	Materiality Topic as per GRI-3, GRI-11 Oil & Gas Sector	GRI-Materiality Topic	Link Between Materiality topic and SDG
Environment	GHG Emissions	GHG Emissions	11.1	 
	Water and Wastewater Management	Water and Effluents	11.6	   
	Product Safety and Quality	Not a material topic as per GRI-11		
	Energy Efficiency	Climate adaptation, resilience and transition	11.2	   
	Supplier Environmental Assessment	Not a material topic as per GRI-11		
	Air Quality	Air Emissions	11.3	  
	Biodiversity	Biodiversity	11.4	   
	Research & Development	Not a material topic as per GRI-11		
Social	Waste	●	11.5	    
	Occupational Health & Safety	Occupational Health & Safety	11.9	 
	Manpower Management	Employment Practices	11.10	   
	Customer Satisfaction	Not a material topic as per GRI-11		  
	Human Rights	Non-discrimination and equal opportunity Forced labour and modern slavery Freedom of Association and collective Bargaining Rights of indigenous peoples Conflict and Security	11.11 11.12 11.13 11.17 11.18	     
	Diversity & Inclusion	Local Communities	11.15	   
	Transport Safety	Not a material topic as per GRI-11		 
	Closure & Rehabilitation	●	11.7	  
Governance	Land and Resource Rights	●	11.16	   
	Business Ethics, Transparency & Regulatory Compliance	Anti-competitive Behaviour Anti-corruption Payments to governments Public Policy	11.19 11.20 11.21 11.22	   
	Safety and security of critical assets	Asset integrity and critical incident management	11.8	 
	Economic Impacts	●	11.14	    

● Not a Material Topic as per the HPCL materiality matrix

## Our Approach to Material Issues

Material issue E - Environmental S - Social	Rationale for identifying the issue	Management Approach
GHG Emissions (E) Energy Efficiency (E) Air Quality (E)	<ul style="list-style-type: none"> <li>→ Growing Regulatory/Stakeholder emphasis on climate change concerns requiring integration of energy transition into business</li> <li>→ Improvements in energy efficiency directly impacts GHG emission reductions</li> <li>→ Important as a decarbonisation lever</li> <li>→ Air pollution is a major aspect for health concerns. Air quality impacts quality of health</li> </ul>	<ul style="list-style-type: none"> <li>→ Measurement, monitoring, feedback, corrective action</li> <li>→ Inclusion of climate-related risks in enterprise risk assessment</li> <li>→ Assessing physical climate risks and its impacts</li> <li>→ Increasing climate-resilient components (biofuels, CBG, EV) in product offerings</li> <li>→ Increasing use of renewable energy in operations</li> <li>→ R&amp;D initiatives on new and cleaner energy solutions</li> <li>→ Awareness creation, Capability building and Stakeholder communication</li> </ul>
Water & Wastewater Management (E)	<ul style="list-style-type: none"> <li>→ Water stress and shortages can lead to business disruptions</li> </ul>	<ul style="list-style-type: none"> <li>→ Identification of vulnerable locations to water stress</li> <li>→ Measurement and monitoring of water utilisation, feedback, corrective action</li> <li>→ Promoting Reuse, Recycling and Recharging practices</li> <li>→ Awareness creation, Capability building and Stakeholder communication</li> </ul>
Biodiversity (E)	<ul style="list-style-type: none"> <li>→ Growing Regulatory/Stakeholder concerns on environment, ecological balance (Flora and Fauna)</li> </ul>	<ul style="list-style-type: none"> <li>→ Developing, maintaining and enhancing green belt coverages</li> <li>→ Periodic review and monitoring of biodiversity footprints at locations through audits</li> <li>→ Preservation of local biodiversity flora, fauna to maintain ecological balance</li> <li>→ Awareness creation amongst employees and stakeholders on importance and preservation of biodiversity</li> </ul>
Occupational Health & Safety (S) Product Safety & Quality(E) Safety & Security of critical Assets (S) Transport Safety (S)	<ul style="list-style-type: none"> <li>→ Important for human well-being, loss prevention, business reputation, creation of safety culture and generation of economic value</li> </ul>	<ul style="list-style-type: none"> <li>→ Periodical review and monitoring of Health and Safety management system, SOPs, Safety Committees, compliance, audits, surprise inspections, Board level reviews, Process safety management, Emergency and Crisis Plans, periodic health examinations</li> <li>→ Hazard Identification, risk assessment and mitigation</li> <li>→ Trainings and capacity enhancements - safety induction, trade specific, live fire trainings, stakeholder engagements, empowerment</li> <li>→ Incident investigation, Root cause analysis, sharing of learnings from incidents</li> <li>→ Focus on quality products and customer awareness on product Safety and Quality</li> <li>→ Periodic and preventive maintenance systems for critical assets</li> </ul>

Material issue E - Environmental S - Social	Rationale for identifying the issue	Management Approach
<b>Manpower Management (S)</b>	<ul style="list-style-type: none"> <li>→ Attract and Retain talent</li> <li>→ High level of job satisfaction leads to long-term business associations</li> <li>→ Competent manpower contribute to Sustainable development</li> <li>→ Work-life balance results in higher efficiencies, performance satisfaction, health, safety and well-being</li> </ul>	<ul style="list-style-type: none"> <li>→ Periodic review and management of HR practices and policies, monitoring, welfare initiatives, health initiatives, employee satisfaction, feedback, encouraging participation, motivation, career progression, enhancement of technical and behavioural competencies</li> <li>→ Continual engagement, enablement and empowering of stakeholders through variety of interventions</li> <li>→ Maintaining excellent stakeholder relations</li> <li>→ Ensuring objectives of various labour enactments and labour law compliances</li> </ul>
<b>Customer Satisfaction (S)</b>	<ul style="list-style-type: none"> <li>→ Key to consistency, customer retention, business and longevity of associations</li> <li>→ Creates brand ambassadors</li> </ul>	<ul style="list-style-type: none"> <li>→ Delighting customers through differentiated services and delivering happiness through participative and consultative practices, surveys, feedbacks</li> <li>→ Usage of efficient and environment-friendly products, solutions, services, technology, automation, digitalisation</li> <li>→ Continual engagement, enablement and empowering of stakeholders</li> </ul>
<b>Supplier Environment Assessment (E)</b>	<ul style="list-style-type: none"> <li>→ Emerging regulations/expectations on alignment of supply chain to societal and corporate environment and social objectives</li> <li>→ Equal social development and collaboration on topics of climate change</li> </ul>	<ul style="list-style-type: none"> <li>→ Awareness creation among suppliers on environmental impacts of supply chain and emerging trends</li> <li>→ Identifying high value supplier partners for carrying out supplier environment assessment</li> <li>→ Time-bound implementation of supplier criteria for environmental stewardship</li> <li>→ Raising performance standards of identified suppliers on environment front thereby reducing supply chain footprint</li> </ul>
<b>Research &amp; Development (E)</b>	<ul style="list-style-type: none"> <li>→ Key to support energy transition through innovation, research and cost optimisation</li> <li>→ Revenue generation through technologies of mass adoption</li> <li>→ Indigenisation resulting in self-reliance in business</li> </ul>	<ul style="list-style-type: none"> <li>→ Developing innovative products, solutions and technologies to bring value to stakeholders</li> <li>→ Developing knowledge base and conducting industry relevant research</li> <li>→ Develop safe and green solutions to protect the environment</li> <li>→ Growing organically in all verticals relevant to energy, chemicals, petrochemicals through internal capacities and collaboration</li> </ul>
<b>Human Rights (S) Diversity &amp; Inclusion (S)</b>	<ul style="list-style-type: none"> <li>→ Non-compliance to upholding human rights, working conditions may lead to reputational risks</li> <li>→ Equitable distribution and growth of society, Opportunities for livelihood and growth</li> </ul>	<ul style="list-style-type: none"> <li>→ Submit annual communication on Progress for adherence to Human Rights principles of the United Nations Global Compact</li> <li>→ Inclusion of labour laws addressing elements of Human Rights requirements in procurement contracts</li> <li>→ Providing mandatory training on statutory compliance of human rights aspects, POSH to officers and educating stakeholders on the subject</li> <li>→ Field audits by HR function and statutory authorities on compliance</li> </ul>
<b>Ethics, Transparency and Regulatory Compliance (G)</b>	<ul style="list-style-type: none"> <li>→ Important to protect against litigation and reputation risk</li> <li>→ Transparency positively impacts stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>→ Formulation of applicable policies, Identification of vulnerable areas, auditing mechanisms and reporting to management</li> <li>→ Enterprise Risk Management System for close monitoring and mitigation of risks</li> <li>→ Ensuring adherence to national/international/customer standards &amp; quality assurance</li> <li>→ Accurate, Balanced, Comprehensive, Comparable, Contextual and Timely Reporting</li> </ul>

# Minimising Environmental Impact

## Environment Management

We believe in maintaining environmental sustainability for the health of our planet, the well-being of current and future generations and the preservation of ecosystems and biodiversity. To that end, we are focused on greening our operations by implementing sustainability initiatives for energy efficiency, reducing carbon footprint, conserving water, harvesting rainwater, managing waste and more.

We equally focus on the triple bottom line framework of financial, social and environmental capital towards greater business values. To revitalise the organisation towards future challenges, HPCL has undertaken, with renewed resolve, to create a "Nayaa HPCL".

## ESG Orientation

Environment, Social, and Governance (ESG) parameters are becoming increasingly relevant for evaluating an organisation's performance. Focusing on ESG helps in better risk management, enhancing reputation and stakeholder trust, long-term sustainability and resilience and meeting regulatory compliance and legal requirements.

We are integrating ESG factors into future strategies and business operations with a view to enhance competitive advantage, attracting investors, building resilient business models and contributing to a more sustainable and inclusive global economy and are committed to achieving our ESG objectives by implementing best practices in our operations and activities. The ESG performance has also been benchmarked with national and international peers. Special emphasis on ESG parameters and building strategic partnerships will provide a competitive edge to the organisation in the changing business landscape.

## Environment Management

We are adopting best-in-class operating systems, practices and procedures oriented to environmental preservation to achieve environmental stewardship. Robust environmental management systems have been established in our refineries and major marketing locations. Major installations have adopted environmental management systems to ensure continuous improvement in environmental protection.

Hazardous waste treatment and disposal systems are available at various locations in line with industry best practices. State-of-the-art effluent treatment plants for treating and recycling effluent water are available at major locations to ensure the protection of the environment. Best-in-class technologies such as volatile organic compound (VOC) monitoring and the leak detection and repair (LDAR) programme have been adopted for monitoring and controlling fugitive emissions at major installations. Vapour recovery systems (VRS) have been installed at various supply locations and retail outlets. Gaseous emissions to the environment and ambient air quality are continuously monitored with the use of the latest technologies, including real-time data transfer to regulatory agencies in major locations. Online monitoring of emissions and air quality has a system of alerts in place for monitoring and rectifying deviations.



► Mass collaboration for environmental conservation

We also have a process of HSSE audits to ensure compliance with applicable environmental laws and regulations at various locations. We regularly conduct environment awareness programmes for encouraging rainwater harvesting, reforestation and biodiversity in the corporation to promote sustainability in all facets of the business.

## Adaptable HPCL

We are implementing the T25 strategy, our five-year strategy roadmap up to 2025-26, with the aim to capture opportunities in the changing energy landscape, leverage emerging opportunities, navigate future challenges and diversify into new business lines. This will help us to de-risk the existing business portfolio. We have developed a validated roadmap with the help of world-renowned consultants for achieving Net Zero in Scope 1 and 2 emissions by 2040 with a strong focus on transitioning towards being a multi-energy green corporation.

The strategy aims at creating value and delivering growth responsibly by strengthening existing businesses, leveraging new growth engines such as petrochemicals and natural gas and seizing green and emerging opportunities with a focus on technology and innovation. Special emphasis on ESG parameters and building strategic partnerships will provide a competitive edge to the organisation in the changing business landscape.

## Environment Strategy

While formulating the environment strategy after considering the GHG emission estimations and projections, an exhaustive set of factors required for emissions' target setting were reviewed to galvanise reduction efforts and identify GHG reduction opportunities. During the process, aspects such as the right target setting to choose from, key target-setting dimensions (such as emissions scope, business scope, type of target, timeframe, Net Zero ambition, target-setting approach) and related options (intensity-based/absolute target, self-determined/Science-based Targets (SBT), all/selected assets) were identified by the consultants.

Further, a benchmarking of decisions for target setting was performed, i.e. for each of the target-setting dimensions and related options, along with reasons for leading patterns amongst O&G peers. At the time of formulating our environmental strategy, the consultants found that 100% of the targets are self-determined targets as SBTs is not validating targets for O&G sector until guidance is provided.

The top target-setting bodies, including Science Based Targets initiative (SBTi) and Transition Pathway Initiative (TPI), were compared basis methodology used, number of companies assessed, reputation and reach.

By applying the TPI methodology, a range of scenarios corresponding to different transition pathways were created and the most appropriate was selected to showcase the minimum target that HPCL needs to take to achieve substantial decarbonisation. The IEA SDS and STEPS scenarios were considered for conducting climate-related scenario analysis.

### **Key levers identified for achieving Net Zero in operational emissions:**

- Fuel substitution,
- Green hydrogen,
- Energy efficiency and new refining technologies,
- Usage of renewable energy,
- Flare reduction, among others.

Towards emission-intensity reduction, we are exploring various business areas such as renewable energy and storage, biogas, biofuels, petrochemicals and green hydrogen.

Large-scale energy projects are essential for India to meet its growing energy demand, diversify its energy sources, improve energy access, stimulate economic development, create jobs, enhance energy security and promote environmental sustainability. We are cognizant of evolving energy scenarios, changing consumer preferences, proliferation of digital technologies and are continually remodelling our actions to be relevant and future-ready.

## Value Unlocking

We continue to explore new business models to stay competitive, respond to changing market dynamics, drive innovation and maximise growth opportunities. To that end, we developed a roadmap for unlocking value in the lubricant business. In-principle approval has been accorded for exploring options, including carving out to unlock value in the high-growth, high-potential lubricant business subject to the approvals from competent authorities. The incorporation of a wholly-owned subsidiary, subject to the approvals from Competent Authorities, for consolidation of all green and emerging business opportunities under one umbrella is being planned.

### Transition Initiatives

We have undertaken several large-scale projects for strengthening the existing businesses in refining and marketing. Most of these projects are either completed or nearing completion. Completion and commissioning of these major projects will help us enhance our capacities and create value in the coming years.

We have taken up several projects and are also working on several environmental stewardship initiatives to meet the growing energy demand of the country while reducing the operational impact on the environment. These are:

- Energy efficiency
- Introduction, adoption and promotion of alternate and cleaner product offerings
- Emissions management: Reducing flare gas emissions and exploring other evolving abatement techniques
- Water conservation
- Waste management and circularity
- Logistics improvement
- Biofuels: Setting up of ethanol production facilities, increasing percentage of ethanol blending, biodiesel, bio-marine fuel; promoting use of Compressed Bio-Gas (CBG) through CBG projects
- Natural gas: Augmenting CNG facilities at our Retail Outlets
- VLSFO; BSVI auto fuels
- Petrochemicals; bitumen
- Undertaking projects in Green Hydrogen
- Environmental initiatives through our R&D
- Expansion of the EV charging network

- Increasing share of renewables, using renewable power in refineries, solar and wind
- Carbon sequestration through green belt development projects

More opportunities for green business models and practices are emerging in the country. We are seizing green and emerging opportunities by expanding our footprint in advanced/alternative fuels. Various biofuels projects are under execution by HPCL as well as with the participation of entrepreneurs.

We are well aligned with the Government of India's plans to increase the percentage of natural gas in the country's energy mix given its valuable role in mitigating climate change, improving air quality, enhancing energy security and providing cleaner transportation solutions.

Natural gas and petrochemicals are recognised as new growth engines for our business portfolio. Leveraging the existing presence and investments by HPCL and HPCL's JVCs/subsidiaries in these areas is being planned.

We are participating in the entire value chain of the natural gas business by setting up an LNG import and regasification terminal through a 100% subsidiary, participating in natural gas pipelines through joint ventures and expanding its presence in the City Gas Distribution (CGD) business.

We are also actively participating in the Government of India's SATAT (Sustainable Alternative Towards Affordable Transportation) initiative for the promotion of Compressed Bio-Gas (CBG).



► HPCL LNG Limited - Transition to Cleaner fuels

We have forayed into the marketing of petrochemical products with the launch of the HP DURAPOL brand. For further building our petrochemical manufacturing capacities through the joint venture route, large-scale investments are underway.

Expansion in renewables is being done through the solarisation of retail outlets, enhanced usage of renewable power for meeting operational requirements of refineries, setting up of infrastructure for power import at both refineries, and more. The 370 TPA green hydrogen plant at Visakh refinery is in an advanced stage of completion.

With respect to alternative fuels and energy storage, new avenues of value creation in the EV ecosystem, including battery swapping and energy storage solutions, are being explored in collaboration with various technology start-ups and OEMs.

Our Green R&D Centre is provided with state-of-the-art infrastructure facilities comprising energy efficient green buildings. This centre's strengths are being leveraged to provide advanced technical support to various strategic business units and for the conceptualisation, development and commercialisation of products and technologies in emerging areas.

# Udgam

HPCL Startup Initiative

We have a scheme for supporting 'startups' called 'Udgam', which enables technology innovators and entrepreneurs to pursue a promising business and technology idea to fruition.

(Details of these and several other initiatives are elaborated in relevant sections of this report).

## Adoption of Best Practices

We have adopted a comprehensive rating assessment of our marketing locations by the Confederation of Indian Industry (CII) based on various sustainability parameters, which takes a life cycle approach. To improve the 'Green Quotient' of our operations, we continued implementing the GreenCo Rating System at our marketing locations. We are the country's first company in the Oil and Gas sector to adopt the GreenCo rating. As of March 31, 2023, 25 locations were assessed and certified with 'GreenCo Rating' by CII. In 2023-24, we have taken up implementation of Greenco Rating at 30 locations.

## Climate Governance

We have constituted a Board-level sub-committee, the CSR and Sustainability Development Committee, comprising of Whole-time Directors, Independent Directors and led by an Independent Director. It meets on a regular basis to review, discuss and provide guidance on various CSR and sustainability development initiatives and measures.

Incentives like performance-related pay (PRP) are provided to management employees (including Whole-time Directors) and productivity incentive schemes to non-management employees to encourage them to achieve high levels of performance. Overall efficiency initiatives are included in the KPIs of location in charges and plant heads. This has an impact on the overall performance rating of the officers and consequently the monetary performance-related pay for the officer.

Under employee engagement on climate-related issues, we carry out campaigns with awards for employees, contract workmen and business associates on climate-related events such as World Environment day, Saksham Programme, and others. Employees are encouraged to take up climate-related issues through campaigns and contact programmes. Other initiatives include driver training on fuel efficient driving, defensive driving, etc.

During 2022-23, we invested ₹ 319.22 Crore in R&D initiatives directed towards new product formulations, improving product efficiency, research on biofuels lowering emissions, longer life, and improving processes and capital expenditure (capex) investments in technologies of ₹ 10,853.71 Crore. This will also create an enormous positive impact to improve the environmental and social impacts of products and processes.



► "Platinum" Award in "Grow Care India Sustainability Award 2022" to HPCL



## Mission LiFE

This is an India-led global mass movement to nudge individual and community action to protect and preserve the environment.

The idea of Mission LiFE was introduced by Hon'ble Prime Minister Shri Narendra Modi during the 26th United Nations Climate Change Conference of the Parties (COP26) in Glasgow (November 2021).

We are actively participating in the 'Mission LiFE' movement to bring individual behaviours to the forefront of the global climate action narrative, for providing the movement with a greater mass reach and to meet the objectives of the country's sustainable development agenda. We displayed Mission LiFE creatives at 1,250 retail outlets, engaged more than 5,000 Pro-Planet People, recollected more than 1,000 MT of waste plastic, planted more than 1,500 trees, sold more than 9,000 high-efficiency thermal LPG stoves with efficiency of more than 74% and organised numerous awareness sessions such as nukkad natak (street plays), school competitions, and more.





## Energy Efficiency

We serve the energy needs of the people through our high-quality value-added products (fuels and non-fuels) offerings. Manufacturing and distribution of these products require a significant amount of energy. Energy conservation is one of the important factors in lowering refinery operating costs and therefore, energy efficiency is a priority area.

Our energy consumption is due to the direct fuel consumption in various processes and equipment, captive power generation, import of grid electricity, transportation, etc. We measure and monitor our energy consumption and derive actionable insights through process modifications, the use of energy-efficient equipment and technologies and the adoption of best practices at our refineries and marketing locations.

### Internal Energy Consumption (Direct + Indirect + Renewable), Energy intensity

Energy Consumption	UoM	2022-23	2021-22
<b>From renewable sources</b>			
Total electricity consumption (A)	GJ	105,616	86,051
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	<b>GJ</b>	<b>105,616</b>	<b>86,051</b>
<b>From non-renewable sources</b>			
Total electricity consumption (D)	GJ	39,37,084	28,76,326
Total fuel consumption (E)	GJ	51,639,096	41,036,852
Energy consumption through other sources (F)	GJ	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>GJ</b>	<b>55,576,179</b>	<b>43,913,178</b>
<b>Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)</b>	<b>GJ/₹ Crore</b>	<b>119.83</b>	<b>118.07</b>
<b>Energy intensity per MT of Refinery throughput*</b>	<b>GJ / MT of Refinery Throughput</b>	<b>2.92</b>	<b>3.15</b>

\* Energy intensity has been calculated in terms of refinery throughput as energy consumption at our Refineries constitutes ~ 95% of total energy consumption in our refining and marketing operations.

Restatement: This year we have given the bifurcation on energy consumption through Renewable Sources (Solar+Wind) and accordingly restating the data for 2021-22 as per the new bifurcations for parity.

Local Conversion factors are used for energy consumption calculations.

### External Energy Consumption

This year, we estimated 9.7652 Million GJ of energy consumption towards product movement and employee commute. This energy consumption is accounted for in our product movement by road for marketing SBUs and employee commute. Local Conversion factors have been used.

### Energy Conservation initiatives at HPCL

Various energy conservation projects leading to enhancement in energy efficiencies have been undertaken.

#### Refineries

Our Refineries are committed to continuously improving their performance, promoting sustainable practices and reducing our energy consumption through modernisation of our infrastructure. In pursuit of this goal, both of our refineries at Mumbai

and Visakh are proactively conserving energy and significantly improving their operating practices and implementing energy conservation projects.

Our Visakh Refinery Modernisation Project (VRMP) to enhance the crude refining capacity from 8.3 to 15.0 MMTPA has attained the critical milestone of the commissioning of a 9 MMTPA Crude Distillation Unit (CDU), which is highly energy efficient. The associated facilities and utilities, such as the Grid Power Supply, Raw Water System, Bearing Cooling Water system, Sea Cooling Water System, Plant/Instrument Air systems, Cryogenic Nitrogen Unit and Staged Flare System were also commissioned during the year. The completion of the key milestone of CDU commissioning marks a significant step towards optimising the refining processes, reducing the environmental footprint and meeting the growing demand for high-quality products. The refinery expansion project is in an advanced stage

of completion, which will further enhance energy security and sustainability.

Both of our refineries are participating in a performance benchmarking study conducted by M/s. Solomon Associates, USA, to achieve reliability and operational excellence. Additionally,

both refineries are participating in the Refinery Performance Improvement Programme (RPIP) to optimise processes and improve energy consumption.

#### **Other projects that our Refineries have implemented in the recent years include:**

##### **Mumbai Refinery**

- Achieved higher flare gas recovery from hydrocarbon flare by implementing modification in fuel gas system.
- Reduced steam consumption in ejector of new vacuum distillation unit (NVDU) based on the feed quality resulting in significant energy savings.
- LP steam consumption in de-aerator of continuous catalytic reforming (CCR) was reduced through optimisation of operating conditions.
- Maximisation of hot feed in DHT (Diesel Hydro Treater) resulting in energy savings.
- The installation of a plate-type heat exchanger has resulted in an increase in the approach temperature of sour water feed to strippers.
- Implementation of heat integration in propane de-asphalting (PDA) unit using Pinch analysis resulting in greater energy efficiency and reduction in overall energy consumption.

##### **Visakh Refinery**

- Stopping of one of the hydrogen generation units (HGUs) by generating higher quantity of hydrogen through another HGU post replacement of catalyst with superior grade.
- Routing of continuous catalytic reforming (CCR) stabiliser off gas to Net Gas compressor (NGC) suction resulting in higher recovery and energy efficiency.
- Dry ice blasting of make up heater (MUH) tube surfaces in heat recovery steam generator (HRSG) -3 & 5 leading to higher heat transfer.
- Restoration of flare purge gas routing of Vizag Refinery Clean Fuel Project (VRMP) from MS Block.

Both Mumbai and Visakh Refinery celebrated Sanrakshan Kshamta Mahotsav (SAKSHAM) under the aegis of the Petroleum Conservation Research Association (PCRA) to generate mass awareness amongst the public for the conservation of petroleum products. As part of this celebration, a furnace efficiency survey was carried out by the CHT nominated team in both the refineries.



► HPCL refineries monitor processes closely for improving productivity, efficiency and reduction in emissions

## Doing Business Responsibly

Parameter	UoM	Mumbai Refinery	Visakh Refinery
Capital Investment on Energy Conservation Equipment	₹ Crore	5.5	26.4
Energy Savings	SRFT	46,262	38,780
Specific Energy Consumption	MBTU/BBL/ NRGF	76.0	79.12

HPCL Mumbai and Visakh refineries are Designated Consumers under Perform, Achieve and Trade (PAT) scheme. Whereas MBN Target under PAT scheme has been achieved by Mumbai Refinery, Visakh Refinery was below its PAT targets due to ongoing Visakh Refinery Modernisation Project for which phase wise commissioning is in progress from Q4 of 2022-23. Same will be achieved once the facilities are commissioned as the new facilities are state-of-the-art energy efficient facilities.



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

### Marketing Locations

Electrical energy is the primary energy used to power the storage and distribution facilities. We measure and monitor our energy consumption and derive insights for action through process modifications, use of energy-efficient equipment and technologies and adoption of best practices.

Our marketing locations undertake several initiatives to achieve energy savings such as:

- Measurement and close monitoring of energy consumption
- Installation of high-efficiency prime movers and associated equipment
- Conducting periodic energy audits to identify energy saving opportunities
- Maintaining power factor near unity by using capacitor banks

- Replacing conventional lights with energy-efficient lights
- Conducting awareness programmes on energy conservation
- Using optimisation tools for the most effective logistic linkages for maximising turn-arounds and minimising idling and wastages

Energy efficiency and cost optimisation have been key focus areas for pipeline operations. With sustained efforts towards efficiency and conservation, the operating cost of pipelines has seen a reduction of about 5% in comparison with historical levels. On the back of various cost optimisation initiatives implemented during the year, we have improved performance on the Solomon Global Benchmarking of Manageable Non-Volume Expenditure (MNVE), which is in the top quartile of Indian Pipelines' average performance.

## GHG Emissions and Air Quality

### Direct (Scope 1), Indirect (Scope 2) Emissions, Emissions Intensity

GHG Emissions - Scope 1, 2	UoM	2022-23	2021-22
Total Scope 1 emissions	tCO <sub>2</sub> e	4,304,201	33,41,914
<b>Break-up of Scope 1 emissions</b>			
CO <sub>2</sub>	tCO <sub>2</sub> e	42,66,795	33,00,035
CH <sub>4</sub>	tCO <sub>2</sub> e	31,489	37,552
N <sub>2</sub> O	tCO <sub>2</sub> e	5,917	4,325
Total Scope 2 emissions #	tCO <sub>2</sub> e	776,480	6,31,194
Total Scope 1 and Scope 2 Emissions per rupee of turnover	tCO <sub>2</sub> e / ₹ Crore	10.94	10.67
Total Scope 1 and Scope 2 Emissions Intensity*	tCO <sub>2</sub> e / MT of Refinery Thruput	0.27	0.28

# Break-up of Scope 2 emissions into individual GHGs is not available as we use average Grid Emission Factor for Indian Grid issued by Central Electrical Authority

\* GHG emissions intensity has been calculated in terms of refinery throughput as GHG Emissions at HPCL Refineries constitutes ~ 95% of total GHG Emissions in HPCL refining and marketing operations

Data for 2021-22 is restated due to bifurcation of renewables in energy matrix

### GHG Emission Reduction Initiatives and their Impact in 2022-23

Initiative	Million tCO <sub>2</sub> e
Energy-saving initiatives in refineries	0.272
Renewable energy	0.044
Carbon sequestration through trees (within premises)	0.004

### Estimation of Scope 3 Emissions

Scope 3 Emissions Category	Million tCO <sub>2</sub> e
3- Fuel and Energy (includes WTT and T&D emissions)	0.160
4- Upstream Transportation and Distribution (includes transportation of crude in oil tankers and liquid petroleum products)	0.577
6- Business Travel (by Air)	0.004
7- Employee Commuting	0.016
9- Downstream Transportation (includes transportation of products by rail, road and ship)	1.077
11- Use of Sold Products (includes sold products combusted as fuels by end consumer, assuming complete combustion of fuels)	127.191

### Calculation Methodologies

The standards, methodologies and assumptions (based on operational control) used for the purpose of our calculations were obtained from the Intergovernmental Panel on Climate Change (IPCC), Guidelines for National Greenhouse Gas Inventories 2006, the IPCC Sixth Assessment Report (with consideration of 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories), Central Electricity Authority (CEA) - CO<sub>2</sub> Baseline Database for the Indian Power Sector, Version 18.0, December 2022, India GHG Programme, Version 1, 2015 (emission factor for material transport by rail) and UK Govt. GHG Conversion factors for Company reporting 2022 (for ship transport). The emission calculations consider CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O GHGs. For the purpose of this report, 2019-20 is the base year. The process emissions from Hydrogen production at refineries are calculated using local conversion factor. The emissions from flaring at refineries is calculated using Default IPCC Tier-1 emission factors for crude oil based on conservative approach.

### Methane Emissions

Methane is recognised as a potent contributor to GHG, but its emissions from downstream oil & gas operations are limited. Methane is part of the fuel gas stream used as refinery fuel. IPCC emission factors are used to estimate the methane emissions from the fuel combusted data. This is an effort to capture possible methane emissions due to leakages. All flare losses are combusted before release through refinery stacks. We undertake robust actions to mitigate the same. At present, we have undertaken efforts like minimising losses in natural gas storage and transport, Leak Detection and Repair (LDAR), use of double sealed tanks, vapour recovery systems to reduce hydrocarbon and related methane emissions.

### Projects and Initiatives Related to Reducing Green House Gas emissions

Being part of the Oil & Gas sector, we have unique responsibility and opportunity to contribute to the development of solutions for addressing the issue of climate change and its impacts. Our Sustainable development policy emphasises on carbon footprint measurement and mitigation the same.

To accelerate our energy transformation journey, we have established a new 'Energy Transition Cell,' which is dedicated to achieving our net-zero goals. These efforts reflect our strong commitment to sustainability and our willingness to explore innovative solutions to reduce our environmental impact.

We are increasing our share of energy sourced from low-carbon fuels such as natural gas, electricity and renewable energy in its overall energy basket.

Our Mumbai Refinery continued to source more than 70% of its power requirement from the grid. Additionally, as part of the Visakh Refinery Modernisation Project (VRMP), the Visakh Refinery commissioned a project to connect the refinery power to grid at 220 KV levels.

**PMUY:** The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide environmentally friendly and clean cooking fuel to women, particularly in rural areas and to alleviate health risks associated with the use of traditional fuel. This Yojana has several goals, including eliminating hazardous traditional cooking fuel, empowering women and supporting and promoting the use of LPG.



► Launch of Country's first Bio-Marine fuel

1



2

**Some of the projects related to efficiency enhancements and GHG emissions reduction are:**

Sustainability Initiative	Impact/Performance
Bio-Fuels	<ul style="list-style-type: none"> <li>→ Ethanol Blending: We achieved ethanol blending percentage of 10.59% in 2022-23 (historical 9.03%). We are the first oil marketing company to commence 12% blending from December 2022.</li> <li>→ Augmented ethanol tankage at locations; ethanol blending in all states of India.</li> <li>→ Transportation of ethanol by rake.</li> <li>→ Construction of second-generation ethanol bio-refinery at Bathinda, Punjab, with a production capacity of 100 kiloliters per day of ethanol from biomass.</li> <li>→ Commissioning of our first Compressed Biogas Plant (CBG) of 100 TPD of lignocellulosic Biomass processing capacity producing about 14 TPD of CBG at Badaun (Uttar Pradesh).</li> <li>→ Setting up a waste-to-biogas plant at Yerada Park in Vizag, Andhra Pradesh.</li> <li>→ Setting up Compressed Biogas (CBG) plant of 100 TPD of cow dung processing capacity under the CSR scheme at Pathmeda, Rajasthan.</li> <li>→ Actively participating in the Indian government's SATAT initiative to promote CBG. Released letters of intent (LOIs) for setting up 63 compressed bio-gas (CBG) plants with a production capacity of ~321 ton/day, taking the cumulative to 476 LOIs with capacity of ~2,584 ton/day across the country to increase usage of biofuels in the energy and transportation sectors.</li> <li>→ Commissioning of 4 CBG plants cumulatively.</li> <li>→ Signed an MoU with National Agriculture Cooperative Marketing Federation of India (NAFED) for collaboration in biomass/feedstock sourcing and marketing of end products.</li> <li>→ Launch of E20 fuel at 23 Retail outlets along with Green Mobility Rally in February 2023 by Hon'ble Prime Minister.</li> <li>→ Blending of Biodiesel with Marine Fuel: Launch of Country's first Bio-Marine fuel at the hands of Secretary-PNG, MoPNG in December 2022 from HPCL Visakh New Black Oil Terminal. This product is a 10% blend of biodiesel (B100) in very low sulphur furnace oil (VLSFO). This biodiesel supply was sourced from an International Sustainability &amp; Carbon Certification (ISCC)-certified supplier to meet the stringent global norms specified for bunker supply to ships. This is the first Bio-Marine (Biodiesel blended) bunker supply by any OMC in the country meeting the standard of Marine fuel. This Bio-Marine fuel is expected to bring down GHG emissions.<sup>1, 2</sup></li> </ul>
Natural Gas	<ul style="list-style-type: none"> <li>→ We, along with its JVCs, have authorisation for setting up of CGD network in 23 Geographical Areas (GA's) comprising 48 districts spread across 12 states with planned investment of over ₹ 10,000 crore during next few years.</li> <li>→ Addition of CNG facilities in 301 retail outlets taking the total number of our outlets with CNG facilities to 1,387 as of March 31, 2023.</li> </ul>
Electric Vehicle Infrastructure	<ul style="list-style-type: none"> <li>→ With 1,026 new EV charging stations commissioned during 2022-23, HPCL now has EV charging facilities at nearly 10% of its retail network, i.e. at a network of a total of 2,037 outlets as of March 31, 2023.</li> <li>→ Signed an MoU with Petromin Corporation, Saudi Arabia, for exploring setting up of vehicle service centres in retail outlets of the Corporation and collaboration in the field of e-mobility.</li> </ul>

## Doing Business Responsibly

Sustainability Initiative	Impact/Performance
Renewable Energy	<ul style="list-style-type: none"> <li>→ Various projects have been undertaken for leveraging renewable energy (RE) sources to reduce the carbon footprints and electricity cost across the value chain.</li> <li>→ Installed capacity of 100.9 MW of wind power; during 2022-23, wind farms generated 18.29 Crore kWh electricity.</li> <li>→ Installed 30.34 MWp of captive solar power capacity across various locations, taking the total to 84.36 MWp.</li> <li>→ Installed solar panels at 4064 retail outlets during the year taking solarisation at 10,475 retail outlets covering about 49% of the total retail outlets.</li> <li>→ Commencement of work for two new projects for supplying green power to our locations in Haryana (Panipat - 6 MW AC side) and Uttar Pradesh (Jhansi - 6MW AC side), which would reduce consumption of grey power and GHG emission.</li> <li>→ Provision of solar streetlights at 400 locations in Uttar Pradesh under CSR for providing benefit to public in an environment-friendly manner.</li> <li>→ Commissioned roof top solar panel of capacity 700 KW at Mumbai Refinery.</li> <li>→ Signed MoUs with the Government of Andhra Pradesh and NTPC Green Energy Ltd for collaboration in the renewable energy sector, paving the way for sizeable investments in Andhra Pradesh with a focus on solar and hybrid RE projects.</li> </ul>
Green Hydrogen	<ul style="list-style-type: none"> <li>→ Use of green hydrogen in operating hydro processing pilot plants and batch reactors at HPGRDC.</li> <li>→ Production of green hydrogen at Visakh Refinery. We were the first OMC to place an order for electrolyser to produce green hydrogen. A 2.6 MW electrolyser will be installed in Visakh Refinery to produce 370 TPA of green hydrogen.</li> </ul>
Energy Efficiency	<ul style="list-style-type: none"> <li>→ Refer to section on Energy Conservation initiatives at HPCL in this report for more details.</li> </ul>
Green Belt Development	<ul style="list-style-type: none"> <li>→ We have a green cover of over 1,450 acre inside our premises as on March 31, 2023. We focus on planting tree species, which are native to the location, have low water requirement and offer high carbon sequestration and encourage usage of Miyawaki technique for achieving faster sequestrations.</li> </ul>
Logistics	<ul style="list-style-type: none"> <li>→ Dependence on road transport for evacuation of products has been reduced drastically, major volume of the petroleum products from the refineries are being evacuated through pipelines. This is resulting in considerable reduction in GHG emissions.</li> <li>→ During 2022-23, HPCL commissioned 697 km long VDPL (Vijayawada-Dharmapuri pipeline along with a major greenfield terminal at Dharmapuri and 650 km long HCPL (Hassan-Cherlapalli LPG pipeline) taking the total pipeline network to 5,132 km.</li> <li>→ We recorded our highest ever pipeline throughput of 23.25 MMT against previous years throughput of 19.91 MMT, thus registering a YoY growth of 16.8%.</li> <li>→ Use of best-in-class optimisation tools to plan and optimise the sourcing, transportation linkages and long-term infrastructure needs.</li> <li>→ Use of dedicated rakes for LPG transportation service.</li> </ul>

## Air Quality/Air Emissions

Our Refineries continue to focus on environmental protection. Both the refineries have implemented internationally accepted Environmental Management Systems based on ISO-14001 Standards. Best practices, such as volatile organic compound (VOC) emission monitoring and leak detection and repair (LDAR) programme, have been adopted for monitoring and controlling fugitive emissions. Gaseous emissions to the environment and ambient air quality are continuously monitored including real-time data transfer to regulatory agencies.

Our Mumbai Refinery has a target for maintaining NOx and SOx emission under 5.9 and 12.6 tons per day respectively; while our Visakh Refinery has a target for maintaining NOx and SOx emissions under 6.5 and 11.5 tons per day respectively.

Actions ensured to comply with the air emission (NOx and SOx) limits at Refineries:

- Furnaces and boilers are provided with low NOx burners.
- Sulphur Recovery Units (SRUs) are provided to remove H<sub>2</sub>S from off gases of product treatment (desulfurisation) units. All these units have Tail Gas Treatment facilities towards maximizing the efficiency of Sulfur recovery.
- Amine absorption units are provided towards desulfurisation of fuel gas before using as fuel in furnaces / boilers.
- Only low Sulphur fuel oil and sweet refinery fuel gas are used as fuels in furnaces and boilers.
- Maximizing of RLNG in furnace firing (at Mumbai Refinery).
- Flue Gas Desulphurisation units are installed in FCCUs for removal of SOx and SPM from FCC regenerator flue gases.
- All the furnaces and boiler stacks are provided with on - line analysers for continuous monitoring of NOx, SOx, CO and SPM parameters and immediate corrective action is taken in case of any deviation observed from the stipulated emission limits.

## Pollution Control Measures

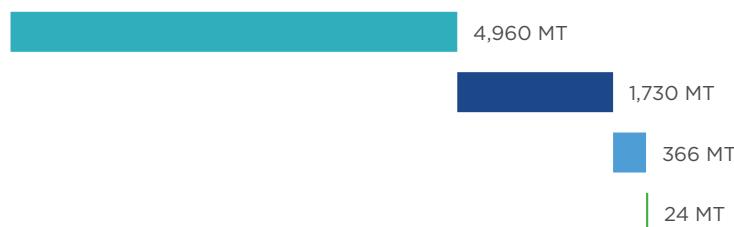
### Mumbai Refinery

- Ensured compliance in parameters on stack emission, hazardous waste disposal and effluent generation as per consent conditions.
- Low sulphur fuel gas and fuel oil is fired to minimise stack emission. Low Nox burners are used in refinery heaters.
- All hydrocarbon samplings are done in a closed loop system.
- Effluent Treatment Plant has VOC capture and treatment system for preventing air emissions.
- Petroleum storage tanks are complying to roof requirements as stated in MoEF&CC G.S.R. 186(E) dated March 18, 2008, for minimising air emissions.
- Hydrocarbon flare is connected to recovery gas compressors for maximising recovery of vent gases. Smokeless flare is deployed.
- Leak detection & repair (LDAR) survey is carried out on quarterly basis for early identification of fugitive emissions, for minimising fugitive emissions.
- Automated sweeper vacuum trucks are used for removal of road dust to minimise particulate matter emissions.
- Mumbai Refinery is a member of Tier-I OSR facility kept deployed under the supervision of Bombay Port Trust (BPT) for handling any major accidental oil spills, along with nearby industries.

### Visakh Refinery

- Ensured all measures to meet compliance levels of ambient air quality, stack emissions, hazardous waste and effluent treatment.
- Obtained consent for operation for Visakh Refinery Modernisation Project (VRMP) from APPCB
- Obtained renewed consent for operation of Single Point Mooring (SPM) facility from APPCB.
- Obtained vetting of Indian Coast Guard for Oil Spill Contingency Plan for SPM facility.

## Air Emissions for Refineries in 2022-23\*



- SOx
- NOx
- Particulate matter (PM)
- Volatile organic compounds (VOC)

\*Measured Values

## Biodiversity

We are committed to conserving biodiversity and habitats in the places of our operations. We consider biodiversity protection in our decision making and management from the earliest stages of project initiation, execution, operations and closure at our location.

Biodiversity is the variability among living organisms. It includes diversity within species, between species and of ecosystems. Biodiversity not only has intrinsic value, but is also vital to human health, food security, economic prosperity and mitigation of climate change and adaptation to its impacts. Further, growing Regulatory, Stakeholder concerns on environment and ecological balance (Flora and Fauna) have necessitated addressing the biodiversity requirements.

Since our locations are restricted to access by general public and are controlled areas, they provide excellent avenues for growth and sustenance of local species of flora and fauna, both of which are nurtured at our locations.

Many of our locations have excellent green belt cover with preserved land topography that nurtures the local species of flora and fauna. They have excellent variety of herbal plants, fruit bearing trees and green belt which is maintained regularly and is frequented by many species of local and migratory birds, insect and butterflies.

At HPCL, land identification and assessment is undertaken upon approval of the Detailed Feasibility Report (DFR). The assessment criteria includes environmental and safety considerations to evaluate the land feasibility on proximity to populated areas, environmental impact assessment, requirements of green buffer to meet Pollution Control Board (PCB) requirements, non-violation of Coastal Regulation Zone (CRZ) Regulations, selection based on soil conditions, avoiding land parcels containing large number of trees requiring permission from forest authorities, avoiding plots adjacent to reserve forests among others.

After the selection process, in-principle approval from statutory authorities is obtained. After internal technical approvals and cost approvals, land acquisition proceedings are undertaken through a structured process. Based on the desired layout and product handling configurations, HARA/HAZOP/remote sensing survey study and an EIA are conducted. This report is submitted to State Pollution Control Boards, State Level Environment Impact Assessment Authority, Factories Inspectorate, Fire services department for seeking approvals.

Pre-construction activities are also carried out, including site topographical and contour surveys, soil investigations, pre-project approvals from concerned departments viz. factory inspectorate, PESO, PCB/SLEIAA/DM NOC. Final project cost estimates and return calculations are carried out before preparing Detailed Feasibility Report (DFR).

All statutory and legal compliances as well as higher level industry compliance requirements, like OISD, are identified for developing and implementing action items on the compliances. Public Consultation is carried out as per applicable terms of reference.

Health, Safety and Environment Management plans are also developed concentrating on waste generation, disposal by the contractors carrying out the jobs.



► Going Green - Promoting Biodiversity

The study of presence of IUCN Red List species and national conservation list species with habitats in areas affected by the project are generally undertaken during the EIA of projects. The EIA/SLEIAA/PCBs terms of references to environmental parameters are thoroughly reviewed and implemented.

To maintain biodiversity, our locations undertake several initiatives like:

- Developing, maintaining and enhancing green belt coverages
- Periodically reviewing and monitoring biodiversity footprints at locations through audits
- Preserving local biodiversity flora, fauna to maintain ecological balance
- Creating awareness amongst employees and stakeholders on importance and preservation of biodiversity

As a part of the disclosure requirements of the Business Responsibility and Sustainability Report (BRSR) and the criteria given therein, our Kandla Terminal Kozhikode IRD, Chennai New Terminal fall under the requirements of the CRZ, have valid approvals and comply to the conditions of environmental approval/clearance. In respect of these

locations, the following typical conditions, inter alia, are adhered to:

- Compliance to the specific conditions mentioned in the environmental clearance and CRZ approvals from MoEFCC.
- Norms of Oil Industry Safety Directorate (OISD) are followed in respect of storage and transport of petroleum products.
- Construction of structures are undertaken as per plans approved by concerned local authorities while meticulously confirming to existing applicable local and central rules and regulations.
- Monitoring of volatile organic compounds is carried out regularly.
- In case of pipeline passing, necessary signage is installed in English and regional languages.
- Disaster management plan is prepared and complied with and oil spill contingency plan is put in place.
- Wastewater generated is properly treated and reused with provision of oil water separator system.
- Oily waste is stored in dedicated storage area and disposed to authorised recyclers.



## Research & Development

Research and development (R&D) is a key opportunity area to support energy transition through innovation, research, indigenisation, cost optimisation and revenue generation improving self-reliance.

Our approach to capitalise on this opportunity area includes developing innovative products, solutions and technologies to bring value to stakeholders, developing knowledge base and conducting industry-relevant research, develop safe and green solutions to protect the environment and growing organically in all verticals relevant to energy, chemicals, petrochemicals through internal capacities and collaboration, among others.

We focus on R&D to create an enduring advantage for our business. Hindustan Petroleum Green R&D Centre (HPGRDC) has been set up with the objective of providing advanced technological support to marketing SBUs and refineries. It aims to provide operational excellence, develop and adopt innovative, path-breaking technologies and become a knowledge hub.

We continue to look beyond traditional products and foray into various niche and specialty product segments. The key strengths of HPGRDC in developing high-quality products are being leveraged in this direction.

The research centre is provided with state-of-the-art infrastructure facilities, comprising energy-efficient green buildings with a built-up area of about 6 lakh square feet (sq. ft) on a sprawling campus of 170 acres. With the commissioning of seven labs in Phase 2, the state-of-the-art HPGRDC has 14 labs in various areas.



► HPGRDC - making energy and chemicals accessible to everyone through innovation

**Core Purpose of HPGRDC is to make energy and chemicals accessible to everyone through innovation.**

### HPGRDC Vision

- Is an energy research centre par excellence, pioneering innovative & sustainable technologies and products, globally.
- Delights its customers by providing innovative, cost effective and timely solutions and meets the expectations of stakeholders.
- Nurtures innovation and provides challenging work environment for sustained employee engagement.
- Fosters fairness, frankness, trust, transparency and safety as its core value.

### Research Approach and Thrust Areas

- Indigenisation of refinery technologies
- Indigenisation of chemicals, additives, catalysts
- Valorisation of low value refinery streams
- Specialty lubes/additives/products
- Process intensification
- Novel separations
- Petrochemicals and polymers
- Renewable energy (Biofuels, solar)
- Battery and energy storage devices

HPCL Green R&D Centre is an Indian Green Building Council (IGBC) Platinum-rated facility. During November 2022, the administration Block of the R&D Centre facility which is approx. 60,000 sq. ft. with a designed load of 200 KW has been awarded with Net Zero Energy Rating, which showcases our R&D's continuous efforts towards sustainable R&D.

IGBC recognises and awards green ratings basis the sustained performance in terms of implementation of green features, eco-friendly technologies and renewable energies. The net-zero energy rating is issued to facilities that utilise renewable energy sources for their entire power requirement.



At HPGRDC, power for the administration block is being supplied from the solar PV plants installed at the centre. Also, the green features incorporated in the building include:

- Energy-efficient glazing, external facade that curtails heat but harvests natural light and provides connection to the outdoors.
- Natural daylighting and efficient lighting: Energy-saving measures like occupancy sensors in cabins, motion sensors in corridors and building orientation (East & West for natural lighting).
- Efficient HVAC Systems: Variable Air Volume (VAV) is installed to ensure proper air flow, reduced CO<sub>2</sub> emission, heat island reduction.
- Sustainable materials: Wood, stone, natural fibre and recycled materials to minimise the impact of the building on environment.
- High efficiency lighting systems, IBMS and other measures to reduce overall energy use.
- Use of green chemistry in research and various green materials with minimal life-cycle environmental impact to reduce virgin material exploitation.



## Doing Business Responsibly

In line with the Make in India initiative, HPGRDC has completed many projects for indigenisation of products and processes and implemented in Refineries.

### Green Initiatives at HPGRDC

- Green hydrogen is produced using solar power.
- PEM Water electrolysis: Water is electrochemically split into hydrogen and oxygen.
- Biogas (green methane) generated from biomass and canteen waste is used in canteen. It is also utilised for research activities.
- Four vermicomposting pits contribute sufficient manure every 90 days for R&D horticulture needs. Australian breed red wiggler earthworms are used in vermi-composting pits.
- Treated municipal sewage water is used in the campus.
- HPGRDC has butterfly park, petal garden and nursery.

### R&D Highlights

- Developed/launched 33 new products / technologies.
- Filed 90 patents during 2022-23, taking the cumulative Indian and international patent applications to 443.
- During the year, 36 patents were granted to HPGRDC, taking the cumulative patents granted to 160 as of March 31, 2023.
- Towards acquiring advanced scientific knowledge, increased resources, innovation and collaborative agreements were signed with various organisations/institutions during the year. These shall result in the development, commercialisation and licensing of various technologies and products.

33

New products launched

90

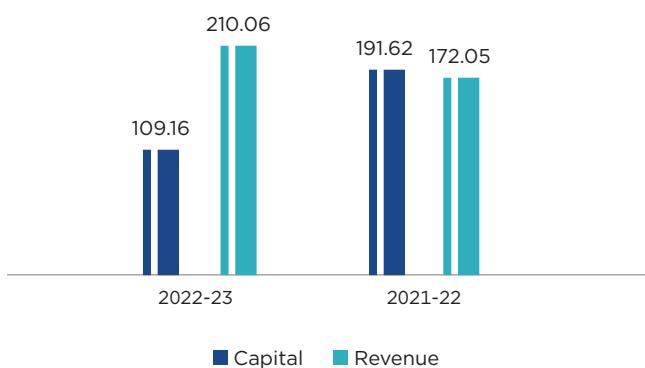
Patents filed

36

Patents granted

We have also implemented various activities under the focus area of contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or public sector undertakings (PSUs) or other agency of the Central Government or State Government, and made contributions to public-funded Universities.

### Expenditure Incurred On R&D (₹ Crore)



The above investments, by way of expenditure, have been carried out towards new product formulations, improving product efficiency, research on biofuels lowering emissions, longer life, improving processes, etc.

Some of the key green initiatives undertaken by HPGRDC are as under:

- Process for producing H<sub>2</sub> enriched CNG (H-CNG) technology without emission of CO<sub>2</sub> and requirement of any water.
- Battery and electrolyser technology (for producing green hydrogen).
- Blue H<sub>2</sub> using in-house developed process intensification concept is being scaled-up for demonstration.
- Multiple collaborations with international agencies:
  - For commercialisation and licensing of HP-HiGAS Technology.
  - Collaborations in hydrocracking, FCC, plastic material recycling, bio-oil treatment, green hydrogen and bitumen.

The R&D initiatives will help in the development of future-ready low carbon technologies aligned to our net-zero ambition and overall energy transition.

## New Products / Processes / Technologies introduced:

Technology	Details	Benefits Envisaged
HP-DAK	<ul style="list-style-type: none"> <li>→ It encompasses converting kerosene and diesel range hydrocarbon streams to low aromatic de-aromatised solvents. Feed stock light distillate (LD) is converted to HP-DAK in a fixed bed reactor and then fractionated in different grades as per market demand.</li> <li>→ In-house developed aromatics saturation catalysts are used in the process.</li> </ul>	<ul style="list-style-type: none"> <li>→ Low aromatic solvents are less toxic than aromatic solvents and can be produced from the light distillate stream of the refinery.</li> <li>→ HP-DAK products have substantially high value compared to the LDs, which are now being blended in HSD.</li> </ul>
HP FilmMax HT	<ul style="list-style-type: none"> <li>→ Accidental leaks are reduced due to less corrosion.</li> </ul>	<ul style="list-style-type: none"> <li>→ Lower corrosion rate and longer equipment lifetime.</li> </ul>
HP Thermopro W	<ul style="list-style-type: none"> <li>→ Improves the preheat temperature and reduces CO<sub>2</sub> emissions.</li> </ul>	<ul style="list-style-type: none"> <li>→ Mitigates the fouling in preheat exchangers.</li> <li>→ Cost-effective and high performance.</li> </ul>
HP Laundry Sanitiser	<ul style="list-style-type: none"> <li>→ Enhances the anti-microbial activity of the laundry.</li> </ul>	<ul style="list-style-type: none"> <li>→ Cost effective</li> </ul>
HP FurnOKare V2.0	<ul style="list-style-type: none"> <li>→ Improved cleaning of the furnace.</li> </ul>	<ul style="list-style-type: none"> <li>→ Less fuel oil consumption and less emissions.</li> </ul>
HP SolarOKare	<ul style="list-style-type: none"> <li>→ Enhances the solar power output with higher antimicrobial property and less corrosive behaviour.</li> </ul>	<ul style="list-style-type: none"> <li>→ Cost-effective and highly efficient towards hard dust deposits.</li> </ul>
HP Shine Pro	<ul style="list-style-type: none"> <li>→ New greener formulation to achieve premium, high gloss, high solvency paint thinners.</li> </ul>	<ul style="list-style-type: none"> <li>→ High gloss premium finish at a significantly cheaper cost.</li> <li>→ Improved solvency reduces VOCs.</li> </ul>
Power 95	<ul style="list-style-type: none"> <li>→ Reduces gasoline consumption, engine deposits, NOx, particulate matter and HC emissions.</li> </ul>	<ul style="list-style-type: none"> <li>→ Improved fuel economy</li> <li>→ Faster acceleration</li> <li>→ Cleaner engine, lower maintenance and improved overall engine health</li> </ul>
HP PPD ULSD	<ul style="list-style-type: none"> <li>→ Refiners meet diesel fuel cold flow specifications without adding kerosene</li> </ul>	<ul style="list-style-type: none"> <li>→ Improves the low temperature operability just by changing physical properties of the fuel</li> <li>→ Cost-effective and self-reliant</li> </ul>
HP Frost-free	<ul style="list-style-type: none"> <li>→ Non-hazardous, non-corrosive formulation for frost removal from vehicle windshields in cold climate zones</li> </ul>	<ul style="list-style-type: none"> <li>→ Provides hassle-free driving experience in cold climate zones.</li> <li>→ Easy-to-use formulation</li> </ul>
HP Frost-shield	<ul style="list-style-type: none"> <li>→ Non-hazardous, non-corrosive formulation for preventing frost build-up on vehicle windshields in cold climate zones</li> </ul>	<ul style="list-style-type: none"> <li>→ Provides hassle-free vehicle maintenance experience for customers in cold climate zones</li> </ul>
HP-EGIN (Ethanol Gasohol Inhibitor)	<ul style="list-style-type: none"> <li>→ A corrosion inhibitor for mitigating corrosion in storage, blending, handling and transportation of neat ethanol and gasohol.</li> <li>→ The product is a mixture of additives in solvents formulated considering performance of inhibitor on steel corrosion and shall qualify minimum B+ rating as per NACE 01-72 standard.</li> <li>→ The product is stable from -4 to 50 deg. C and compatible to various metallurgies such as Steel, SS and brass which means it can be handled and employed in different geographies.</li> <li>→ It was bench marked for commercially available inhibitor at same dosage rate with a marginal cost reduction.</li> </ul>	<ul style="list-style-type: none"> <li>→ This product will enable corrosion prevention of assets handling ethanol and gasohol in the supply chain wherein predicted ethanol demand will significantly ramp up with changing policies.</li> </ul>

Technology	Details	Benefits Envisaged
HP - BCA	<ul style="list-style-type: none"> <li>→ Bottom cracking additive to reduce FCC CLO yield.</li> <li>→ Designed based on fine tuning acidity, accessibility and attrition of the raw materials.</li> <li>→ The developed additive is scaled up and demonstrated at Vizag Refinery-FCC unit.</li> <li>→ HP-BCA has improved 0.6% bottoms conversions when compared to base case and its activity is better than benchmark additives.</li> </ul>	<ul style="list-style-type: none"> <li>→ Indigenous alternative to imports, self-reliant and contributes to GOI initiatives like Atmanirbhar Bharat and Make in India.</li> <li>→ Due to improved feed VGO conversion and enhanced bottoms conversion, significant amount of CO<sub>2</sub> emissions could be minimised.</li> <li>→ Based on the yield patterns and fuel oil production, HP-BCA reduces CO<sub>2</sub> emissions by 40,000 tons per annum for 1 MMPTA FCC unit.</li> </ul>

## Low-carbon Technologies

We have developed our own renewable based technology (HP-Trijet) to produce SAF and green diesel (GD) from used cooking oil (UCO), which can reduce the anthropogenic CO<sub>2</sub> emissions. HP Trijet technology is a unique process, which involves a single step to convert used cooking oil to sustainable aviation fuel and green diesel. At different process conditions, the current technology can yield 40% of sustainable aviation fuel or 85% of green diesel. Technology also produces propane as a valuable by-product. This technology meets the key objective of PCRA about substitution of petroleum products with alternate and renewable fuels. One of the salient features of HP Trijet process is that this technology is suitable for placing modular plants at various locations instead of collecting the UCO and transporting to centralised location. At present, the technology is tested at pilot scale and BDEP studies are completed for setting up of demonstration plant of 7.4 KTPA. Conversion of 1 ton of UCO to fuels reduces 3.6 tons of CO<sub>2</sub> emission in atmosphere. In HP Trijet technology, 7.4 KTPA of feed is being converted to renewable fuels which can reduce approximately 26 KT of CO<sub>2</sub> emissions.

## Carbon-capture Technologies

HP-HiGAS is a cutting-edge process intensification technology developed by HPGRDC for gas treatment applications and has huge potential in the areas of carbon capture, natural gas sweetening, refinery gases treatment, marine scrubbers. The technology leads to significant equipment size reduction over conventional columns, along with other benefits such as low capital cost and improved safety. The first-of-its kind demonstration HP-HiGAS unit was set up at our Visakh refinery for removal of H<sub>2</sub>S from refinery fuel gas, which has achieved 10 times size reduction vis-à-vis conventional column. As part of its continuous technology efforts, HPGRDC is currently setting a 24 KTPA

demonstration HP-HiGAS unit for CO<sub>2</sub> capture from HGU process streams at HPCL-Visakh Refinery.

HPGRDC has signed technology partnership agreement with M/s Kellogg Brown & Roots LLC, USA, for global marketing and licensing of HP-HiGAS technology, which has huge potential for application in carbon capture (post combustion applications).

## Carbon Utilisation Technologies

HPGRDC is working on the development of CO<sub>2</sub> to methanol process for abating the Scope 1 emissions from the refinery. CO<sub>2</sub> will be hydrogenated to value added chemical such as methanol. Process development using the in-house developed catalyst is in progress to put up the demo plant at our Vizag Refinery.

## Technologies for IC Engines to Run with Additised CNG/HCNG

Additised gaseous fuels: Use of CNG reduces carbon emissions substantially compared to gasoline. However, CNG imposes certain inherent issues like lower engine-efficiency. Hence, additised gaseous fuels, where fuel additives are doped to CNG to enhance its combustion performance, is being developed.

Hydrogen IC engine: Hydrogen offers zero tailpipe carbon emissions. However, it imposes engineering difficulties for it to be used on the engine. The proposed project would aim at developing strategies to use H<sub>2</sub> in an IC engine in a safe and efficient manner. These engines will completely mitigate the tailpipe GHG emissions.

Improvements on fuel additives for gasoline, diesel, CNG will enable reduced fuel consumption/tail pipe emission from automobiles and directly benefit on GHG emission reduction.

## Biomass Pyrolysis to Transportation Fuels

Biomass is considered a renewable source of carbon and therefore, it is seen as a potential replacement for petroleum crude oil. Biomass can be converted into a liquid called bio-oil through pyrolysis, which can be further upgraded to renewable drop-in fuels in gasoline and diesel range. India produces around 250 MT of surplus biomass residue annually; this can potentially be converted into 30-50 MT of renewable transportation fuels. We are currently working on developing a technology for converting biomass residue into drop-in fuels. Once developed, the technology will be demonstrated through a tonnage level demo unit. This technology will help reduce India's dependency on imported crude oil.

H-CNG (hydrogen compressed natural gas): H-CNG, by definition is, a mixture of 15-20 volume % (4-9% energy content by H<sub>2</sub>) of H<sub>2</sub> in compressed natural gas which can be used as fuel instead of compressed natural gas. H-CNG has proven advantages of low emissions compared to CNG and higher engine efficiency. This process can use natural gas as well as renewable biogas as feed to produce hydrogen enriched CNG and carbon nanotubes.

HP-HCNG technology has no processed carbon-dioxide emissions. However, its competitive technology—steam methane reforming—produces 10 kg carbon dioxide per Kg of hydrogen gas produced.

## Technology Absorption, Adaptation and Innovation

Efforts made towards technology absorption, adaptation & innovation aimed at product and reliability improvement, cost reduction, product development and import substitution are as follows:

### Mumbai Refinery

- Usage of HPCL R&D developed HP DEWA Demulsifier in crude tank, resulting in settling time reduction, which has helped for sustaining crude throughput.
- Modification of continuous catalytic reforming (CCR)- Cyclemax Lock Hopper by installation of fluted pipe enabled to reduce the thermal cycling of regen burn zone temperature profile.
- Implementation of co-solvent dosing facility in all SEUs has improved the Raffinate yield.
- CCR furnace burner tips' replacement with indigenously designed burner tips helped to sustain feed rate.
- Installation of "Total Chloride analyser" in lab to analyse the total chloride in all petroleum products and crude helped to predict the asset integrity.
- HPCL R&D developed bio-nutrients "HP BioFeed" used in ETP to improve COD/BOD in sequential bio reactor.
- Deployment of online robotic sludge cleaning for improved performance of oil separators and sludge handling.
- Procurement of advance safety device which has two-way communication, live detection, person fall detection, person still detection, SOS trigger to enable faster emergency response.
- Implementation of online thermography with inbuilt wireless sensors in electrical switchgear panel providing temperatures of breaker, cable & bus-bar compartments.

### Visakh Refinery

- Installation of UPTIME package for CCR net gas compressors to monitor the performance of the compressors on a real-time basis.
- Modification of Lock Hopper Disengaging Drum vessel to avoid thermal cycling operation problem in CycleMax.
- As part of indigenisation, installation of HPCL R&D designed and licensed, Pressure Swing Absorber (PSA) PLC system in Hydrogen Generation Unit (HGU) of Diesel Hydro De-Sulphurisation (DHDS) unit.
- NIU Hydrogen purification package commissioned which removes CO/CO<sub>2</sub> in hydrogen and improves the life of the Naphtha Isomerisation catalysts.
- Additional coils were provided in convection section of DHDS furnace, which increased the heat transfer efficiency and furnace heat duty.
- A novel co-development of fresh catalyst for Fluidised Catalytic Cracking Unit - 2 (FCCU) done and implemented; this resulted in higher net-value realisation.

## Water Management

Water holds significant value for both operational and non-operational needs within HPCL. Recognising the significance of water as a life-sustaining resource and the challenges presented by its scarcity, we are consistently dedicated to the adoption of sustainable water management practices in all our operations.



Water is required in the process, cooling, firefighting preparedness and domestic consumption, and therefore, all efforts are made to see that efficient and judicious usage and management leads to resource conservation by creating the least impact.

We are continuously learning and adopting newer methods and technologies for water conservation and harvesting. Wherever water is used in the processes, which is mainly in refineries, we strive to reduce its consumption through efficiency enhancement practices.

We monitor our water footprint to strengthen our water stewardship initiatives through the use of technology and methodologies, such as water-efficient fixtures, avoiding water wastage, water reuse and recycling. For measurement, we use mechanical and electronic techniques (meters, water tank levels, etc.) and estimation methods. We accord importance to rainwater harvesting and strive to implement them in our operating locations, with the goal of expanding their reach into neighbouring communities as well.

Our refineries and major marketing locations employ ETP/STPs for recycling effluent. Our refineries have effluent treatment plants consisting of physical, chemical biological and tertiary treatment facilities. The treated effluents from ETP meet the stipulated

quality parameters set by Minimum National Standards (MINAS) and is used as make-up in cooling tower, fire water header and horticulture. Both refineries' discharges are monitored for quality parameters.

We ensure that our withdrawal does not significantly impact water sources. During the reporting period, there was no significant impact on water bodies due to discharge from our operations and no water-related incidents (operation interruptions/plant closures among others) with substantial impacts on revenues.

At Visakh Refinery, as part of the ongoing expansion project (VRMP), an Integrated ETP is installed wherein the treated effluent will be further treated in the RO DM plant and reused. The reject will be used as make-up for the seawater cooling tower.

At our Mumbai refinery, about 75% of effluent water is recycled back to process from ETP after primary, secondary and tertiary treatment. RO reject water (25%) is used as make-up water for the fire water system.

As part of augmenting green cover within premises, we focus on planting tree species, which are native to the location, have low water requirements and offer high carbon sequestration.

## Water Withdrawal by Source

Parameter	UoM	2022-23	2021-22
(i) Surface water	KL	78,736	70,324
Surface water - Freshwater	KL	26,412	26,072
Surface water - Other Water	KL	52,324	44,252
(ii) Groundwater	KL	6,23,706	6,51,063
Groundwater - Freshwater	KL	5,71,286	5,94,144
Groundwater - Other Water	KL	52,420	56,919
(iii) Third-party water	KL	1,10,68,071	1,03,68,131
Third-party water - Freshwater	KL	1,08,70,866	1,02,01,935
Third-party water - Other Water	KL	197205	166196
(iv) Seawater/desalinated water	KL	12,69,83,244	15,17,41,608
Seawater - Freshwater	KL	NA	NA
Seawater - Other Water	KL	12,69,83,244	15,17,41,608
Total volume of water withdrawal (In kilolitres) (i + ii + iii + iv + v)	KL	138,753,757	162,831,126
Total volume of water consumption (In kilolitres)	KL	11,839,533	15,898,895
Water intensity per rupee of turnover (Water consumed/turnover)	KL/₹ Crore	25.48	42.67
Water intensity per unit Refinery Throughput *	KL/MT Refinery Throughput	0.62	1.14

\*Water consumption at our refineries constitutes about 87.5% of total water consumption in our refining and marketing operations.

## Water Discharge by Destination

Destination	UoM	2022-23
Seawater - Other Water	KL	126,847,780
Sent to third parties - Other Water	KL	4,038
Others - Other Water	KL	62,406
Total water discharged	KL	126,914,224

## Water Withdrawal, Consumption and Discharge in Areas of Water Stress

While the major portion of our water consumption (about 87%) is attributable to our coastal refineries, As of March 31, 2023, 24 marketing locations can be classified under water-stressed areas as per the Central Ground Water Board (CGWB)'s block-wise Ground Water Resources Assessment 2022 recommended in the SEBI BRSR Questionnaire Guidance Document. We have also mapped the location of our Refineries using the World Resources Institute's Aqueduct Water Risk Atlas. Our Mumbai refinery is in a low-medium water-stressed area, whereas our Visakh Refinery is in a low water-stressed area.

The aggregated volumes of water withdrawal, discharge and consumption at our sites in water-stressed areas, as per Central Ground Water Board (CGWB)'s block-wise Ground Water Resources Assessment 2022, have been provided in the table below. The water consumption at these locations accounts for about 1.7% of our total water consumption.

Business Unit	Name of the Area
Aviation Service Facilities	Delhi, Bhuj, Jaipur
CGD Facility	Ahmedabad
LPG Plants	Ajmer, Jind, Jodhpur, Kota, Loni
Lube Plants	Chennai
Pipeline Stations	Ajmer, Awa, Bachau, Jaipur, Pindwara, Salawas
POL Depots/ Terminals	Ajmer, Bharatpur, Cassimode, Chennai, Indore, Jaipur, Jalandhar, Jodhpur

**Nature of operations:** Receipt, Storage, Dispatch of Petroleum Products; Receipt, Storage, Blending and Dispatch of Lubricants

### Water Withdrawal, Consumption and Discharge in Areas of Water Stress

Parameter	UoM	2022-23	2021-22
<b>Water Withdrawal by Source</b>			
(i) Surface water	KL	0	0
(ii) Groundwater	KL	67,023	60,541
(iii) Third-party water	KL	135,603	120,824
(iv) Seawater/desalinated water	KL	0	0
(v) Others	KL	0	0
<b>Total volume of water withdrawal (in kilo litres)</b>	KL	<b>202,626</b>	<b>181,365</b>
<b>Total volume of water consumption (in kilo litres)</b>	KL	<b>202,314</b>	<b>181,293</b>
Water intensity per rupee of turnover (Water consumed/turnover)	KL/₹ Crore	0.435	0.487
<b>Water discharge by destination and level of treatment (in kilo litres)</b>			
(i) Into Surface water			
- No treatment	KL	0	0
- With treatment	KL	0	0
(ii) Into Groundwater			
- No treatment	KL	0	0
- With treatment	KL	0	0
(iii) Into Seawater			
- No treatment	KL	0	0
- With treatment	KL	0	0
(iv) Sent to Third-parties			
- No treatment	KL	0	0
- With treatment	KL	241	0
(v) Others*			
- No treatment	KL	0	0
- With treatment	KL	71	72
<b>Total water discharged (in kilo litres)</b>	KL	<b>312</b>	<b>72</b>

\*Wastewater generated is properly treated and reused with provision of oil water separator system.

#### Approach to mitigate water risk

- Identification of vulnerable locations to water stress
- Measurement and monitoring of water utilisation, feedback, corrective action
- Promoting reuse, recycling and recharging practices
- Awareness creation, capability building and stakeholder communication

#### Water Management Initiatives

- Mumbai Refinery recycled 9,75,429 KL water during the year, saving equivalent quantity of natural resources
- Our locations harvested 5,46,672 KL rainwater through more than 390 rainwater harvesting structures
- Installation of water-efficient fixtures at operating locations
- Reuse of water in processes
- Recycling of water through ETP, STPs and reusing treated water
- Enhancement of employee awareness through contact programmes, newsletters, technical bulletins

## Waste Management

We are committed to reduce the environmental impact through efficient material and waste management practices, such as identification and segregation of waste, seeking avenues for recycling and proper disposal as per applicable norms.

We continuously review our systems and processes to take stock of the waste generated and devise methods to minimise waste generation in our operations. Proper waste management is necessary to prevent untoward effects on human and animal life and the environment. As a responsible corporate, we have undertaken various applicable measures to minimise our impact on the biota.

Our operations generate both hazardous and non-hazardous waste. The hazardous waste generated in our locations and refineries are disposed through MoEF&CC/CPCB registered recyclers or reprocessors as per the statutory requirement. Systems are also in place to handle non-hazardous waste. We comply with statutory norms and regulations stated by MoEF&CC, CPCB and SPCB.

**The processes in place for other materials are as follows:**

**Plastics:** Lubricants are marketed in plastic containers and packets. A mechanism is in place to collect plastic waste from the market as part of extended producer responsibility (EPR) through tie-up with an authorised third party.

**E-waste:** We do not sell products that may lead to the generation of e-waste.

**Hazardous Waste (Used Oil):** Through the seminar 'Business Opportunities in Used Oil - Transformation by 2027', we joined hands with the Petroleum Re-Refiners Association of India (PRAI), in association with Rosefield Energy Tech during May 2022, for bringing the stakeholders comprising of policy makers, lubes manufacturers, re-refiners and subject matter experts on environmental studies and taxation to a common platform. Various senior experts presented technical research papers and industry perspectives in the used oil transformation. This collaboration with the lube eco-system of the country will help us fast-track the journey of this entire sector towards a more sustainable future through adoption of principles of circular economy.

**Other Waste (Metallic Scrap):** LPG cylinders, valve, regulator (CVR) are decommissioned as per the company procedures and treated as metallic scrap. These and other metallic scrap are disposed by selling to recyclers for recycling through MSTC.

EPR has been made applicable to the consumed lube oil plastic packages. Plastic packaging recycling and safe disposal is undertaken as per the regulations. A system is in place for collecting consumed lube oil packages' plastic waste to meet the EPR through an external agency. For petchem products, we have already applied online for registration on centralised EPR portal of CPCB as brand owner; this is under process.

During the year, there were two ongoing cases pertaining to environmental laws and regulations. The details of these cases and corrective action taken are described on page no. 184 of our Annual Report 2022-23 in the BRSR section.

This can be accessed at:

[https://hindustanpetroleum.com/documents/pdf/HPCL\\_Annual\\_Report\\_2022-23.pdf](https://hindustanpetroleum.com/documents/pdf/HPCL_Annual_Report_2022-23.pdf)

During the year, there was one incident of release of Silica Dust from a unit in Mumbai Refinery, for which an amount of ₹ 10 Lakh was recovered by the state PCB from the Bank Guarantee provided by us to them.

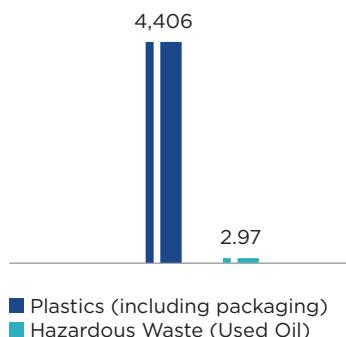
A majority share (above 90% in 2022-23) of our products are fuels that are combusted by consumers for energy. As such, these products are not reclaimable for reuse, recycling and disposal. For lube packaging, we are aligning our value chain with the upcoming EPR requirements of including recycled/reused input material.



► Industry meet on "Hazardous Waste Management" by HPCL and CHT

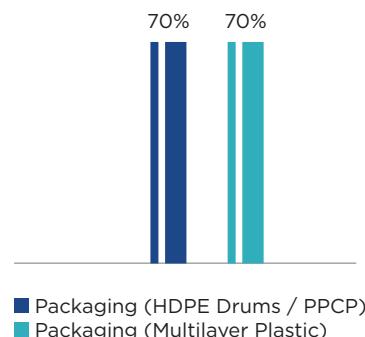
## Doing Business Responsibly

### Details of the Products and Packaging Reclaimed\* at End of Life of Products (MT)



\*Data pertains to Lubricant related products

### Reclaimed Products and Their Packaging Materials\* (as percentage of products sold) (%)



### Details Related to Waste (In Operations)

Parameter	Total Waste Generated (MT)		Waste Recycled/ Reused/ Recovered (MT)		Waste Disposed (MT)	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Plastic Waste (A)	174.0	121.4	2.5	6.1	168.5	114.3
E-Waste (B)	5.2	3.4	0.4	0.5	4.0	1.5
Bio-medical Waste (C)	0.2	0.1	0.0	0.0	0.1	0.1
Construction and Demolition Waste (D)	8,254.6	190.4	55.3	113.6	8,190.4	66.2
Battery Waste (E)	19.3	11.2	0.3	0.2	17.6	11.0
Radioactive Waste (F)	0.0	0.0	0.0	0.0	0.0	0.0
Other Hazardous Waste (Oily Sludge, Paint Sludge, Used Oil, Oily Cotton Waste) (G)	10,685.0	3,206.0	8,094.2	1,092.4	2,268.4	2,052.1
Other Non-hazardous Waste (Metal Scrap, Wood Waste, Garden Waste, Food Waste, LPG Cylinder, Valve, Regulator Scrap) (H)	22,762.6	16,861.7	16,266.9	11,587.2	6,196.0	5,191.7
<b>Total (A+B+C+D+E+F+G)</b>	<b>41,900.9</b>	<b>20,394.4</b>	<b>24,419.7</b>	<b>12,800.0</b>	<b>16,844.8</b>	<b>7,437.0</b>

Data for 2021-22 is being restated due to recalculation.

### Waste Management Initiatives, Circularity Initiatives

#### Mumbai Refinery

- Ensured compliance in pollution parameters on stack emission, hazardous waste disposal and effluent generation as per consent conditions
- Disposed of 1,361 MT of hazardous waste to authorised recyclers and waste management facility
- Completed Bio-remediation of 2,500 m<sup>3</sup> of oily waste sludge

#### Visakh Refinery

- Ensured all measures to meet 100% compliance levels of ambient air quality, stack emissions and effluent treatment
- Bio-remediation of 445 m<sup>3</sup> of low oily sludge was undertaken
- Disposed 318.7 MT of hazardous waste materials
- As part of improving Bioreactor performance, trials with HPCL R&D developed bacteria HP Bioactiva started in ETP-1

## Marketing

- Disposal of waste generated through SPCB-authorised common hazardous waste treatment, storage and disposal facility (CHWTSDF)
- Deployment of composting pits and organic waste converter machines at various locations to convert organic waste to manure
- Treatment of effluent and sewage through ETPs and STPs at our locations
- Reuse of scrap material
- Use of polybags for packed bitumen: Conceptualisation and designing of polybags with special features for filling bitumen is a cost-effective, environment-friendly, convenient handling and logistics alternative to the traditional packing in MS drums, bulk packages. This initiative aims to facilitate improved logistics in packaging and transportation of bitumen and disposal of the polybags after use. The innovative packaging dissolves into the bitumen on heating, thereby eliminating the need of drums requiring cutting and disposal after usage. This results in elimination of plastic waste and material conservation due to zero wastage.
- Pilot Project for Recycled Plastic Tiles: Recycled plastic tiles can prove to be a cost-effective, smart and advanced alternative to the traditional concrete paver blocks. These tiles were made out of 100% recycled plastic waste having superior properties to be used in various applications. This initiative aims at a solution to tackle plastic pollution.
- Use of Plastic Waste with Bitumen: Plastic waste acts as a good binder of bitumen for road construction. This initiative can help meet EPR obligations by claiming plastic credits and provide solution to plastic pollution.
- Launch of HP Enklo 68 Green: A new formulation in the range of our flagship hydraulic oils, using 30% of re-refined base oils, meeting the IS:10522 standards. This promotes circular economy.



# A Workplace that Inspires Growth

## People Management

As a socially responsible organisation, we believe in creating a workplace that fosters inclusivity and innovation. We deeply care about the growth of our employees and constantly try to provide them with the resources needed to help them achieve their full potential.

We place a strong focus on effective human capital management to ensure long-term success in a rapidly evolving business landscape. The entire spectrum of human capital management, including talent acquisition and retention, employee development and growth, promotion of productivity and performance, succession planning, leadership development, and more, are being managed with our guiding principle of 'enabling people performance'.

We have embraced the principles of DEI (Diversity, Equity, and Inclusion) to foster innovation, engage employees, attract top talent, enhance reputation and meet legal and societal expectations. These principles and practices make us more dynamic, resilient and better equipped to navigate the challenges of a diverse and rapidly changing world.

Our strong brand presence and resonance across India's top institutions in different domains help us attract quality talent. We adopt a fair, objective, structured and reliable recruitment process that helps identify and attract talented individuals with a passion to excel. Recruitment generally happens at the entry-level. However, recruitment at the Middle Management and Senior Management levels is done from external sources as per the Corporation's requirement. These recruitments are restricted to positions requiring specialised skills. HPCL recruits 100% of candidates from the local community (Local Community means India).

A focus on encouraging and achieving diversity in our recruitment processes helps us acquire talent from different backgrounds, gender, caste, and origin, among others. We adhere to the Presidential Directives along with guidelines issued by the Government of India for reservation in services of persons falling under the category of SCs/STs/ OBCs/PwD/EWS.

We work with a vast network of vendors, including contractors, supplying agencies and suppliers of materials, equipment and products. The contract workforce is engaged through contractors for non-core activities at our locations. HPCL has a mechanism in place for implementation of statutory compliance verification through periodical audits, inspections, site visits at different levels of hierarchies both internally and through external agencies, grievance redressal mechanisms, portals, meetings, induction programmes, consents to terms and conditions of tenders and orders containing the above conditions by the vendors/suppliers, etc.

We lay great emphasis on continually engaging, enabling and empowering our stakeholders through a variety of interventions. We are committed to taking proactive steps for the contract workforce and ensuring they are covered under the various social benefit schemes. We expect our business partners and contractors to treat their employees with dignity and respect their human rights to uphold the spirit of the Constitution of India and other international standards.

We continue to provide greater flexibility, personalised approaches and optimum working conditions to build a stimulating work environment. Our workforce has an ideal mix of experience, youthful energy, and an innovative mindset having multiple perspectives. This work culture has resulted in the development of committed, dedicated and competent employees who serve as the organisation's backbone. By committing to a fair, transparent and inclusive work culture, we create a safe, smart and sustainable environment for our employees and leverage technology and simplify policies and processes for improving their experiences.

Our focus on people-orientation and enablement has borne fruit in creating a pool of about 8,500 committed, dedicated and competent employees who are the backbone of the organisation.



► "Company of the Year" - "Excellence in Human Resource Management" Award 2022 by FIPI

## Workforce Matrix for Employees and Workers

Particulars	Total	Male		Female	
		No.	%	No.	%
<b>Employees</b>					
Permanent	5,818	5,103	87.71	715	12.29
Other than permanent*	147	79	54.00	68	46.00
<b>Total employees</b>	<b>5,965</b>	<b>5,182</b>	<b>86.87</b>	<b>783</b>	<b>13.13</b>
<b>Workers</b>					
Permanent	2,686	2,518	93.75	168	6.25
Other than permanent	38,848	37,947	97.80	901	2.20
<b>Total workers</b>	<b>41,534</b>	<b>40,465</b>	<b>97.42</b>	<b>1,069</b>	<b>2.57</b>

As on March 31, 2023

\* Fixed-term research associates and project associates at HP Green R&D Centre

There has not been a significant fluctuation in number of contractual workers from 2022-23 vis-à-vis 2021-22 on account of various undergoing expansion projects.

## Differently-abled Employees and Workers

Particulars	Total	Male		Female	
		No.	%	No.	%
Differently-abled Employees - Permanent	97	86	88.6	11	11.34
Differently-abled Workers - Permanent	49	46	93.88	3	6.12

As on March 31, 2023

## Manpower and Work Environment

### Workforce Gender Diversity

Diversity Indicator	% Share*
Share of women in total workforce (as % of total workforce)	10.38%
Share of women in all management positions, including junior, middle and top management (as % of total management positions)	12.29%
Share of women in junior management positions, i.e. first level of management (as % of total junior management positions)	16.09%
Share of women in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as % of total top management positions)	2.6%
Share of women in management positions in revenue-generating functions (e.g. sales) as % of all such managers (i.e. excluding support functions such as HR, IT, Legal, etc.)	9.7%
Share of women in STEM-related positions (as % of total STEM positions) (S-science, T-technology, E-engineering, M - mathematics)	9.7%

\* (As on March 31, 2023)

### Employee Turnover Statistics

#### Total Employee Turnover (Numbers)

Employee Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management	-	-	30	29	1
Middle Management	-	17	97	104	10
Junior Management	115	44	35	164	30
Non-Management	28	5	407	420	20
Total	<b>143</b>	<b>66</b>	<b>569</b>	<b>717</b>	<b>61</b>

#### Total Turnover Rate\*

Employee Category	Male	Female	Total
Permanent Employees	5.72%	5.65%	5.71%
Permanent Workers	15.62%	11.30%	15.35%
Total	<b>9.10%</b>	<b>6.76%</b>	<b>8.86%</b>

\* Total Employee Turnover includes employees leaving the organisation voluntarily or due to dismissal, termination, retirement or death in service.

#### Voluntary Employee Turnover (Numbers)

Employee Category	<30 years	30-50 years	>50 years	Male	Female
Senior Management			1		1
Middle Management		16	12	22	6
Junior Management	113	41	3	128	29
Non-Management	26	4	25	54	1
Total	<b>139</b>	<b>61</b>	<b>41</b>	<b>204</b>	<b>37</b>

#### Voluntary Turnover Rate\*

Employee Category	Male	Female	Total
Permanent Employees	2.89%	4.96%	3.14%
Permanent Workers	2.01%	0.56%	1.92%
Total	<b>2.59%</b>	<b>4.10%</b>	<b>2.74%</b>

\* Voluntary Employee Turnover includes employees leaving the organisation voluntarily i.e. early retiring, resigning employees.

As per the Guidance note for Business Responsibility & Sustainability Reporting format, the turnover rates for 2022-23 for the particular category are calculated basis the following formula:

- (No. of persons who have left the employment of the entity in the fiscal year \*100) / Average no. of persons employed in the category
- Average number of persons employed in a category are calculated as (Persons employed in the category at the beginning of fiscal year + Persons employed in the category at the end of fiscal year) / 2.

## Compensation

All of our permanent employees are provided with compensation and benefits, which include inter alia: work-related reimbursements and location-based allowances, transfer benefits, leave policies (EL, CL, LHP, SSL, study leave, maternity, adoption, paternity, surrogacy, child care, CDO, SCDO, festival holidays, special leaves) and other employee benefits like health and welfare measures, promotions, idea sharing, performance appraisal, separation and post-retirement benefits, health insurance, and accident insurance coverage.

All our employees and workers are paid more than minimum wages prescribed as per national regulations.

## Return to Work and Retention Rates of Permanent Employees and Workers that took Parental Leave

Gender	Permanent Employees	
	Return to Work Rate	Retention Rate
Male	100.00%	100.00%
Female	100.00%	95%
<b>Total</b>	<b>100.00%</b>	<b>98%</b>

During the year, none of the permanent workers availed parental leave

## Performance Management, Career Growth, Progression

We have a robust performance management system for objective assessment, career progression and development of individuals based on the Balanced Score Card Methodology. The performance management system helps employees effectively work towards aligned organizational goals while adhering to HPCL's code of conduct and CDA rules. We have established a culture in which individuals and groups take responsibility for the continuous improvement of business processes and of their own skills and contributions. Towards achieving this aim, we have implemented strong internal processes for managing the performance and aspirations of our employees. The clarity in the process flow, periodic review and feedback have enabled a transparent and strong performance management system.

Aspirations for career and growth of our employees are monitored and managed through an annual performance review and appraisal system wherein timely performance evaluations and appraisals are provided by a feedback mechanism through an online system comprising of goals and target setting aligned with corporate objectives and periodical yearly reviews.

During 2022-23, all our permanent management and non-management employees have undergone performance and career development reviews.

**100%**

Permanent management and non-management employees have undergone performance and career development reviews

## Reward and Recognition

Our reward and recognition schemes are aimed at enhancing employee engagement and creating a more positive overall workplace, leading to many benefits for the Company, including increased productivity and retention.

Award	Details
HPCL ICON-People Manager Award	<ul style="list-style-type: none"><li>→ Instituted to recognise the leaders who take responsibility for finding potential in people and have the courage to develop that potential</li><li>→ During 2022-23, 36 leaders were recognised as HP ICON-2022</li></ul>
HP Outstanding Achievers Recognition	<ul style="list-style-type: none"><li>→ Instituted to recognise outstanding achievements of officers in the Junior Management category.</li><li>→ Intended to identify and recognise officers who have lived and displayed HP FIRST values, displayed extraordinary commitment, delivered extraordinary performance and achieved outstanding results during a particular year, in line with the corporation's business interests.</li><li>→ Themes - Cost Leadership, Business development/Revenue Maximisation, Differentiated products and services, Reliability of Operations and Services, Project Management and Infrastructure Development, Technology &amp; Innovation, Improving Internal processes, Safety &amp; ESG (Environment, Social, and Governance), Leadership.</li></ul>
HP Gaurav Awards	<ul style="list-style-type: none"><li>→ To recognise outstanding efforts, sustained excellence in work, commitment, adherence to safety measures and adherence to high standards of conduct in the discharge of duties amongst the non-executive category of employees.</li><li>→ During 2022-23, 78 employees were felicitated with the HP Gaurav Award.</li></ul>

## Leading Lights

This is our quarterly magazine for appreciating employees who demonstrate key enabling behaviours that represent role-based behavioural competencies in its true spirit. The magazine also includes a special section on innovation, with an emphasis on any innovative approach taken or changes made towards delivering an impact on the role.

During 2022-23, a pilot of this initiative was carried out for Retail SBU covering six roles. Appreciation parameters specific to each role were developed and assigned with weightages for assessments, basis which 22 final awardees were recognised in the magazine.

## Nurturing Talent

We have taken several initiatives to acquire and retain top talent, while contributing towards nation building through effective implementation of various socio-economic development programmes.

Our employees drive progress, and we work incessantly to attract, motivate, develop and retain the best talent in the industry. Our decades of experience in manpower management has guided us through to serve the evolving landscape with the talent required to sustain and flourish our business using our recruitment and capability building interventions.

### Samavesh

We understand the anxieties, challenges and hurdles individuals face when joining a new organisation. Samavesh is one of our flagship programmes designed to ensure a seamless shift for recruits into HPCL culture, values and business familiarisation through presentations and interactions with experienced internal and external subject experts.

This induction programme facilitates the new joinees with activities designed to enhance smooth transition from college to corporate and integrating them with the ethos of the Corporation at a professional, personal and cultural level.

Samavesh Learning Agenda is aligned with role-based competency framework. Top and senior management interact with the officers to influence the young minds positively for the Company's and the country's future. All SBUs conduct sessions in this programme for business overview including field visits.

During the year, Samavesh programme was conducted for 116 new officers (CAs, Engineers, R&D Officers).

## New Employee Hires

Employee Category	Age Group Wise			Gender Wise	
	<30 years	30-50 years	>50 years	Male	Female
Senior management			1	1	
Middle management		2		1	1
Junior management	89	13		79	23
Non-management	168	1		165	4
<b>Total</b>	<b>257</b>	<b>16</b>	<b>1</b>	<b>246</b>	<b>28</b>

During the year, 21% of open positions were filled by internal candidates (internal hires). The average hiring cost / Full time employee was ~ ₹ 1.22 Lakh/-

## Employee Engagement

Employee engagement plays a pivotal role in fostering employee participation and igniting their enthusiasm for contributing to the company's achievements. Our goal is to enhance their engagement among all demographic groups.

Employee engagement initiatives are conducted with the objective of creating an emotionally and psychologically safe work environment across locations.

Initiative	Details
HP Pariwar	<ul style="list-style-type: none"> <li>→ This is a digital platform that continues to be extensively used to connect employees and families.</li> <li>→ As a part of this initiative, our employees/families participated in various programmes including endurance events such as Trail Walker, Marathon and Walkathon challenges during the year.</li> </ul>
Reboot@35+	<ul style="list-style-type: none"> <li>→ This initiative was undertaken for officers in the age group of 35 to 50 years.</li> <li>→ It focused on self-development in personal, professional, family and social domains, with mindfulness as core theme.</li> <li>→ Walkathons/marathons for employees and families were conducted apart from other engagement activities.</li> <li>→ A special workshop experience, Power of Mind, was curated by Reboot@35+ Committee for school-going children on aspect of "Concentration" which is essential for children's growth and for learning new skills, leading to self-confidence and positive self-esteem.</li> </ul>
HP Sampark	<ul style="list-style-type: none"> <li>→ This employee volunteer programme has been created to channel the volunteering spirit of the HP Family to contribute time and skill and to nurture inclusiveness, societal good and the health of the community.</li> <li>→ The programme, with the support of 58,269 HP Sampark volunteers, touched around 2.67 Lakh lives since inception. Employee contributions in 2022-23 helped over 62,440 people in the community.</li> </ul>
Youphoria	<ul style="list-style-type: none"> <li>→ It is an engagement and development platform among seven oil and gas CPSEs under the aegis of MOP&amp;NG and Skill Development.</li> <li>→ The platform is targeted specifically at young executives under 35 years of age.</li> <li>→ It is aimed at developing, leveraging and channelising the creative energy of youth in the oil and gas sector.</li> <li>→ During 2022-23, our employees participated in various events organised under this forum.</li> </ul>

## Manpower and Work Environment

Initiative	Details
Yuvantage	<ul style="list-style-type: none"> <li>→ It is a youth engagement initiative “By the Youth, For the Youth and Of the Youth”, aimed at the holistic development of young officers by enhancing their managerial, behavioural and technical competencies.</li> <li>→ During the year, various programmes such as ‘Spark’, ‘Corporate Ranneeti’, ‘Foundation Day Activities’ and ‘Anand’ were organised covering 3,115 participants across the country.</li> </ul>
HumRahee	<ul style="list-style-type: none"> <li>→ This is our virtual platform, focuses on interaction and gaining insights from one another in a safe environment.</li> <li>→ ‘HumRahee’ sessions help participants learn about themselves and their well-being through their interactions with each other and it gives them strength and courage to deal with their own concerns.</li> </ul>
Paramarsh	<ul style="list-style-type: none"> <li>→ This 24x7 Employee Assistance Programme (EAP) was continued during the year to provide confidential and professional support for personal and work-related issues that may affect their job performance, health and well-being.</li> <li>→ During 2022-23, awareness sessions were conducted on ‘Avoiding Procrastination/Dual Career Couples’ for all employees and ‘Responding to Suicidal crisis’ for all HR leaders.</li> </ul>
Swayam	<ul style="list-style-type: none"> <li>→ It is an organisation-wide platform for Women officers, where they can network, engage, support and guide/mentor one another for providing a sustainable impetus to the talent pool and leadership pipeline of the organisation.</li> </ul>
WIPS (Women in Public Sector)	<ul style="list-style-type: none"> <li>→ An initiative made by the public sector for focusing on the issues related to advancement of women through recognition of the changing profile of the work force in enterprises and providing appropriate environment for their advancement and growth.</li> </ul>

## Capacity Building, Training & Development

Our dedication lies in cultivating individuals by establishing an environment that nurtures learning and development and empowers us to construct a future-ready organisation, focusing on advancing innovation, delivering business value, and propelling thought leadership.

Multi-modal training methodologies such as webinars, experiential workshops, e-modules, certifications, simulations, action learning, drama-based workshops, and others, are undertaken with extensive use of technology for progressive learning and building the capabilities of employees.

We are focused on delivering learning interventions efficiently and equitably to employees through our Capability Building Department and leveraging technology and utilising a variety of learning methods to create superior learning experiences.

The interventions are aimed at continual capability building of employees for ensuring optimal organisational performance. Trainings basis the need identification are regularly imparted at our Management Development Institute, HPMDI - Nigdi.

This year, we focused on delivering learning interventions efficiently and equitably to employees by leveraging technology and utilising variety of learning methods for creating learning experiences. To address the evolving learning requirements and business imperatives for promoting self-directed learning, the following approaches were adopted:

- Embedding learning in the performance management systems
- Pull and push methods to encourage learning
- Curating experts and learning content for engaging learning experience
- Personalised recommendations
- Curation of innovative and multi-model learning programmes using new-age technologies
- Multi-pronged communication approaches
- Reward and recognition for self-learners

To achieve the intended corporate objectives, various capability building initiatives are in progress:

**HP Possible:** A flagship and unique 11-month leadership development programme aimed at building leadership competencies among future leaders was launched in 2022-23. Under this initiative, we have collaborated with the leading national academic institutions for assessing business competencies and delivering learning experiences. The first batch of 50 senior leaders is currently undergoing the programme.

HP Possible mentee programme is a structured mentorship programme for the future leaders in HPCL. The programme consisted of project groups of mentees (150 mentees) each assigned to a mentor

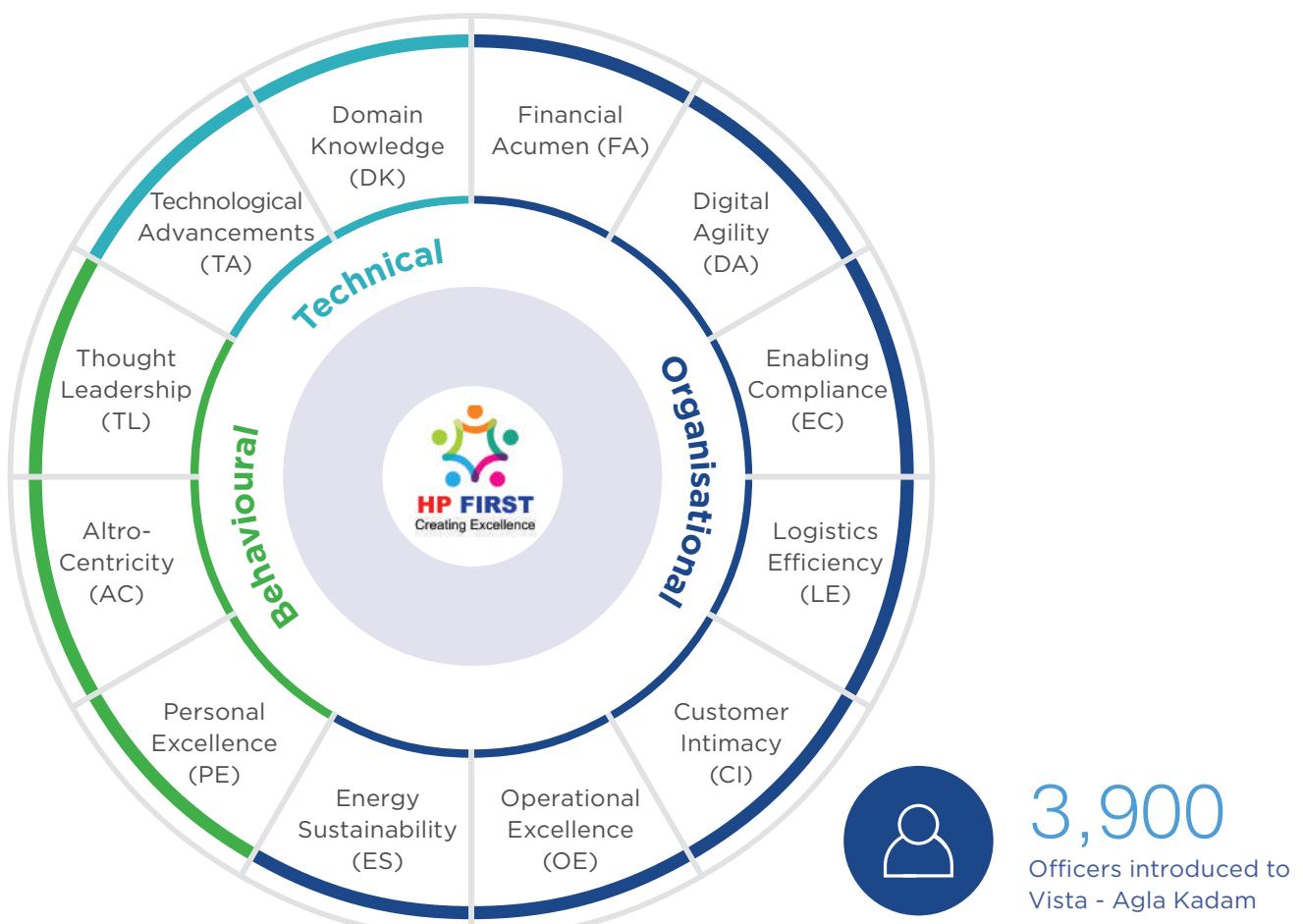
at the beginning of the programme. The executive coaches guide the mentors in conducting effective mentorship programmes.



► HP Possible - Leadership Development Programme

**Vista - Agla Kadam:** This is a role-based competency framework, learning and development curriculum model. Nearly 3,900 officers have been introduced to the model for enhancing the technical and behavioural competencies of junior management officers. The framework consists of 07 organisational competencies, 03 behavioural

competencies and various technical competencies which are divided into domain knowledge and technological advancement. During the year, the competency framework of all Marketing SBU's were developed including the emerging business domains like Renewables & Bio-Fuels, Petrochemicals, Gas SBU.



## Manpower and Work Environment

**Anand:** This is a holistic wellness initiative for HPCL officers. आनंद is derived from आनंद, निद्रा एवं देह. The first programme under the initiative, Building Resilient Leaders, designed for millennials under the age of 35, was conducted for over 400 officers. The intervention, spread over a period of six months, includes online personal assessments, fortnightly webinars and one-to-one personal coaching through professional counsellors.

**Project Utkarsh:** This programme is aimed at bringing about significant productivity improvements by fostering collaboration, building ownership and imparting knowledge and skills. The project helps improve overall efficiency by implementing a collaborative approach of Total Quality Management, Total Productivity Management, Six Sigma & Participative Management. The objective of the initiative is to enable the employees to achieve excellence consistently through the involvement of frontline workers and managers in a collaborative manner.

**Leadership Excellence Programmes:** This programme has been conceptualised for employees of the middle management; aligned with HP PATH competencies. Programmes for two batches were conducted in collaboration with IIMs.

**Advanced Management Programmes:** As part of leadership development initiatives to develop the perspectives and skills necessary for managing organisations effectively in a rapidly changing Global Environment, Senior Management Officers were nominated to attend three Advanced Management Programmes conducted by ASCI-Hyderabad and MDI-Gurgaon during the year.

### Other Training Interventions:

- Trainings from DPE(OTNS) & CBC were introduced during the year in which participants for 17 different training were nominated through Online Training Nomination System (OTNS) of the DPE.
- Officials handling various functions in Projects, Finance, Procurement and Corporate Strategy, and others, were nominated for training programmes conducted by India's premium Institutes, and organised by Capacity Building Commission Government of India.
- Nominated teams for Business Simulations, case Study Presentation and Management Competitions organised by All India Management Association (AIMA). We were selected as the champion in AIMA's Pragati - Best Practices Competition aimed at celebrating achievements of women from diverse backgrounds.

**Future Planning Programme:** This is a pre-retirement programme for management employees intended to prepare them for life transition, under which we covered 154 retiring management employees during the year.

**Path of Light:** This is a pre-retirement programme for our non-management employees intended to prepare them to deal with retirement from a psychological, physical and financial perspective. The path of light is conducted in two phases upon completion of age of 55 (Virtual Programme) and 59 years (Classroom Based Programme) of the employee.

During the year, 199 and 208 employees were covered in Phase 1 and 2, respectively.

### HP Academy/Learning Resources

We continued to leverage the e-learning platform, HP Academy, with provision to administer, monitor and track online training for employees, in 2022-23 towards training employees. We are upgrading this platform for enhanced user experience by incorporating improved analytics, user interface and integrating it with Google Analytics and Zoom.

The platform hosts over 1,970 hours of learning content, including over 601 technical and behavioural online courses and inspirational videos.

Digital libraries such as EBSCO and Magzter are available on the HP Academy platform, which hosts a collection of scientific journals, eBooks, business magazines, audio books and a wide range of online reading materials.

During 2022-23, an EBSCO Awareness Campaign and a Quiz was conducted for increasing the awareness, functionality and reach of EBSCO platform to motivate employees for self-paced learnings on various trending topics in area of energy, sustainability and business.

During the campaign, multiple awareness sessions were conducted where 1,434 employees participated online. The campaign culminated with a Quiz in which 246 employees participated. It also tripled the usage of EBSC database as well as download of e-books.

Additionally, more than 30 SCORM based e-learning courses and 90 videos were added in HP Academy this year, including curated videos on HP Path Competencies, videos on technical topics of various SBUs, Statutory Compliances and byte size videos on topics such as RTI, among other.

Total 11,141 training man-days imparted on HP Academy in 2022-23.



# 11,141

Training man-days imparted on HP Academy in 2022-23

## Tie-ups with Academic Institutes

We have partnered with various Centres of Excellence (CoE) and premier institutions to promote industry academia collaboration and enhance the technical and behavioural capabilities of employees. During 2022-23, a total of 998 officers underwent training with the CoE/Premier academic institutions.

With added focus on sustained growth of Chemical engineers in HPCL in this dynamic competitive scenario by partnering with IIT Bombay, two officers were nominated into the M. Tech Academic batch of 2022-24. Presently, there are four officers pursuing the course sponsored by HPCL.

During 2022-23, the average hours of trainings imparted to male and female employees was 105 and 92 person hours respectively.

The average amount spent per employee on training and development through capability building department was around ₹ 35,000/-.

## Capability Building Learning Management System (LMS)

As the next step in revolutionising the training and development experience and democratising learning, we have plans to acquire an intelligent, globally proven, learner-centric system that will present a concise structured development plan to all learners in the Company, assess their competencies as desired and encourage self-driven learning. This will contribute to creating a pool of highly efficient employees enabling high performance, business growth and sustainability.

## Other Capability Enhancement Opportunities

**Study Leave:** We facilitate employees for taking up higher studies by providing the option of taking Study Leave to pursue a regular full-time course from reputed Institutes, subject to eligibility and approvals.

**Education Growth Plan:** The Education Growth Plan has been framed with the objective of encouraging self-development of employees and meeting the business requirement of enhanced competencies and to encourage a larger number of employees to enhance their capabilities through higher education to enable the Corporation to succeed in a competitive environment.

## Ecosystem-based Interventions

Intervention	Description and Coverage
Project Prerana (Retail SBU)	A programme for retail SBU sales officers to upskill them in both functional and behavioural areas of the role by honing the competence in managing self, engaging dealers and driving business to our network.  <b>Benefitted:</b> 77 officers
Project Prerana Realtics (Retail SBU)	A customised programme aimed at upskilling the RE&A officers in both functional and behavioural areas by way of network management, real estate management and processing various sales data.  <b>Benefitted:</b> 49 officers
Project Shrestha (LPG SBU)	A year-long management development intervention for LPG plant managers aimed at equipping them with cutting-edge managerial and techno-behavioural skills to help them improve their efficiency and effectiveness.  <b>Benefitted:</b> 18 LPG Plant Managers
Project Daksh (SOD SBU)	A year-long management development intervention for first-time location in-charges aimed at giving them personalised attention to managerial development needs of terminal depot in charges.  <b>Benefitted:</b> 25 Location in Charges
Project Lakshya (I&C SBU)	Programme aimed at developing the capabilities of all stakeholders of the Direct Sales ecosystem including RMs, Sales Officers and Manager Marketing. It included Sales Coaching sessions, Diagnostic Survey for understanding competency development needs, MDP on Achieving Sales Excellence - B2B Key Account Management by SP Jain Global Institute  <b>Coverage:</b> 9 regions
Project Kshitij (Lubes SBU)	Programme aimed at developing the capabilities of all stakeholders of the Lubes sales ecosystem through internalising use of scientific tools like Sales Equation, ABC Analysis, Market Mapping and Account Mapping as a way of working in the SBU.  <b>Benefitted:</b> Sales Profiling: 37 new officers; Behavioural Sales Programme: 23 new officers

## Manpower and Work Environment

Intervention	Description and Coverage
Project Ekagra (Projects & Pipelines SBU)	<p>Programme aimed towards process standardisation in Pipeline Security &amp; Safety Systems with emphasis on uniformity, new tools to ease work, rewards and recognition, performance monitoring and capability building of officers and stakeholders.</p> <p><b>Benefitted:</b> 40 Officers (Statutory Compliance and Legislations); 58 Officers (Growth Mindset); 58 Officers (Artificial Intelligence and Machine Learning)</p>
Project Savrottam (LPG SBU)	<p>Programme aimed at providing structured techno-behavioural inputs to all the stakeholders of LPG SBU such as Sales Officers, Regional Managers, Dealers and Distributors.</p> <p><b>Coverage:</b> 60 participants identified</p>

## Other Capability-building Initiatives

Intervention	Description and Coverage
L&T Project Management Certification Programme	<p>Longitudinal programme on project management curated to meet the developmental needs of the Project officers, being conducted in coordination with the L&amp;T IPM. Aimed at providing exposure on best practices and contemporary research and tools that are being used in Project Management within Oil &amp; Gas as well as other industries locally as well as globally and personalised and individualised attention to the development needs of the Project Officers through Coaching, Projects, etc.</p> <p><b>Coverage:</b> 25 officers</p>
L&T Retail Engineering Project	<p>A developmental programme curated for Retail Engineers entailing the processes and associated learning events from the “Conceptualisation” to the “Completion” stage of the Retail outlets and Maintenance &amp; Modernisation activities thereof and to enable them to develop skills in stress management, negotiation and problem solving.</p> <p><b>Progress:</b> Training Design finalised; MS Excel Training provided to Retail Engineering Officers.</p>
Design Thinking Workshop	<p>A Workshop for LPG SBU covering Sales Officers, Operations Officers, RMs and Plant Managers under NWZ to come up with transformational ideas which would help the LPG Team excel in all areas.</p> <p><b>Coverage:</b> 50 officers</p>
HP POD	<p>A first-of-its-kind podcast medium that has engaging and insightful content, designed in-house aimed towards driving purposeful development and engagement.</p> <p>Progress: An in-house HP Pod Website has been developed which will be accessible on the HP Mini App. Platform hosts 63 episodes, covering 15 new shows around three themes:</p> <ul style="list-style-type: none"> <li>→ Organisation-centric pods that emphasise on Industry Knowledge, business acumen, leadership and Live interactions.</li> <li>→ Domain-specific pods that focus on technical and functional knowledge.</li> <li>→ Employee-empowering pods that drive engagement.</li> </ul>

## Initiatives for Other Stakeholders

Intervention	Description and Coverage
Engagement of GAT / TAT	<p>With reference to the guidelines from the Ministry on engagement of apprentices, HPCL engages Graduate Apprentice Trainees (GAT) &amp; Trade Apprentice Trainees (TAT) at various locations. The engagement of GAT is governed by Board of Apprenticeship Training (BOAT) while engagement of TAT is governed by guidelines laid down by Regional Directorates of Skill Development and Entrepreneurship (RDSDE).</p> <p><b>Coverage:</b> HPCL engaged 514 GATs and 316 TATs to ensure timely engagement of apprentices under Apprenticeship Act 1961.</p>
Projects through Summer Interns	<p>HPCL offers internships to students of several institutions to undertake projects of short duration. During 2022-23, the Internship process was further enhanced and over 500 internships were offered.</p>
Project Surakshit (SOD and LPG SBU)	<p>An in-house designed training initiative focusing on the learning needs of security guards posted at terminals/depots and LPG Plants across HPCL locations.</p> <p>Under SOD SBU, it covers training security personnel regarding the latest technological surveillance systems and other automation affecting their role and to develop interventions for enhancing their (1) Work Efficiency (2) Capability Development (3) Welfare</p> <p><b>Coverage:</b> Pan India SOD Locations</p> <p>Under LPG SBU it is aimed at training security guards in line with OISD 154 standard module 5.3.4; ensuring uniformity of user experience across LPG Plants and to train security personnel regarding their roles and responsibilities.</p> <p><b>Coverage:</b> Pilots conducted at Mysore and Ajmer LPG Plants</p>

## Industrial Harmony

We lay great emphasis on continually engaging, enabling and empowering our stakeholders through a variety of interventions and have continued to enjoy excellent employee relations during the year with no reported instance of industrial unrest at any of our operating locations.

- Constructive meetings were regularly conducted with unions to ensure employees' participation in the decision-making process.
- Effective grievance management systems, fairness and an emphasis on transparency have resulted in the alignment of unions and employees with the corporation's vision.
- In 2022-23, a new career development policy was signed with the unions representing non-management employees in the marketing division.
- Modifications in various clauses of the Certified Standing Order of Mumbai Refinery were certified by the Competent Authority after mutual discussions with unions representing workmen.
- Harmonious industrial relations have been sustained through continual and proactive engagement with the unions representing the workmen across the Corporation.
- With a view to encouraging the engagement level of outsourced workers in the Corporation and encouraging meritorious children, the 'Merit Scholarship Scheme' was introduced during the financial year for the grant of one-time scholarships to meritorious children of contract workers who passed 10th/12th, or Diploma/Degree.
- Under the aegis of Central Vigilance Commission, our in-house faculties conducted training Programmes for IOs/POs on Departmental Enquiries for various CPSEs/Government Organisations.
- Actions were taken to extend coverage to direct and indirect stakeholders with medical insurance coverage, ex-gratia compensation in case of untoward accidents, organising special medical camps, among others, even post-pandemic.

### Leaders' Training at V. V. Giri National Labour Institute

A week-long Leadership Development Programme was organised in June 2022 for the office bearers of both trade unions of HPCL-Visakh Refinery along with representatives from all India unions of HPCL at V. V. Giri National Institute. The primary objective of the training programme was to inform them about the new labour codes, role of unions in emerging economic scenario, fostering work culture and ethics, sharpening negotiation skills, organisational building and managing change.



► Visit by C&MD to HPCL LPG Cavern project at Mangaluru

### Freedom of Association & Collective Bargaining

We strongly uphold Freedom of Association and Collective Bargaining rights and place emphasis on building cordial and harmonious relations with our Unions, whom we consider equal partners in our progress. Fairness and emphasis on transparency coupled with effective grievance management system helps in alignment of Unions and employees with our vision. We have formal agreements with trade unions to deal with issues related to wage revisions, productivity improvement, conditions of employment, health and safety, training and education and grievance redressal, among others. Of our non-management employees, 84% are members of unions.

Before implementing any initiatives that affect or are likely to impact employees represented by the unions, we engage in constructive dialogue with trade unions to understand their perspectives and addressed their concerns.

With regard to any operational change affecting the workmen, we also comply with the relevant provisions of Industrial Disputes Act, 1947, wherever warranted.

We lay great emphasis on continually engaging, enabling and empowering our stakeholders through a variety of interventions. We also fulfil all statutory requirements regulating the payment of wages, measures related to health, welfare, safety, conditions of work, and more, of our contractual/outsourced workmen at our locations.

Before implementation of any operational change, we inform the employees about the change through conferences, meetings, mails and intranet communication channels and ensure minimum three weeks period before implementing the change.

### Human Rights

We are a signatory to the United Nations Global Compact (UNG) supporting principles on Human Rights, labour standards, environment and anti-corruption. Our management accords these areas due importance to uphold these values and implement compliance. Our robust grievance mechanism has been created to safeguard these values by allowing individuals for open and structured raising of concerns for their fair and timely resolution.

We are committed to uphold the spirit of human rights as outlined in the Constitution of India, various applicable statutes, guidelines, relevant laws, regulations and various applicable international declarations and guidelines covering the relevant aspects of human rights. HPCL ensures that it is not complicit in human right abuses.

We encourage our employees and stakeholders (including our business and supply chain partners) to adopt, promote and respect the elements of human rights which include inter alia forced labour, child labour, discrimination, equal remuneration, human trafficking, collective bargaining among others within their operations and their supply chains by adhering to all applicable laws and international principles on human rights.

Our suppliers have to abide by various terms and conditions of the contracts. The general terms and conditions of our procurement tenders include compliances to various labour laws also addressing topics on human rights like the abolition of child labour, labour law compliances, welfare & ethical behaviour in the conduct of business, safe and healthy working conditions, environmental preservation etc. for workers engaged by contractors along with requirements of signing agreements during bid submission. We strictly implement model codes for labour welfare stipulated in Laws and Regulations by respective regulatory bodies for compliance. Due diligence on these matters is carried out through periodic internal audits conducted by HR officers at various locations. Further, statutory agencies e.g. labour officer also carry out audits of locations to check adherence to labour laws by contractors.

## Diversity and Equal Opportunity

Our value system 'HP First' calibrates the behaviour of our employees as well as their professional pursuits and engagements. These values are outlined based on principles of which Equal Opportunity, Workforce Diversity and Inclusion are an important constituent.

HPCL is committed to comply with the provisions of the Rights of Persons with Disabilities (RPwD) Act, 2016. Accordingly, HPCL has adopted an Equal Opportunity policy approved by Management which is displayed in employee portal to promote workplace culture based on fair practices to safeguard the rights of persons with disabilities to be treated with dignity, respect and equal terms. The scope of the policy applies to current and prospective employees of HPCL. The policy is available on Company's Internal Portal.

We adopt a fair, objective, structured and reliable recruitment process that helps identify and attract talented individuals with a passion to excel. Our offices are accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016.

We conduct special recruitment drives to identify differently abled candidates for potential roles across the organisation. Irrespective of the varied cultural backgrounds, all new incumbents are treated equally and given equal opportunities to learn, grow

and perform. We have fair and transparent policies laid down to protect the interests of our employees.

A focus on encouraging and achieving diversity in our recruitment processes helps us acquire talent across Indian geographies from different backgrounds, gender, caste, origin, among others. Irrespective of the varied cultural backgrounds, all newly recruited employees are treated equally and given equal opportunities to learn, grow and perform. We have fair and transparent policies laid down to protect the interests of our employees.

We are an equal opportunity employer and practice zero tolerance towards any kind of discrimination on the basis of caste, religion, disability, gender, sexual orientation, status, race, colour, ancestry, marital status, political opinion, national extraction, social origin, or affiliation with a political, religious or union organisation or majority/minority group or other factors and have strict mechanisms to deal with such cases.

To support diversity and promote inclusive growth, a host of engagement activities are taken up throughout the year. Each year, special learning initiatives are undertaken for the growth and development for SC/ST/OBC employees.

There were no incidents of discrimination during the reporting year.

## Diversity of Employees (As on 31.03.2023)

Category	Age group-wise			Gender-wise	
	<30 years	30-50 years	>50 years	Male	Female
Employees	20.6%	42.3%	37.1%	89.6%	10.4%

## Ratio of the Basic Salary, Remuneration of Women to Men for each Employee Category, by significant locations of operation

Employee Category	Basic Salary	Remuneration
Senior Management	1.02	0.91
Middle Management	0.95	0.92
Junior Management	0.95	0.91
Non-management	1.45	1.22

### Note:

- Basic salary consists of basic pay and dearness allowance.
- Remuneration includes perquisites and allowances along with basic pay and dearness allowances. The perquisites depend on the employee's grade and the allowances depend on the nature and location of work for individual employees.
- Within the same seniority and same grade, the ratio of the remuneration of women to men is 1:1. The difference in the ratio of remuneration of women to men are on account of number of male employees versus female employees and varying seniority.
- Significant location of operation of HPCL is India.

## Manpower and Work Environment



At HPCL, we submit annual Communication on Progress for adherence to Human Rights principles of the United Nations Global Compact and ensure inclusion of labour laws addressing elements of Human Rights requirements in procurement contracts.

In line with our commitment to sound manpower management practices, we ensure that no person below the age of eighteen years is employed by the organisation and forced or compulsory labour is prohibited in all our units. We are committed to ensuring that no instance of child or forced labour occurs in any of our operations and establishments. We prohibit associated vendors, contractors and suppliers from engaging in child and/or forced labour and human trafficking.

We have a mechanism in place for implementation of statutory compliance verification, which forms a part of various modes of engagement like periodical audits, inspections, site visits at different levels of hierarchies both internally and through external agencies, grievance redressal mechanisms, portals, meetings, induction programmes, consents to terms and conditions of tenders and orders containing the above conditions by the vendors, suppliers, etc.

Various initiatives and campaigns focused at enhancing compliance awareness and training on elements of human rights, POSH to the officers and stakeholders are undertaken from time to time. To inculcate appropriate workplace behaviour and promote gender sensitisation, a number of online POSH workshops were organised across the Corporation during 2022-23.



## Statutory Compliance Fortnight

We celebrate Statutory Compliance Fortnight every year to recognise and honour the enormous and toiling efforts put in by the workers and disseminate awareness among them of their rights. This initiative follows a multi-dimensional approach of Education (Compliance Workshops, Flyers & Posters, Knowledge Bytes, Anubruti Programme); Engagement (Compliance Quizzes, Health & Well-Being session; Interactions with Statutory Authorities and Recreational Activities) and Empowerment (Prerna - Economic and Social Empowerment of workers and Nirvahan - Facilitation of Compliance Audits).

### Official Language Implementation

- Usage of Hindi is ensured by us in our business by motivating the employees through persuasion, incentive and harmony.
- Hindi is being promoted by utilising various facilities available in the field of information and technology including video conferencing.
- To promote the linguistic talent of the employees, awareness about Hindi is created in the offices through on-line Hindi competition, Hindi fortnight, official language conferences and Hindi workshops, among others.
- We are coordinating Town Official Language Implementation Committee (TOLIC) of Mumbai based PSUs since 1983, thereby guiding 65

Mumbai-based PSUs in the field of Official Language Implementation.

- HPCL has trained the officials of different PSUs by conducting various programmes such as Hindi Translation, Promotion of Hindi and Regional Language, and others.
- During 2022-23, we were conferred with 'Petroleum Rajbhasha Shield - First Prize' for implementation of Official Language for the year 2021-22 by MOP&NG. This award is given for the best performance in the field of OLI (Official Language Implementation) among oil PSUs.
- We maintained our record in the entire oil industry by receiving 57 Rajbhasha awards from Government of India and other agencies.

# Our Commitment to a Secure Environment

## Safety Management

Safety is at the core of facilitating enhanced workforce productivity, which culminates in improved operational efficiencies. Moreover, we are dedicated towards building a safety-centric mindset in our workforce as the success of our management systems and the capacity building programmes hinges on our employees translating this mindset into actions in their daily operational activities.

We ensure the best Health, Safety, and Environment (HSE) and sustainability practices across all spheres of business activities to achieve the highest standards in the area of HSE and sustainability. We have been making continuous improvements in HSE management systems and procedures with the adoption of new technologies, upgradation of infrastructure, benchmarking of existing practices and regular surveillance audits.

We provide a safe workplace to all our employees and contract workforce, safety to the communities wherever it operates and all our stakeholders. We have rigorous health and safety policies and procedures in place to identify and minimise safety risks related to our plants, operations and processes.

We have well-defined and structured health and safety policies and procedures in place to categorise and reduce safety risks associated with the Company's plants, operations and processes. Our Safety Policy, which states that "no work, service, or activity is so important or urgent that safety be

overlooked or compromised", guides us toward our commitment to "zero accident."

To achieve the goal of 'zero accidents', stringent HSE management systems have been put in place across all locations to strengthen HSE governance and compliance through surveillance audits and benchmarking. Risk management systems are in place to identify potential risks and take protective measures to minimise incidents. We strive for continuous learning and upgrades our systems by leveraging information technology.

We implement best industry practices, industry regulations, technologies, tools, materials, and more to ensure safety in all facets of operations across all locations and construction sites. For that, the governance practices of the safety systems and procedures of the critical processes are regularly monitored. At major project sites, dedicated teams monitor the safety aspects of construction. Well-established emergency response systems and crisis management plans are available to manage any untoward incidents at any operating location.



► HPCL organized a "Knowledge Sharing Workshop on Petroleum Refineries" at Visakhapatnam in association with PNGRB, aimed at bolstering safety

Our Refineries are committed to prioritising workplace safety, health and the environment in all aspects of their operations. The Vulnerability Index (VI) for job safety monitoring has been implemented in refineries in 2022-23. Vulnerability Index (VI) implementation helps in identifying potential safety risks and hazards in operations, enabling proactive measures to mitigate those risks and ensuring a safer workplace. Mumbai Refinery has achieved its best-ever safety performance, with 35.6 Million man-hours of safe operation as of March 31, 2023.



## 35.6 Million

**Safe man-hours**

Best-ever safety record at  
Mumbai Refinery

We have a management system for occupational health and safety across all our operations including refineries, plants, facilities and other locations. The system covers all employees, workers and nearby communities. The effectiveness of safety management system and the root cause for the occurrence of an incident are reviewed at plant-level and Apex safety committees.

We have Health, Safety and Environment (HSE) departments at all levels, beginning with the headquarters, which include Corporate, Marketing and SBU levels as well as Refineries, Zonal Offices. They are also at the operating level that includes all locations across the country. They monitor and assess the safety mechanisms through regular audits, raise awareness among stakeholders and work with government officials on relevant issues and amendments as per the requirements. Operational/ product safety-related trainings and awareness and stakeholder engagement exercises are regularly undertaken.

The safety culture is accorded priority by the top management and driven through HSE department and safety committees. It focusses 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.

We have taken multipronged actions to enhance safety in all facets of operations, i.e. operations within terminals/depots, transportation and unloading at other terminals/depots/retail outlets.

The various measures include interlocking of various equipment and alarm systems in the terminal/depot premises, SOP based hands-on training for all operating staff, training on safe driving for tank truck drivers, monitoring of tank truck movement through a vehicle tracking system, and others.

## Safety Stewardship

Standard Safety Procedures and practices have been implemented in all aspects of daily operations. Some of the important safety systems and procedures we have adopted are:

**Accreditation:** Our major manufacturing installations are certified by Environment and Safety management systems with accreditations such as ISO 14001, OSHAS 18001.

**Inherently Safety design:** Inherent safety by design is adopted in facility design, process units, construction as per international and national codes and standards, in all installations.

**Fire protection facilities:** All installations are equipped with fire protection facilities meeting OISD standards and having designated/qualified safety officers to take care of safety systems. Plants, equipment, machinery including fire-fighting facilities are regularly checked for functionality, proper engineering controls are established.

**Safety/Live Fire Simulation Trainings:** All employees and contract workmen undergo safety induction and regular trainings on fire and safety covering topics. Job-specific safety training is imparted as per OISD Standards No. 154 - the safety aspects of functional training periodically. Live fire simulation training is imparted to officers, employees, contract workmen and security staff on various prototype facilities to train in various live fire scenario to enhance emergency preparedness.

**Uniform Safety Operating Procedures (SOP) and standards:** Latest guidelines have been implemented to bring in uniformity in the standard operation procedures (SOP) in all SBUs, SOPs are regularly reviewed for updation.

**Safety Trainings, PPE Training and Usage:** We continue to develop new training programmes based on the identified training and learning needs of the employees. We take feedback from the ongoing programmes and incorporate the same to improve the subsequent programmes. Mandatory usage of PPEs based on hazard of the activity and training on their use is ensured for protection of all personnel.

**Training Man-days by Capability-building Department in 2022-23**

Gender	Category	Health and Safety
Male	Employees (Management + Non-management)	3,585
Female	Employees (Management + Non-management)	369
<b>Total</b>	<b>Employees (Management + Non-management)</b>	<b>3,954</b>

**Trainings Man-days by Refineries and Marketing Locations in 2022-23**

Gender	Category	Health and Safety
Male	Employees (Management + Non-Management)	15,845
	Contractual Workforce	90,346
	Transport Workforce	59,217
Female	Employees (Management + Non-Management)	770
	Contractual Workforce	3,149
<b>Total</b>	<b>All categories</b>	<b>1,69,327</b>

**Work Permit System, Job Safety Analysis, Execution of High-Risk jobs:** A detailed and exhaustive work permit system to carry out hot and cold jobs has been devised in line with OISD-STD-105 requirements. Before commencement of all jobs, their occupational risks are evaluated through Job Safety Analysis (JSA). Special precautions, as recommended by a multifunction team, are taken before executing high risk jobs and contract workmen/supervisors are advised about the dos and don'ts on specific job.

**Risk Analysis and Emergency Preparedness & Disaster Management Plan (ERDMP):** Quantitative Risk Analysis (QRA) is carried out periodically as per MSIHC Rules, 1989, at all locations. Emergency response and Disaster Management plan is designed and implemented as per PNGRB ERDMP regulations 2010, which are certified by PNGRB-approved third party and the Board and is updated periodically. Onsite and offsite mock drills are conducted at all locations as per PNGRB regulations to make employees aware of their roles, responsibilities, to assess their alertness during an emergency and to see the effective working of the firefighting equipment and facilities.

**Safety Committees:** According to the Factories Act of 1948, safety committees exist in the refineries and all marketing locations to encourage proactive participation and involvement of the workforce in HSE matters, with equal representation of management and non-management employees for implementation of best practices at the workplace through process of engagement and consultation.

The committee meetings are conducted quarterly, and all the safety aspects of the location are reviewed to ensure that the Corporation's HSE policies and the regulations are followed leading to a healthy and safe work environment. The committees solicit feedback from the workforce, discuss HSE issues pertaining to the location and propose solutions for further strengthening safety sustainability through the participatory management process. While the goal is to learn from experience and case studies, the committees also identify specific training needs of employees and locations.

**Asset Integrity:** Preventive, predictive maintenance and residual life analysis of equipment is carried out to avoid the failure of equipment, especially the rotating equipment and subsequent emergencies.

**Management of Change:** Any infrastructural and technical modification or changes are implemented through structured management of change system to prevent the incident.

**Contractor Safety:** Special safety requirements are part of tender conditions while awarding the contract. It is ensured that contractor personnel are trained in the work practices necessary to perform their job safely. Contractors are required to provide and maintain equipment, tools, machinery to minimise the risk of accident or injury to workers. Contract personnel are made aware of fire, explosion or toxic release hazards related to their job and assembly points as per provisions of the emergency preparedness plan and are provided with a contractor safety manual. Such workers are given training in Hindi and their local/own language and are required to participate in tool-

box meetings, pre-shutdown briefing, and others. We also carry out safety training certification to contractor supervisors.

**Analysis of Incidents:** All incidents, including near-miss, are recorded. Critical incidents are analysed to prevent recurrence. The findings of recommendations are presented and reviewed at safety committee meetings for timely implementation.

All major incidents are reviewed by a committee formed by members from outside the location for identifying the root cause and providing recommendations to prevent recurrence of the same. Based on the root cause analysis, suitable disciplinary actions are also taken for violations. All major incidents along with root cause analysis and compliance to the recommendations are reviewed and monitored at SBU/ CFD and Board Level. These are also informed to Petroleum and Natural Gas Regulatory Board (PNGRB). Learnings are shared within the SBU and with other SBUs as well. Compendium of learning from incidents are released by HSE department to all SBUs.

Apart from the above, Multi-Disciplinary Safety Audits, External Safety Audits by OISD, OH&S Audits by third parties are conducted at all the locations for checking the health and safety practices and working conditions. Recommendations of the OH&S audits are reviewed at zonal, SBU and HSE - HQO level and compliance is monitored.

A quarterly report on safety audit recommendation status is submitted to OISD.

**Audits and Inspections:** Internal Safety Audit (once a year), External Safety Audits by OISD and T4S audit by PNGRB approved third parties are conducted for all locations and their recommendations are compiled on priority, status updated on quarterly basis and are critically reviewed by each SBU, HSE department, Committee of Functional Directors and Board. At marketing locations, surveillance safety audits are carried out to oversee Safety management system implementation.

**Daily and Weekly Safety Incident Report:** The Safety in-charges send daily and weekly safety incident report to the senior management to apprise the status of safety features, incidents and safety equipment of the location.

**Review by Management:** Safety performance, OISD and Internal Audit, recommendations, their compliance status and incident analysis are periodically reviewed by Senior Management and also reported to CFD and Board.

## Work-related Hazard Identification and Risk Assessments

The process we use to identify work-related hazards and assess risk are as follows:

- All employees undergo safety induction training covering occupational hazards of workplace, risk assessment and mitigation measures and usage of PPE.
- SOPs are followed for all routine operations. All non-routine jobs are systematically assessed for work-related hazards and mitigation measures are taken through work permit system, job safety analysis and management of change. Industry standards are followed for all SOPs.
- Review of safety management system through safety audits, surprise inspections and board-level review of audit recommendation and implementation is conducted.
- Investigations are done for injuries, illnesses, incidents and near misses to determine the underlying causes and safety & health programme shortcomings. Learnings from incidents are shared with all employees to prevent recurrence of such incidents.



- Emergency preparedness and disaster management plans are prepared, and drills are conducted periodically to meet any kind of emergencies.
- Occupational risks in all jobs are evaluated in a systematic way called Job Safety Analysis (JSA) before commencement of the job. The risks identified in JSA are addressed to minimise risks to as low as practicable and acceptable levels by employing engineering and administrative methods and using suitable Personal Protective Equipment (PPE) as a last line of defence.
- A detailed and exhaustive work permit system to carry out hot and cold jobs has been devised in line with OISD-STD-105 requirements.
- All our plants and offices are assessed on health and safety and working conditions by HPCL officers or statutory authorities or third parties.

### Processes for Reporting the Work-related Hazards and their Mitigation

Workers and management participate in safety committees at all operating locations to report and participate in process of managing work-related hazards for devising methods and strengthening processes to eliminate them. Safety committees are in operation as per requirements of the Factories Act of 1948 and best practices are implemented at the workplace in consultation with workers. Besides, there are safety suggestion registers, near-miss incident reporting and online incident reporting systems in place to help workers report and remove workplace hazards.

### Process Safety

Process safety is a disciplined framework that focuses on major hazards that may have an impact on safety, cause environmental damage, or result in business losses. It is concerned with the prevention and control of events that may result in the release of hazardous materials and energy. It is based on good design principles, as well as engineering, operating and maintenance practices.

Process Safety Management (PSM) is embedded in the Corporation's safety and environmental policies. Our stakeholders are involved in well-established provisions for preventing/minimising the consequences of a loss of primary containment (catastrophic releases of toxic, flammable, or explosive chemicals), ongoing maintenance of sound operating systems, practices and procedures equipped with multi-layered protection barriers

that meet the highest standards of emergency preparedness. As part of the management review and continuous improvement process, training programmes and refresher courses for awareness, as well as compliance audits, are implemented.

At our refineries, process safety risks are assessed on regular basis by the concerned risk champion and risk owner. The status of the risk is reviewed at SBU level. The status of critical risks are updated to the Board level. Approach towards Tier-3 and -4 leading metrics are closely monitored, and performance is highlighted at SBU level on a monthly basis.

- With the objective of averting Loss of Primary Containment (LOPC) type of events, the integrity of PRVs is tracked for testing and healthiness. RCFA of SIS events are arrived and presented to Management for approval and execution.
- The operating envelop are tracked through the historian-enabled portal and deviations are escalated at the decision-making level for due closures.
- The management system effectiveness is ensured by decentralisation approach through Unit Area Team (UATs), which are empowered to take appropriate decisions at the right time. Also, this is steered by a separate dedicated safety vertical to keep a watch and ensure compliance.
- The capability building department develops an annual training calendar for skill-based or behavioural training. Contractor training is imparted as part of access control and are issued safety card with one year validity.
- An approved MOC procedure is also in place and all the process or technological changes are captured, treated and tracked. Permit to work is an online system for issuing, receiving and monitoring of the activities carried out in refineries.

We have cardinal rules for process safety and other streams like Static, Electrical, Rotary, and others. We also have Life Saving rules for Occupational Safety, clearly internalised to effect consistent performance regarding leadership, risk awareness and employee development.

As part of zero-incident target, pro-active safety is being accultured by rolling out a novel concept called Vulnerability Index. As of now Vulnerability Index is being practiced for all the Maintenance jobs and shall be implemented in phase wise at all the Marketing locations.

## Safety in Transportation

We are committed to preventing road accidents to ensure health and safety in transportation and handling of materials and products.

Our aim is to reduce the number and frequency of transport-related accidents among our employees and contractual partners. To this end, we have integrated technologies that augment transport safety and ensure that our people are adequately trained in understanding, responding and mitigating transport-related safety risks, through preventive measures, maintenance of vehicles and behaviour-based road safety interventions.

- To promote secure and safe driving habits, safety guidelines, trainings and awareness initiatives, such as Sadak Suraksha and HP-Safety on Wheels (SOW), are carried out on a regular basis for our transporters and their crew.
- Drivers of the vehicles also possess special endorsement to carry hazardous goods from RTOs after detailed trainings as per CMV Rule 9. Age limit and fitness criteria is included for selection of Tank Trucks used for transporting products. During induction of these vehicles under contract and during the pendency of the contract, it is ensured that they are having RTO

certified fitness certificates, PESO approval and Pollution under Control certificate before the trucks are loaded. Regular checks are also carried out to ensure road fitness of the vehicles.

- TT crew, working at locations, are facilitated with health camps and guided on health issues. Training Camps for tank-truck fleet are also organised in collaboration with leading Original Equipment Manufacturers (OEMs). Moreover, the best drivers are awarded.
- Vehicle tracking system (VTS) has been implemented for monitoring of truck movements, and corrective actions on violations as per Transport Disciplines Guidelines are taken.

During the year, 59,217 man-days of technical and behavioural trainings were imparted to transport workforce.



### 59,217

Man-days of technical and behavioural trainings imparted to transport workforce



► Safety training for transport crew in progress

## Safety Highlights

- Mumbai Refinery achieved its best-ever safety performance, with 35.6 Million man-hours of safe operation as of March 31, 2023.
  - The VI for job safety monitoring implemented in refineries in 2022-23.
  - To enhance safety in operations at terminals, depots and retail outlets, various steps, such as interlocking of various equipment and alarm systems in the terminal/depot premises, SOP-based hands-on training for all operating staff, training on safe driving for tank truck drivers, monitoring of tank truck movement through a vehicle tracking system, etc, were taken.
  - During 2022-23, four locations were added as SMART terminals, resulting in enhanced operational & cost efficiencies and safety and stakeholder convenience. Currently, we have 64 SMART terminals in our network.
  - Video analytics of forecourt operations have been further extended to include safety aspects of retail outlet operations.
  - AR/VR-based training and simulation facilities have been installed at Mumbai and Visakh
- refineries to create a virtual plant environment where employees can undertake training and equipment operations safely before working in the actual plant.
- Several health and safety campaigns were undertaken during the year. Among these, over 1,043 Sadak Suraksha camps were organised, covering both technical and behavioural aspects of driving on public roads for LPG transporters and crew.
  - To ensure compliance with SOPs and consistent service standards, video analytics of forecourt operations with the help of new-age technologies have already been implemented at select outlets. The technology platform has been further extended to include safety aspects of retail outlet operations as well. The data management of over 11,000 retail outlets has been integrated into the video analytics platform.
  - Robust control and monitoring systems with strict adherence to SOPs ensured safe operations and optimum inventory at operating locations.

## Safety Performance

Safety Incident/Number	Category	2022-23	Remarks
Lost Time Injury Frequency Rate (per one million-person hours worked)	Employees (Management + Non-management)	0.163	→ Driving practices
	Workers (Contractual)	0.087	→ SOP
Total Recordable Injury Frequency Rate (TRIFR - per one million-person hours worked)	Employees (Management + Non-management)	0.1628	→ Construction
	Workers (Contractual)	0.1193	
Total recordable work-related injuries	Employees (Management + Non-management)	2	
	Workers (Contractual)	11	
No. of fatalities	Employees (Management + Non-management)	0	
	Workers (Contractual)	4	
High consequence work-related injury or ill-health (excluding fatalities)	Employees (Management + Non-management)	0	
	Workers (Contractual)	1	
Number of hours worked (Million Hours)	Employees (Management + Non-management)	12.32	
	Workers (Contractual)	92.79	

## Hale and Hearty HPCL

The occupational health and well-being of all employees is our key priority. We undertake various initiatives on a regular basis to ensure preventive and curative health services for employees and all stakeholders.

For preventive health measures, all employees undergo regular Periodic Medical Examinations (PME) and the results are analysed to provide targeted interventions from qualified doctors. To ensure the best accessibility of health services, designated physicians are provided at major locations, while smaller locations have tie-ups with local hospitals.

We organise several health education programmes, awareness sessions and diagnostic camps for employees, their families and other stakeholders. Sports activities and marathons were regularly conducted for improved physical strength, reduced stress and social engagement.

To promote mental health, an employee assistance programme called 'Paramarsh' is in place, which provides virtual mental health counselling services for employees and their family members.

Under the aegis of 'Prerna' initiative, HPCL conducts health campaigns for all our contract workers, tank truck crew and LPG delivery staff at various locations.

Some of the important health related systems and procedures adopted by the company are:

### Refineries

Our refineries have Primary Medical Treatment Centers called Occupational Health Centre (OHC) situated within the Refinery boundary, which caters to all onsite employees and contract workers for medical examinations and emergency first-aid treatment.

They provide prompt treatment towards any medical or surgical emergency related to illness or accident within the refinery premises, including Disaster Management protocol; contribute to the establishment and maintenance of the highest possible degree of physical and mental well-being of the employees; conduct pre-employment medical examination and periodic-medical examinations; conduct frequent health & hygiene surveys like canteen hygiene, ergonomic survey & other

industrial hygiene surveys and impart first aid & occupational health training to the employees.

The OHCs also have tie-ups with nearby hospitals for managing medical emergencies and providing best quality treatment to all employee and workers.

### Marketing Locations

At all major locations, Company Designated Physician (CDP) visits regularly and provides necessary medical assistance as required. Primary medical treatment is provided to all employees, workers for common illnesses like fever, cold, cough, skin problems, among others. Health reviews, medical checkups and medical prescriptions are also provided by the CDPs for contract workmen and TT Crew on need basis.

Moreover, first-aid boxes and are available at all locations for immediate handling of first-aid cases, for which certified trained persons are also available. First-aid training is also being provided conducted through authorised agencies to employees and contract workmen at locations. Effort is made for availability of at least one certified trained person in shifts.

Contact numbers of hospitals, blood banks and ambulances available nearby are maintained in Emergency Response & Disaster Management Plan (ERDMP) document of the location. Hospitals that have been identified are fully equipped and have various facilities available to promptly address any emergency situation.

Medical check-up of all employees is done on yearly basis as per our policy. In addition to this, medical check-up of contract workmen and security personnel is conducted as per specified intervals. Health check-up camps are regularly organised at marketing locations for TT Crew, contract workmen.

We have the best medical insurance policy in the industry that provides IPD, OPD and other diagnostic facilities covering all the employees and their eligible dependents. We also include rare healthcare issues in insurance coverage, empanel more network hospitals and enhance medical benefits from time to time. Additionally, all employees have access to HP Wellness Portal, which hosts a variety of health-related informative topics.

During the reporting year, there were NIL cases of recordable work-related ill health.

### Health-related Initiatives

#### Aarogyam:

A health initiative for employees at Marketing Headquarters with an objective to enhance the welfare of the employees through knowledge-sharing sessions on various diet and health-related topics, one-on-one teleconsultations with dieticians and ensuring inclusion of healthy lifestyle in our day-to-day routine.

#### Health Talks:

During the year, 29 health talks were conducted for 1,687 employees, covering topics such as causes, symptoms, stages, prevention and treatments of hypertension, diabetes, workplace ergonomics, workplace ergonomics, indigestion, gastro problems and other lifestyle diseases.

#### Health Record Portal

Our HR team is working on 'Health Record Portal' to have an artificial intelligence-based Health Management System—an integrated application to collate medical records of employees, track their health parameters, nudge to form healthy habits and gain meaningful insights on their health and behaviours.

#### Envisaged Objectives:

- Providing Competitive Health Solution
- Cost Management
- Productive organisation
- Healthier employees



### Safety and Security of Critical Assets

Safe and secure assets are crucial to maintain the continuity of our operations. We deploy the best technology, maintenance practices, trainings on maintenance of equipment and reliability improvement measures to maintain reliability of our assets. We leverage technology to enhance productivity and operational excellence.

We continue to lay strong emphasis on operational efficiency and cost optimisation towards achieving operational excellence. Both refineries are taking part in a performance benchmarking study



by M/s. Solomon Associates, USA, to achieve reliability and operational excellence. They are also participating in the Refinery Performance Improvement Programme (RPIP) to optimise processes and improve energy consumption.

At marketing locations, our M&I teams inspect our facilities and carry out timely maintenance of assets. They also assess potential risks, prepare mitigation plans and identify the need for new investments towards improving asset integrity with the aim of achieving safe, incident-free and efficient operations. Preventive and predictive maintenance and residual life analysis of equipment is carried out to avoid equipment failure, especially the rotating equipment and subsequent emergencies.

During the year, there were no significant spills.



## Deploying Digital for Asset Integrity

We are deploying a predictive analytics-based maintenance solution for real-time performance prognosis of critical equipment at refineries and marketing installations. This initiative is expected to substantially increase asset reliability and availability, pre-empting surprise failures/outages, minimise risk of unplanned shutdowns and provide alerts, insights and warnings in advance.

## Security Services

Both our refineries are guarded by Central Industrial Security Force (CISF), which is under the administrative control of Ministry of Home Affairs.

Our other facilities such as offices, depots, terminals, LPG plants, lube plants and stations of cross-country pipelines are guarded by private security guards from DGR-empanelled security agencies. This is in line with the direction given by the Department of Public Enterprises. Some of the locations in the State of Maharashtra are guarded by private security guards from Maharashtra State Private Security Guards Board. At pipeline locations, line walkers provided by private security agencies patrol pipelines. The service conditions of private security guards and line walkers are regulated as per Statutory/Government guidelines.



► HPCL locations regularly conduct safety and security drills for emergency preparedness

# Elevating the Customer Experience

## Customer Satisfaction

We are consistently working towards improving operational excellence, customer value, and convenience by innovating, developing, and deploying new technologies. Our vision is to be a world-class energy company known for caring and delighting customers with high-quality products and innovative services across domestic and international markets, while also delivering superior financial performance.



Our commitment to continuous improvement and business excellence pivots on improving product performance, delivering quality, fostering innovation, securing safety and enhancing customer value. We focus on developing and providing premium quality products with high performance efficiency and safety with minimal environmental impacts to delight our customers and foster product stewardship in our business.

We strive to execute our product stewardship responsibilities through innovative research & development (R&D), process re-design and product safety by extending sustainability and responsibility across our value chain.

Safety is of utmost importance to us throughout the lifecycle of our products. While our facilities are designed to ensure safe operations, we have implemented safety management systems and protocols to pre-empt and prevent potential safety incidents. The workforce is provided rigorous safety training and appropriate safety protection equipment.

Our products meet BIS specifications, as well as internationally recognised and customer-specific standards. All our products are evaluated and assessed for health and safety parameters on applicable specifications and relevant norms. Qualified auditors assess our operations related to manufacturing, storage and marketing periodically for health-, safety- and environment-related risks. Our dealers and distributors are regularly advised and guided on product safety management through campaigns, meetings, training programmes. We also undertake operational and product safety-related trainings and awareness and stakeholder engagement exercises. Specific SOPs for delivery men on product safety and handling are in place.

We also communicate information pertaining to the safe use of all our products to ensure that our customers are well-informed and aware. Product safety information is also disseminated through booklets and guidelines on product-handling procedures and risks, including Material Safety Data Sheets (MSDS).

Information of our products and services can be accessed through the following links:

- Corporate Website: [www.hindustanpetroleum.com](http://www.hindustanpetroleum.com)
- Facebook: [www.facebook.com/hpcl](https://www.facebook.com/hpcl)
- Twitter: [www.twitter.com/hpcl](https://www.twitter.com/hpcl)
- Instagram: [www.instagram.com/hpcl](https://www.instagram.com/hpcl)
- LinkedIn: <https://www.linkedin.com/company/hpcl/>
- YouTube: <https://www.youtube.com/c/Hindustanpetroleum74>

Apart from the above, information on product features, services and safety are also available at our customer touch points such as retail outlets, LPG distributorships and CNG stations, among others. Website and social media platforms have a wide reach to communicate any important information in a timely manner to consumers. Press release can be used to communicate through major news dailies.

### **Educating Consumers about Safe and Responsible Usage of Products**

Consumers are educated about the safe and responsible usage of products and services through regular information on website through banners and pages in addition to posts and videos on social media platforms. Press releases are also shared in case of any important information; these are circulated through major news dailies which are uploaded on the website as well. Promotions, including advertisements (TV, Print, Outdoor, Digital), Events & Exhibitions, LPG Panchayats under Pradhan Mantri Ujjwala Yojana, Mock Drills, Regular Safety awareness campaigns, technical awareness sessions at industrial consumer premises, are also carried out. At customer touch points, various safety messages are displayed through information boards.

Since LPG cylinders provide energy access to consumers right up to their kitchen, we also undertake the following measures to educate our customers about its safe usage:

- Safety instructions card is given to customers at the time of release of connections.
- At the time of installation of connections at the premises, it is ensured that the hotplate is kept at higher level than cylinder. Customer is also advised about the safe way to use LPG.
- Safety messages are promoted through social media highlighting safety norms in usage of LPG.



- SOP has been developed for mass awareness about safe usage of LPG. Field officers/ distributors conduct safety clinics in line with the same.

During 2022-23, over 19,450 of LPG Panchayats were conducted across the country to promote consumption, safety and environmental aspects of LPG usage, which is highest amongst industry.



**19,450**

LPG Panchayats conducted in 2022-23

Majority of our products are sold in bulk except packed LPG, lubricants, specialty products and petrochemicals. Important information about the product are displayed on the invoices. All our LPG packages (cylinders), include information on safe and responsible usage of products, lube containers and polymer bags (polypropylene and polyethylene) are labelled with recycling code. Product specifications and MSDS are available on the company website. At retail outlets, the details of the product are displayed in the dispensing unit and also in the Pylon with details of price. For Petchem products, pictorial, depictive information pertaining to storage and handling such as 'Use No Hooks', 'Store Under Roof' and 'Keep Dry' are mentioned on the polymer product packaging.

Our product labels provide information required as per the national and international specifications. Relevant information on safe handling of the products is appropriately disseminated. There was no non-compliance on irresponsible advertising as per applicable regulatory codes. In the reporting period, we have not identified any non-compliance with respect to applicable legal requirements of product labelling regulatory codes. This year also we witnessed Nil voluntary and forced product recalls.

Consumer satisfaction surveys are carried out as a regular part of business. These include product trials-related feedback, telephonic feedback, among others.

# Quality Assurance

Quality assurance entails carrying out administrative and procedural activities to meet the quality objectives and goals for products and services.

We have a Quality Assurance Cell (QAC) to ensure stakeholders' confidence in the fulfilment of quality requirements. This is achieved by conducting surprise inspections for evaluation of compliance with various statutory requirements and standards and remedial actions are advised to satisfy the quality norms.

In line with the Ministry of Petroleum and Natural Gas (MoP&NG) directives to ensure stakeholders' confidence in the fulfilment of quality requirements, we maintain a dedicated QAC (with officers stationed across all zones), which functions independently of the refining and marketing activities. Under the new Marketing Discipline Guidelines (MDG) and HQO directions, the QAC conducts surprise inspections of retail outlets, kerosene public distribution system (PDS) distributorships, LPG distributorships and supply locations.

The Quality Assurance team focuses on critical aspects of product quality and quantity, safety, automation system functioning, branding & visual identity and random product samplings, among others. To track compliance concerning associated metrics and identify areas of constant improvement, an online e-inspection portal has been made available. Surprise inspections are conducted regularly at sites as per prevailing norms and directions.

The implementation of strong QA procedures has allowed us to set high customer service criteria for supply sites and channel partners and helps us offer improved products and services to customers.

Capability development in the domain of Quality is an important feature of staying up to date with the current process, product and regulatory requirements. To provide our regional officers and other stakeholders i.e., dealers and their staff with the most up-to-date information in these areas, QAC officers conduct training programmes across the country.

Regular meetings with OEMs are conducted to improve the execution of inspections with a better understanding.

## Highlights

- Inspected 2,951 retail outlets, 10 kerosene (PDS) distributorships, 572 LPG distributorships and 11 LPG bottling Plants.
- Organised 405 physical training programmes across India, covering 2,983 participants on topics such as quality, MDG, inspections and automation.
- Attended four industry meets with OEMs on knowledge exchange sessions held on changes introduced in DUs to ensure there is no leeway for channel partners to partake in malpractices.
- Developed three training modules during the year for QAC officers (Retail & LPG), regional sales officers, engineering & MIS, dealers and their staff.
- Organised a three-day workshop on Stakeholders Management and Relationship Techniques (SMART) at HP Management Development Institute, Nigdi to enable officers to handle provocative situations tactfully and manage stressful situation by converting disagreements into agreements for QAC and Vigilance Officers in association with Indian Trainers Guild LLP.

# Quality Control

Our quality control (QC) department, with our fully equipped laboratories across India for testing various petroleum products, has enabled us to maintain high standards of quality across our entire product portfolio.

Product quality is monitored at different stages of the product life cycle i.e. receipt, storage and dispatch of the products at terminals, depots and outlets. Industry Quality Control Manual (IQCM) is the guideline for the oil industry to assess product quality at different stages. Our QC caters to the needs of the customers through our network of forty-eight laboratories across India. These labs are designed according to the requirement of the Oil Industry Safety Directorate (OISD). Accordingly, our laboratories perform various tests on different products, providing prompt service and accurate results.

We have also invested in the latest technologies and instruments. The accuracy of test results are administered by implementing ISO 17025 Quality Management System.

NABL accreditation as per ISO 17025 is available at 36 testing labs. In addition, QC marketing has two calibration labs at Delhi and Secunderabad accredited as per ISO 17025, reference material



producer (RMP) facility at Visakh accredited as per ISO 17034 and HP PTP facility at Vashi accredited as per ISO 17043 accreditation, taking the total NABL-accredited facilities in QC marketing to 40. All other labs are covered under SOPs developed in line with ISO 17025 requirements.

The ISO 17025 system not only ensures that the labs maintain Quality Management Systems, but it also endorses the technical competence of the lab personnel. Ten of our labs are approved by Director General of Civil Aviation (DGCA) and Directorate General of Aeronautical Quality Assurance (DGAQA). The performance of the labs are also adjudged by various internal and external audits by these agencies.

## Highlights

- Tested a total of 1,07,712 samples at labs and also achieved highest revenue generation by testing external samples.
- Commissioned Smart Quenchometer at Mazagaon Lab for determination of Cooling Characteristics of Quenching Oils by Cooling Curve Analysis.
- Audits by multiple external auditors, including OEM auditors were concluded at various QC labs at our installations.
- Learning and growth initiatives such as QC training programmes, technical bulletins, technical refresher course were continued during the year. Six officers from HPCL QC marketing attended the NABL assessor Training course. QC Officer presented technical paper on Topic Butanol - A Promising Alternate of Ethanol in Commercial Blends at the India Energy Week 2023.
- Celebrated QC week and World Quality Day, conducted Quality Awareness & Customer connect programmes to enhance the awareness about the quality among stakeholders.

- Conducted 187 QC audits; supported technical groups and field offices, locations in various quality related requirements.
- Established protocol for Periodic Quality Monitoring Programme (PQMP) of MS and HSD at terminals/depots covering Full BIS Parameters.
- Emerged as industry leader in MoP&NG's ambitious programme of biodiesel blending in HSD. In the biodiesel tender/EoI, two stage certification of product was required, i.e. Type Approval of the process and Batch Certification after Joint Sampling. Our QC Lab at Vashi is the only one in the industry having biodiesel-testing facility for full BIS parameters.
- Extended support for field trials of low-smoke kerosene, conducted jointly with Indian Army. Trials were conducted successfully for use of product in Bukharies (heat sources for soldiers to keep warm in extreme cold conditions).

## Customer-centric Initiatives

Our customers are the bedrock of our sustenance and the reason for our existence. Our overall business strategy pivots around customer-centricity and is embedded in our promise to deliver products of high quality at the right quantity and at the right time to exceed their expectations.

We engage with customers and other stakeholders to expand initiatives with the aim of being their supplier of choice. We work towards earning their trust by providing solutions that integrate deep industry insights, leading technologies and best-in-class delivery processes.

As a part of the energy transition process, the vast network of over 21,000 retail outlets of HPCL is being leveraged while foraying into emerging opportunities, including non-fuel and adjacent business opportunities to transform them as Energy Stations.

### Highlights

- We continued to focus on the non-fuel business (allied retail business) with a wide range of facilities for customers across the network, including ATMs, take-away food counters, 'C' stores, vehicle accessories, etc., through tie-ups with leading banks, food brands and OEMs.
- HPCL continues to improve its customer reach by adding new customer touchpoints such as retail outlets. With a total network of 21,186 retail outlets, we are the second largest retail network owner in the country.
- Our 'Drive Track Plus' loyalty programme, which combines control, convenience, security and attractive benefits for fleet owners and drivers, kept up our momentum for client retention and growth in the commercial vehicle category. The on-boarding of significant commercial vehicle OEMs, aggregators, NBFCs, large fleet transporters, small fleet owners, etc., on 'Drive Track Plus' platform, contributed to our top line.
- To enhance the customer experience, the technology solution has been expanded with new features. The digital transformation of loyalty programmes was launched during the year towards improved customer engagement and experience. Social media promotion was continued throughout the year, which helped with enhanced visibility, targeted advertising options, leveraging social proof and getting customer feedback.
- To ensure the quality and quantity of fuel delivered at delivery points, upgraded centralised Vehicle Tracking Systems (VTS) integrated with electromechanical locking devices have been implemented at all tank trucks.
- All our products are designed keeping in mind the requirements of the customers.
- Besides network expansion, improving the volumes within the existing network has been a key focus area for the Retail SBU.
- Towards an enriching customer experience, the powerful loyalty and payment programme 'HP Pay' is being leveraged to provide complete fuel management solutions to customers in the form of an unbeatable combination of control, convenience, security and attractive reward points.
- Taking a step forward in providing customers with enhanced quality products that meet their evolving needs, we launched 'Power 95', a high-octane premium-branded petrol, during the year.
- To cater to the evolving market needs and consumer preference for digital and cashless payment modes, cobranded credit cards were launched during the year on the Rupay platform. HPCL collaborated with IDFC First Bank to launch co-branded credit cards named 'First POWER' and 'First POWER+'. The co-branded credit card with Bank of Baroda is named 'ENERGIE'.
- Added fire extinguishers to LPG allied business product line to support safety in customers' premises.
- We sustained our leadership position in the Free Trade LPG (FTL) segment in 5 kg and 2 kg packages to meet the niche requirements of customers, especially small vendors and young professionals.
- We are committed to strengthening our relationships with key accounts through various customer-centric initiatives. The Customer Relationship Management (CRM) tool is being leveraged to facilitate quicker and more efficient responses to customer leads and to offer a better customer experience. A continued focus has been maintained on the retention of existing business and the solicitation of new customers in the MSME sector to sustain growth in all product lines.



► Expanding reach of cleaner fuels

## Listening to our Customers

We pursue sustainable growth by improving our products according to social expectations and consumer preferences. It is this symbiotic relationship that encourages innovation and improvement, be it incorporating intelligent systems or investing in future technologies.

### Grievance Redressal Mechanism

HPCL has provided a link to the Centralised Public Grievances Redress & Monitoring System (CPGRAMS), a web-enabled Grievance Redressal System of the Department of Administrative Reforms & Public Grievance (DARPG) to enable Public to submit their Grievance on the Portal. It is a single-window application for various Ministries, Departments, Organisations of the Govt. of India, which provides a mechanism for grievance submission to various Channels to enable their processing for redressal with Stipulated Timelines. Grievances submitted on the CPGRAMS portal are forwarded by Ministry of Petroleum & Natural Gas (MOP&NG) to the Nodal officer for Public Grievances in HPCL for redressal.

HPCL has a citizen charter whose objective is to improve the quality of public services. This is done by letting people know the mandate of the Corporation, how to reach Company's officials, what

to expect in terms of services and how to seek a remedy in case of problem. The citizen's charter is hosted on the HPCL corporate website.

We can receive grievances from multiple sources viz. End-Customer (B2C & commercial, bulk, direct), Govt. & Statutory bodies, stakeholders, and others. These sources can choose to raise a grievance via multiple channels, the resolution process being different for each channel. These channels comprise of our website, call centre (3rd party), letter (post) to officer, email to officer, call to officer, walk-in at office, social media (handled by 3rd party E-Seva team), CPGRAMS, National consumer helpline.

A consumer, who wishes to register a complaint about any product or service can visit our corporate website and register the complaint using the online form of complaints and feedback by selecting the appropriate business segment. After submission, the status of the complaint can also be monitored by the consumer online. This is accessible at: <https://hindustanpetroleum.com/pages/Complaints-and-Feedback>

HPCL has also established a Public Grievance Redressal system, details of which are provide in the Company website at <https://hindustanpetroleum.com/pages/Public-Grievance-Redressal>

### Customer Complaints:

Number of consumer complaints in respect of	2022-23		2021-22	
	Received during the year	Pending Resolution at end of the year	Received during the year	Pending Resolution at end of the year
Data privacy	NIL	NIL	NIL	NIL
Advertising	NIL	NIL	NIL	NIL
Cyber-security	NIL	NIL	NIL	NIL
Delivery of essential services	1,87,937	247	2,10,730	162
Restrictive Trade Practices	NIL	NIL	NIL	NIL
Unfair Trade Practices	NIL	NIL	NIL	NIL
Other	NIL	NIL	NIL	NIL
<b>Total</b>	<b>1,87,937</b>	<b>247 (0.13%)</b>	<b>2,10,730</b>	<b>162</b>

# Our Role in Societal Progress

## Corporate Social Responsibility

We have always been a Corporation with conscience, firmly believing that business priorities can co-exist with social commitments and inclusive growth. To foster the growth and well-being of the communities surrounding us, we actively engage in a diverse range of thoughtfully curated social programmes. These initiatives are specifically tailored to drive meaningful transformations in the regions where we have a presence.

We have always strived to be a model of excellence and a catalyst of transformation in all our endeavours, be it business prosperity or our commitment to society and hence, create shared values and deliver happiness through our various initiatives that have touched millions of lives. We believe that responsible business practices are synonymous with caring and contributing for the welfare of the communities and the society.

Our commitment towards good corporate citizenship is driven by our motivation to create a positive social change. Our business purpose guides us to serve the communities and the society. Through our core competencies, expertise and technology, we reach out to various segments of the community with a special focus on the underserved and underprivileged.

Making a positive, long-term difference to the community is the bedrock of our CSR strategy, which has been in-sync with various prevailing statutes and guidelines.

The CSR activities as stated in our CSR Policy are undertaken as projects, programmes, activities in line with Schedule VII of the Act and are not for pursuance of normal course of business. These initiatives are implemented either directly or through expert external agencies registered as Trust, Society or Company under Section 8. The provision of our CSR policy states that projects/activities shall be undertaken at any of the following:

- The local development plan of HPCL which is in proximity to HPCL operation areas/locations
- In Aspirational Districts notified by Government of India
- Where there is a strategic connect for HPCL

The CSR projects are well-established and in sync with (and seek inspiration from) issues of national importance and Government of India policies like National Health Mission, National Skill Development

Mission, Clean India Movement, Transformation of Aspirational Districts programme and other policies on rural/community development.

We support projects that create empowered individuals and communities through sustainable social and economic development. We have undertaken and implemented various activities under the focus areas of childcare, education, health care, skill development, sports, environment & community development, contribution to incubators or research and development projects in the field of science, technology, engineering and medicine funded by the Central Government or State Government or public sector undertaking or any agency of the Central Government or State Government; and contributions to public funded universities.

The initiatives have further strengthened our image as a socially responsible Corporate Citizen. We have been very successful in bringing positive changes in the lives of the most vulnerable and marginalised section of society such as children with special needs, girl child from tribal areas, long-distance truckers, socially-disadvantaged groups, unemployed & women, and more.

Our CSR projects are designed in consultation with the community, considering its developmental needs and available opportunities. Through our efforts, we aspire to be a catalyst for change. The CSR projects are implemented through a community engagement process and with the assistance of our field offices as per the nature of the engagement. Local communities have been identified nearby our area of operation, as one of key stakeholders and use multiple channels of communication at regular intervals to connect with them.

While we directly implement some initiatives, we also collaborate with external agencies including Government and Non-Government Organisations for many. We have undertaken various social initiatives and activities across the nation for the welfare and

development of underprivileged communities and promotion of environmental stewardship:

- Implemented more than 200 CSR projects under the focus areas of Childcare, Education, Health Care, Skill Development, Sports and Environment & Community Development with complete allocation of CSR obligation of ₹ 154.85 Crore for 2022-23.
- Implemented more than 100 CSR projects under the annual common theme 'Healthcare' in line with guidelines on CSR expenditure by Department of Public Enterprises, GOI.
- Across the country, various medical devices and equipment were procured and provided to Primary Healthcare Centers, Community Healthcare Centers, District Hospitals to meet the grassroots healthcare needs in local and remote areas surrounding our business locations like Terminals, Depots, LPG Plants, Pipelines, Aviation Stations, Lube Blending Plants, among others.



- **Project ADAPT:** Under this project, we endeavoured to enhance the quality of lives of 150 Children with Special Needs (CwSN) through education, individual training and therapeutic treatment.
- **Project Nanhi Kali:** Through this project, adolescent girls were provided with remedial classes, material kits, sports curriculum training and counselling sessions on personal hygiene and career development.



- **Project Kashmir Super-50 Medical:** We continued our collaboration with Indian Army for this project under which aspiring students from Union Territory (UT) of Jammu & Kashmir are provided mentoring and coaching for Medical stream. This residential training programme gives wings to academic aspirations of youth for their career development.
- Implementation of four Flagship CSR Projects with Indian Army viz. Kashmir Super - 50 Medical (5th Batch), Ladakh Ignited Minds – (Medical and Engineering) Super - 45 (2nd Batch), White Knight Centre of Wellness and Excellence (1st Batch), Ladakh Ignited Minds - Kargil Super - 50 (1st Batch) for providing residential quality education and coaching facilities for needy and deserving students from Jammu & Kashmir UT and Ladakh UT
- The year saw commencement of similar residential project in Kargil District of UT of Ladakh exclusively for girl students and in Rajouri District, UT of Jammu & Kashmir for coaching the deserving youth in streams like Engineering, Medical and other career-oriented programmes.



- Contribution towards reconstruction and restoration of Kedarnath Dham and surrounding areas.
- Contribution towards Construction and Redevelopment of Badrinath Dham as spiritual smart hill town.
- Distributed more than 16,000 scholarships to students from various socially, economically disadvantaged sections like SC, ST, OBC and PwD across the country, giving support to the students for their Education from School-Level to Professional courses.
- Provided basic facilities like furniture items, teaching aids, water coolers, in various schools for benefit of students in rural areas.

## Corporate Social Responsibility



- **Project Dhanwantari:** Under this project, five Mobile Medical Vans were operated to provide basic healthcare facilities in remote rural areas i.e., to provide diagnosis, treatment and health awareness at the doorsteps of less privileged people.
- **Project 'Dil without Bill':** Under this project, support was extended for conducting heart surgeries of 300 beneficiaries from lower economic section with special focus on children.
- We supported Skill Development Institute (SDIs) at Ahmedabad, Bhuvaneshwar, Rae Bareily, Guwahati and Visakhapatnam. These are conceptualised by Government of India and operationalised by Oil & Gas CPSEs and focused on imparting skills in industry-oriented trades for improving employability of weaker sections of the society.
- SDI Visakhapatnam is being managed by us along with support of other Oil & Gas CPSEs. More than 3,800 students were trained in various trades for their employment enhancement at SDI Visakhapatnam.
- Upskilled more than 1,500 apprentices engaged under 'The Apprenticeship Act. 1961'.
- During the year, we commenced the work for establishment of Compressed Bio-Gas (CBG) Plant at Village Pathmeda, District Jalore, Rajasthan. This project is envisaged to provide purified Bio-Gas in rural areas produced from Waste/Bio-mass sources like agricultural residue, cattle dung, etc.
- We supported the Har Ghar Tiranga Campaign (13th - 15th August, 2022) by providing National Flags to school students and general public in cities and villages, encouraging the spirit of patriotism under the aegis of 'Azadi Ka Amrit Mahotsav'.
- During Swachhata Pakhwada Campaign (July 1-15, 2022), there was outreach of more than 20 Lakh stakeholders across the country. Various awareness generation activities were undertaken, like administration of Cleanliness pledge, providing Masks and Hygiene kits to support fight against COVID-19.

→ Pitching of seed balls and sapling plantation was carried out to promote green environment along with various competition on slogan writing, elocution, drawing and more, under the theme of 'Swachhata'.

→ Contribution was made to the Armed Forces Flag Day Fund for the care, support, welfare and rehabilitation schemes for Ex-Servicemen (ESM) and their dependents.

We recognise the importance of monitoring and measurement in understanding the effectiveness and impact. It is done through periodic evaluation and feedback which provide insights and help us make better decisions.

In pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, dated January 22, 2021, we have engaged Jamia Millia Islamia, a Central University, as an 'Independent Agency', to undertake the Impact Assessment of nine CSR projects having outlays of ₹ 1 Crore or more and which have been completed during financial year 2020-21.

The Executive Summary of Impact Assessment is provided in the Annexure to Directors' Report – Annexure III (REPORT ON CSR ACTIVITIES/INITIATIVES) in our Annual Report 2022-23.

We carry Social Impact Assessments (SIA) and Environment Impact Assessments (EIA) of our projects based on the applicable laws.

In the reporting year, we undertook the SIA of our Varanasi LPG Bottling Plant Project. Refer our Annual Report 2022-23 (Principle-8, BRSR) for more details.

In the reporting year, we undertook the EIA of our Haldia Panagarh LPG pipeline project (HPPL). Refer our Annual Report 2022-23 (Principle-6, BRSR) for more details.



► Recognition to HPCL for its CSR initiative "Dil without Bill"

## CSR Projects Undertaken in Designated Aspirational Districts

(in ₹ Lakh)			
Sr. No.	State	Aspirational District	Amount spent
1	Andhra Pradesh	Visakhapatnam	781.91
2	Andhra Pradesh	Vizianagaram	11.04
3	Assam	Darrang	10.02
4	Bihar	Aurangabad	2.25
5	Bihar	Begusarai	3.75
6	Bihar	Gaya	0.75
7	Bihar	Katihar	3.00
8	Bihar	Muzaffarpur	3.75
9	Bihar	Nawada	1.50
10	Bihar	Purnia	3.01
11	Bihar	Sheikhpura	1.50
12	Bihar	Sitamarhi	0.75
13	Chhattisgarh	Bijapur	2.46
14	Gujarat	Narmada	19.76
15	Haryana	Mewat (Nuh)	33.10
16	Jharkhand	Bokaro	33.35
Sr. No.	State	Aspirational District	Amount spent
17	Jharkhand	Giridih	0.75
18	Jharkhand	Hazaribagh	0.75
19	Jharkhand	Palamu	0.75
20	Jharkhand	Purbi Singhbhum	21.69
21	Jharkhand	Ranchi	1.50
22	Jharkhand	Sahibganj	1.50
23	Madhya Pradesh	Rajgarh	1.79
24	Maharashtra	Gadchiroli	38.39
25	Maharashtra	Nandurbar	39.53
26	Odisha	Kalahandi	0.75
27	Odisha	Nawarangpur	6.50
28	Rajasthan	Dholpur	0.75
29	Rajasthan	Jaisalmer	16.78
30	Rajasthan	Karauli	3.98
31	Uttar Pradesh	Chandauli	8.48
32	Uttar Pradesh	Fatehpur	17.67

## Lives Touched Through CSR Projects

Sr. No.	CSR Project	No. of Beneficiaries	% of Beneficiaries from vulnerable and marginalised groups
1	Promoting Education	3,74,908	100%*
2	Promoting Healthcare	3,39,261	
3	Swachh Bharat Abhiyan	1,49,971	
4	Rural Development	78,130	
5	Environment Sustainability	20,500	
6	Empowerment of Socially and Economically Backward groups	5,030	
7	Activities under various other Schedule VII areas	3,625	
8	Imparting Employment by Enhancing Vocation Skills	3,177	
9	Promotion of Nationally recognised and Para-Olympic Sports	23	

\*The above details are for CSR projects where beneficiaries are mapped. However, there are several community-based initiatives, which have benefitted various sections of the society as a whole.

## Promotion of Sports Activities

We play a significant role in the promotion of sports and regularly host and participate in various tournaments for the Petroleum Sports Promotion Board (PSPB) and the All-India Public Sector Sports Promotion Board (AIPSSPB). We also organised various internal tournaments during the year to promote sports. The Sports Portal was launched during the Annual Sports Meet 2022-23 and helps us in managing the sports activities.

We hosted the 42nd Inter Unit PSPB Bridge Tournament at Amritsar, the 41st PSPB Inter Unit Athletics Meet at Kolkata and the AIPSSCB All India

Inter Unit Badminton Tournament at Bengaluru. We also participated in PSPB tournaments in various sports disciplines. In 2022-23, we won the team championship in the PSPB swimming tournament and the team champion (in the unrated category) in the PSPB chess tournament.

# Focusing on Sustainable Returns

We are committed to ensuring energy security of India and are working towards creating value for our stakeholders, thereby ‘Delivering Happiness’ to the society at large.

The global economy grew by 3.4% in 2022 despite the multifarious challenges posed by geopolitics, the associated inflationary pressures and economic woes in countries around the world. With a growth rate of 7.2%, India’s output rebounded to its pre-pandemic level in 2022-23, reinforced by the government’s capex push and resilient private consumption. Against the backdrop of the increased prices and volatility of global crude prices, India’s petroleum product consumption also hit a new record in 2022-23, reaching the highest ever level of over 220 MMT.

During the year, the global geopolitics held centre stage leading to volatility in crude oil prices, new energy supply dynamics and increased focus on energy security. Despite the heightened price and margin fluctuations witnessed by the oil and gas industry, we have continued to meet the market demands and ensured the availability of petroleum products across our network.

To ensure availability and seamless, cost-efficient distribution of petroleum products across the country, we have significantly expanded the refining and supply chain infrastructure during the year with a capital expenditure of ₹ 14,043 Crore (including equity investment in our JVCs and subsidiaries) in 2022-23.

## Physical Performance, Infrastructure Projects

### Refineries

During 2022-23, our Mumbai and Visakhapatnam refineries demonstrated exceptional performance in their refining operations, showcasing an impressive improvement. Meticulous crude sourcing, right crude mix and expeditious evacuation of finished products, duly complemented by improved refinery reliability and standardised operating processes, were the key contributors to the performance of refineries.

### Highlights



19.09 MMT

Crude throughput



107%

Capacity utilisation

The highest-ever crude throughput of 19.09 MMT and capacity utilisation of 107% was achieved by our refineries, which is 36.7% higher than the 13.97 MMT of crude processed during the previous year.

With the stabilisation of the expanded capacity, our Mumbai Refinery achieved its highest ever annual crude throughput of 9.8 MMT. Mumbai Refinery achieved outstanding performance during the financial year 2022-23 by surpassing numerous previous best performance milestones for unit throughput and production through optimum asset utilisation. The annual production of LPG, MS, HSD and LOBS reached the highest-ever level for the Mumbai Refinery.

The Visakh refinery also exhibited excellent performance by processing a crude throughput of 9.29 MMT with an impressive capacity utilisation of 111.9%. In January 2023, the Visakh Refinery achieved the highest-ever monthly production of MS. In addition to these remarkable achievements, six new crudes were processed for the first time in our refineries. As part of the Visakh Refinery Modernisation Project (VRMP), a new Crude Distillation Unit (CDU-4) has been commissioned.

HPCL imported 14.97 MMT of crude oil in 2022-23, as compared to an import of 10.12 MMT during 2021-22 and procured 3.95 MMT of crude oil from indigenous sources.

## Refineries – Operating Performance

Parameter	Unit	Mumbai	Visakh
Crude Throughput	TMT	9,804.3	9,286.6
Capacity Utilisation	%	103.2	111.9
Distillate Yield	%	77.4	68.0
Fuel & Loss	%	7.40	7.54
Specific Energy Consumption	MBTU/BBL/NRGF	76.0	79.12
Gross Refinery Margin (Before factoring in impact of export levies)	\$/BBL	14.82	9.20

## Marketing

On the back of a wide array of customer-centric initiatives supported by a strong supply chain network, we achieved our highest-ever annual sales of 43.45 MMT (including exports) during the period, with a growth rate of 11% compared to the historical. In the domestic segment, we recorded the highest ever volumes of 42.19 MMT with a growth of 12.8% and achieved a market share gain of 0.94% amongst Industry.

## Retail

Retail SBU is the face of our Corporation as retail sales constitute a major share of our total market sales. Through a widespread network of retail outlets, we take care of not only the customer's fuel needs, but also of the complete vehicle. We have Club HP and Club HP Star as outlets offering differentiated services. In addition, products for cashless transactions, like Co-branded cards, Fleet cards and other loyalty cards have been developed for the convenience of customers.

## Highlights

- Achieved highest sales volume of 28.2 MMT; sales of petrol and diesel increased by 16.2% and 16.5%, respectively.
- Branded fuel continued to be an asset for us, helping us differentiate offerings and create value for the organisation. The highest-ever sales of fuel additives 'PoWer Petrol Plus' and 'Turbojet Diesel Plus' were registered during the year.
- Commissioned 1,161 retail outlets taking the total retail network to 21,186 numbers spread across the country.
- Automated 1,400 retail outlets during the year, taking the total to 19,631 automated outlets.
- Achieved No Automation, No Operation (NANO) at 91.03 % and connectivity at 90.67 % of total active operating outlets.
- Added 301 CNG stations to a total of 1,387, ensuring wider availability of alternate fuels and offering more choices to customers.

- Added 1,026 EV charging stations to a total of 2,037; secured an order for installation of EV chargers in 10 parking lots of Brihanmumbai Municipal Corporation.
- Commissioned 117 door delivery dispensers to a total of 760.
- Opened HaPpy shops at 50 locations taking the total to 60.
- Conducted 4,168 GURUKUL Training Programmes for 60,103 CSAs.
- Conducted 997 numbers of sales area-wise dealer meets; these were attended by 16,962 dealers and 812 numbers DEEKSHA Training Programmes across all Zones.



► Forging partnerships for growth

### LPG

LPG is an ideal fuel in terms of quality, cost, efficiency and environment. It is supplied under the HP Gas brand. We ensure highest safety standards throughout the value chain. Apart from domestic LPG, HP Gas also markets LPG cylinders for commercial and industrial purposes and bulk LPG by tanker for industries.

### Highlights

- HP Gas serves over 9.3 Crore consumers.
- Achieved highest ever LPG sales of 8.1 MMT with growth of 4.9%, highest among the industry. The domestic LPG segment gained market share for the seventh consecutive year. HPCL is the second-largest LPG marketer in the country.
- Commissioned 45 new domestic LPG distributors, taking the total to 6,283; commissioned a record 51 non-domestic distributors were commissioned, to tap the non-domestic segment, taking the total to 328.
- We enrolled 25.98 Lakh new LPG customers (including 14.96 Lakh customers under PMUY 2.0) enhancing customer reach, thereby taking total LPG customer base to over 9.3 Crore.

- Released 15 Lakh new LPG connections under PMUY 2.0.
- Sensitised people about safe and sustainable use of LPG by conducting over 19,450 LPG Panchayats across the country, which is the highest among industry.
- We continue to focus on augmenting bottling capacities and LPG storage at locations to meet the growing LPG demand. Commissioned LPG plants at Barhi (120 TMTPA), Patalganga (180 TMTPA) and Sitarganj (60 TMTPA); 21 Mounded Storage Vessels across nine locations to augment LPG storage capacities (9.8 TMT).
- Sustained leadership position in the Free Trade LPG (FTL) segment, selling over 5.5 Million 'APPUs' cylinders in package sizes of 5 kg and 2 kg and achieving a market share of over 44% in this competitive segment.
- Launched HP Sakhi-initiative for last-mile connectivity.



► Dedication of Goalpara LPG Plant to Nation - fostering energy independence and empowering communities.

## Direct Sales (Industrial and Consumer Sales)

Our Industrial and Consumer (I&C) business line handles the institutional sales of fuels, bitumen, naphtha, solvents, petrochemicals and other bulk products consumed by industries such as mining, construction, power plants, shipping, and more, in both the private and government sectors and also carries out exports of these products to various overseas markets.

Effective key account management continues to play a pivotal role in sustainable, long-term growth in the I&C business. We supply bulk diesel to various public and private entities, including Indian Railways, State Transport Undertakings (STUs), defence units, major road construction companies and industrial consumers. We also cater to the fuel requirements of Army and paramilitary forces such as BSF, ITBP, SSB, CRPF and Border Roads Organisation (BRO) for the supply of fuels and bitumen by delivering products to even their most remote locations.

### Highlights

- I&C business line recorded overall sales of 4.32 MMT.
- Surpassed sale of 1.2 MMT of Furnace Oil and 1.5 MMT of Bitumen.
- Recorded highest ever sales of 27 TMT in the specialty product line of Hexane.
- In bunker marine fuels, sales of 172 TMT were recorded, with a growth rate of 153%.
- Made deeper inroads into the Low Sulphur Furnace Oil (LSFO) business, which recorded a volume of 37 TMT.
- Forayed into marketing of Petrochemical products with the launch of the HP DURAPOL brand. The brand will cover various grades of HDPE

(High-density Polyethylene) LLDPE (Linear Low Density Polyethylene) and PP (Polypropylene). The polymer products will cater to several end-use segments, e.g. food, agriculture, textiles, construction, medical, etc. The foray into the petrochemical business will help in reinforcing the Government of India's mission of 'Atmanirbhar Bharat'. HPCL has commenced the marketing of polypropylene and polyethylene during the year in the key markets of Maharashtra and Gujarat.

- Launched new products like HP Super Solvent for adhesive industry, LSHS Premium (LSFO) in Goa, Kandla, West Bengal markets; Marine Biofuel (10% blend in VLSFO) in coordination with DG shipping and SOD SBU as a green fuel for Indian Shipping Industry; and Warm Mix Additive with differentiated characteristics for meeting the unique needs of our customers.
- Commercialised HP TUFFBIT in 26 kg Polybags.
- Commissioned, Augmented facilities at several locations for expanding reach and scale of product delivery to customers viz. MTO rake unloading facilities at Dharmapuri and Vadodara, LDO rake receipt and Tank Truck loading facility at Haldia and Hexane tankages at Akola and Sitarganj depots.
- Commercialised several products developed by HPGRDC.
- We are also exporting products like furnace oil, bitumen, hexane, JBO and MTO to countries like Nepal, Bhutan and others.
- Bitumen storage at Haldia has been increased through our JV, M/s Hindustan Colas Private Limited.



► Launch of HP DURAPOL, the groundbreaking petrochemical product

### Lubricants

We are a major producer of base oils in the country, with the capability of producing Group I, Group II and Group III base oils. The Indian lubricant market is one of the fastest-growing markets in the world and the third largest in terms of consumption. The total demand for finished lubricants is estimated to be about 2,800 TMT, with process oils contributing about 1/3rd of this demand.

### Highlights

→ Continued to improve operational efficiencies at lube blending plants through infrastructure augmentation, automation and various other innovative solutions.

→ Recorded year-on-year growth of 16% and a market share increase of 2.48%.

→ Recorded an overall sales volume of 632 TMT of lubricants, including exports of about 6 TMT to 18 countries.

→ Enhanced market reach through our 100% subsidiary Company, HPCL Middle East FZCO and achieved our highest-ever sales to countries in the Middle East region and Africa.

→ Signed a Trademark Licensing Agreement with Chevron Corporation, to manufacture, distribute and market Chevron's lubricants products under Caltex brand complementing our existing product portfolio, especially in the competitive Bazaar segment. The partnership paves the way to leverage HPCL's market leadership to add value via a broader, premium product offering to consumers through synergies between HPCL and Chevron.

- The geographical reach of the lubes marketing network has been enhanced by adding 36 new channel partners.
- The focus on Original Equipment Manufacturers (OEMs) and their customers from core sectors was maintained towards consolidation of business through partnerships. Started nine new OEM relationships during the year to a total of 60.
- Lubricants business continued to benefit immensely from the close interactions between OEMs and our R&D/Technical Services teams with stakeholders. Close to 2,000 customer-connect activities were conducted during the year.
- Achieved channel expansion through new distributorships at Bangladesh, Kenya and Nigeria; LOI issued for Cambodia, new B2B relations in Tanzania, Mauritius, Cambodia and Mauritania.
- Inaugurated distributor for HP Lubricants Brand in Qatar.
- Launched multiple new products and packages to suit varied customer requirements.
- Obtained certifications from OEMs and automobile industry associations for various products.
- Scaled up commercial production and sales of Diesel Exhaust Fluid (DEF) for second year in a row, recording highest ever sales of more than 25 TMT during the year.
- Continued to play an innovative and proactive role in developing new products for government and private sector customers. Close interactions with the Army, Air Force and other agencies enabled a number of approvals for new products.



► Promoting resource conservation through circularity initiatives

## Aviation

We supply Aviation Turbine Fuel (ATF) to airline customers through a vast network of Aviation Service Facilities (ASFs), covering all the major airports in India.

'HP Aviation' fuelling service meets stringent international regulations in addition to the various rules and regulations stipulated by various agencies/regulatory bodies. To better serve all non-scheduled clients, improve customer satisfaction and keep our commitment to on-time fuel delivery, HP Aviation operates a unique single point of contact service HP Aviation Hub, which is accessible round-the-clock and operates as per stringent global standards.



► HP Aviation - Expanding Wings through Customer Connect

## Highlights

- Achieved ATF sales of ~693 TMT, registering a growth of over 33.1%
- HP Aviation was bestowed with the "Best Aviation Fuel Provider" award from ASSOCHAM
- With the addition of new aviation refuelling facilities at Kannur (Kerala) and Mopa (Goa), we now have 54 Aviation Service Facilities (ASFs), including defence and open access locations across the country.
- Secured business with national and international airlines.
- Conducted training programme on ATF fuel-handling for several nominated Indian Air Force officers.
- Carried out Refuelling of VVIP flight during January – March 2023.
- Commissioned ATF facility at Vashi Terminal and Irugur Depots.

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## Natural Gas

To create a gas-based economy, the Government of India has envisaged increasing the share of natural gas in India's primary energy mix to 15% by 2030. We have also undertaken several initiatives to expand our presence in the natural gas sector by increasing our footprints in India's midstream and downstream gas markets. We are participating in the import, regasification, transportation, City Gas Distribution (CGD) networks and marketing value chains.

### Highlights

- For import and regasification, HPCL LNG Ltd. a 100% subsidiary of HPCL, is constructing a 5 MMTPA LNG regasification terminal at Chhara Port (Gir Somnath district) in Gujarat. The terminal has been mechanically completed and pre-commissioning activities have been initiated.

- On an all India and standalone basis, we added CNG facilities at 301 retail outlets during the year, taking the total number of our retail outlets with CNG facilities to 1,387.
- Marketed 257 TMT of Natural Gas, strengthening our presence in this business segment.
- Towards natural gas transportation in the country, we are participating in the development of three cross-country natural gas pipelines, i.e. the Mehsana-Bathinda pipeline, the Bathinda-Gurdaspur pipeline and the Mallavaram-Bhilwara-Bhopal-Vijaipur pipeline, through JV companies viz. GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL). By 2022-23, GIGL had commissioned about 1,254 km of gas pipeline. GITL

## Economic Performance

is operating a 365 km gas pipeline for the supply of natural gas to the Ramagundam Fertiliser Plant.

→ Overall, we, along with our JVCs, have the authorisation for setting up of CGD networks in 23 GAs in 12 States.

→ We are actively participating in the establishment of CGD networks both on our own and through JVs, namely Aavantika Gas Limited (AGL), Bhagyanagar Gas Limited (BGL), Godavari Gas Pvt. Limited (GGPL) and HPOIL Gas Pvt. Limited. CGD networks are being operated in nine geographical areas (GAs) by these JVs in the states of Madhya Pradesh Andhra Pradesh, Telangana, Maharashtra and Haryana. 30 CNG stations were commissioned, and more than 59,000 domestic PNG connections were added during the year through these JVCs in 2022-23.

→ On a standalone basis, we are currently building City Gas Distribution networks in 13 GAs (Geographic Areas) in 7 states, i.e. Haryana, Uttar Pradesh, Uttarakhand, Bihar, Rajasthan, Jharkhand and West Bengal, across 36 districts.

→ During the year, we commissioned 86 new CNG stations in the GAs authorised to HPCL, taking the total number of CNG stations in HPCL-authorised GAs to 209.

→ In the CGD pipeline network, 2,110-inch km of steel pipeline, 1,233 km of MDPE pipeline and 22,733 new PNG connections were released during the year.

- Domestic PNG supply is continuing in 3 cities and industrial PNG supply is being given to 13 industrial customers in GAs authorised to HPCL.
- In addition, we operate a Network of 1 mother station and 18 daughter booster stations in and around the city of Ahmedabad.
- In addition to retail sales through City Gas Distribution network, we are also expanding our customer base to include large industrial units, including fertiliser plants, refineries, petchem plants and CGD companies. During 2022-23, we commenced gas supply to 19 new customers.
- We also commenced the sourcing and marketing of gas through the Indian Gas Exchange, adding flexibility to operations.
- While building the infrastructure for the marketing of natural gas in the country, the sourcing of natural gas is also being secured through various contracts. We have entered into long-term gas-sourcing contracts from ultra-deep-water fields in the KG Basin and other indigenous sources. We are also in the process of sourcing LNG at a competitive price from the international market to balance our gas portfolio and meet our captive and marketing demand.
- We released 63 LOIs for CBG plants during the year, taking the cumulative number to 476 LOIs and plant capacity to 943 TMTPA.
- Cumulatively commissioned 4 CBG Plants.



► Expanding cleaner fuel offerings through HPCL LNG Limited

## Supplies, Operations and Distribution

Supplies, operations & distribution (SOD) department ensures effective petroleum product distribution and marketing across India. A robust supply chain and infrastructure ensures seamless product movement with assured quality and quantity at optimum cost.

SOD continued to play a pivotal role in maintaining a robust supply chain management and seamless product movement from the supply source to the end consumer in the stipulated time, utilising the strong infrastructure of 81 terminals/depots.

### Highlights

- Recorded significant gains in overall throughput performance and productivity across the network of depots and petroleum product pipelines.
- Achieved an all-time high throughput of 57.3 MMT in supply and distribution of petroleum products with a growth of 13.9% and ensured uninterrupted product availability across the country.
- Achieved an overall ethanol blending of 10.59% by blending ethanol in Motor Spirit thereby saved GHG emissions exceeding MoU parameters set by the GOI. First OMC to commence 12% blending from December 2022. Received recognition from CII for exemplary performance in improving ethanol logistics in the country.
- Sold 2,74,816 KL of biodiesel-blended HSD.
- Launched E20 fuel at 23 ROs along with Green Mobility Rally during February 2023 by Hon'ble PM.
- Implemented Phase-III Electromechanical Locking at 32 locations.
- Installed new VTS device in 100% tank trucks under POL contracts and successfully implemented No VTS No LOAs.
- As a first in industry, completed installation and commissioning of mass flow meters (MFM) for MS and HSD for vessel unloading in jetty lines at Mundra Terminal.
- Commissioned 15 vapour recovery units (VRUs) taking the total to 43.
- Commissioned a new Terminal at Dharmapuri (Tamil Nadu) and a POL depot at Sitarganj (Uttarakhand); existing POL depot at Kozhikode, Kerala, was recommissioned after a major revamp which helps enhance product distribution capabilities in the state.



► Promoting learning culture, strengthening team spirit & collaboration among the Officers through QUI SOD

### Project and Pipelines

We have a high level of competency in the execution of pipeline projects and managing pipeline operations effectively to optimise costs and enhance efficiencies.

#### Highlights

- Recorded the highest-ever pipeline throughput of 23.25 MMT, registering a growth of 16.8%.
- Commissioned 697 km long Vijayawada-Dharmapuri pipeline (VDPL), along with a major greenfield terminal and the 650 km long Hassan-Cherlapalli LPG pipeline (HCPL) increasing the operating cross-country pipeline network to 5,132 km; petroleum-product-pipeline mainline capacity has gone up to 35.2 MMTPA.
- Commissioned green field marketing terminal at Dharmapuri, Tamil Nadu; 697 km long 16" dia Vijayawada-Dharmapuri pipeline (VDPL); 650 km long 14" dia Hassan-Cherlapalli pipeline (HCPL)
- Achieved mechanical completion of 216 Km long, 18" dia Barmer Palanpur Pipeline (BPPL)

- Obtained PNGRB authorisation for laying 215 Km X 10" LPG Pipeline from Haldia to Panagarh in West Bengal.
- Implemented first-of-its-kind in-industry innovations such as Smart Pump Stations in VDPL Project, Smart SV Stations in HCPL Project, PIG Valves in SV Stations in HCPL Project, Outdoor Gas-insulated Switchgear in HCPL Project.
- To leverage technology for enhanced productivity and safety in operations, a trial run of the survey of cross-country pipelines using drones has been done during the year. We are the first to conduct a drone-run covering 51 km in the Rewari-Kanpur pipeline to survey a section of our pipeline network.
- Commissioned Phase-1 facilities for Indore Revamping project, New Sitarganj and Elathur Depots.



► Interaction of C&MD with Project team of Hassan-Cherlapalli LPG Pipeline

## Financial Performance

We continued to meet the nation's energy needs even while marketing margins were suppressed for certain petroleum products.

While navigating the challenging environments, gross sales registered a growth of 24.7% in 2022-23, rising from ₹ 3,72,642 Crore in 2021-22 to ₹ 4,64,684 Crore, reaching a new peak.

Financial Performance	2022-23
Total Dividend Payout per share (₹) - Dividend declared for the year	-
Gross Sales (₹ Crore)	4,64,683.79
EBITDA (₹ Crore)	(5,453.09)
EPS (₹)	(63.26)
Networth (₹ Crore)	27,713.43

Economic Value Generated (₹ Crore)	2022-23
Total Revenue	4,68,261.49
Profit After Tax	(8,974.03)

Economic Value Distributed (₹ Crore)	2022-23
Operating and Service Cost (Including Cost of Materials Consumed, Purchases, Stores & Spares, Utilities)	4,41,401.38
Employee Wages and Benefits	2,962.81
Payments to Providers of Capital	4,117.82
Contribution to Exchequer	92,204.21
Community Investment	154.85 <sup>#</sup>

# Includes ₹ 58.74 Crore of provision towards unspent CSR for the Financial Year 2022-23 which has been deposited and will be spent subsequently in accordance with CSR Rules.

Financial assistance received from government (₹ Crore)	2022-23
Subsidies	102.48
Investment grants, research and development grants and other relevant types of grants	5,781.90

HPCL does not make any contribution towards any political parties either financially or through in-kind contributions.

Average GRMs for 2022-23 were US\$ 12.09 per barrel compared to US\$ 7.19 per barrel during the corresponding period of the previous year, recording an increase of 68.2%. The exceptionally high international oil prices along with suppressed marketing margins on select transport fuels, severely impacted the profitability, resulting in Net Loss of ₹ 8,974 Crore in 2022-23.

The Board of Directors, after taking into account the Financial Results of the Corporation, has not recommended any dividend for the financial year 2022-23. A final dividend of ₹ 14 per share was recommended for 2021-22.

As a responsible corporate, the approach followed by the Corporation towards Tax is governed by the elements of (a) Strict Statutory Tax Compliance (b) Minimising Tax litigation (c) Contesting the superfluous tax demands (iv) Availing all the eligible tax set off at the immediate available opportunity.

## Ongoing Projects

Infrastructure continues to be our key strength in delivering products efficiently and at competitive prices to customers.

We undertake infrastructure investments towards efficiency improvement, expanding capacities, modernising facilities & logistics improvement, renewables, biofuels, etc. During the year, we made a capex investment of ₹ 10,853.71 Crore.

## Economic Performance

Status of a few ongoing infrastructure projects include:

- Other units of Visakh Refinery Modernisation Project (VRMP) to enhance the refining capacity to 15 MMTPA are in advanced state of completion.
- The 5 MMTPA LNG terminal at Chhara, Gujarat, being constructed through our subsidiary company, HPCL LNG Limited, achieved mechanical completion in March 2023.
- HPCL Rajasthan Refinery Limited (HRRRL) project has already made significant progress, with major process turnkey contracts and LSTK contracts for associated works/utilities already in place. The project construction work is underway at the site in full swing.
- A number of projects are underway to strengthen our distribution network by expanding pipeline network and capacities for enhanced logistic efficiencies and associated environmental benefits with an estimated investment of over ₹ 2,000 Crore. These include the Barmer Palanpur Pipeline, Bathinda Sangrur product pipeline, the Haldia- Panagarh LPG pipeline. The pipeline projects will increase our pipeline capacity to over 40 MMTPA and network length by 500 km to about 5,600 kilometres thus significantly strengthening our position in key markets.
- We have also teamed up with other PSU OMCs in development of India's longest LPG pipeline from Kandla to Gorakhpur (~2,800 km) through joint venture route.
- Other projects include the revamping of Raipur and Vashi POL terminals, new LPG plants at Varanasi (Uttar Pradesh) and Abu Road (Rajasthan) and the 80TMT LPG Cavern at Mangalore.
- The 370 TPA green hydrogen plant at the Visakh Refinery is in an advanced stage of completion.

→ Given the market's projected expansion and the present low per capita consumption of petrochemicals in the country, we have prioritised expanding our petrochemical portfolio. Large-scale investments are underway for building petrochemical manufacturing capacities through the joint venture route. For marketing our own-produced and externally sourced petrochemical products, the 'Route to Market' strategy has been developed and is under implementation.

→ With respect to alternative fuels and energy storage, new avenues of value creation in the electric vehicle (EV) ecosystem, including battery swapping and energy storage solutions, are being explored in collaboration with various technology start-ups, OEMs, etc.

Some ongoing sustainable energy initiatives through our start-ups & Green R&D Centre at Bengaluru:

- Tie-ups with startups for:
  - Manufacture of air-quality monitoring devices.
  - Promoting circularity of used cooking oil.
  - Renewable energy generation through vertical wind turbine installation.
  - Design of carbon emitter dashboard to monitor carbon emission and predictive maintenance of heat exchanger train.
- Tie-ups with Tata Power, various start-ups and established companies for undertaking EV charging station pilots. Battery swapping stations with Honda Power.
- DFR for joint collaboration with the Shell and other industries in Mumbai for forming a CCUS Cluster Consortium in Mumbai.
- Jointly bidding for supply of Green Ammonia.
- Working on developing and marketing lithium battery products for the Indian and global markets.



► Expanding footprints in EV charging infrastructure through collaboration

## Some of the Pilot Projects supported for Startups

### Monter Technologies

The innovative technology for promoting clean energy will combine multiple wind turbines and store the energy in a flywheel. The technology is validated by IITB.

#### Benefits

20% savings in discom charges for 20 years with a power backup of up to 6 hours daily, thus no power outages; savings of 1.04 tonnes of CO<sub>2</sub> per MWH of power generation

We have placed a work order to install the prototype in HP Green R&D Centre.

### VayuJal

This IIT Madras-incubated startup uses nano-structure patterned surfaces to condense atmospheric water vapour, which is later purified and remineralised into water, using cartridges for adding minerals like calcium, magnesium, potassium and copper.

#### Benefits

This offers systems with a production capacity of 40-2k litres per day.

We have provided an opportunity of a paid pilot project for the startup in HPCL Rajasthan Refinery Ltd. site and install 120 LPD at refinery site.

### PetroBot Technologies

PetroBot Technologies is an Indian deep technology startup providing real-time In-service storage Tank Inspection Services (ITIS) and innovative robotic NDT solutions using indigenously developed remotely operated Robotic crawlers.

#### Benefits

Their innovative solution enables non-destructive testing without any tank outage, without productivity loss, without any sludge disposal requirements and without any human intervention.

We have provided the startup to carry out paid pilot project for two tanks in the Mumbai refinery.

## Integrated Margin Management

The Integrated Margin Management (IMM) group operates with the objective of enhancing Net Corporate Realisation (NCR) by planning and optimising end-to-end supply chain logistics from crude oil to customers and aligning various strategic business units to a common corporate goal. IMM continued its efforts during 2022-23 to drive the planning operations of HPCL with the objective of enhancing net corporate realisation.

IMM leveraged margin improvement opportunities by planning for processing of crude grades available at competitive rates at both our refineries. Our refineries achieved the highest-ever crude throughput of 19.09 MMT during the year with meticulous planning. Overall value realisation was enhanced with a focus on increased production and sales of higher-value products and the introduction of new niche products such as HP Super Solvent, Low Aromatics Kerosene, Low Sulphur Fuel Oil, etc. Through meticulous planning, IMM enabled the highest cross-country pipeline throughput thereby enhancing asset utilisation.

For sustaining continual improvement, ideas generated across the corporation are driven through a structured 'Initiative Management Office' called 'Idea Junction' and are regularly tracked. During 2022-23, Idea Junction crossed the landmark of receiving 20,000 ideas with a cumulative employee participation rate of 59%. The group ran monthly theme-based idea campaigns and conducted idea workshops to enhance employee participation and focused idea generation.



**20,000**

Ideas received by  
Idea Junction

### Central Procurement Organisation

The Central Procurement Organisation (CPO) at HPCL has enhanced standardisation, competitiveness, efficiency and transparency, including ensuring policy compliance in handling procurement for various SBUs on a centralised basis. CPO ensures the adoption of various government directives/policies to strengthen the ecosystem for MSMEs and promote the indigenisation of products and services. It has also helped in effective vendor management.

CPO has actively driven various initiatives undertaken by the Government of India to strengthen the ecosystem for MSEs in the country. Procurement for commonly used goods and services through GeM (Government e-marketplace) was encouraged. The concerted efforts to onboard MSE vendors under TReDS (Trade Receivable Discounting System) resulted in vendor invoices of ₹ 351 Crore being discounted through the platform.

### Going Digital

Technology has always been the integral component of our business strategy and we lay strong thrust on effective adoption of technology across all spheres of business activities. We have a well-calibrated digital strategy and vision in place, which is helping us meet varying customer expectations and create technological edge to stay ahead in the competitive energy market space. Our digital strategy & vision guides the ongoing digital transformation programme 'Parikalp', which envisages a comprehensive digital make-over across the corporation with an end-to-end technological intervention approach extending from supply chain and internal business processes to enhance customer experience, increase operational efficiency, achieve cost leadership, enhance productivity & service delivery and ensure safety & security.

Our digital strategy is inseparable from our sustainability objectives and future plans which are tied to corporation's net zero commitments and excellence in corporate citizenship. Several sustainability initiatives undertaken by us are technology-centric in nature and our ongoing digital transformation is going hand-in-hand with Corporation's ESG roadmap.

We continue to focus on technology for business transformation and for delivering value to our customers. A digital strategy is in place and various digital transformation projects have been completed or are ongoing.

We have embraced FOSS (Free Open - Source Software) technologies such as enterprise messaging, object storage, API Manager and FOSS databases to meet the changing requirements of service delivery. By leveraging FOSS technologies, we have been able to keep up with the rapidly evolving technology landscape and provide top-notch services to our stakeholders.

The Continuous Integration and Continuous Delivery (CI/CD) methodology has now been integrated with the Software Development Life Cycle (SDLC) and Development, Security and Operations (DevSecOps) approach. The DevSecOps approach integrates security as a shared responsibility throughout the entire IT lifecycle. With this, we ensure the timely delivery of high-quality software that meets security standards and complies with regulatory requirements.

**ERP Modernisation:** Enterprise Resource Planning (ERP) systems help businesses to streamline their operations, improve data management and facilitate collaboration and innovation. The ERP modernisation project, aimed at building a robust digital foundation in HPCL, has reached an advanced stage of completion during 2022-23. The project shall help us in enhancing productivity in view of the availability of facilities for handling large amounts of both structured and unstructured data, enhanced real-time analytic capabilities, scalable solutions, better transaction controls, flexibility and versatility.

During 2022-23, we have made digital acceleration a top priority and launched several initiatives to achieve our digital acceleration objectives for treading the digital transformation journey towards improving processes, increasing productivity, enhancing customer value and convenience. The digital transformation journey encompasses multiple layers, such as modernisation of our technological foundation, reimagining and redesigning existing processes to leverage the capabilities of digital technologies and improving the interactions and experiences that customers have with us.

### Highlights

Information Technology (IT) activities have been aligned with SBUs to keep pace with ever-growing and dynamic business requirements.

- To meet the high computing demand, IT infrastructure was augmented with the latest and most advanced technologies.
- As part of modernisation of the technological foundation, our ERP Modernisation Project 'Aarohan' has been completed successfully.



► Launch of AR/VR training and simulation facilities at Visakh Refinery



- Towards the digital acceleration of the training process, we have launched training practices with Virtual Reality (VR) techniques in both refineries. Implementation of virtual reality techniques is adding value with enhanced engagement, cost & time efficiencies, ensuring a safe, sustainable environment and scalability in the learning and development of our employees.
- To enable effective inventory management of products across the supply chain, an AI/ML-based demand forecasting solution has been implemented that predicts the demand for various products at the granular level of fuel stations, LPG distributorships and institutional customers with high accuracy.
- We have implemented an application giving a comprehensive overview of the entire operation, i.e. from 'Crude to Customer' to have strategic insights into our refinery plans and operations. This application provides both summarised and detailed views of various parameters of refinery operation, such as crude landed cost, crude supplier plan vs. actual uplift, production, inventory, etc. The application helps in making informed decisions and taking proactive measures to improve operational efficiencies.

- Project Parikalp: Under this project, HPCL is extensively leveraging major digital technologies, viz. AI/ML, augmented & virtual reality, IoT, Robotics, among others, across various spheres of business as part of the digital transformation roadmap.
- To enable effective inventory management of products across the supply chain, we have implemented an AI/ML-based demand forecasting solution that predicts the demand for various products at the granular level of fuel stations, LPG distributorships and institutional customers with high accuracy.
- An advanced digital experience centre has been set up at HPMDI-Nigdi to demonstrate the seamless immersive application of various digital technologies. AR/VR-based training and simulation facilities have been installed at Mumbai and Visakh refineries to create a virtual plant environment where employees can undertake training and equipment operations safely before working in the actual plant.
- We commenced implementation of an advanced analytics and visualisation solution with a unified data repository. Through this initiative, we aim to generate a number of analytics-based outcomes in the areas of customer, logistics, pricing and Human Resource management. This initiative is expected to strengthen the data-driven decision making across the organisation, increase the digital inclusion in the workforce by creating citizen data analysts and increase the workforce productivity.

## Economic Performance

- We have undertaken numerous initiatives, including periodic digital maturity assessments, an annual digital conference, comprehensive communication & workforce engagement on digital, periodic quizzes and customised learning & development programmes to facilitate the ongoing digital transformation and create an enabling culture and environment, in various areas of digitalisation. These efforts are aimed at promoting the effective usage of digital technologies in HPCL, enhancing digital inclusion in the workforce and augmenting digital skills & capabilities.
- Launched pilot for CBDC Digital Rupee (e₹) at 4 outlets with IDFC First Bank in controlled environment.
- Piloted digital payment through Static QR, conceptualised to promote digital transactions in LPG SBU
- E-cash memo for all domestic LPG customers
- Launched India's first LPG Cylinder Robotic Loading System at Nashik LPG Plant
- Implemented AI based Video Analytics at 92 Marketing Locations and 200 real-time and 3,638 offline Retail Outlets
- Carried out digitisation of earth pit testing, a critical safety requirement and on boarded 11,279 Retail Outlets onto a digital platform. This was implemented by on boarding electrical contractors in the VA (Visual analytics) portal, enabling them to conduct on-line testing of Earth Pit resistance.
- Conducted a successful sortie of 51 km non-stop drone surveillance with live video feed for the first time in the country at RRKPL. Pilot is being implemented at Rewari.
- HP Buddy app extended for I&C Customers for visibility of transactions & supplies
- Chatbot made live for LPG, Lubes, Retail & Refinery Purchase
- Launched HP Pay with unified services (Retail, LPG & Lubes)
- Generation of revenue using Single Customer View thru 521 Cross & 3,117 External leads generation
- Conducted 18 campaigns covering 60 Lakh customers using Customer Engagement Platform
- Achieved Go-live of MoP&NG driven Common LPG Data Platform (CLDP) by active coordination with OMCs and Government agencies.
- Implemented solution for I&C Customers to track Ex-MI supplies.
- End-point redemption QR coupons: HPPAY and Paytm-based mini application for Mechanics, end customers - more than 6 Lakh unique users registered.
- Usage of social media for HP Lubricants brand building: Connecting with Mechanic Community through Mechanik TV on Youtube.
- Influencer Videos: Reached more than 2 Million unique views through engaging with social media influencers.
- Some of other projects undertaken at various SBUs include: Development of reconstitution portal, Feasibility study portal for new Retail Outlets, OMC Sales data exchange for industry weekly reporting, CGD rates consolidation at HQO level, DT Plus: new development & old data migration for Retail SBU; Non-Domestic booking application for end customer, Central Accounting for LPG distributor settlement for online payments for LBU SBU, Vulnerability Index application, MGKM (Minimum Guaranteed Km) implemented at Sagar, Vashi & Ajmer depots, Dedicated ethanol plant monitoring system for OMCs, New VTS implementation for SOD SBU.

## Cybersecurity

Cybersecurity has been a key focus area for our management. Several security upgrade projects were taken up during the year. Our data centres are certified with latest ISO 27001 security standards. These upgrade projects involved adoption of latest technologies and features. Apart from signature-based solutions, behaviour-based technologies leveraging AI/ML were adopted for identification of anomalous/malicious behaviour of any entity and to aid in early identification of a breach. Other important initiatives like network segmentation and active directory domain segregation were implemented to restrict the blast radius in case of a breach. Inventory was also a priority. A real-time inventory helps act on threat intel quickly and efficiently. Cybersecurity training was made mandatory for all employees. Several phishing campaigns were conducted to identify and educate vulnerable employees.

During the year, no cybersecurity incident was reported, there were no complaints received with respect to cybersecurity and data privacy and there were no instances of data breach.

# Alignment of our Business Practices to

## India's Nationally Determined Contributions

No	NDC	Page No
1	'LiFE'-'Lifestyle for Environment' as a key to combating climate change	62-63
2	Adopting a climate friendly and a cleaner path than the one followed hitherto by others at corresponding level of economic development.	58-85
3	Reducing Emissions Intensity of GDP by 45 percent by 2030, from 2005 level	67-71, 74-79
4	Achieve about 50 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030, with the help of transfer of technology and low-cost international finance including from Green Climate Fund (GCF)	64-70
5	Creation of an additional carbon sink of 2.5 to 3 billion tonnes of CO <sub>2</sub> equivalent through additional forest and tree cover by 2030.	72-73
6	Better Adaptation to Climate Change	48-49, 58-85, 134-135
8	Building Capacities for diffusing cutting edge climate technology	76-77, 92-96

NDCs applicable to HPCL

## UNGC Principles

No	Category	Description	Reference	Page no.
1	Human Rights	Businesses should support and respect the protection of internationally proclaimed human rights	Human Rights	98
2	Human Rights	Businesses should make sure that they are not complicit in human rights abuses	Human Rights	98
3	Labour	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Human Rights	98
4	Labour	Businesses should uphold the elimination of all forms of forced and compulsory labour	Human Rights	98
5	Labour	Businesses should uphold the effective abolition of child labour	Human Rights	98
6	Labour	Businesses should uphold the elimination of discrimination in respect of employment and occupation	Talent Acquisition, Human Rights	98-99
7	Environment	Businesses should support a precautionary approach to environmental challenges	Acquisition, Human Rights	58-59
8	Environment	Businesses should undertake initiatives to promote greater environmental responsibility	Environmental Performance	58-85
9	Environment	Businesses should encourage the development and diffusion of environmentally friendly technologies	Environmental Performance	58-85
10	Anti - Corruption	Businesses should work against corruption in all its forms, including extortion and bribery	Environmental Performance	39-47

## Task Force on Climate-related Financial Disclosures

Core Elements	Recommended Disclosure	Location of Disclosure
Governance	Describe the Board's oversight of climate-related risks and opportunities.	32-47
	Describe management's role in assessing and managing climate-related risks and opportunities.	32-47
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	48-49
	Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning.	48-49
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	48-49
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	40-41
	Describe the organization's processes for managing climate-related risks.	40-41
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	40-41
Metrics and Targets	Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	61
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	67
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	54 (Net Zero)

# Independent Assurance Statement

## INDEPENDENT ASSURANCE STATEMENT



To:

**Hindustan Petroleum Corporation Limited  
Petroleum House, 17, Jamshedji Tata Road,  
Churchgate, Mumbai,  
Maharashtra 400020**

### Introduction and objectives of work

Bureau Veritas has been engaged by Hindustan Petroleum Corporation Limited (HPCL) to provide limited assurance of its sustainability report 2022-23 (hereafter referred to as "the Report"). This Assurance Statement applies to the related information included within the scope of work described below:

- An assessment of the data collection and reporting methods for the selected sustainability performance indicators.
- Checking of existing methods of data collection process and methods
- Checking, on a sample basis, of evidence supporting the data mentioned in the Sustainability Report.
- Verification of the sample data and information on selected material topics reported by HPCL for the defined reporting period.
- Assessment of the consistency between the data for the selected sustainability performance indicators and the related written comments in the narrative of the Report.
- The Company's compliance with legal obligations/disclosures.
- The General and topic-specific disclosures are subject to assurance.
- Completion of assurance statement for inclusion in the report, which will reflect the verification of findings and conclusion.
- Review of sustainability performance non-financial disclosures data carried out based on the review of data provided for respective units along with related backup; site visits and discussions with the concerned personnel for HPCL Limited's operations at Silvassa Lubes Plant, MHMBPL Mangalore pipeline, Dumdum ASF, Secunderabad Terminal, Auto care center Bandra, Hoshiarpur LPG Plant, Mumbai Refinery and Corporate office verifying key performance disclosures through the data provided:
  - Testing reliability and accuracy of data on a sample basis
  - Reviewing the processes deployed for collection, compilation, and reporting of sustainability performance non-financial disclosures.
  - Gap assessment in the data compilation against each non-financial disclosure and present Sustainability Report w.r.t. GRI Standard Framework

Classifying observations and findings and issuance of Assurance Statement.

### Assurance over full sustainability report

The scope of our work was limited to assurance over data and information included in the Sustainability Report ('the Report') for the period 1st April 2022 to 31st March 2023 based on GRI Standards done of the following operations:

- On-site assessments were conducted for this assurance at the HPCL Mumbai Refinery and their headquarters in Mumbai.
- Off-site (virtual) assessments were conducted for the following locations:
  - LPG Plant, Hoshiarpur, Punjab
  - SOD Terminal, Secunderabad, Telangana
  - Lubes Plant, Silvassa
  - Aviation Service Facility, Dumdum, Kolkata
  - Mangalore-Hassan-Mysore-Bangalore LPG Pipeline (MHMBPL), Mangalore, Karnataka
  - Retail Outlet (Petrol Pump), Auto Care Centre, Bandra, Maharashtra

The review of the sustainability performance non-financial disclosures is limited to the above-mentioned operations of HPCL only.

## Independent Assurance Statement

An assessment of the procedures or approaches followed for data compilation and reporting of the sustainability performance non-financial disclosures for specific operations was carried out as follows:

- Testing, on a sample basis, of evidence supporting the data.
- Verification of the sample data evidence and information on selected material topics reported at the above-mentioned operations for the defined reporting period.
- Assessment of the suitability between the backup data for the selected sustainability performance non-financial disclosures and the information presented in the sustainability report.
- The General and topic-specific sustainability non-financial standard disclosures are subject to limited assurance based on the extent of information available for assurance
- Completion of assurance statement for inclusion in the report reflecting the verification, findings, and conclusion of the disclosure's assurance. Gap assessment as per GRI standards highlights findings during verification of disclosures, draft assurance statement, and final signed assurance statement as per GRI standards compliance

The Universal and Topic Specific Standard Disclosures of subject to assurance were as follows:

### Universal Standard

#### General Disclosures

- Organizational and its reporting practices (2-1 to 2-5, 2-16, 2-18, 2-21, 2-25, 2-27)
- Activities and Workers (2-6 to 2-8)
- Governance (2-9 to 2-15, 2-17, 2-19, 2-20)
- Strategy, policies, and practices (2-22 to 2-26, 2-28)
- Stakeholder Engagement (2-29 to 2-30)

#### Disclosures on Material topics

- Process to determine material topics (3-1)
- List of material topics (3-2)
- Management of material topic (3-3)

#### Topic Disclosures

- Direct Economic value generated and distributed (201-1)
- Financial implications and other risks and opportunities due to climate change (201-2)
- Defined benefit plan obligations & other retirement plans (201-3)
- Financial assistance received from government (201-4)
- Market Presence (202-1 to 202-2)
- Indirect Economic Impacts (203-1 203-2) and Procurement Practices (204-1)
- Anticorruption (205-1 to 205-3) and Anti-competitive Behavior (206-1)
- Tax (207-1 to 207- 4)

#### Topic-Specific Standard Disclosures

##### **Environment**

- Energy (302-1 to 302-4)
- Water and Effluent (303-3 to 303-5)
- Biodiversity (304-1, 304-4)
- Emissions (305-1 to 305-4, 305-6, 305-7)
- Waste (306-1 to 306-5)

- Supplier Environment assessment (308- 1, 308-2))

#### **Social**

- Employment (401-1, 401-2, 401-3)
- Labour Management (402-1)
- Occupational Health and Safety (403-1 to 403-10)
- Training and Education (404-1 to 403)
- Diversity and Equal Opportunity (405-1, 405-2) and Non-Discrimination (406 -1)
- Freedom of association and collective Bargaining (407-1)
- Child Labour (408-1) and Forced or Compulsory Labor (409-1)
- Security Practices (410-1)
- Local Communities (413-1, 413-2) and Supplier Social Assessment (414-1, 414-2)
- Customer health & safety (416-1, 416-2)
- Marketing and Labelling (417-1, 417-2, 417-3) and Customer Privacy (418-1)

#### **Reporting criteria**

- Hindustan Petroleum Corporation Limited has adopted the below criteria for preparing the report:
  - Global Reporting Initiative (GRI) Standards 2021 and sector Standard GRI 11: Oil and Gas Sector 2021, as set out at <https://www.globalreporting.org/standards/standards-development/sector-standard-for-oil-and-gas/> where the methodology can be found.

#### **Limitations and Exclusions**

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined verification period;
- Positional statements (expressions of opinion, belief, aim, or future intention by Hindustan Petroleum Corporation Limited (HPCL) and statements of future commitment);
- The assurance does not extend to the activities and operations of "HPCL" outside of the scope and geographical boundaries mentioned in the report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with "HPCL".
- Compliance with any Environmental, Social, and legal issues related to the regulatory authority.
- Any of the statements related to company aspect or reputation.
- This moderate assurance engagement relies on a risk-based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at the site level, not addressed as part of this assurance]. This independent statement should not be relied upon to detect all errors, omissions, or misstatements that may exist.

#### **Responsibilities**

The preparation and presentation of the information in the Report are the sole responsibility of the management of Hindustan Petroleum Corporation Limited (HPCL).

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- providing moderate assurance about whether the assured Information has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and

## Independent Assurance Statement

- report our conclusions to the management of Hindustan Petroleum Corporation Limited (HPCL).

### Assessment Standard

Bureau Veritas conducted assurance process in line with the requirements of the Assurance standard AA1000 AS V3, Type 2 assurance as per the principles of AA1000 AS: inclusivity, materiality, responsiveness and Impact. Under this standard, Bureau Veritas has reviewed the information presented in the report against the characteristics of relevance, completeness, materiality, reliability, neutrality, and understandability. Moderate assurance consists primarily of inquiries and analytical procedures. The procedures performed in a limited assurance, engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.

### Summary of work performed

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Selected Information;
2. Conducting interviews with relevant personnel of Hindustan Petroleum Corporation Limited (HPCL);
3. Reviewing the data collection and consolidation processes used to compile Selected Information, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Hindustan Petroleum Corporation Limited (HPCL);
5. Reviewing Hindustan Petroleum Corporation Limited (HPCL) systems for quantitative data aggregation and analysis;
6. Assessing the disclosure and presentation of the Selected Information to ensure consistency with assured information.
7. Other verification activities:
  - a. carrying out site visit to HPCL Mumbai Refinery, as per scope of audit. This site contributes to over 95% of the Selected Information.
  - b. confirmation of accuracy of information with third parties and/or external stakeholders
  - c. reperforming [a selection of] aggregation calculations of the Selected Information
  - d. reperforming greenhouse gas emissions conversion calculations
  - e. comparing the Selected Information to the prior year's amounts taking into consideration changes in business activities, acquisitions, and disposals
  - f. evaluating the design of internal systems, processes, and controls to collect and report the Selected Information
  - g. reviewing the current sustainability issues that could affect [Hindustan Petroleum Corporation Limited (HPCL)] and are of interest to stakeholders
  - h. reviewing [Hindustan Petroleum Corporation Limited (HPCL)]'s overall approach to stakeholder engagement

### Conclusion

#### Moderate assurance

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria

- It is our opinion that HPCL has established appropriate systems for the collection, aggregation, and analysis of quantitative data such as GHG emissions from the process, electricity and fuel consumption, pollution emissions, water consumption, waste generation and employee's welfare and HSE related data.

#### **Statement of Independence, Integrity and Competence**

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety, and social accountability with over 185 years of history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical, and health and safety information, systems, and processes.

Bureau Veritas operates a certified<sup>1</sup> Quality Management System which complies with the requirements of ISO 9001:2008 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>2</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence, and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with [Hindustan Petroleum Corporation Limited (HPCL)].

#### **Bureau Veritas (India) Private Limited**

72 Business Park, 9<sup>th</sup> Floor, MIDC Cross Road 'C', Opp. SEEPZ Gate #2, Andheri (East) Mumbai-400 093 India.

**Bholenath Vishwakarma**  
Lead Assurer

**Dr. Apurva Srivastava**  
Team Member

Date: 28/09/2023  
Place: Mumbai, India

**Issued by: Anantha Prabhu**

Issued Date :09/10/2023

Report ID: V3-WRXAL



<sup>1</sup> Certificate of Registration FS 34143 issued by BSI Assurance UK Limited

<sup>2</sup> International Federation of Inspection Agencies – Compliance Code – Third Edition

# GRI Content Index

<b>Statement of use</b>	Hindustan Petroleum Corporation Limited has reported in accordance with the GRI Standards for the period April 01, 2022 - March 31, 2023.					
<b>GRI 1 used</b>	GRI 1: Foundation 2021					
<b>Applicable GRI Sector Standard(s)</b>	Oil and Gas Sector 2021					
GRI Standard/ Other Source	Disclosure	Location	Omission	GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB
<b>General disclosures</b>						
GRI 2: General Disclosures 2021	2-1 Organizational details	Cover page	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization's sustainability reporting	4				
	2-3 Reporting period, frequency and contact point	4-5				
	2-4 Restatements of information	4		GOV 1 - A4 GOV 2 - A2		
	2-5 External assurance	139-143		GOV 1 - A2		
	2-6 Activities, value chain and other business relationships	16, 21-23		SOC 5 - C2, C3		
	2-7 Employees	87		SOC 5 - C2		
	2-8 Workers who are not employees	87		GOV 1 - C1		
	2-9 Governance structure and composition	34		GOV 1 - C1		
	2-10 Nomination and selection of the highest governance body	34		GOV 1 - C1		
	2-11 Chair of the highest governance body	34		GOV 1 - C3, C5, A3 GOV 2 - C1, C4		
	2-12 Role of the highest governance body in overseeing the management of impacts	36-37		GOV 1 - C1, C5		
	2-13 Delegation of responsibility for managing impacts	39		GOV 2 - C1		
	2-14 Role of the highest governance body in sustainability reporting	36				
	2-15 Conflicts of interest	41				
	2-16 Communication of critical concerns	44-45, 54		GOV 1 - A1, A6		
	2-17 Collective knowledge of the highest governance body	34				
	2-18 Evaluation of the performance of the highest governance body	34		GOV 1 - A5		
	2-19 Remuneration policies	38, 61		GOV 1 - A5 CCE 2 - A2		
	2-20 Process to determine remuneration	38, 61				
	2-21 Annual total compensation ratio	38, 61		CCE 1 - C1, C2, C3, C4 CCE 1 - A1, A2 CCE 2 - C1, C2, C4 CCE 3 - A8		
	2-22 Statement on sustainable development strategy	6-15		GOV 1 - C2,C4 GOV 2 - C3. A1		
	2-23 Policy commitments	32		GOV 1 - C4		

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB IOGP
			Requirement(s) Omitted	Reason	Explanation			
	2-24 Embedding policy commitments	32					GOV 2 - C2 CCE 1 - C1	
	2-25 Processes to remediate negative impacts	36, 40-41, 44					SOC 12 - C1, C2	
	2-26 Mechanisms for seeking advice and raising concerns	44, 117						
	2-27 Compliance with laws and regulations	32, 39					GOV 5 - A3	EM-RM-140a.2
	2-28 Membership associations	47					GOV 2 - A4 SOC 6 - C1 SOC 9 - C1	
	2-29 Approach to stakeholder engagement	50						
	2-30 Collective bargaining agreements	98						
<b>Material topics</b>								
GRI 3: Material Topics 2021	3-1 Process to determine material topics	54	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.					
	3-2 List of material topics	55						
<b>GHG Emissions (GRI OGSS Topic : GHG Emissions; Climate adaptation, resilience, and transition)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	67				11.1.1 11.2.1 11.3.1		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	67				11.1.5	CCE 4 - C1, C2, EM-RM-C3, A3	110a.1
	305-2 Energy indirect (Scope 2) GHG emissions	67				11.1.6		
	305-3 Other indirect (Scope 3) GHG emissions	67				11.1.7	CCE 2 - C3, A2 CCE 5 - C1, C2, A2, A4	
	305-4 GHG emissions intensity	67				11.1.8	CCE 4 - C4, A7	
	305-5 Reduction of GHG emissions	67				11.2.3	CCE 3 - C1, C2	EM-RM-110a.2
	305-6 Emissions of ozone-depleting substances (ODS)	NA		Not applicable		NA		
<b>Energy Efficiency (GRI OGSS Topic : GHG Emissions)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	64				11.1.1	CCE 6 - C2	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	64				11.1.2	CCE 3 - A4 CCE 6 - C1	
	302-2 Energy consumption outside of the organization	64				11.1.3		
	302-3 Energy intensity	64				11.1.4	CCE 6 - A2	
	302-4 Reduction of energy consumption	64						
	302-5 Reductions in energy requirements of products and services	NA		Not applicable				
<b>Water and Wastewater Management (GRI OGSS Topic: Water and Effluents)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	80				11.6.1		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	80				11.6.2		
	303-2 Management of water discharge-related impacts	80				11.6.3	ENV 1 - C5, A6	
	303-3 Water withdrawal	81-82				11.6.4	ENV 1 - C1, C3, EM-RM-C4, A7, A8, A9	140a.1
	303-4 Water discharge	81				11.6.5	ENV 1 - A5 ENV 2 - C2, A6, A7	
	303-5 Water consumption	81-82				11.6.6	ENV 1 - C2, A2	

## GRI Content index

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB Ref. No.
			Requirement(s) Omitted	Reason	Explanation			
<b>Product Safety and Quality (GRI: Customer Health and Safety 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	112					SHS 5 - C1, C2, C3, A1,	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	112-113				11.3.3		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	113						
<b>Product Safety and Quality (GRI: Marketing and Labeling 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	112						
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	113-114						
	417-2 Incidents of non-compliance concerning product and service information and labeling	113-114						
	417-3 Incidents of non-compliance concerning marketing communications	113-114						
<b>Product Safety and Quality (GRI: Customer privacy 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	117					SHS 7 - C3	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	117					SHS 7 - C3	
<b>Supplier Environmental Assessment (GRI: Supplier Environmental Assessment 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	24					SOC 2 - C1, 2	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	24-25					SOC 2 - C1, 2	
	308-2 Negative environmental impacts in the supply chain and actions taken	24-25						
<b>Air Quality (GRI OGSS Topic: Air Emissions)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	71				11.3.1	ENV 5 - C2	
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	71				11.3.2	ENV 5 - C1	EM-RM-120a.1
GRI 416: Customer Health and Safety 2016	Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	112-113				11.3.3		
<b>Biodiversity (GRI OGSS Topic: Biodiversity)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	72				11.4.1	ENV 3 - C1, C3	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	72-73				11.4.2	ENV 3 - C2 ENV 4 - C1 ENV 4 - C2	
	304-2 Significant impacts of activities, products and services on biodiversity	72-75				11.4.3		
	304-3 Habitats protected or restored	72-73				11.4.4		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	72-73				11.4.5		

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB IOGP
			Requirement(s) Omitted	Reason	Explanation			
<b>Research &amp; Development (Additional disclosure)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	74				NA	CCE 3 - A1, A2, A3, A5	
<b>Waste (GRI: Waste 2020)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	83				11.5.1	ENV 7 - C2 SHS 5 - A2	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	83				11.5.2		
	306-2 Management of significant waste-related impacts	83-84				11.5.3		
	306-3 Waste generated	83-84				11.5.4	ENV 7 - C3	EM-RM-150a.1
	306-4 Waste diverted from disposal	83-84				11.5.5	ENV 7 - C3	
	306-5 Waste directed to disposal	83-84				11.5.6	ENV 7 - C3	
<b>Occupational health and safety (GRI OGSS Topic: Occupational health and safety)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	102				11.9.1	SHS 1 - C1, A1, A3, A4 SHS 6 - C3	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	102				11.9.2	SHS 1 - C3, A2	EM-RM-320a.2
	403-2 Hazard identification, risk assessment, and incident investigation	102-103				11.9.3		EM-RM-320a.2
	403-3 Occupational health services	102-103				11.9.4		EM-RM-320a.2
	403-4 Worker participation, consultation, and communication on occupational health and safety	104				11.9.5		
	403-5 Worker training on occupational health and safety	104				11.9.6	SHS 1 - C2 SHS 7 - C2	
	403-6 Promotion of worker health	109				11.9.7	SHS 2 - C1, C2, C3	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	102-103				11.9.8		
	403-8 Workers covered by an occupational health and safety management system	102-103				11.9.9		
	403-9 Work-related injuries	108				11.9.10	SHS 3 - C1, C2, C3, C4	EM-RM-320a.1
	403-10 Work-related ill health	109				11.9.11		EM-RM-320a.1
<b>Manpower Management (GRI OGSS Topic: Employment Practices)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	86				11.10.1	SOC 15 - C1	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	88, 91				11.10.2		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	90-101				11.10.3		
	401-3 Parental leave	89				11.10.4 11.11.3		

## GRI Content index

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB Ref. No.
			Requirement(s) Omitted	Reason	Explanation			
<b>Manpower Management (GRI OGSS Topic: Economic impacts)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	24				NA	SOC 14 - C1	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	26				11.14.6	SOC 14 - A1, 2,3, 5,6, 7	
<b>Manpower Management (GRI: Labor/management relations 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	86				NA	SOC 6 - C2 SOC 8 - C1	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	91				11.7.2 11.10.5		
<b>Manpower Management (GRI: Training and education 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	92				11.10.1	SOC 7 - C1, C2,	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	95				11.10.6 11.11.4	SOC 7 - C2,	
	404-2 Programs for upgrading employee skills and transition assistance programs	91-96				11.10.7	GOV 2 - A3, A5	
	404-3 Percentage of employees receiving regular performance and career development reviews	91-96				NA		
<b>Manpower Management (GRI: Supplier social assessment 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	24				NA	SOC 1 - C1,2,3,4,5 SOC 2 - C1, 2	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	24				11.10.8		
	414-2 Negative social impacts in the supply chain and actions taken	24				11.10.9 11.12.3		
<b>Customer Satisfaction (Additional disclosure)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	112				NA		
<b>Human Rights (GRI OGSS Topic: Non-discrimination and equal opportunity)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	39				11.11.1	SOC 1 - C1,2,3,4,5	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	44-45				11.11.7		
<b>Human Rights (GRI OGSS Topic: Non-discrimination and equal opportunity)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	98				11.11.1	SOC 1 - C1,2,3,4,5 SOC 5 - C1	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	98-99				11.11.5		
	405-2 Ratio of basic salary and remuneration of women to men	99				11.11.6		
<b>Human Rights (GRI OGSS Topic: Forced labor and modern slavery)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	98				11.12.1	SOC 1 - C1,2,3,4,5	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	25				11.12.2		

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB
			Requirement(s) Omitted	Reason	Explanation			
<b>Human Rights (GRI OGSS Topic: Freedom of association and collective bargaining)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	98				11.13.1	SOC 1 - C1,2,3,4,5	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	98				11.13.2		
<b>Human Rights (GRI OGSS Topic: Economic impacts)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	122				NA		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	122-130				11.14.4		
	203-2 Significant indirect economic impacts	131				11.14.5		
<b>Human Rights (GRI OGSS Topic: Rights of indigenous peoples)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	72				11.17.1	SOC 1 - C1,2,3,4,5 SOC 10 - C1	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	72-73				11.17.2		
<b>Human Rights (GRI OGSS Topic: Conflict and security)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	110				11.18.1	SOC 1 - C1,2,3,4,5 SHS 7 - A2	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	110-111				11.18.2	SHS 7 - C1	
<b>Diversity &amp; Inclusion (GRI OGSS Topic: Local communities)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	118				11.15.1	SOC 9 - C1 SOC 13 - C1, 2; A1,2,3,4,5	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	118-121				11.15.2	SOC 9 - C2, C3 SOC 10 - A1	
	413-2 Operations with significant actual and potential negative impacts on local communities	118-121				11.15.3		
<b>Transport Safety (Additional disclosure)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	107				NA	SHS 4 - C1, C3 SHS 4 - A4, A7, A8	
<b>Business Ethics, Transparency &amp; Regulatory Compliance (GRI OGSS Topic: Anti-competitive behavior)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	39				11.19.1		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	41				11.19.2		
<b>Business Ethics, Transparency &amp; Regulatory Compliance (GRI OGSS Topic: Anti-corruption)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	39				11.20.1		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	42-43				11.20.2	GOV 3 - C1, C3, C4	
	205-2 Communication and training about anti-corruption policies and procedures	42-43				11.20.3	GOV 1 - A7 GOV 3 - C2	
	205-3 Confirmed incidents of corruption and actions taken	42-43				11.20.4		

## GRI Content index

GRI Standard/ Other Source	Disclosure	Location	Omission			GRI Sector Standard Ref. No.	IPIECA/ API/ IOGP	SASB Ref. No.
			Requirement(s) Omitted	Reason	Explanation			
<b>Business Ethics, Transparency &amp; Regulatory Compliance (GRI OGSS Topic: Economic Impacts)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	122				11.21.1 11.14.1	GOV 4 - C1, C2,	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	131				11.21.2 11.14.2		
	201-2 Financial implications and other risks and opportunities due to climate change	122-133				11.02.2		
	201-3 Defined benefit plan obligations and other retirement plans	122-133		Not applicable	Not a material issue			
	201-4 Financial assistance received from government	131				11.21.3		
<b>Business Ethics, Transparency &amp; Regulatory Compliance (GRI OGSS Topic: Payments to governments)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	122				11.21.1		
GRI 207: Tax 2019	207-1 Approach to tax	131		Not applicable	Not a material issue. Refer page 131	11.21.4		
	207-2 Tax governance, control, and risk management	131		Not applicable		11.21.5		
	207-3 Stakeholder engagement and management of concerns related to tax	122-133		Not applicable		11.21.6		
	207-4 Country-by-country reporting	122-133		Not applicable		11.21.7		
<b>Business Ethics, Transparency &amp; Regulatory Compliance (GRI OGSS Topic: Public policy)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	122				11.22.1	GOV 5 - C1	
GRI 415: Public Policy 2016	415-1 Political contributions	131				11.22.2	GOV 5 - C2	
<b>Business Ethics, Transparency &amp; Regulatory Compliance (GRI: Market presence 2016)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	34, 86				11.14.1		
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	86				11.11.2 11.14.3	SOC 15 - C1	
<b>Safety and security of critical assets (GRI OGSS Topic: Asset integrity and critical incident management)</b>								
GRI 3: Material Topics 2021	3-3 Management of material topics	83				11.8.1	ENV 6 - C1, C4 SOC 3 - C1, C2, C3	
GRI 306: Effluents and Waste 2016	306-3 Significant spills	83, 110				11.8.2	ENV 6 - C2	

## Topics in the applicable GRI Sector Standards determined as not material

Topic	Explanation
Topic 11.7 Closure and rehabilitation	This has not been identified as a material issue. In the rare case of closure of any location, HPCL ensures that the facilities, residual materials at the locations are handled and disposed / treated in a manner as required by regulations.
Topic 11.16 Land and resource rights	HPCL follows all the applicable rules and regulations while setting up any facilities. For major projects, environmental and social impact assessments are undertaken in coordination with the relevant authorities and mitigation measures are ensured for identified impacts.

# Abbreviations

Abbreviation	Full Form	Abbreviation	Full Form
AIAI	All India Association of Industries	DoPT	Department of Personnel and Training
AIMA	All India Management Association	DPE	Department of Public Enterprises
AIPSSPB	All India Public Sector Sports Promotion Board	EAM	Empowerment and Authority Manual
API	The American Petroleum Institute	EAP	Employee Assistance Programme
ASF	Aviation Service Facilities	ERDMP	Emergency Preparedness and Disaster Management Plan
ASSOCHAM	The Associated Chambers of Commerce and Industry of India	ERM	Enterprise Risk Management
BBL	Barrel	ERP	Enterprise Resource Planning
BIS	Bureau of Indian Standards	ESG	Environment, Social and Governance
BSE	(Formerly) Bombay Stock Exchange	EV	Electric Vehicle
CAG	Comptroller and Auditor General of India	FAA	First Appellate Authorities
C&MD	Chairman and Managing Director	FCC	Fluidised Catalytic Cracking
CBC	Capacity Building Commission	FCCU	Fluid Catalytic Cracking Unit
CBG	Compressed Biogas Plant	FICCI	Federation of Indian Chamber of Commerce and Industries
CDP	Company Designated Physician	FIPI	Federation of Indian Petroleum Industry
CDU	Crude Distillation Unit	FRAC	Framework of Roles, Activities and Competencies
CEA	Central Electricity Authority	GA's	Geographic Areas
CFD	Committee of Functional Directors	GOI	Government of India
CGD	City Gas Distribution	GHG	Green House Gas
CHT	Centre for High Technology	GJ	Gigajoule
CII	Confederation of Indian Industry	GRI	Global Reporting Initiative
CNG	Compressed Natural Gas	GRIHA	Green Rating for Integrated Habitat Assessment
CoE	Centres of Excellence	HGU's	Hydrogen Generation Units
CPGRAMS	Centralised Public Grievances Redress and Monitoring System	HPGRDC	HP Green R&D Centre
CPIO	Central Public Information Officers	HRRL	HPCL Rajasthan Refinery Limited
CPSE	Central Public Sector Enterprise	HRSG	Heat Recovery Steam Generator
CSR	Corporate Social Responsibility	HSE	Health, Safety and Environment
CVC	Central Vigilance Commission	ICC	Indian Chamber of Commerce
CVO	Chief Vigilance Officer	ICC	Internal Complaints Committee
CwSN	Children with Special Needs	IEM	Independent External Monitor
DARPG	Department of Administrative Reforms & Public Grievances	IGBC	Indian Green Building Council
DEI	Diversity, Equity and Inclusion	IMM	Integrated Margin Management
DHT	Diesel Hydro Treater	IMO	International Maritime Organisation

## Abbreviations

Abbreviation	Full Form
IOGP	The International Association of Oil and Gas Producers
IPCC	Intergovernmental Panel on Climate Change
IPIECA	The International Petroleum Industry Environmental Conservation Association
ISCC	International Sustainability and Carbon Certification
LDAR	Leak Detection and Repair
LOI	Letter of Intent
LOPC	Loss of Primary Containment
MARPOL	The International Convention for the Prevention of Pollution from Ships
MDP	Management Development Programme
MERC	Management Employees Relations Committee
MNVE	Manageable Non-Volume Expenditure
MoP&NG	Ministry of Petroleum & Natural Gas
MRPL	Mangalore Refinery and Petrochemicals Ltd
MSEs	Micro and Small Enterprises
NDCs	Nationally Determined Contributions
NGC	Net Gas Compressor
NSE	National Stock Exchange
NVDU	New Vacuum Distillation Unit
OCIMF	Oil Companies International Marine Forum
OEMs	Original Equipment Manufacturers
OHC	Occupational Health Centres
OISD	Oil Industry Safety Directorate
ONGC	Oil and Natural Gas Corporation Limited
OTNS	Online Training Nomination System
PAT	Perform, Achieve and Trade
PMJDY	Pradhan Mantri Jan Dhan Yojana
PMJJY	Pradhan Mantri Jeevan Jyoti Yojana
PMSBY	Pradhan Mantri Suraksha Bima Yojana

Abbreviation	Full Form
POI	President of India
POSH	Prevention of Sexual Harassment
PRAI	Petroleum Refiners Association of India
PRP	Performance Related Pay
PSPB	Petroleum Sports Promotion Board
RPIP	Refinery Performance Improvement Programme
RTI	Right to Information
SASB	Sustainability Accounting Standards Board
SBUs	Strategic Business Units
SCOPE	Standing Conference of Public Enterprises
SDGs	Sustainable Development Goals
SEBI	Securities and Exchange Board of India
SIRE	Ship Inspection Reports
SMART	Stakeholders Management and Relationship Techniques
SOD	Supplies, Operations and Distribution
SOLAS	Safety of Life at Sea
SOP	Safety Operating Procedures
SOW	Safety on Wheels
SRFT	Standard Refinery Fuel Tonnage
TCFD	Task Force on Climate-related Financial Disclosures
UATs	Unit Area Teams
VAW	Vigilance Awareness Week
VDPL	Vijaywada Dharmapuri Pipeline
VDPs	Vendor Development Programmes
VLSFO	Very Low Sulphur Fuel Oil
VOC	Volatile Organic Compound
VR	Virtual Reality
VRMP	Visakh Refinery Modernisation Project
VRS	Vapour Recovery System
VTS	Vehicle Tracking System



सत्यमेव जयते  
भारत सरकार

## मंत्रिमंडल सचिवालय लोक शिकायत निदेशालय

### क्या आप अनसूलझी 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 सम्बंधित विभाग के समक्ष समाधान हेतु प्रस्तुत कर लिया हो।
- आपकी शिकायत सेवा मामले ( घेच्युटी, जीपीएफ इत्यादि जैसे सेवाओं 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 निर्धारिते 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 कंपनिया
(ग)	बीएसएनएल और एमटीएनएल सहित दूरसंचार विभाग	(त्र)	वित 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 और्जाधालय
		(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	(छ)	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 समविश्वदयालय(केंद्रीय) और मानव संसाधन विकास मंत्रालय की छात्रवृत्ति स्कीमों।	(ण)	पर्यटन मंत्रालय
		(त)	युवक कार्यक्रम मंत्रालय
		(थ)	पोत परिवहन, सड़क परिवहन और राजमार्ग मंत्रालय

नोट: आप हमारी वेबसाइट

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अपनी शिकायत दर्ज कर सकते हैं।

आप अपनी शिकायत, संपूर्ण सूचना

और संगत दस्तावजों के साथ

हमें डाक/फैक्स

या ईमेल द्वारा भेज सकते हैं।

हमसे यहां संपर्क करें:-

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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 Vidyalay 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**  
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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  
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# Notes

## Notes



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