Delivering Happiness

Fuelling Future... Delivering Growth

Annual Report 2020-21

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2020-21 Highlights

₹ 2,69,243 Crore
Turnover

₹ 18,714 Crore
EBITDA

₹ 10,664 Crore
PAT

36.63 MMT
Sales Volume

16.42 MMT
Refining Thruput

₹ 70.57
EPS

Fuelling Future... Delivering Growth

Future belongs to those who believe in the beauty of their dreams. It belongs to the dreamers who weave magic with strokes of their sweat. They look up at the sky and envision dreams taking flight. Their gazing look at the barren dessert, visualise civilisations taking shape. A trip down the coasts, and they spot the faint lines of prosperity carrying hope.

We, at HPCL, believe in fuelling these dreams to brighten up the future. A future where each house is filled with the aroma of warmth and freshness of clean air. A future where each journey is a travelogue of happiness. A future where the sun shines bright and the wind washes away all blues. A future that is green, clean, prosperous and always growing.

We are equally conscious that the best things in life are mostly beyond our eyesight and most often felt from the heart. We share your dreams and wish to put our dedication at par. We are a motivated force, continuously working to touch your hearts to 'Fuel the Future and Deliver Growth' in everyone's life.

Chairman's Message

Navigating through a challenging environment, your Company has delivered its highest ever Profit After Tax (PAT) of ₹ 10,664 Crore during the Financial Year 2020-21, crossing the ₹ 10K Crore mark for the first time

Dear Shareholder,

It gives me immense pleasure to present the 69th Annual Report on the performance of your Company for the year 2020-21. The year was very challenging for the nation and its people due to the pandemic. At this hour of crisis, your Company salutes the tireless efforts and incredible courage of all the frontline workers fighting COVID-19 pandemic with complete dedication. My heart goes out to everyone out there who has suffered the loss of their loved ones. Given the scientific progress achieved, I am confident that the continuous efforts and strict discipline will eventually make us win over the crisis.

During the year, the most satisfying achievement of the Company is its proactive efforts in helping the nation fight against the pandemic. During the lockdown period, your Company made every effort to serve the nation by ensuring uninterrupted supplies of essential commodities like cooking gas and transport fuels across the length and breadth of the country while ensuring safety of its workforce. Significant technology solutions were implemented to ensure that employees can work seamlessly from remote locations / home to ensure product availability. The Company undertook various relief measures for needy and less privileged people including migrant labour and strengthening the health infrastructure.

For the Global Energy Industry, Oil was by far the hardest hit. Restrictions on mobility, containment measures and economic disruptions related to the COVID-19 outbreak led to sharpest oil demand contraction in calendar year 2020 in decades. Indian economy was equally impacted by the unprecedented crisis. The lockdown measures imposed to contain the pandemic, affected the economic activities resulting in contraction of the real Gross Domestic Product (GDP) by 7.3% in 2020-21. In addition, the pandemic posed new challenges related to business continuity, supply chain management and concerns related to health and safety of the workforce.

Consequent to the several proactive, preventive and mitigating measures taken by Government, the rebound from the COVID-19 induced slump has been sharp in the third quarter as real GDP growth turned positive and further strengthened in the fourth quarter. The country's fuel demand which has contracted to almost 50% in April 2020 rebounded sharply with gradual relaxation of lockdown restrictions to end the year with almost 91% of the 2019-20 full year demand.

Crude oil prices varied in a wide range during 2020-21, falling significantly in the beginning of the year largely driven by demand contraction due to COVID-19 lockdown. Crude oil prices rebounded subsequently due to sharp recovery in demand as the lockdowns were relaxed coupled with significant production cuts announced by OPEC+ countries.

I am happy to share that navigating through a challenging environment, your Company has delivered its highest ever Profit after Tax (PAT) of ₹ 10,664 Crore during the Financial Year 2020-21, crossing the ₹ 10K Crore mark for the first time which has been possible only due to tireless efforts of all employees, channel partners and unwavering faith of all our stakeholders. Your Company exhibited high degree of agility, resilience and responsiveness during the crisis which has earned goodwill from its customers and public at large.

The significant improvement in the profitability in spite of challenges due to COVID-19 pandemic was a result of efficient planning, robust operational performance and effective supply chain management. It was further helped by favourable exchange rate variations and inventory gains. The Company achieved gross sales of ₹ 2,69,243 Crore during the year. Your Company continues to return value to its shareholders consistently with robust balance sheet and cash flows. The Board of Directors of your Company has proposed payment of a final dividend of ₹ 22.75 per share for the financial year 2020-21.

To create value for the stakeholders, your Company initiated 'Share Buy Back' program in November 2020 through market transactions for a maximum value of ₹ 2,500 Crore at maximum rate of ₹ 250 per share. As of 31st March 2021, your Company has bought 7.18 Crore shares at a total value of ₹ 1,986 Crore. The Buy-back program has been successfully completed on its expiry date of 14th May 2021. In its entire Buy-back program, HPCL bought back 10.53 Crore Equity Shares utilising a total amount of ₹ 2,954 Crore which includes all transaction costs and taxes.

Considering importance of natural gas in future energy mix of the country, in a significant development, HPCL acquired balance 50% of the equity in its JV Company HPCL Shapoorji Energy Private Limited (HSEPL) making it a wholly-owned subsidiary of HPCL. HSEPL is setting up 5 MMTPA capacity LNG regasification terminal at Chhara in Gujarat for which construction is in progress.

During 2020-21, both HPCL refineries at Mumbai and Visakh maintained sound physical performance with combined capacity utilisation of 104% and thruput of 16.42 MMT despite the demand contraction and constraints due to COVID-19 pandemic. Adapting continually to the unprecedented challenges from COVID-19, effective logistics management, sound crude sourcing plans and speedy evacuation of products have helped HPCL to exhibit the sturdy performance. Mumbai refinery achieved highest annual production of Lube Oil Base Stocks

> Your Company exhibited high degree of agility, resilience and responsiveness during the crisis which has earned goodwill from its customers and public at large

Visakh Refinery Modernisation Project - Overview

SPO 90 N, SPO-II and 150 N-II. Visakh Refinery achieved highest annual production of LDO, VLSFO, MTO and JBO. Mumbai Refinery also launched a new product Solvent-3275 during the year.

Your Company delivered robust marketing performance in 2020-21. HPCL has recorded sales volume of 36.63 MMT, notwithstanding the demand contraction and other challenges due to pandemic. In the arduous times, HPCL continued its operations without any disruptions to ensure availability of petroleum products for essential services to public while ensuring the safety and wellbeing of its stakeholders and the workforce. To quote an example, your company delivered, on an average more than 15 lakh LPG cylinders per day during the peak lockdown period ensuring wellbeing of the consumers and safety of the workforce to meet the sharp increase in demand of cooking gas during this period. In retail sales, total sales volume of 22 MMT was achieved with gaining of market share in Total Motor Fuels (TMF) sales among the PSU OMCs. In sales of LPG, your Company has achieved highest ever sales of 7.41 MMT, with growth of 5.3%. Your Company is the second largest LPG marketer in the country. In B2B segment, the strategy of maximising volumes in three focus products helped the Corporation to cross 1 MMT sales volume in Fuel Oil (FO), Diesel and Bitumen individually for the sixth consecutive year. In the highly competitive lubricant markets, sales volume of over 600 TMT has been achieved, making HPCL the number one lube marketer in India for eighth consecutive year. Expanding its geographical reach, your Company exported 14.8 TMT of Lubricants to 16 countries during the year.

Your Company continues to lay strong emphasis on operational efficiency & cost optimisation with continued focus on productivity enhancement measures with usage of technology. During the year, 18 more locations were added as 'SMART' terminals with end-to-end automation & seamless integration of various processes resulting in enhanced operational and cost efficiency, safety, and stakeholder convenience. With sustained efforts towards efficiency and conservation, the Specific Energy Consumption in pipeline operations has been significantly reduced during the year. Continuous monitoring and effective distribution planning have resulted in maximising product evacuation, better inventory management and optimising product sourcing.

Numerous actions have been undertaken by the Corporation to enhance safety in all facets of operations underpinned by SOPs, continuous training of operating manpower, technology-enabled monitoring practices and alarm systems. Mumbai Refinery has achieved best ever safety performance by clocking 30.08 million man-hours of safe operations in FY 2020-21.

To ensure seamless and cost efficient delivery of petroleum products across the country, your Company has significantly expanded and upgraded the supply chain infrastructure during the year with capital expenditure of ₹ 14,700 Crore. POL supply network was further strengthened with the addition of Madurai Railway Siding facility. Towards enhancement of LPG bottling capacities to meet the increasing market demand, construction of the 51st LPG plant of the Corporation at Rayagada in the state of Odisha with bottling capacity of 60 TMTPA

Then Hon'ble Minister of Petroleum & Natural Gas and Steel, Shri Dharmendra Pradhan presenting the FIPI 'Oil Marketing Company of the Year Award' to HPCL

> Your Company has undertaken a number of large-scale projects across the energy value chain to support future growth, improve efficiencies, increase competitiveness and enhance participation in renewable sector. Some of the major projects are fast approaching towards completion to realise the intended benefits

On Voyage - CDU & VDU Columns for Visakh Refinery Modernisation Project

has been completed. LPG bottling capacity augmentation projects were completed and commissioned in Gandhinagar, Jabalpur, Bahadurgarh, Yediyur and Pampore LPG Bottling Plants with total capacity addition of 270 TMTPA during the year. Aviation fuel network was strengthened with commissioning of new ASFs at Shirdi in Maharashtra & Kurnool in Andhra Pradesh during the year.

Your Company commissioned 2,158 new retail outlets, which has been the highest in a year taking the total retail outlets to 18,634 as of 31st March 2021. Last-mile delivery capability of your Company was further enhanced with commissioning of 112 new LPG distributorships during the year taking total number of LPG distributors to 6,192. During the year, 369 Door-to-Door Mobile Dispensers were commissioned to deliver fuel to select customers at their premises.

HPCL has always been at the forefront of environmental sustainability through implementation of various initiatives in the areas of carbon footprint reduction, energy efficiency, water conservation, waste management, renewable energy etc. Equal focus is thrusted to the triple bottom line framework of financial, social, and environmental capitals towards greater business values.

Your Company is continuously expanding the business portfolio with greater presence and focus in Natural Gas, Renewables and Petrochemicals towards energy security, climate change mitigation and futureproofing of the business. HPCL along with its Joint Ventures has the authorisation for City Gas Distribution (CGD) presence in 34 districts covering 9 states in the country. Work on CGD projects in various geographical areas authorised to HPCL and its JVs are in progress. During the year, CNG facilities were provided at 203 retail outlets making the total number of HPCL retail outlets with CNG facilities to 674. EV charging facilities were enhanced to 84 retail outlets. Your Company is also working with number of organisations including startups to provide end-to-end EV charging infrastructure across the country to provide multi-fuel options to the customers. Your company is constructing large scale petrochemical manufacturing facilities through Joint Ventures to leverage existing and future opportunities in chemicals and specialty products.

On the renewables front, your Company is actively working on promotion of Compressed Bio Gas (CBG). As of 31st March 2021, HPCL has released 151 LOIs for setting up of CBG plants with total estimated production capacity of 307 TMTPA. In line with your Company's commitment to move towards a low carbon economy, solar panels were installed at 1,146 retail outlets during the year taking the total number of retail outlets with solar power to 4,648 outlets. With this, 25% of HPCL outlets are operating on solar power. During the year, your Company has installed captive solar power capacity of 11.4 MWp across various locations, taking the total solar power capacity to about 43.95 MWp as of 31st March, 2021. During the year, HPCL has generated about 17.05 Crore kWh of electricity from its wind mills having capacity of 100.9 MW. Towards reduction of carbon intensity in transportation sector, HPCL is actively participating in Ethanol Blending programme and has recorded overall Ethanol Blending Percentage (EBP) of 6.18% by blending 58.84 Crore litres of Ethanol in Petrol during 2020-21. In addition, HPCL also recorded blending of 4.1 Crore litres of Biodiesel during the year.

Research & Development remains to be of paramount importance for your Company to develop, demonstrate and deploy novel & innovative products & technologies. HPCL's Green R&D Centre at Bengaluru is constructing 7 new labs in Phase II expansion programme in addition to existing 9 labs. Under Phase II programme, construction of Petrochemicals and Polymers Lab, Lubes Research Lab, Corrosions

Studies Lab and Green Hydrogen generators with PEM electrolyser were completed during the year. I am happy to share that continued focus in research and innovation across various areas in energy sector enabled your Company to receive 44 patents during the year taking the cumulative patents granted to 90 as on 31st March, 2021.

Your Company is embracing emerging & innovative technologies to enhance customer value and convenience. Implementation of Customer Relationship Management (CRM) tool ensured enhanced customer orientation & superior service standards. For customer value maximisation, digital transactions were promoted in all business activities. Integrated Payment System (IPS) with integration of Point of Sale (POS) machine with dispensing units (DUs) were installed at 6,924 retail outlets providing easy and smart payment options to the customers. New services and features were integrated in 'HP PAY' app and 'HP GAS Vitran' app.

Strong commitment, dedication and competence of more than 9,400 employees is the backbone of the Corporation. Armed with a number of millennials and with gender diversity, the Corporation's workforce has strengths of experience, youthful energy, innovative mindset & multiple perspectives. The Corporation has a strong culture of learning and development, which is further enriched through initiatives like e-learning, partnerships with academia and learning through virtual reality centres.

With the strong belief that business priorities co-exist with social commitments & inclusive growth, your Company is continuing its contribution towards nation building through effective implementation of various socio economic development programmes initiated by Government of India. In addition to generous contribution to PM CARES Fund, your Company delivered over 3.8 Crore LPG refills to the beneficiaries under Pradhan Mantri Garib Kalyan Yojna (PMGKY) scheme as of 31st March, 2021. As part of Corporate Social Responsibility (CSR) plan, your Corporation has undertaken various activities during the year under the focus areas of childcare, education, health care, skill development, sports and environment & community development, thus positively influencing the lives of less privileged. Your Company has been proactively working to help fight COVID-19 pandemic by strengthening health infrastructure, accelerating vaccination drive, providing storage and transportation facilities for COVID Vaccines and providing relief to less privileged and migrant workers.

COVID-19 Vaccination camps were organised across the country for Employees and Staff

Your Company is continuously enhancing its ability to navigate the future challenges by strengthening the existing business of refining & marketing and consolidation of new business lines including petrochemicals, natural gas and bio fuels. The R&D capabilities of the Corporation are continuously scaled up to provide competitive edge to your Company. The focus is on building a diversified and flexible business portfolio aligned with the needs of changing market coupled with expansion of business footprints in overseas geographies. New avenues of value creation in areas of electric mobility & other emerging areas are being explored in collaboration with various technology start-ups & OEMs. To keep pace with the transition in the technology and customer preferences, the Company is focussing on value creation by leveraging the emerging digital technologies for transformation and enhancing IT capabilities. With the formulation of Digital Strategy Road Map, organisation has been galvanised towards long-term digital transformation and various digital initiatives are under implementation. The ERP modernisation project implementation is also in progress.

Your Company has undertaken a number of large-scale projects across the energy value chain to support future growth, improve efficiencies, increase competitiveness and enhance participation in renewable sector. Some of the major projects are fast approaching towards completion to realise the intended benefits. Visakh Refinery

HPCL Auto Care Centre, Bengaluru

> Your Company is continuously expanding the business portfolio with greater presence and focus in Natural Gas, Renewables and Petrochemicals towards energy security, climate change mitigation and futureproofing of the business

At Nation's Service during COVID times

Modernisation Project and Mumbai Refinery Expansion Project are in advance stage of completion with Visakh Refinery Bottom Upgradation Project also progressing well. The 9 MMTPA Greenfield Refinery and Petrochemical Complex project of HPCL Rajasthan Refinery Limited (HRRL) has picked up speed with construction in progress. The construction of the 5 MMTPA LNG regasification terminal at Chhara port in Gujarat by our subsidiary company is progressing well. Marketing supply infrastructure is being augmented with additional cross-country pipeline network length of over 1500 km and capacity addition of over 7 MMTPA. The three major cross-country pipeline projects namely Vijayawada Dharmapuri Product Pipeline, Hassan Cherlapalli LPG Pipeline and Barmer Palanpur Product Pipelines project are running ahead of schedule. In addition, a number of LPG Plants, Aviation Service Facilities, CGD network etc. along with upgradation of existing facilities at supply locations are under different stages of implementation. On the renewable front, construction of 2G refinery at Bathinda and Compressed Bio Gas (CBG) plant at Badaun in UP are in progress in addition to the CBG plants being set up under SATAT scheme by other entrepreneurs with offtake support from HPCL for Bio Gas.

Global economic growth is gaining momentum. Economic activity in the country is gathering strength supported by the recovery in both demand and supply channels, large pent up demand, sustained rollout of the vaccination programme, growth-enhancing proposals in the Union Budget and accommodative monetary policies. Lower perceived risks on possible subsequent pandemic waves in future and new mutant variants is also aiding the recovery. Global financial market volatility, however, may pose a risk.

Ensuring Doorstep Delivery of LPG during COVID times

Considering the demography, economic development and lower per capita energy consumption, India's requirement for energy is increasing rapidly. As Indian economy rebounds from its contraction in the previous year with removal of restrictions on mobility, recovery in industrial activities and increased public & private spending, primary energy consumption is projected to rise sharply. While oil continues to remain the main stay to meet the fuel demand of the country, regulatory thrust on increasing penetration of low carbon energy will increase consumption of natural gas and bio fuels in India's energy basket. Emerging alternate sources of energy will also help in catering to a part of the increasing energy demand.

Your Company remains focussed on delivering consistent, competitive, responsible growth & value creation through sustainable business models with a right mix of strengthening core business and leveraging new opportunities in product portfolio & geographies.

We are in a rapidly changing world where digital connectivity and abundance of data is reshaping value creation models across verticals. Your Company is actively working on leveraging emerging technologies in various areas of its business to enhance efficiency and customer experience.

Your Company remains focussed on delivering consistent, competitive, responsible growth & value creation through sustainable business models with a right mix of strengthening core business and leveraging new opportunities in product portfolio & geographies.

I am thankful to the Ministry of Petroleum & Natural Gas, State Governments, various statutory and local bodies for their guidance and support in all our efforts and look forward to their continued support in future as well.

I would like to thank all our customers, shareholders, business associates, employees and other stakeholders for their unflinching commitment and support. I would also like to convey my sincere appreciation to the Board of Directors for their guidance and mature counsel.

I look forward to your continued support for our shared vision of "Creating Value and Delivering Growth".

Thank you

Mukesh Kumar Surana

Board of Directors

WHOLE-TIME DIRECTORS

Centre

Shri Mukesh Kumar Surana
Chairman and Managing Director

Left to right

Shri Pushp Kumar Joshi
Director - Human Resources

Shri R Kesavan
Director - Finance
(Up to 30-06-2021)

Shri Rakesh Misri
Director - Marketing

Shri Vinod S Shenoy
Director - Refineries

GOVERNMENT NOMINEE DIRECTORS

Shri Sunil Kumar
Ex-Officio Director

Dr. Alka Mittal
Part-Time Director
Representative of ONGC
(From 17-06-2021)

Shri Subhash Kumar
Part-Time Director
Representative of ONGC
(Up to 19-05-2021)

INDEPENDENT DIRECTORS

Shri G Rajendran Pillai

Shri Amar Sinha
(Up to 20-09-2020)

Shri Siraj Hussain
(Up to 20-09-2020)

Senior Management Team (As on 01-08-2021)

Shri A K Tiwari	Chief Vigilance Officer
Shri Ajit Singh	Executive Director - Direct Sales
Shri S Paul	Executive Director - International Trade
Shri J S Prasad	Executive Director - Projects & Pipelines
Shri Rajnish Mehta	Executive Director - Corporate Strategy & Planning and Business Development
Shri S P Gaikwad	Chief Executive Officer - HPCL Rajasthan Refinery Limited*
Shri K Radhakrishnan	Chief Executive Officer - Hindustan Colas Private Limited*
Shri Abhishek Datta	Executive Director - Human Resources
Shri S K Suri	Executive Director - Retail
Shri Rajneesh Narang	Executive Director - Corporate Finance
Shri D K Pattanaik	Executive Director - Gas and Renewables
Shri Vikram Gulati	Director (Finance) - PP&AC, New Delhi*
Shri R Sridhar	Executive Director - Joint Ventures
Shri Anuj Kumar Jain	Executive Director - LPG
Shri V Ratanraj	Executive Director - Visakh Refinery
Shri Subodh Batra	Executive Director (I/C) - Supplies, Operations & Distribution
Shri Shyam Mustyalwar	Executive Director - ERP
Shri K Srinivas	Executive Director - Aviation
Shri V S Agashe	Executive Director - Mumbai Refinery
Shri Sukumar Nandi	Executive Director - HSE (Corporate)
Shri P Veerabhadra Rao	Executive Director - Visakh Refinery Modernisation Project
Shri Alok Kumar Gupta	Executive Director - Co-ordination and Executive Assistant to C&MD
Shri Rajiv Chandra	Executive Director - Information Systems
Shri Narayanan H Iyer	Executive Director - Legal
Shri P S Murty	Executive Director - HSE (Marketing)
Shri C Sridhar Goud	Executive Director - Marketing Co-ordination
Shri S Bharathan	Executive Director - R & D
Shri V K Maheshwari	Executive Director - Integrated Margin Management
Shri K S Shetty	Executive Director - Employee Relations
Shri Shrikant Ramchandra Hasyagar	Executive Director - Audit
Shri Vikas Kumar Yadav	Executive Director - Corporate Social Responsibility
Shri D N Vijayendrakumar	Chief General Manager - Information Systems (Technical), Data Centre & Security
Shri Sanjay Kumar	Chief General Manager - Lubes
Shri Amitabh Kumar Jain	Chief General Manager - Product Development & OEM Business
Shri P Raman	Chief General Manager - S & P, Risk, C & T
Shri A B Chattopadhyay	Chief General Manager (I/C) - Technical, Mumbai Refinery
Shri P K Bansal	Assistant Director General - UIDAI, Delhi*
Shri N Ramachandran	Chief General Manager - Marketing Finance
Shri S K Ghosh	Chief General Manager - Finance, Mumbai Refinery

Senior Management Team (As on 01-08-2021)

Shri K Sreenivasa Rao	Chief Executive Officer - HPCL Shapoorji Energy Private Limited*
Shri Baldev Bhatia	Chief General Manager - LPG Operations
Shri N. Baladhandayuthapani	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri Vijay A Katne	Chief General Manager - Materials, Mumbai Refinery
Ms. Sujata S Londhe	Chief General Manager - Treasury
Shri Jayant Gupta	Chief General Manager - Information Systems (Technical), Infrastructure and Development
Shri C Madhusudan	Chief General Manager - R & D (Marketing)
Shri Neelesh Khulbe	Chief General Manager - HR (Compensation Management)
Shri Rajesh Mehtani	Chief General Manager - Retail, North Zone
Shri Shuvendu Gupta	Chief General Manager - Bio-fuels
Shri Kamalakar Rajaram Vikhar	Chief General Manager (I/C) - Projects, Mumbai Refinery
Shri Abhishek Trivedi	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri D K Sharma	Chief General Manager - Corporate Strategy and Planning
Ms. Gummalla Rama	Chief General Manager - Materials, Visakh Refinery
Shri Gurramkonda Ugra Narasimhulu	Chief General Manager - Visakh Refinery Modernisation Project
Shri Libu Mathew Verghese	Chief General Manager - Maintenance, Mumbai Refinery
Shri Jaideep Roy	Chief General Manager - Central Procurement Organization
Shri Krisanu Sengupta	Chief General Manager - Finance, Visakh Refinery
Shri Sanjay Malhotra	Chief General Manager - Retail, North Central Zone
Shri Amitava Mukhopadhyay	Chief General Manager - Engineering & Facilities Planning
Shri Singupalli Hari Prasad	Chief General Manager - Retail, East Zone
Shri Sukanta Banerjee	Chief General Manager - Product Supply & Logistics
Shri Krushna Mahapatra	Chief General Manager - Commercial, Direct Sales SBU
Shri S Balachandar	Chief General Manager - Corporate Accounts
Shri K Vinod	Chief General Manager - Commercial, LPG SBU
Shri Ramanathan Ramakrishnan	Chief General Manager (I/C) - Operations, Visakh Refinery
Shri Subramanian Ramakrishnan	Chief General Manager - Product Placement Planning, IMM
Shri Rajeev Goel	Chief General Manager - PR & CC
Shri M P Rethees Kumar	Chief General Manager - LPG (Sales and Marketing)
Shri Sandeep Maheshwari	Chief General Manager - Retail, South Zone
Shri Kollati Srinivas	Chief General Manager - Business Development (Marketing)
Shri Y V N Sharma	Chief General Manager - Pipeline Operations
Shri Mutnury Somasundar	Chief General Manager - Technical (Minor Projects, MES, Inspection and Reliability)
Shri Kushal Kumar Banerjee	Chief General Manager - Business Development, Corporate Strategy & Planning
Shri Prabhakar Thakur	Chief Executive Officer - Prize Petroleum Company Limited*
Shri Ganesh P Gaikwad	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri Kiran Kumar Ganta	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri Arvind Shastry	Chief General Manager, Office of C&MD
Shri Anuj Mehrotra	Chief General Manager - Commercial, International Trade

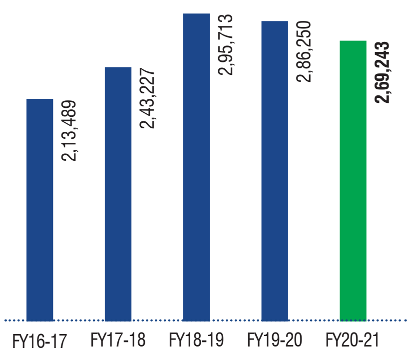
Senior Management Team (As on 01-08-2021)

Shri Ritwik Rath	Chief General Manager - IS Strategy
Shri Peraka K N V Siva Rao	Chief General Manager - Quality Assurance
Shri Ch Ratnakara Rao	Chief General Manager - Commissioning, Visakh Refinery
Shri Chandra Kant Pandey	Chief General Manager - Materials, Rajasthan Refinery Project*
Shri R S Rao	Chief General Manager - Projects, Refinery Coordination
Shri Prabir Kumar Chattopadhyay	Chief General Manager - Visakh Refinery Modernisation Project
Shri Reji C Mathew	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri Sunil Singh Yadav	Chief General Manager - Projects, Mumbai Refinery
Shri P Venkata Narayana	Chief General Manager - Maintenance, Visakh Refinery
Shri Indrajit Dasgupta	Chief General Manager - Corporate Finance
Shri C K Narasimha	Chief General Manager - Retail, South Central Zone
Shri R Ramesh	Chief General Manager - Pipeline Projects
Shri G Shiva Sunder	Chief General Manager - ERP
Shri V S Chakravarthi	Chief General Manager - LPG, South Zone
Shri Sri Ganesh Kakkirala	Chief General Manager (I/C) - Operations, Mumbai Refinery
Shri C V Mallinath	Chief General Manager, Office of C&MD
Shri Pawan Kumar Sehgal	Chief General Manager - Retail, North West Zone
Shri Arun Garg	Chief General Manager - Co-ordination, Delhi Co-ordination Office
Shri Sandeep Roy	Chief General Manager - Vigilance
Shri Vijay Raj Saxena	Chief General Manager - Gas Marketing
Shri Umesh Chandra Agrawal	Chief General Manager - Finance, Rajasthan Refinery Project*
Shri K V Sreenivas Raju	Chief General Manager - CGD Projects
Shri Neeraj K Rai	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri P K Saha	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri K Loganathan	Chief General Manager - Operations, SOD
Shri Lakkoju V S Nageswara Rao	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri S S Nandanwar	Chief General Manager - QC and PS & E
Shri Dinesh N Naik	Chief General Manager - Finance, CPO (M)
Shri S K Barman	Chief General Manager - Projects, Rajasthan Refinery Project*
Shri S N Soman	Chief General Manager - Commissioning, Mumbai Refinery
Shri Pravin S Sawant	Chief General Manager - I & C, Direct Sales SBU
Shri Udit Nandi	Chief General Manager - Commissioning, Visakh Refinery
Shri S H Mehdi	Chief General Manager - Human Resources, Mumbai Refinery
Shri Ch Srinivas	Chief General Manager - Digital Initiatives (Marketing)
Shri Debashis Chakraverty	Chief General Manager - Strategy & Business Development
Shri V Murali	Company Secretary
Shri A Tirupati Naidu	Chief General Manager - Technical, Visakh Refinery

* On Deputation

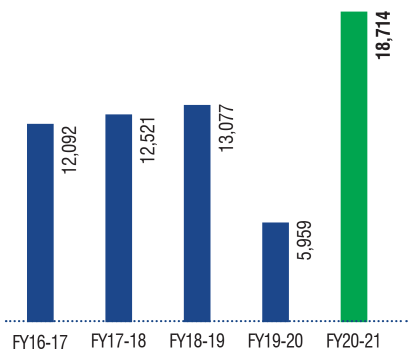
Key Performance Indicators

Turnover (₹ Crore)



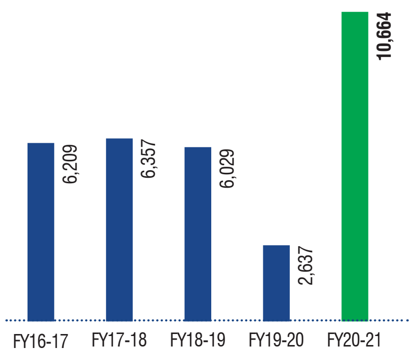
CAGR **5.97%** YOY **-5.94%**

EBITDA (₹ Crore)



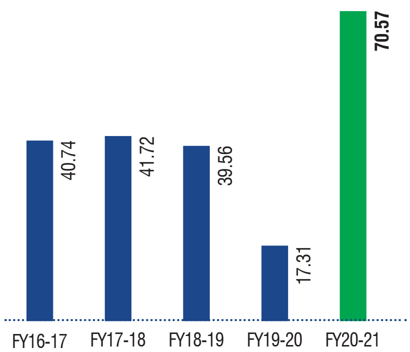
CAGR **11.54%** YOY **214.06%**

Profit After Tax (₹ Crore)



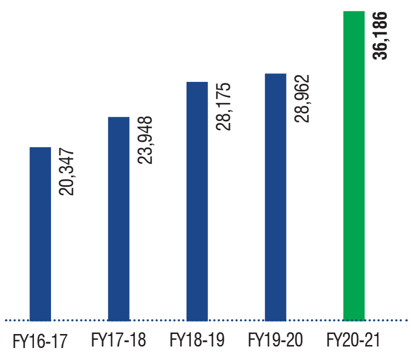
CAGR **14.48%** YOY **304.35%**

EPS (₹)



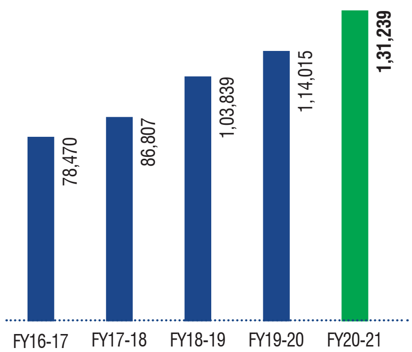
CAGR **14.72%** YOY **307.77%**

Net Worth (₹ Crore)



CAGR **15.48%** YOY **24.94%**

Total Assets (₹ Crore)



CAGR **13.72%** YOY **15.11%**

Offices, Auditors & Bankers

Registered Office & Headquarters Office
Petroleum House,
17, Jamshedji Tata Road,
Mumbai - 400 020
e-mail: corphqo@hpcl.in
website: www.hindustanpetroleum.com

Marketing Headquarters
Hindustan Bhavan,
8, Shoorji Vallabhdas Marg,
Ballard Estate,
Mumbai - 400 001

Marketing / CPO Office
Marathon Futurex, 9th and 10th Floor,
A Wing, N M Joshi Marg, Lower Parel,
Mumbai - 400 013

Mumbai Refinery
B.D. Patil Marg, Chembur,
Mumbai - 400 074

Visakh Refinery
Post Box No.15, Malkapuram,
Visakhapatnam - 530 001

Zonal Offices

East Zone
Purbanchal Bhavan,
771, Anandapur, Off EM By-Pass,
Kolkata - 700 107

North Zone
6th, 7th & 8th Floor,
Core 1 & 2, North Tower,
Scope Minar, Laxmi Nagar,
Delhi - 110 092

North Central Retail Zone
TC-13, V/V, Vibhuti Khand,
Gomti Nagar,
Lucknow - 226 010

North West Retail Zone
1st Floor, Alfa Bazaar,
Opp. Thakorjibhai Desai Hall,
High Street - 1, Law Garden,
Ahmedabad - 380 006

South Zone
Thalamuthu Natarajan Building, 4th Floor,
1, Gandhi Irwin Road, Post Box No. 3045, Egmore,
Chennai - 600 008

South Central Retail Zone
Parishram Bhavan, 7th Floor, Door No. 5-9-58/B,
Fateh Maidan Road, Basheer Bagh,
Hyderabad - 500 004

West Zone
R & C Building,
Sir J. J. Road, Byculla,
Mumbai - 400 008

Statutory Auditors
M.P. Chitale & Co.
Chartered Accountants, Mumbai

R. Devendra Kumar & Associates
Chartered Accountants, Mumbai

Branch Auditors
Rao & Shyam
Chartered Accountants, Visakhapatnam

Cost Auditors
ABK & Associates
Cost Accountants, Mumbai

Dhananjay V. Joshi & Associates
Cost Accountants, Thane

Bankers
State Bank of India
Punjab National Bank
Union Bank of India
Bank of Baroda
Bank of India
HDFC Bank
Citibank
Standard Chartered Bank
ICICI Bank

Company Secretary
V Murali

Notice of 69th Annual General Meeting

HINDUSTAN PETROLEUM CORPORATION LIMITED

REGISTERED OFFICE: PETROLEUM HOUSE, 17, JAMSHEDJI TATA ROAD, MUMBAI 400 020

Website: www.hindustanpetroleum.com E-mail: corphqo@hpcl.in Tel: (022) 22863900 Fax: (022) 22872992
(CIN: L23201MH1952GOI008858)

NOTICE

NOTICE is hereby given that the **69th ANNUAL GENERAL MEETING** of the Members of Hindustan Petroleum Corporation Limited ("**HPCL**" or "**Company**") will be held on Wednesday, September 15, 2021 at 11.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon.

2. To declare a Final Equity Dividend of ₹ 22.75 per Share for the Financial Year 2020-2021.

3. To appoint a Director in place of Shri Sunil Kumar (DIN: 08467559), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Shri Vinod S Shenoy (DIN: 07632981), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. Appointment of Dr. Alka Mittal (DIN: 07272207) as a Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014, and further amendments thereto from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the provisions of Articles 112 and 121 of the Articles of Association of the Company, Dr. Alka Mittal who has been appointed by the Government of India as Nominee Director (Representative of Oil and Natural Gas Corporation Limited) of the Company and was also appointed as an Additional Director of the Company by the Board of Directors with effect from June 17, 2021 and who holds the office pursuant to the provisions of Section 161 of the Companies Act, 2013 upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for the Financial Year 2020-2021 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the Office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

6. Payment of Remuneration to Cost Auditors for Financial Year 2021-2022

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and such other permissions as may be necessary, the payment of the total remuneration of ₹ 4,00,000 (₹ 2,00,000 each) plus reimbursement of out of pocket expenses at actuals plus applicable GST payable to M/s. ABK & Associates and M/s. Dhananjay V. Joshi & Associates, who were appointed as "Cost Auditors" to conduct the audit of Cost Records maintained by the Company for the Financial Year ending March 31, 2022, pertaining to various units as applicable, be and is hereby ratified and approved.

7. Approval of Material Related Party Transactions to be entered during Financial Year 2022-2023

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Regulation 23 and such other applicable Regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the approval of the Members of the Company be and is hereby accorded to the Material Related Party Transactions to be entered into with Joint Venture Company, HPCL Mittal Energy Limited (HMEL), for the Financial Year 2022-2023 for a value of ₹ 46,600 Crore (Rupees Forty Six Thousand Six Hundred Crore Only) and that the Board of Directors of the Company or any other person(s) authorised by the Board, be and is hereby authorised to perform and execute all such deeds, matters and things including delegation of such authority as may be deemed necessary or expedient to give effect to this resolution and for the matters connected therewith or incidental thereto.

By the Order of the Board,

V. Murali
Company Secretary

Date : August 16, 2021
Regd. Office : Petroleum House,
17, Jamshedji Tata Road
Churchgate,
Mumbai - 400 020

NOTES:

1. In view of the global outbreak of the COVID-19 pandemic and the threat posed, the Ministry of Corporate Affairs ('MCA') vide its General Circular No. 20/2020 dated May 05, 2020 and 02/2021 dated January 13, 2021 in relation to 'Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)' read with General Circular No. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020 in relation to 'Clarification on passing of Ordinary and Special Resolutions by companies under the Companies Act, 2013 ('Act') and the rules made thereunder (collectively referred to as 'MCA Circulars') and SEBI vide its circulars dated May 12, 2020 and January 15, 2021 on 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – COVID-19 pandemic' ('SEBI Circulars') permitted the holding of the AGM through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC/OAVM.

   In accordance with the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of SS-2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at Petroleum House, 17, Jamshedji Tata Road, Churchgate, Mumbai - 400 020 which shall be deemed venue of the AGM.

2. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 05, 2020, the matters of Special Business as appearing at Item Nos. 5 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence forming part of this Notice.

3. **Explanatory Statement and related details:** The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item Nos. 5 to 7 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and SS-2 issued by the ICSI, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.

4. **Proxy and Route Map:** Pursuant to the provisions of the Act, Members entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on their behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to MCA Circulars through VC or OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA Circulars and the SEBI Circular, the facility of appointment of proxies by the Members will not be available for this AGM and hence, the proxy form, attendance slip and route map of AGM are not annexed to this notice.

5. **Institutional Investors:** Institutional Investors who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorised representatives pursuant to Section 113 of the Act to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutiniser by email at ucshukla.scrutinizer@rediffmail.com with a copy marked to evoting@nsdl.co.in

6. **Joint Holders:** In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

7. **Quorum:** The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

8. **Inspection of Statutory Documents:** The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act and relevant documents referred to in this Notice and explanatory statements will be available electronically for inspection by the Members during the AGM. All documents referred to in this Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email from their registered email ID to cosecy@mail.hpcl.co.in stating their DP ID/Client ID or Folio No.

9. **Notice on Website and Exchanges:** In line with the MCA Circulars and SEBI Circular, the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or Registrar and Transfer Agents (RTA) / Depositories. The Notice convening the AGM has been uploaded on the website of the Company at www.hindustanpetroleum.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com

10. **Process for registering email address to receive copy of this Notice & also vote through Electronic Mode:**

    Members whose email IDs are not registered and who wish to receive the Notice electronically and also cast votes electronically are requested to write to the Company at email ID: cosecy@mail.hpcl.co.in or to the RTA at email ID: rnt.helpdesk@linkintime.co.in

    The Members to indicate the following details:

Sr. No.	Particulars
1.	Name of the Company: Hindustan Petroleum Corporation Limited
2.	DP ID – Client ID (Demat Shareholders)/ Folio No. (Physical Shareholders)
3.	PAN Card (Provide self-attested copy)
4.	Aadhaar Card / Passport etc. (Provide self-attested copy)
5.	Mobile Number
6.	Email address

    After registering the e-mail address, NSDL will email copy of this AGM Notice and Annual Report for the Financial Year 2020-2021 along with the e-voting user ID and password. In case of any queries, Members may write to email IDs rnt.helpdesk@linkintime.co.in or evoting@nsdl.co.in

11. **Book Closure and Dividend:** The Company has announced Book Closure from July 12, 2021 to July 16, 2021(both days inclusive) and accordingly, Final Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year 2020-2021, if declared at the AGM, will be payable after deduction of applicable TDS, if any, to those eligible members whose names appeared:

    (a) As Beneficial Owners as on July 10, 2021 as per the list of beneficial owners to be furnished by NSDL and CDSL in respect of the shares held in electronic form; and

    (b) As Members as on July 10, 2021 in respect of shares held in physical form after giving effect to valid transmission and transposition requests lodged with the Company.

12. **Payment of Dividend:** Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 01, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). Email communications in this regard were sent to the Members for complying with TDS requirements. Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, by sending documents at e-mail ID: info@vrtaxconsultants.com or update the same by visiting the link: https://www.hpcldivdoc.com in order to enable the Company to determine and deduct appropriate TDS/withholding tax.

13. **Electronic Receipt of Dividend:** In order to receive the dividend in a timely manner, Members holding shares in physical form who have not updated their bank mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means, are requested to write to the Company or to the RTA for registration of Bank details. The application to indicate Name of the Bank, Bank Account Number and 11 Digit IFSC Code. The Member is also required to provide self-attested copy of PAN Card, self-attested copy of Aadhaar Card / Passport etc. in support of address of the Member as registered with the Company, self-attested copy of the cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly or certificate from the Banker indicating that the account belongs to the first named shareholder. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

Members who are holding shares in electronic form are requested to contact their respective DPs for updating their bank details. They are also advised to seek "Client Master Advice" (CMA) from their respective DP to ensure correct updation has been carried out in their record. It may be noted that bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details.

14. **Dividend Warrants:** The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall despatch the dividend warrant/ Bankers' cheque / demand draft to such Members at the latest available address with the Company/DPs.

15. **Electronic Receipt of Communication/ Documents:** To support the 'Green Initiative', Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company or RTA in case the shares are held by them in physical form. In respect of physical holding, Members can write to the Company at email ID: hpclinvestors@mail.hpcl.co.in or to the RTA at email ID: rnt.helpdesk@linkintime.co.in The Members are requested to indicate in the application for registration of email ID their Names, Folio Number, enclosing therewith copy of the Share Certificate (front and back side) and also self-attested copy of the PAN Card, self-attested copy of Aadhaar Card/Passport etc.

    Further, those Members who have already registered their email addresses are requested to keep them validated/updated with their DPs/RTA to enable servicing of notices/documents/Annual Reports and other communication electronically to their e-mail address in future.

16. **Dematerialisation of Shares:** As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialised form. Members can contact Company's RTA, M/s. Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in for assistance in this regard.

17. **Investor Education and Protection Fund:** Members are requested to note that:

    a. Dividend for the FY 2013-14 which is not encashed for a period of seven years will be transferred to the Investor Education and Protection Fund ('IEPF').

    b. The shares in respect of Dividends which are not encashed for seven consecutive years from FY 2013-14 are also liable to be transferred to the Demat account of the IEPF Authority.

    In view of this, Members/Claimants are requested to claim their dividends from the Company within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in

    We give below the details of Dividends paid by the Company and their respective due dates of transfer to the IEPF Authority if they remain unencashed.

Date of Declaration of Dividend	Dividend for the Financial Year	Proposed Month and Year of Transfer to Fund
05-09-2014	2013-14 (Final)	Oct. 2021
10-09-2015	2014-15 (Final)	Oct. 2022
01-02-2016	2015-16 (1st Interim)	Mar. 2023
11-03-2016	2015-16 (2nd Interim)	Apr. 2023
08-09-2016	2015-16 (Final)	Oct. 2023
13-02-2017	2016-17 (1st Interim)	Mar. 2024
23-03-2017	2016-17 (2nd Interim)	Apr. 2024
15-09-2017	2016-17 (Final)	Oct. 2024
09-02-2018	2017-18 (Interim)	Mar. 2025
30-08-2018	2017-18 (Final)	Sep. 2025
20-02-2019	2018-19 (Interim)	Mar. 2026
21-08-2019	2018-19 (Final)	Sep. 2026
16-09-2020	2019-20 (Final)	Oct. 2027

18. **Updation of Details:** Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA at rnt.helpdesk@linkintime.co.in in case the shares are held in physical form, quoting folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

19. Non-Resident Members: NRI Members are requested to inform RTA/ their respective DPs immediately of:

a. Change in their residential status on return to India for permanent settlement.

b. Particulars of their Bank Account maintained in India with complete name, branch, account type, account number, IFSC Code, MICR No., and address of the bank, if not furnished earlier, to enable the Company to remit dividend to the Bank Account directly.

20. Registrar and Transfer Agents: The address of the RTA of the Company is as follows:
M/s. Link Intime India Private Limited
Unit: Hindustan Petroleum Corporation Limited
C 101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai – 400 083.
Contact No.: (022) 49186000 Fax No.: (022) 49186060
Email : rnt.helpdesk@linkintime.co.in
bonds.helpdesk@linkintime.co.in

21. Change of Address: To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address as below:

a. **Members holding shares in Physical Form:** Members holding share(s) in Physical form are requested to advise immediately change in address and also valid e-mail IDs, if any, quoting their Folio No(s). along with self-attested copy of PAN Card/self-attested copy of Aadhaar Card/Passport etc. to RTA at the address given in Sr. No. 20 above.

b. **Members holding shares in Dematerialised Form:** Members holding shares in dematerialised form are requested to advise immediately change in address and register their valid e-mail IDs, if any, with their respective DPs only and not to RTA or to the Company.

Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

22. Nomination: As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form No. SH-14. The said form can be downloaded from the weblink at https://www.hindustanpetroleum.com/documents/pdf/NominationForm.pdf. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA at rnt.helpdesk@linkintime.co.in in case the shares are held in physical form quoting folio no.

23. The format of the Register of Members prescribed by the MCA under the Act requires the Company/RTA to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend etc. A form for capturing additional details is available on the Company's website under the section 'Investor Relations'. Members holding shares in physical form are requested to submit the filled in form to the Company or to the RTA in physical mode or in electronic mode as per instructions mentioned in the form.

Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

24. Members' holding shares in Multiple Folios: Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

25. Process to express views/seek clarifications:

Members are encouraged to submit in advance their questions on the items of business to be transacted at this AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/Folio number and mobile number, to reach the Company's e-mail address at cosecy@mail.hpcl.co.in before 3 p.m. (IST) on September 08, 2021. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

26. Registration as Speakers:

Members who would like to express their views/ask questions as a speaker at the Meeting shall pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio number, PAN and mobile number at cosecy@mail.hpcl.co.in between the following dates & time: **September 09, 2021 (9.00 a.m. IST) and September 12, 2021 (5:00 p.m. IST)**.

Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

27. Instruction for e-voting and joining the AGM are as under:

(i) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (LODR) and the MCA Circulars, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

(ii) The cut-off date to be eligible to vote by electronic means is September 08, 2021.

(iii) The voting rights of members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the cut-off date i.e. September 08, 2021.

(iv) The remote e-voting period are given below:

Commencement Day, Date and Time	Thursday, September 09, 2021 [From 5.00 p.m. (IST)]
End Day, Date and Time	Tuesday, September 14, 2021 [Till 5.00 p.m. (IST)]

During this period, members holding shares either in physical form or in dematerialised form, as on cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those members, who intend to participate in the AGM through VC/OAVM facility and could not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

(v) The Company has appointed Shri Upendra Shukla, a Practicing Company Secretary, as Scrutiniser to scrutinise the voting process in a fair and transparent manner.

(vi) The member who casts their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

(vii) Any person holding shares in physical form and non-individual members, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. September 08, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Company/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Members holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 08, 2021 may follow steps mentioned in the Notice of the AGM under **"Access to NSDL e-Voting system"** as mentioned below.

INSTRUCTIONS FOR REMOTE E-VOTING BEFORE/ E-VOTING DURING THE AGM

The process of remote e-voting and e-voting during the AGM are explained below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in demat mode is given below:

Type of Members	Login Method
Individual Members holding securities in demat mode with NSDL.	**NSDL IDeAS facility:** **I. In case user is registered for the NSDL IDeAS facility:** a) Please visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on mobile phone. b) On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section. c) A new screen will open. You will have to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. d) Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. e) Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-voting during the meeting. **In case user is not registered for the NSDL IDeAS facility:** (1) The option to register is available at https://eservices.nsdl.com (2) Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp (3) Upon successful registration, kindly follow the steps given in Points (a) to (e) above. **II. E-Voting website of NSDL:** i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on mobile phone. ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. iii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. iv) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-voting during the meeting.
Individual Members holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider (ESP) i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.

Type of Members	Login Method
Individual Members (holding securities in demat mode) login through their DPs.	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk at evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542/43

B) Login Method for e-Voting and joining virtual meeting for Members other than Individual Members holding securities in demat mode and Members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.

3. A new screen will open. You will have to enter your User ID, Password/OTP and a Verification Code as shown on the screen.

4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

6. Password details for Members other than Individual Members are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

   c) How to retrieve your ‘initial password’?

      (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file.

The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in "process for those Members whose email ids are not registered."

7. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

9. Now, you will have to click on "Login" button.

10. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select the "EVEN" of Hindustan Petroleum Corporation Limited.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" when prompted.

5. Upon confirmation, the message "**Vote cast successfully**" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those members whose email ids are not registered with the Depositories/Company for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to cosecy@mail.hpcl.co.in

2. In case shares are held in demat mode, please provide DPID/CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to email ID cosecy@mail.hpcl.co.in. If you are an Individual Member holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual members holding securities in demat mode.

3. Alternatively Members may send a request to email ID evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and DPs. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

General Guidelines for Members

1. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutiniser by e-mail to ucshukla.scrutinizer@rediffmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or contact Mr Amit Vishal, Senior Manager, or Ms Pallavi Mhatre, Manager, NSDL, at the designated email ID: evoting@nsdl.co.in

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned above for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The Members will be able to view the proceedings on National Securities Depository Limited's ('NSDL') e-voting website at www.evoting.nsdl.com. The Members can join the AGM through VC/OAVM mode 15 minutes before and 15 minutes after the Scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on First come first served basis. This will not include large shareholders, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

2. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under **Join General Meeting menu**. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

3. Members are encouraged to join the Meeting through Laptops/Desktop for better experience.

4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

5. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

28. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes earlier by availing the remote e-voting facility. The remote e-voting module shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

29. Declaration of Voting Results:

The Scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting). The result declared along with the Scrutiniser's report shall be communicated within the prescribed period to the stock exchanges on which the Company's shares are listed, NSDL and will also be displayed on the Company's website at www.hindustanpetroleum.com

STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Statement with respect to items under Special Business covered in the Notice of Meeting are given below:

5. Appointment of Dr. Alka Mittal (DIN: 07272207) as a Director of the Company

The Government of India has appointed Dr. Alka Mittal as Nominee Director (Representative of Oil and Natural Gas Corporation Limited) on the Board of the Company. Accordingly, Dr. Alka Mittal was appointed by the Board as an Additional Director with effect from June 17, 2021 in terms of provisions of Section 161 of the Act, rules made thereunder and also in terms of Articles 112 and 121 of the Articles of Association of the Company. As per the provisions contained under Section 161 of the Act, the Additional Director so appointed by the Board shall hold office upto the date of next AGM of the Company or the last date on which the AGM of the Company should have been held, whichever is earlier. Accordingly, Dr. Alka Mittal, as an Additional Director, holds office upto the date of this AGM. In terms of provisions contained under Section 160 of the Act and the Rules made thereunder, a person who is not a retiring Director in terms of Section 152 of the Act shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if she or some member intending to propose her as a Director, has not less than fourteen days before the Meeting left at the Registered Office of the Company, a notice in writing under their hand signifying her candidature as a Director or the intention of such member to propose her as a candidate for that office, as the case may be, along with deposit of One Lakh Rupees. The Deposit so collected shall be refunded to the Member, if the person whose name is proposed gets elected as a Director or gets more than twenty-five percent of total valid votes cast either on Show of Hand/Remote evoting/Ballot/ e-voting or on poll on such Resolution.

Accordingly, Company has received a Notice in writing from a Member along with requisite Deposit proposing candidature of Dr. Alka Mittal for the Office of Director in terms of provisions of Section 160 of the Act.

Dr. Alka Mittal is Director - HR of Oil and Natural Gas Corporation Limited. She does not hold any shares in HPCL.

Relevant documents in respect of the said item are available in Electronic Form for inspection by the Members upto the date of the Meeting. None of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the Resolution set out at item No. 5 of the Notice.

The Board recommends the Ordinary Resolution as set out at item No. 5 for approval by the Members.

6. Payment of Remuneration to Cost Auditors for Financial Year 2021-2022

The Board on the recommendation of the Audit Committee, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022 as per the following details: -

Sn.	Name of the Unit	Name & Address of the Cost Auditors	Audit Fees*
1.	Mumbai Refinery & Visakh Refinery	M/s. Dhananjay V. Joshi & Associates, 4, Shrikrushna Bhavan, 1st Floor, Prashant Nagar, Behind Naupada Police Station, Naupada, Thane (W) – 400 064	₹ 2,00,000
2.	All Marketing Manufacturing Locations and Corporate Consolidation	M/s. ABK & Associates, Jamuna Niwas, 1st Floor, 32-A, Jai Bharat Society, 3rd Road, Khar West, Mumbai – 400 052	₹ 2,00,000

* plus reimbursement of out of pocket expenses at actuals and applicable GST.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the Members of the Company.

Accordingly, approval of the members is requested for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors to conduct audit of the Cost Records of the Company for the Financial Year ending March 31, 2022.

Relevant documents in respect of the said item are available in electronic form for inspection by the Members of the Company upto the date of the Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested in the resolution set out at item No. 6 of the Notice.

The Board recommends the Ordinary Resolution as set out at item no. 6 for approval by the Members.

7. Approval of Material Related Party Transactions to be entered during Financial Year 2022-2023

HPCL Mittal Energy Limited (HMEL), a Joint Venture Company, is a Related Party as defined under Section 2 (76) of the Act read with Regulation 2 (1) (zb) of the SEBI Listing Regulations.

The Company is proposing to enter into certain business transactions with HMEL during Financial Year 2022-2023. The nature of transactions is in the form of Purchase of Crude and Petroleum Products, Sale of Crude and Petroleum Products, Lease Rental Receipts, Operation and Maintenance of LPG Facilities, Safekeeping/Warehousing Service, infrastructure Facilities services to be availed etc. from/by HMEL.

All transactions to be entered into by the Company with HMEL are in the ordinary course of business and are at arm's length basis and necessary approvals as required in compliance of the provisions under the Act have already been obtained from the Audit Committee/Board.

It may be noted that as per the explanation to Regulation 23 (1) of SEBI Listing Regulations, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds ten percent of the Annual Consolidated Turnover of the Listed entity as per its last audited Financial Statements. Further, as per sub-regulation 4 of the said Regulation, all Material Related Party Transactions require approval of the Members through a Resolution and no related party shall vote to approve such resolution whether an entity is a related party to the particular transaction or not.

The transactions with HMEL for Financial Year 2022-23 are estimated to be ₹ 46,600 Crore (Rupees Forty Six Thousand Six Hundred Crore Only) and this amount is likely to exceed ten percent of the estimated Annual Consolidated Turnover of the Company for the Financial Year 2021-2022.

Members may please note that based on the criteria as mentioned above, the transactions to be entered into by the Company with HMEL during the Financial Year 2022-2023 are "Material" and therefore, requires approval of the Company by way of passing of an Ordinary Resolution.

Approval of the Members of the Company is therefore required in terms of Regulation 23 of the SEBI Listing Regulations by way of passing of an Ordinary Resolution for approval to the aforesaid Material Related Party Transactions to be entered for Financial Year 2022-2023.

Relevant documents in respect of the said item are available in electronic form for inspection by the Members of the Company upto the date of the Meeting.

The Directors, Key Managerial Personnel or their relatives holding shares of the Company may be deemed to be concerned or otherwise interested in the said Ordinary Resolution only to the extent of their shareholding.

The Board recommends the Ordinary Resolution as set out at item No. 7 for approval by the Members.

By the Order of the Board,

V. Murali
Company Secretary

Date : August 16, 2021
Regd. Office : Petroleum House,
17, Jamshedji Tata Road
Churchgate,
Mumbai - 400 020

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment/re-appointment at the 69th Annual General Meeting in pursuance of relevant provisions of the Act and SEBI Listing Regulations.

Name of the Director	Shri Sunil Kumar	Shri Vinod S Shenoy	Dr. Alka Mittal
Date of Birth	16-08-1970	09-09-1962	27-08-1962
Nationality	Indian	Indian	Indian
Date of Appointment on the Board	30-05-2019	01-11-2016	17-06-2021
Qualifications	IRAS, Bachelor of Technology, Financial Management, Master in Business Administration, Diploma in Public Administration.	B.E. (Chemical)	Postgraduate in Economics; MBA (HRM); Doctorate in Commerce and Business Studies in the area of Corporate Governance
List of Directorship in Other Listed Companies as on 01-08-2021	Engineers India Limited	Mangalore Refinery and Petrochemicals Limited	Oil and Natural Gas Corporation Limited
Membership/ Chairmanship of Audit and Stakeholders Relationship Committees in listed companies as on 01-08-2021	Member-Audit Committee, Hindustan Petroleum Corporation Limited	Member-Audit Committee, Mangalore Refinery and Petrochemicals Limited	Member-Stakeholders Relationship Committee, Oil and Natural Gas Corporation Limited
Shareholding in HPCL	Nil	Nil	Nil
Disclosure of relationship between Directors inter se	There is no relationship inter se between the Directors	There is no relationship inter se between the Directors	There is no relationship inter se between the Directors
Brief Resume and Nature of Expertise in Specific Functional Area	As Joint Secretary (Refineries), Shri Sunil Kumar looks after the matters related to Refineries, Auto Fuel Policy, Petrochemicals, Import/export of crude oil and other petroleum products; Bio Fuels, Renewable Energy and Conservation, Integrated Energy Policy; Climatic Change & National Clean Energy Policy. Before joining MoP&NG, he has worked with Indian Railways in various capacities including Director Finance-Expenditure in Railway Board and Chief Project Manager of Accounting Reform Project of Indian Railways.	A Bachelor in Chemical Engineering from IIT Mumbai, Shri Vinod Shenoy started his career with HPCL in June 1985. During his career spanning over 35 years, Shri Shenoy has held various positions in the Refinery Divisions and Corporate Departments of HPCL and has wide exposure to the Petroleum Industry.	Dr. Alka Mittal is Director (HR) of Oil and Natural Gas Corporation Limited (ONGC), India's Energy Major, since November 2018. Dr. Alka Mittal has over 36 years of extensive experience in the industry across diverse roles and challenging domains, and is the first woman Functional Director of ONGC in its history. A leader with a mission, Dr. Alka Mittal has driven a number of strategic human resource programmes and initiatives with success, and has also steered ONGC to become one of the top companies in the country in the area of CSR, with focus on impactful projects to support social infrastructure and build sustainable communities. Dr. Alka Mittal is on the Board of ONGC Mangalore Petrochemicals Limited as ONGC nominee Director since August 2015, and is a member of the Board of Governors of Indian Institute of Management, Trichy. She is actively involved with various national and international professional forums dedicated to the cause of Human Resource Management and empowerment of women, especially in the Energy Sector. She has a special penchant for training and mentoring, and has trained more than 12000 young Graduate Trainees of ONGC over two decades.
No. of Board Meetings during FY 2020-21	11	11	NA
No. of Board Meetings attended	11	11	NA

Performance Profile

FINANCIAL	2020-21	2020-21	2019-20	2018-19	2017-18	2016-17
	US $ Million	₹ / Crore		₹ / Crore		
Sales / Income from Operations	36,824.57	269,242.86	286,250.27	295,712.56	243,226.66	213,488.95
Earnings before Interest, Depreciation and tax	2,559.55	18,714.17	5,958.70	13,077.21	12,521.39	12,091.77
Depreciation	485.90	3,552.65	3,304.39	3,012.61	2,752.75	2,535.28
Interest Expenses	125.11	914.73	1,081.72	725.94	566.71	535.65
Tax including Deferred Tax	490.04	3,582.91	(1,064.67)	3,310.00	2,844.86	2,812.04
Net Profit	1,458.51	10,663.88	2,637.26	6,028.66	6,357.07	6,208.80
Dividend	203.20	1,485.72	1,432.39	1,371.44	2,321.29	3,477.70
Tax on distributed profits	-	-	294.43	281.90	472.56	707.98
Retained earnings	1,255.30	9,178.16	910.44	4,375.32	3,563.22	2,023.12
INTERNAL RESOURCES GENERATED	**1,740.75**	**12,727.53**	**2,879.29**	**7,949.88**	**6,735.53**	**5,534.65**
VALUE ADDED	**4,105.76**	**30,019.24**	**18,422.44**	**24,273.93**	**22,632.43**	**22,127.55**
WHAT CORPORATION OWNS						
Gross PPE's & Intangible Assets	9,133.43	66,779.05	61,760.52	51,597.26	45,694.56	41,164.67
Less: Depreciation	2,306.76	16,865.85	13,460.04	10,609.71	7,719.36	5,032.79
Net PPE's & Intangible Assets	6,826.67	49,913.20	48,300.48	40,987.55	37,975.20	36,131.88
Capital work-in-progress & Intangible assets under development (including capital advances)	3,344.61	24,454.10	17,351.30	9,843.01	4,144.12	2,030.72
Investments (including current investments)						-
Subsidiaries, Joint Ventures and Associates	1,262.83	9,233.21	6,936.81	6,236.87	5,352.40	5,052.27
Others	787.74	5,759.54	5,574.79	5,581.76	5,752.70	5,866.32
Current/non current assets, net of liabilities	(649.25)	(4,746.99)	(688.64)	(69.92)	(1,716.13)	(1,588.49)
Total	**11,572.60**	**84,613.06**	**77,474.74**	**62,579.27**	**51,508.29**	**47,492.70**
WHAT CORPORATION OWES						
Net Worth						
Share capital	198.74	1,453.11	1,524.91	1,524.91	1,524.91	1,016.97
Share forfeiture	(0.10)	(0.70)	(0.70)	(0.70)	(0.70)	(0.70)
Reserves	4,750.56	34,733.70	27,438.15	26,650.61	22,424.01	19,331.14
Total	**4,949.20**	**36,186.11**	**28,962.36**	**28,174.82**	**23,948.22**	**20,347.41**
Borrowings	5,869.64	42,915.86	43,020.85	27,239.70	20,990.88	21,249.70
Deferred tax liability	753.76	5,511.09	5,491.53	7,164.75	6,569.19	5,895.59
Total	**11,572.60**	**84,613.06**	**77,474.74**	**62,579.27**	**51,508.29**	**47,492.70**
PHYSICAL (MMT)						
CRUDE THRUPUT		16.42	17.18	18.44	18.28	17.81
Mumbai Refinery		7.37	8.07	8.67	8.64	8.51
Visakh Refinery		9.05	9.11	9.77	9.64	9.30
PIPELINE THRUPUT		19.12	21.20	21.53	20.14	17.91
MARKET SALES		36.59	39.64	38.71	36.87	35.23

Notes:

1. Previous year figures have been regrouped / reclassified wherever necessary.
2. 1 US$ = ₹ 73.115 (Exchange rate as on 31.03.2021).

Performance Profile

FINANCIAL	2020-21 US $ Million	2020-21 ₹ / Crore	2019-20	2018-19 ₹ / Crore	2017-18	2016-17
FUND FLOW STATEMENT						
Sources of Funds						
Profit after tax	1,458.51	10,663.88	2,637.26	6,028.66	6,357.07	6,208.80
Other Comprehensive Income	1.89	13.81	(450.70)	(64.28)	37.79	160.12
Depreciation	485.90	3,552.65	3,304.39	3,012.61	2,752.75	2,535.28
Deposits from Dealers/LPG Consumers	95.04	694.85	984.47	2,034.70	1,420.10	1,599.06
Borrowings (net)	59.61	435.83	12,742.54	5,933.85	(957.88)	579.04
Redemption of Oil bonds	-	-	-	-	84.27	104.47
Amortisation of capital grant received from OIDB & amortisation of FCMITDA*	-	-	3.70	4.31	0.36	354.38
Provision for deferred tax	2.68	19.56	(1,348.33)	595.56	673.60	976.25
Adjustment on account of sale/deletion of assets, provision for diminution in investment & others	1.44	10.55	(216.34)	(31.33)	41.38	(169.64)
Total	**2,105.06**	**15,391.13**	**17,656.99**	**17,514.08**	**10,409.43**	**12,347.76**
Utilisation of Funds						
Dividend	203.20	1,485.72	1,432.39	1,371.44	2,321.29	3,477.70
Tax on distributed profits	-	-	294.43	281.90	472.56	707.98
Buy-back of Shares	271.66	1,986.26	-	-	-	-
Capital expenditures	1,686.85	12,333.40	15,385.51	11,776.90	6,722.45	5,756.86
Increase/(decrease) in net current /non-current assets	(370.74)	(2,710.65)	(155.28)	3,199.37	593.00	2,363.10
Investment in Subsidiaries, Joint Ventures, Associates and Others (Including advance towards equity & share application money pending allotment)	314.08	2,296.40	699.94	884.47	300.13	42.12
Total	**2,105.06**	**15,391.13**	**17,656.99**	**17,514.08**	**10,409.43**	**12,347.76**
CONTRIBUTION TO EXCHEQUER						
Excise duty	5,050.86	36,929.36	18,487.26	21,806.74	24,742.53	26,197.76
Customs duty	1,201.46	8,784.44	10,447.03	3,212.75	2,204.52	822.62
Sales tax / VAT / GST	6,265.67	45,811.46	45,056.88	44,717.82	39,096.58	34,050.62
Service tax	-	-	-	-	129.30	342.18
Income tax	503.17	3,678.90	2,114.35	2,453.12	2,490.74	2,912.75
Others	17.61	128.78	27.89	1,159.90	1,087.85	3,125.94
Total	**13,038.76**	**95,332.94**	**76,133.41**	**73,350.33**	**69,751.52**	**67,451.87**
RATIOS						
EBITDA/Sales (%)		6.95%	2.08%	4.42%	5.15%	5.66%
Net profit/Sales (%)		3.96%	0.92%	2.04%	2.61%	2.91%
Earnings per share (₹)		70.57	17.31	39.56	41.72	40.74
Cash earnings per share (₹)		94.06	30.23	63.02	62.54	61.51
Average sales/Employee (₹ / Crore)		28.50	29.49	28.78	23.42	20.36
Average net profit/Employee (₹ / Crore)		1.13	0.27	0.59	0.61	0.60
Debt equity ratio (long term debt (excluding lease liability) to equity)		0.70 : 1	0.84 : 1	0.48 : 1	0.43 : 1	0.51 : 1
MANPOWER (NOs.)		**9,448**	**9,696**	**10,239**	**10,352**	**10,422**

* Foreign Currency Monetary Item Translation Difference Account (FCMITDA) as per Ind AS -21.

Performance Profile

FINANCIAL	2020-21	2020-21	2019-20	2018-19	2017-18	2016-17
	US $ Million	₹ / Crore		₹ / Crore		
HOW VALUE IS ADDED						
Income						
Sales / income from operations	36,824.57	269,242.86	286,250.27	295,712.56	243,226.66	213,488.95
Add: Increase/(decrease) in Inventories	1,167.06	8,532.96	(584.44)*	2,166.52	(804.54)	4,454.06
	37,991.63	**277,775.82**	**285,665.83**	**297,879.08**	**242,422.12**	**217,943.01**
Cost of Raw materials						
Raw material consumption	5,578.77	40,789.15	59,430.19	69,284.77	50,937.67	44,879.42
Purchases for resale	22,957.68	167,855.10	187,233.94	180,570.51	142,455.74	122,731.74
Packages	42.78	312.81	320.50	346.50	248.63	258.24
Stores & spares	33.50	244.97	285.75	282.05	244.34	296.22
Utilities	167.55	1,225.04	1,322.49	1,389.68	1,150.79	870.56
	28,780.29	**210,427.07**	**248,592.87**	**251,873.51**	**195,037.17**	**169,036.18**
Duties applicable to products						
Duties	5,105.59	37,329.51	18,650.52	21,731.64	24,752.52	26,779.28
Total value added	**4,105.76**	**30,019.24**	**18,422.44**	**24,273.93**	**22,632.43**	**22,127.55**
HOW VALUE IS DISTRIBUTED						
Operations						
Operating & service costs	1,110.13	8,116.69	9,270.28	8,259.81	7,252.52	7,089.70
Employees' benefits	436.08	3,188.38	3,193.46	2,936.91	2,858.52	2,946.08
Providers of capital						
Interest on borrowings	125.11	914.73	1,081.72	725.94	566.71	535.65
Dividend	203.20	1,485.72	1,726.82	1,653.34	2,793.85	4,185.68
Income tax	490.04	3,582.91	(1,064.67)	3,310.00	2,844.86	2,812.04
Re-deployment in business						
Retained profit	1,255.30	9,178.16	910.44	4,375.32	3,563.22	2,023.12
Depreciation	485.90	3,552.65	3,304.39	3,012.61	2,752.75	2,535.28
Total value distributed	**4,105.76**	**30,019.24**	**18,422.44**	**24,273.93**	**22,632.43**	**22,127.55**

* Including exceptional Items.

Performance Profile

'000 Tonnes

SALES VOLUME *	2020-21	2019-20	2018-19	2017-18	2016-17
Light Distillates					
Liquified petroleum gas	7,435.23	7,076.41	6,596.34	6,149.73	5,682.76
Naphtha	923.07	1,286.47	732.75	639.08	595.75
Motor spirit	6,745.15	7,587.02	6,967.26	6,491.70	6,034.45
Hexane	25.45	24.85	24.78	24.54	20.98
Propylene	52.43	52.38	62.13	55.84	43.81
Sub-total	**15,181.34**	**16,027.13**	**14,383.25**	**13,360.88**	**12,377.75**
Middle Distillates					
Mineral turpentine oil	172.02	95.19	85.88	71.72	55.20
Aviation turbine fuel	397.92	731.92	874.56	728.93	691.44
Superior kerosene oil	385.32	462.08	654.87	721.20	1,003.82
High speed diesel	15,888.04	17,861.21	18,114.92	17,735.46	16,984.80
JBO/WO	11.93	6.43	6.23	7.61	6.22
Light diesel oil	336.15	259.49	230.75	209.58	197.25
Sub-total	**17,191.38**	**19,416.30**	**19,967.21**	**19,474.50**	**18,938.74**
Lubes & Greases	**619.61**	**633.17**	**635.23**	**596.34**	**583.04**
Heavy Ends					
Furnace oil	1,569.36	1,539.75	1,702.33	1,801.16	1,695.53
Low sulphur heavy stock	82.65	70.57	59.58	39.12	49.79
Bitumen	1,524.74	1,493.09	1,553.11	1,234.12	1,233.95
Others	418.34	457.99	405.03	364.81	348.27
Sub-total	**3,595.09**	**3,561.40**	**3,720.05**	**3,439.21**	**3,327.55**
Total	**36,587.42**	**39,638.00**	**38,705.74**	**36,870.93**	**35,227.07**

* Including Exports

MARKETING NETWORK (Nos.)	2020-21	2019-20	2018-19	2017-18	2016-17
Regional offices	133	133	133	128	119
Terminals/Installations/TOPs	41	43	42	41	42
Depots (including exclusive lube depots)	70	68	68	68	62
LPG bottling plants	51	50	49	48	47
ASFs	46	44	43	41	37
Retail outlets	18,634	16,476	15,440	15,062	14,412
SKO/LDO dealers	1,638	1,638	1,638	1,638	1,638
LPG distributors	6,192	6,110	5,866	4,849	4,532
LPG customers (in Crore)	8.72	8.51	8.15	6.93	6.17

Performance Profile

'000 Tonnes

PRODUCTION VOLUME - MUMBAI REFINERY	2020-21	2019-20	2018-19	2017-18	2016-17
Light distillates					
Liquified petroleum gas	345.77	399.01	479.12	450.63	438.02
Naphtha	588.39	476.52	430.81	425.61	406.10
Motor spirit	1,216.41	1,376.05	1,563.52	1,539.11	1,497.50
Hexane	7.38	12.70	11.00	14.53	9.45
Solvent	4.42	2.53	1.84	3.47	4.84
Sub-total	**2,162.37**	**2,266.81**	**2,486.30**	**2,433.35**	**2,355.91**
Middle distillates					
Mineral turpentine oil	47.78	27.38	32.29	47.59	39.98
Aviation turbine fuel	185.55	445.03	503.65	458.06	418.59
Superior kerosene oil	120.47	105.56	158.34	203.35	208.81
High speed diesel	2,651.39	2,787.37	2,973.40	2,994.36	3,082.57
Light diesel oil	139.59	113.52	103.64	112.74	81.96
Sub-total	**3,144.78**	**3,478.86**	**3,771.31**	**3,816.10**	**3,831.91**
LOBS/TOBS	**413.23**	**478.13**	**472.81**	**438.64**	**430.86**
Heavy ends					
Furnace oil	611.64	651.77	718.29	726.13	580.75
Low sulphur heavy stock	-	(0.11)	-	-	-
Bitumen	479.66	578.69	599.83	563.50	595.95
Others (including input of BH gas)	(19.43)	29.72	8.01	32.48	111.21
Sub-total	**1,071.87**	**1,260.07**	**1,326.13**	**1,322.11**	**1,287.92**
Total	**6,792.25**	**7,483.87**	**8,056.55**	**8,010.20**	**7,906.60**
Intermediate stock differential	(21.50)	21.40	17.20	13.94	6.66
Fuel & loss	603.46	575.95	614.10	620.57	613.69
Grand total	**7,374.21**	**8,081.22**	**8,687.85**	**8,644.71**	**8,526.94**

Performance Profile

'000 Tonnes

PRODUCTION VOLUME - VISAKH REFINERY	2020-21	2019-20	2018-19	2017-18	2016-17
Light Distillates					
Liquified petroleum gas	401.27	384.22	417.43	381.96	401.62
Naphtha	285.96	747.05	295.16	199.31	223.13
Motor spirit	1,750.05	1,263.30	1,760.79	1,802.81	1,788.66
Propylene	51.83	53.05	62.70	55.47	43.28
Sub-total	**2,489.11**	**2,447.62**	**2,536.08**	**2,439.55**	**2,456.68**
Middle Distillates					
Mineral turpentine oil	16.11	5.28	2.17	1.37	2.04
Aviation turbine fuel	48.53	114.71	136.83	126.78	117.51
Superior kerosene oil	104.31	158.43	162.61	189.97	315.21
High speed diesel	3,876.92	3,691.35	4,302.78	4,306.22	3,876.65
JBO	14.45	6.01	5.47	8.04	7.45
Light diesel oil	196.43	145.18	136.71	108.43	106.82
Sub-total	**4,256.75**	**4,120.96**	**4,746.57**	**4,740.81**	**4,425.69**
Heavy Ends					
Furnace oil	982.86	1,051.45	1,049.18	1,040.62	1,083.66
Low sulphur heavy stock	60.69	35.53	45.10	9.70	21.70
Bitumen	560.68	599.07	667.49	626.97	619.80
Others	57.97	37.48	50.80	33.30	(20.79)
Sub-total	**1,662.20**	**1,723.53**	**1,812.57**	**1,710.59**	**1,704.37**
Total	**8,408.06**	**8,292.11**	**9,095.22**	**8,890.95**	**8,586.75**
Intermediate stock differential	(75.40)	142.82	(38.74)	56.21	37.30
Fuel & loss	717.81	680.12	716.65	687.84	679.83
Grand total	**9,050.47**	**9,115.05**	**9,773.13**	**9,635.00**	**9,303.87**

Directors' Report

Dear MEMBERS,

On behalf of the Board of Directors, it gives me immense pleasure in presenting this Report on the performance of your Corporation for the financial year ended March 31, 2021.

"Difficult roads always lead to beautiful destinations" is the mantra that your Corporation believed in the midst of severe global health emergency experienced in modern history. One of the milestones as we travel towards this destination is crossing over a ₹ 10,000 Crore mark in Profit after Tax, the 1st ever in the annals of your Corporation. The Board dedicates this success to the service of all the COVID warriors who associated themselves in one way or the other during the year with your Corporation.

HIGHLIGHTS

(₹ / Crore)

	Consolidated		Standalone	
	2020-21	**2019-20**	**2020-21**	**2019-20**
FINANCIAL PERFORMANCE				
Sales/Income from Operation	2,69,493.69	2,86,574.27	2,69,242.86	2,86,250.27
Earnings before Interest, Tax, Depreciation & Amortization and Exceptional items	18,785.75	6,885.94	18,714.17	6,961.63
Depreciation & Amortization Expenses	(3,625.47)	(3,369.87)	(3,552.65)	(3,304.39)
Finance Cost	(963.28)	(1,138.85)	(914.73)	(1,081.72)
Profit before Tax and exceptional items	**14,197.00**	**2,377.22**	**14,246.79**	**2,575.52**
Exceptional items – Income/(Expense)	-	(1002.93)	-	(1,002.93)
Profit before Tax (PBT)	**14,197.00**	**1,374.29**	**14,246.79**	**1,572.59**
Tax Expenses	(3,534.11)	1,264.44	(3,582.91)	1,064.67
Profit after Tax (PAT)	**10,662.89**	**2,638.73**	**10,663.88**	**2,637.26**
Balance brought forward from previous financial year	27,485.23	26,923.39	25,394.07	24,941.79
Amount available for Appropriation				
Appropriations/Others:				
Debenture Redemption Reserve (net)	(33.84)	(513.46)	-	(625.00)
Dividend	(1,485.72)	(1,432.39)	(1,485.72)	(1,432.39)
Tax on distributed profits	-	(294.43)	-	(294.43)
Other Comprehensive Income that will not be reclassified to profit or loss(net of tax)	(88.95)	(161.50)	(92.23)	(158.05)
Utilisation for shares buy-back	(208.61)	-	(208.61)	-
Other Appropriations	(262.17)	324.89	-	324.89
Balance carried forward	**36,068.83**	**27,485.23**	**34,271.39**	**25,394.07**
SHAREHOLDERS' VALUE (₹)				
Earnings per Share	70.57	17.32	70.57	17.31
Cash Earnings per Share	94.21	29.36	94.06	30.23
Book Value per Share	262.26	203.31	249.21	190.06

PHYSICAL PERFORMANCE (MMT)	2020-21	2019-20
Market Sales (including Exports)#	36.63	39.60
Crude Thruput:		
Mumbai Refinery	7.37	8.07
Visakh Refinery	9.05	9.11
Total Crude Thruput	16.42	17.18

Market Sales (including exports) as per Ind AS is 36.59 MMT for financial year 2020-21 and 39.64 MMT for financial year 2019-20.

SALES/INCOME FROM OPERATIONS

Your Corporation has achieved Sales/Income from Operations of ₹ 2,69,242.86 Crore in the financial year 2020-21 as compared to ₹ 2,86,250.27 Crore in the financial year 2019-20 on a standalone basis.

PROFIT

Your Corporation has reported Earnings before Interest, Tax, Depreciation & Amortization (EBITDA) of ₹ 18,714.17 Crore in the financial year 2020-21 as against ₹ 6,961.63 Crore in the financial year 2019-20 (without considering an exceptional expense of ₹ 1,002.93 Crore) and Profit after Tax of ₹ 10,663.88 Crore in the financial year 2020-21 as compared to ₹ 2,637.26 Crore in the financial year 2019-20 on a standalone basis.

DIVIDEND

The Board of Directors, after taking into account the Financial Results of the Corporation during the financial year, have recommended a final dividend of ₹ 22.75 per share for the financial year 2020-21 as compared to ₹ 9.75 per share for the financial year 2019-20.The amount of final dividend as recommended by the Board totaling to ₹ 3,227.20 Crore will be paid out of profits earned for the financial year.

SHARES BUY BACK

Your Corporation has rolled out a ‘Shares Buy-back Program’ for an aggregate amount not exceeding ₹ 2,500 Crore (excluding taxes and transaction cost), to be executed from the Open Market through Stock Exchange Mechanism at a price not exceeding ₹ 250/- per Equity share. The program has concluded on May 14, 2021, mopping up 10,52,74,280 Shares at an average buy-back price of ₹ 227.76 per share (excluding taxes and transaction costs). Upon closure of the buy-back program on the said date, your Corporation’s share price closed at ₹ 254.40 per share in National Stock Exchange of India Ltd. (NSE). Your Corporation is 1st amongst PSU Companies to execute this program through Stock Market Operations, providing liquidity and support thereby rewarding the loyal shareholders with an option to sell their holding during this period.

INTERNAL RESOURCES GENERATION

Your Corporation has generated Internal Resources (net of dividend payout) of ₹ 12,727.53 Crore during the financial year 2020-21 as compared to ₹ 2,879.29 Crore during the financial year 2019-20 on a standalone basis.

ACQUISITION OF 100% OWNERSHIP IN A GROUP COMPANY

On March 30, 2021, your Company acquired balance 50% stake in HPCL Shapoorji Energy Pvt. Ltd. (HSEPL) held by SP Ports Pvt. Ltd. With this, HSEPL has become a 100% subsidiary of HPCL. The acquisition is in line with overall future strategy of HPCL to diversify its product portfolio and is an important step in the direction of having a strong presence in the total Natural Gas value chain. The 5 MMTPA LNG Terminal at Chhara, Gujarat involving a project cost of about ₹ 4,300 Crore is likely to be completed by end of calendar year 2022. The project is further expandable to a capacity of 10 MMTPA in future.

CONTRIBUTION TO EXCHEQUER

Your Corporation has contributed a sum of ₹ 95,332.94 Crore to the exchequer during the financial year 2020-21 by way of duties and taxes, as compared to ₹ 76,133.41 Crore during the financial year 2019-20 on a standalone basis.

REFINERY PERFORMANCE

In FY 2020-21, refineries have delivered yet another sound physical performance, recording refining thruput of 16.42 Million Metric Tonnes (MMT) as compared to 17.18 MMT during the previous year amidst unprecedented challenges arising due to COVID-19 pandemic, thus achieving a combined capacity utilisation of 104%.

Refineries have surpassed few previous landmarks in the course of their robust performance during the current financial year. Mumbai refinery achieved highest ever production of Lube Oil Base Stocks SPO 90 N, SPO II and 150 N II. Towards diversification of product portfolio, Mumbai refinery commenced production of Solvent 3275, making it 37th product from the refinery. Visakh refinery achieved highest ever production of LDO, VLSFO, MTO and JBO, which are high margin products.

Continuing their focus towards a safe and secure work environment, both refineries have put in place a robust system to bring in safety awareness amongst personnel in their respective assignments on a regular basis. Mumbai refinery achieved best ever safety performance by clocking 30.08 million man-hours of safe operations as of 31st March 2021.

Both refineries are in the process of implementing projects for capacity augmentation. Visakh Refinery Modernization Project (VRMP), with an aim to enhance the refining capacity from 8.3 to 15 MMTPA and Mumbai Refinery Expansion Project (MREP), with an aim to enhance the refining capacity from 7.5 to 9.5 MMTPA are in an advanced stage of execution. The execution of Residue Upgradation Facilities, as part of VRMP is also in progress.

To further enhance refining capacity, your Corporation is setting up a new 9 MMTPA Greenfield Refinery cum Petrochemical Complex at Pachpadra in Barmer District of Rajasthan through its joint venture company, HPCL Rajasthan Refinery Limited (HRRL). Despite several constraints posed by the pandemic, HRRL has achieved significant progress during the financial year 2020-21. Engineering & Procurement activities of some of the major process units are in an advanced stage. Construction of various other facilities like main warehouse, boundary wall, bund wall, roads, water reservoir for construction etc. have been completed.

The particulars with respect to conservation of energy, technology absorption, imported technology, research & development expenditure, foreign exchange earnings & outgo are furnished in **Annexure I**. The particulars relating to control of pollution and other initiatives by refineries are furnished in **Annexure II**.

Operating Performance of Refineries:

The significant operating achievements during the financial year 2020-21 are as below:

Parameter	Unit	Mumbai Refinery	Visakh Refinery
Crude Thruput ('000 Metric Tonne)	TMT	7,374	9,050
Capacity utilization	%	98.3	109
Distillate yield	%	77.4	74.5
Fuel & Loss	%	8.18	7.93
Specific Energy Consumption	MBTU/BBL/NRGF	97.85	80.96
Gross Refinery Margin	$/BBl.	4.10	3.67

MARKETING PERFORMANCE

During FY2020-21, your Corporation has delivered an excellent performance amidst the turbulence caused by the global pandemic by achieving a sales volume of 36.63 MMT including exports (FY2019-20: 39.60 MMT).

In Domestic Sales segment, your Corporation has recorded a sales volume of 35.24 MMT (FY2019-20: 37.74 MMT) and achieved a market share of about 21.3% amongst public sector Oil Marketing Companies (OMCs), a gain of 0.47% over historical. In the backdrop of demand contraction of petroleum products, intense competition and pandemic induced lockdown, the achievement is significant.

In the motor-fuel segment, your Corporation achieved sales volume of 22 MMT in FY2020-21 with market share gain of 0.14% on Total Motor Fuels basis (amongst PSUs) for the 14th consecutive year. The year witnessed highest ever commissioning of 2,158 new Retail outlets (taking the number of total retail outlets to 18,634) and commissioning of CNG facilities at 203 Retail outlets (such outlets aggregating to 674 Nos.). Further, door-to-door Mobile Dispensers, numbering 369 Units and EV Charging Facilities at 55 Retail Outlets have been commissioned during the year. The thrust on digital payments continued with the launch of HPCL-Union Bank of India co-branded Rupay Credit Card with National Common Mobility Card (NCMC) feature, which is the first amongst the OMCs. 'HP Pay' mobile app, which was launched last year has gained traction by clocking an average of 6 lakhs transactions per month. Digital modes of payment which are extensively promoted at retail outlets resulted in highest ever digital conversion of 40.3% in Total Motor Fuels (TMF) sales as of 31st March, 2021. 'COMCO Millennium, Visakh', a premier retail outlet of your Corporation has achieved sale of 12,032 KL petrol during the year, becoming the highest petrol selling outlet in the country, once again emphasizing the superior brand value of "HPCL" in the market.

In LPG business vertical, your Corporation set a new record in FY2020-21 with sales of 7.4 MMT, a growth of 5.3% over the previous year. It is shared with pride that the Hon'ble Prime Minister of India dedicated the 120 TMTPA Champaran LPG Bottling Plant to the nation for meeting the rising demand of LPG. During the year, your Corporation enrolled 22.80 lakhs new customers and commissioned 112 new regular LPG distributorships (taking the total number of distributors to 6,192). During the financial year, as a COVID relief measure, Government of India has rolled out Pradhan Mantri Garib Kalyan Yojana (PMGKY) under which, 3.81 Crore refills were delivered to the beneficiaries. In Free Trade LPG (FTL) sales segment, your Corporation boosted its market dominance by selling over 3 million APPU cylinders (in package sizes of 5kg/2kg) with a market share of 45%. Your Corporation launched a new product "HP GAS FLAME PLUS" for its commercial and industrial customers. To increase adoption of digital modes of payments for refill booking and better customer convenience, 'HP Gas refill booking and payment' was made available on 'Amazon' and via its voice-assistant 'Alexa'. New services and features were integrated in 'HP PAY' app and 'HP GAS Vitran' app for customer value maximization. With these initiatives, 'HP Gas' recorded highest ever digital transaction of 25.3% in March 2021.

Your Corporation is continuing to hold the numero uno position as a leading Lube marketeer in the country for the 8th consecutive year with a sales volume of more than 600 TMT ('000 Metric Tonne). The value added lubes category recorded highest ever sales of 545 TMT, registering a growth of 6% over the previous year. Export of

14.8 TMT of lubricants to 16 countries including new footprints in 6 of these could be achieved during the year. Your Corporation has scaled up commercial production and sales of Diesel Exhaust Fluid (DEF) for BS VI engines with sales crossing 12.5 TMT during the year.

In Industrial & Consumer (I&C) business line, your Corporation recorded overall sales volume of about 4.8 MMT. The strategy of maximising volumes in three focus products helped to cross 1 MMT sales volume in furnace oil (FO), diesel and bitumen, individually, for the 6th consecutive year. Highest-ever sales was recorded in light diesel oil, mineral turpentine oil and jute batching oil during the year. Your Corporation has launched HP BITUMEN VG-40 SUPER, a branded bitumen targeting sales to large infra companies.

In the strategic gas business, your Corporation is setting up CGD networks in 10 geographical areas (GAs) in the state of Haryana, Uttar Pradesh, Uttarakhand and West Bengal for which the authorization was granted during 9th and 10th round of CGD bidding by Petroleum and Natural Gas Regulatory Board. During the year, 51 new CNG stations were commissioned in these GAs. Import of LNG from International Market commenced during the year and your Corporation also started marketing natural gas to industrial customers. To facilitate sourcing and marketing of natural gas, a 5 MMTPA LNG regasification terminal at Chhara port (Gir Somnath District) in Gujarat is under construction through HPCL Shapoorji Energy Pvt. Ltd. (HSEPL), a wholly owned subsidiary company.

In Aviation business line, your Corporation achieved a Sales volume of 398 TMT of aviation turbine fuel. Aviation Service Facility (ASF) network was augmented with commissioning of new ASFs at Shirdi and Kurnool taking the total number of ASFs to 46.

Team 'Supplies, Operations and Distribution' (SOD) played a pivotal role in maintaining a robust supply chain especially during the difficult market conditions following the pandemic outbreak. Your Corporation achieved thruput of 47.3 MMT and maintained uninterrupted supplies of petroleum products across the entire supply chain from refineries to the end customers. Contactless (Face Recognition based) Centralized Biometric Access Control System was commissioned at 40 locations. In the path towards digitization, "Project Sangrah" was conceptualized to achieve paperless office at all major POL locations. During the year, your Corporation added 18 more locations, totaling 50 as 'SMART' terminals with automation and seamless integration of various processes. Ushering new norms of supply chain, your Corporation is embarking upon various new supply practices viz. handling Oxy and Non Oxy MS, loading Gasohol rakes for the first time etc..

Your Corporation is expanding the pipeline network and capacities for enhanced logistic efficiencies, economics and the associated environmental benefits. Major pipeline infrastructure projects being undertaken are (i) Extension of Visakh-Vijayawada-Secunderabad Pipeline (VVSPL) from Vijayawada to Dharmapuri and construction of marketing terminal at Dharmapuri (ii) Hassan-Cherlapally LPG Pipeline and (iii) Barmer-Palanpur Pipeline with an estimated investment of about ₹ 6,000 Crore. These pipeline projects will increase the pipeline network length to about 5,300 Kms and mainline capacity to over 41 MMTPA, thus significantly strengthening your Corporation's position in key markets. The development of India's longest LPG pipeline from Kandla to Gorakhpur (2,757 Km), through joint venture route is ongoing. During FY2020-21, a total pipeline thruput of 19.1 MMT is achieved, which includes LPG Pipelines achieving a thruput of 1.5 MMT.

Your Corporation is fully committed to environment protection, sustainability measures and steps for reduction of Green House Gas (GHG) emissions by promoting biofuels in transportation. During the year, ethanol blending of 6.18% could be achieved (blending 58.8 Crore litres of ethanol in petrol). In addition, blending of 4.1 Crore litres of biodiesel could also be achieved.

Your Corporation has the distinction of being the 1st amongst the OMCs to commence gasohol rake loading. In order to augment the biofuel infrastructure, your Corporation is constructing a second generation ethanol bio-refinery at Bathinda, Punjab with 100 KL/day ethanol production capacity, and a compressed biogas (CBG) production plant of 15 MT/day capacity at Badaun, Uttar Pradesh. Both projects will have biomass as feedstock and are expected to be commissioned during FY2022-23. Renewable energy sources are being leveraged to reduce the carbon footprints and electricity cost across the value chain. During FY2020-21, your Corporation installed captive solar power capacity of 11.4 MWp at Retail Outlets, POL locations, Pipeline stations etc. taking the total solar power capacity to 43.95 MWp. In addition, about 17.05 Crore kWh of electricity could be generated from 100.9 MW wind power capacity during the year and sold.

TREASURY MANAGEMENT

The financial year 2020-21 has been very engaging, absorbing and one of the challenging years. The year began with a black swan event viz. COVID-19 pandemic leading to nation-wide lockdown and restricted mobility causing demand contraction, which led to additional working capital requirements. Moving swiftly, your Corporation tied up the funding needs from Banks & floating commercial papers thereby ensuring adequate availability of funds. Aided by adequate liquidity support from Reserve Bank of India, moderation in Benchmark interest rates and optimum utilization of diverse borrowing instruments, the requisite funding needs of your Corporation could be fulfilled at lowest borrowing costs in recent years.

During the year, your Corporation raised a US$ 300 Million loan at fixed rate of interest for a period of 5 years at highly competitive pricing. This is the first ever fixed interest rate ECB Loan sanctioned by a bank to any Indian Corporate. The loan has been availed at a time when the US interest rates are at historical lows and the same should help optimize the borrowing costs and protection in the event of rising interest rate scenario. Diversifying the borrowing base, your Corporation has also raised Non-Convertible Debentures for 3/5 Year Tenors aggregating to ₹ 3,200 Crore during the year at very attractive yields.

Your Corporation has effectively used a variety of borrowing instruments to optimize its cost of working capital. The short-term borrowing requirements were met through Triparty Repo Dealing System, Commercial Papers, Buyer's Credit and Revolving Line of Credit in USD and Working facility from consortium banks.

As of March 2021, your Corporation commands international long term issuer rating of "BBB-" with "Negative" outlook from Fitch Ratings, and "Baa3" with "Negative" outlook from Moody's Investors Services. Both ratings are at par with sovereign rating.

Your Corporation continues to command highest domestic rating for long term ("AAA" with "Stable" outlook) and short term ("A1+") facilities from CRISIL, India Rating and Research Limited and ICRA.

IMPACT OF COVID-19 ON BUSINESS

The impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The year began with a nation-wide lockdown and the total domestic sales volume of your Corporation dropped by over 48% in April 2020 as compared to corresponding previous period, only to gradually improve with passage of time with relaxations announced by the Central Government and the State Governments. By and large, the path to the recovery has been steady. While Q1 witnessed a de-growth of 25.8% (negative), it substantially came down to 9.4% (still negative) in Q2. The trend, namely, recovery in the Country's economic activity continued and finally Corporation's domestic sale of petroleum products witnessed a positive growth of 2.7% in Q3 and the sustained momentum led to a growth of 6.5% in Q4. Though the path to the recovery could be substantially attained by Q4, the year as a whole witnessed a contraction of 6.6% in the total domestic sales of the Corporation.

Your Corporation managed the crude oil inventory by optimizing the scheduling of crude cargoes in line with refinery operations. Product inventories were managed by leveraging cross country product pipeline network and PAN-Indian marketing infrastructure of the Corporation. By optimizing the day-to-day crude run rate and regulating the product procurement from other sources, the Corporation could achieve an overall combined capacity utilization of 104% at its Refineries. The regulated production at its Refineries caused by the pandemic combined with operational exigencies led to an overall de-growth of 4.4% (negative) in the combined Refinery thruput for this financial year.

In view of the negative growth in the economy, various cost optimization initiatives were undertaken across the Corporation, which resulted in significant savings in costs. The Crude Oil & Product price had hit the rock-bottom in March/April 2020, which has recovered substantially during the year leading to significant inventory gains. Seizing the opportunity of lower price, inventories had been steadily built-up in hinterland locations, a tactical move leading to higher inventory gains. For most part of the financial year, the product cracks were depressed, impacting the GRMs of Refineries.

All critical supply locations of your Corporation have continued operating during the lockdown period with health, hygiene and safety measures in place. All the supply and distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned with optimized manpower under the advisories of the respective State Governments and local administrations to maintain supply of POL products.

The working at the non-critical locations was streamlined with work-from-home norms and minimal physical presence to ensure proper social distancing. Protocols were developed for mobile communications, digital connectivity and dedicated portals.

Project construction sites were required to be closed after announcement of nationwide lockdown under directives from concerned authorities. However, after announcement of relaxations from Central Government and some of the State Governments, project sites were restarted gradually from April 20, 2020 and by September, resumption to pre-COVID level could substantially be achieved.

Despite slew of measures to contain the spread of virus and the roll-out of large scale vaccination, the country is hit hard with the 2nd wave, far more severe than the 1st in terms of nerve wracking human tragedy it has been causing. Given the uncertainties associated, the impact assessment of COVID-19 is a continuing process and your Corporation is highly watchful of the developments and taking all the proactive steps in minimizing the impact.

INTERNAL FINANCIAL CONTROLS

Your Corporation has adequate Internal Financial Controls for ensuring the orderly and efficient conduct of its business including adherence to the Corporation's 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 the operation of your Corporation. As part of this exercise, the design of internal controls and its operating effectiveness for the key business processes is tested by external consultant who observed that there are no material weaknesses noted in Internal Controls over Financial Reporting. The entire activity of review and assessment of Internal Controls was carried out under the guidance of a Steering Committee set-up for this purpose.

RISK MANAGEMENT POLICY

Risk is inherent in all businesses and the key to success is to anticipate risks and deploy an appropriate framework to manage the risks. In today's VUCA (Volatile, Uncertain, Complex and Ambiguous) world, the external and internal environment is changing at an ever increasing pace and which, in turn, requires businesses to not only manage the existing risks but anticipate emerging risks and deploy mitigating strategies on a continuous basis. Embracing the upside risk opportunities combined with deploying the mitigation strategies are key to success.

Your Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The outbreak of the COVID-19 pandemic has stricken communities across the globe. The rapid geographical spread of this virus has caught the world off-guard, with major implications for personal health, business continuity and the world economic order. Your Corporation has immediately reviewed the risks arising out of this pandemic and suitably included the new risks as well as amended the existing risks with mitigating strategies in place.

The Risk Management Committee (RMC) receives regular insights on risk exposures faced by the organization, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures. Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

VIGILANCE

The Vigilance mechanism in your Corporation is based on 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.

Vigilance Department is headed by the Chief Vigilance Officer (CVO) who administers the supervision and control of all the Vigilance matters in the Corporation. The department carries out focused preventive vigilance activities, which help in ensuring transparent business decisions by the functions. Besides carrying out preventive activities, the major work area of the Department comprises of investigation of complaints received from various sources like Citizens, Stakeholders, Ministry of Petroleum & Natural Gas, Central Vigilance Commission, the Management and other sources etc.

The Department deals mainly with matters related to corruption and matters having 'vigilance angle.' The complaints are handled as per the complaint handling policy stipulated in the Vigilance Manual 2017 of the Central Vigilance Commission. Various operating areas were reviewed for systemic improvements during the year. Apart from investigating complaints, surprise inspections of Depots, Terminals, LPG Plants, Regional Offices, LPG Distributors, Retail Outlets, Tank Trucks, Major Works (CTE Pattern), Tender Review etc. are also carried out. During the year, various focused group-training programs have been conducted for employees.

Vigilance Awareness Week was observed under the central theme for the year "Vigilant India, Prosperous India." Various outreach activities, viz focused group presentations, Quizzes, Drawing/Painting Competitions, Skits/street plays, Workshops, Technical talks, Grievance redressal camps, Gram Sabhas, Rallies/Walkathons, School/College Programs etc. were undertaken during the week.

INDUSTRIAL RELATIONS

Your Corporation, with its progressive approach have maintained very cordial and harmonious Industrial Relations (IR) with its Unions & workmen represented by Unions. Amidst COVID-19 pandemic which affected the businesses across the globe, your Corporation could maintain normal operations at all location despite lockdown and restrictions emanating from increased safety norms & guidelines issued by the Central/State Government from time to time. During this unprecedented pandemic, Officers and workmen represented through Unions have demonstrated utmost commitment & dedication towards fulfillment of the Corporation's objectives and service to the nation in ensuring uninterrupted supplies of petroleum products.

Your Corporation has successfully concluded the Long Term Settlement (LTS) with Union for workmen in all the three divisions, aided by video conferencing facilities, conducted under the guidance of the Statutory Authorities. Even during the lockdown period, timely salary payment to employees/ contract workmen engaged by the respective Contractors through online/NEFT modes was ensured.

A special medical insurance scheme for all contract workmen and their family members, Group Personal Accident Insurance, Special Ex-gratia scheme were implemented for the frontline COVID warriors namely, contract labourers, LPG delivery-men, Forecourt salesmen at retail outlets, transport crew, security guards etc.

Ministry of Labour and Employment, Government of India issued gazette notification G.S.R. 225(E) dated March 27, 2020 allowing PF withdrawal on account of Epidemic/Pandemic. Your Corporation is one of the establishments who got listed in 'Top 10 exempted establishments in terms of amount disbursed for COVID 19 Claims' as per the list dated April 17, 2020 declared by EPFO Authority.

OFFICIAL LANGUAGE IMPLEMENTATION

Your Corporation promotes usage of Hindi in the business communications by its employees through encouragement and incentives by utilizing various facilities available in the field of Information & Technology including Video Conferencing. To promote the linguistic talent of the employees, awareness about Hindi is created in the offices through online Hindi Competition, Hindi Fortnight, Official Language Conferences and Hindi Workshops etc.

During the year, Department of Official Language, Ministry of Home Affairs, Government of India, has announced Rajbhasha Kirti 1st Prize to the Corporation's Hindi House Journal "HP Samachar" for the year 2018-19. Your Corporation is the coordinator for Town Official Language Implementation Committee (TOLIC) of Mumbai based PSUs since 1983 and thereby guiding 65 PSUs in the field of Official Language Implementation. Other than the TOLIC meetings, officials of different PSUs are trained through conducting various programs such as Hindi Translation, Promotion of Hindi and Regional Language etc.

Your Corporation has continuously been awarded with the Official Language Shield, the best amongst Oil PSUs, by Ministry of Petroleum and Natural Gas, Government of India. The Corporation is awarded with 27 Rajbhasha Awards from Government of India and other Agencies, a record in the entire Oil Industry. Besides this, in the technical field, the Corporation has taken a new initiative and published Multi-Lingual Petroleum Glossary consisting more than 5,000 words from 12 Regional Languages including Hindi & English. The efforts made in Official language implementation were specially appreciated by Ministry of Petroleum and Natural Gas.

CORPORATE SOCIAL RESPONSIBILITY

In the challenging times posed by COVID-19 pandemic, your Corporation reaffirmed its continued commitment towards the society by providing assistance and relief to the poor and vulnerable sections of the society and undertaking interventions inter-alia aimed to support the healthcare & allied infrastructure. As a responsible corporate citizen, our Corporation amplified CSR efforts and collaborated with various stakeholders to support COVID-19 relief measures.

Your Corporation supported the fight against COVID-19 pandemic by contributing to 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) and at the same time, undertaking various other relief measures such as distribution of food packets and ration materials, Personal Protective Equipment (PPE) kits. Your Corporation supplemented the largest COVID-19 vaccination drive of Government by providing Cold Chain Equipment viz. Deep Freezer (Small/Large), Walk-in-Freezer, Refrigerated Truck and Ice-Lined Refrigerator to State Health Department

True to its purpose of 'Delivering Happiness', your Corporation continues to undertake projects having strategic connect and synergizing efforts with Government and other stakeholder for collective impact. During the financial year 2020-21, your Corporation undertook the following flagship initiatives:

- **Adapt:**

  Project 'Adapt' aims to enhance the quality of lives of Children with Disabilities (CWD) through provision of online education, individual training and therapeutic treatment. In addition to online educational classes for 'Children with Disabilities' (CwD), uninterrupted therapy services were provided through Tele-Rehab, which emerged as a key vehicle for delivery of services. This new model of providing online services helped the parents and the beneficiaries cope with the pandemic.

- **Nanhi Kali:**

  Project Nanhi Kali provides holistic development and supports academic pursuit of girl children from tribal and urban slum locations. The project addresses challenges and constraints faced due to gender gap in communities and aim to develop gender equality. During the year, 'Nanhi Kali' girls were provided with online remedial classes, material kits, sports curriculum, other guidance & counselling on personal hygiene and career development.

- **Kashmir Super-30 (Medical):**

  This project supports the Sadhbhavna (Goodwill) efforts undertaken by Indian Army in Kashmir valley. This project provides mentoring and coaching to aspiring students from Jammu and Kashmir region for preparing them for various medical entrance exams in the country. This residential training program gives wings to academic aspirations of youth for their career development.

- **Centre of Wellness and Excellence - Ladakh Super- 45 (Medical & Engineering):**

  This project supports Indian Army's initiative in 'Winning Hearts and Minds' of the local population. This project supports the less-privileged, yet aspiring students of Ladakh region in enabling them to compete in various streams like Engineering, Medical and other career-oriented programs.

- **Dhanwantari:**

  Project Dhanwantari is focused on providing basic healthcare facilities and services at the doorsteps of beneficiaries in remote rural areas of the country through Mobile Medical Vans. The majority of beneficiaries are women, children and elderly whose general health is neglected due to poverty and lack of resources, awareness and facilities.

- **Dil Without Bill:**

  This project supports heart surgeries at free of cost for people with heart ailments from low-income group, particularly children. This project has given life and hope to thousands of families over the years.

- **Swachh Bharat Abhiyan:**

  Your Corporation undertook construction / upgradation of more than 100 toilets and around 250 sources of clean drinking water during the year. Swachhta Pakhwada conducted during the year witnessed enthusiastic participation of various stakeholders in campaign activities with a focus of spreading awareness on COVID-19 appropriate behaviour.

- **Skill Development Institutes:**

  To improve employability and bridge skill-gaps, skill training in various industry-oriented trades are provided to school dropout youth from socio-economic backward communities. Your Corporation has supported Skill India Mission by contributing to Skill Development Institutes at five locations.

- **'Transformation of Aspirational Districts' program:**

  Transformation of Aspirational District program, an all-India initiative and unique experiment in ensuring the transformation of under-developed pockets of India was launched by the Hon'ble Prime Minister in January 2018. Anchored in NITI Aayog, this program intends to turn development into a mass movement, facilitated by Governments at different levels: Centre, State and District. Your Corporation supported projects in twenty-seven aspirational districts.

- **Other CSR activities:**

  Your Corporation laid special focus to develop infrastructure and provide facilities in rural areas. Contribution was made to Armed Forces Flag Day Fund for the care, support, welfare and rehabilitation schemes for Ex-Servicemen (ESM) and their dependents.

Awards & Accolades:

Your Corporation has bagged 1st Prize for Swachhta Hi Sewa (11th September – 27th October 2019) campaign instituted by Ministry of Petroleum and Natural Gas. Your Corporation has also bagged 'Outstanding Contribution' Award for Swachhta Pakhwada (1st – 15th July, 2020) campaign instituted by Ministry of Drinking Water and Sanitation.

The details of CSR activities of the Corporation containing details of CSR Committee Members, brief outline of the CSR policy, overview of the CSR initiatives, prescribed expenditure, amount spent, etc. that form part of this Report are furnished in **Annexure III**.

CORPORATE GOVERNANCE

Your Corporation continues to adopt the best practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning. The Corporate Governance Report highlighting these endeavours has been incorporated as a separate section that form part of the Annual Report for the financial year 2020-21.

PROCUREMENT OF GOODS & SERVICES FROM MSEs

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, your Corporation 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 Sambandh Portal of Ministry of MSME, besides displaying the Annual Procurement Plan on the Corporation's website.

Against the above set target for financial year 2020-21, your Corporation has achieved 28.49% (₹ 3,425.85 Crore) of procurement of goods & services (other than Crude Oil, Petroleum Products, Logistics (Marine, Railway & Pipeline)) from MSEs. To promote the objectives of procurement from MSEs as laid down in Public Procurement Policy, 26 Vendor Development Programs/ Buyer-Supplier meet for MSEs were conducted during the financial year. During these meets, the Corporation's procurement processes were articulated through detailed presentation to MSE vendors with an intent to increase awareness of vendor registration process, tendering process, availability of TReDS platform, procurement on 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.

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Corporation has ensured compliance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Implementation Guidelines of Corporation.

In coordination with external faculties specialized on the subject, online webinars were conducted during the year, sensitizing the employees and other stakeholders regarding the nuances of said Act, behaviours that constitute an act of sexual harassment, acceptable & unacceptable behaviour, process of complaint, role of Internal Complaints Committee (ICC), etc.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion & Analysis Report forms part of the Annual Report for the financial year 2020-21.

FINANCIAL STATEMENTS OF SUBSIDIARIES

In terms of Proviso to Section 136(1) of the Companies Act, 2013, your Corporation will place separate audited Financial Statements in respect of each of its Subsidiary Company on its website and also provide a copy of separate audited Financial Statements in respect of each of its Subsidiary Companies to any Shareholder of the Corporation who seeks the same. The Financial Statements of the Subsidiary Companies will also be kept open for inspection at the registered offices of the Corporation/respective Subsidiary Companies.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a separate statement containing salient features of the Financial Statements of Subsidiary/Associate/Joint Venture Companies in **Form No. AOC-1** is attached along with the Consolidated Financial Statements.

COST AUDIT

The maintenance of Cost Records, as specified under Section 148(1) of the Companies Act, 2013 is mandated and accordingly such accounts and records are made and maintained. The Cost Audit for the financial year 2019-20 was carried out and the Cost Audit Reports were filed with the Ministry of Corporate Affairs within the stipulated time for filing.

DIRECTORS

Your Company's Board presently comprises of 7 Directors. The Whole Time Directors are Shri Mukesh Kumar Surana (Chairman & Managing Director), Shri Pushp Kumar Joshi (Director – Human Resources), Shri Vinod S. Shenoy (Director – Refineries) and Shri Rakesh Misri (Director – Marketing).

The Government Nominee Directors are Shri Sunil Kumar, Ex-Officio, Joint Secretary (Refineries), Ministry of Petroleum & Natural Gas and Dr. Alka Mittal, Director – HR, Oil and Natural Gas Corporation Limited (ONGC), Part-Time Director, representative of ONGC.

The Independent Director is Shri G. Rajendran Pillai.

As per the provisions of Section 152 of the Companies Act, 2013 Shri Sunil Kumar and Shri Vinod S Shenoy are the Directors who are liable to retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment.

DETAILS OF CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) DURING THE FINANCIAL YEAR 2020-21 AND TILL DATE

A) Directors:

- Shri R Kesavan, Director – Finance (Whole-Time Director) has ceased to be Director of your Company effective July 01, 2021 on attaining age of superannuation.
- Dr. Alka Mittal was appointed as Government Nominee Director (Representative of ONGC) on the Board of your Company effective June 17, 2021.
- Shri Subhash Kumar, Government Nominee Director (Representative of ONGC) has resigned from the Board of the Company effective May 20, 2021.
- Shri Amar Sinha and Shri Siraj Hussain have ceased to be Independent Directors of the Company effective September 21, 2020 on completion of their tenure of office of 3 years.

B) KMP:

- Shri Rajneesh Narang, ED-Corporate Finance of the Company was appointed as Chief Financial Officer (CFO) effective July 01, 2021.
- Shri R Kesavan, Director – Finance (Whole-Time Director) and CFO of your Company has ceased to be CFO of the Company effective July 01, 2021.

NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2020-21, 11 Board Meetings were held. The details of these Meetings are given in the Corporate Governance Report, forming part of Annual Report for the Financial Year.

MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

By virtue of MCA Notification dated 5th June 2015, Government Companies are exempted from complying with the requirement of Section 197 (Chapter XIII) of the Companies Act, 2013. Hence, the Rules made thereunder i.e. Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also not applicable to Government Companies.

In one of the earlier years, on a reference by C&AG during Supplementary Audit of Annual Accounts with regard to payment of shift allowance, your Corporation has represented to Ministry of Petroleum and Natural Gas. Pending clarification, payment of Shift Allowance has been kept in abeyance.

The details regarding the number of women employees vis-à-vis the total number of employees in each group is given herein under:

Group	Total No. of Employees	No. of Women Employees	% of Women Employees
Management	5,920	707	11.94%
Non-Management	3,528	209	5.92%
TOTAL	**9,448**	**916**	**9.70%**

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Your Corporation, being a Government Company, the compliance of Section 134 (3) (p) is exempted by virtue of MCA Notification dated 05.06.2015 as the annual evaluation of the Performance of the Board, its Committees and of individual Directors are carried out by the Administrative Ministry i.e. Ministry of Petroleum and Natural Gas (MOP&NG) through the process of Memorandum of Understanding entered into for each financial year. Further, performance evaluation of Functional Directors by MOP&NG, takes place annually.

DECLARATION BY INDEPENDENT DIRECTOR

Shri G Rajendran Pillai, the Independent Director on the Board of the Company till the date of this Report has given a declaration that he meets the criteria of independence as laid down under Section 149(7) of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A statement of declaration as required under Section 149(7) of the Companies Act, 2013 has been obtained from him.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

Your Corporation, being a Government Company is exempted to furnish information under Section 134(3)(e) of the Companies Act, 2013 vide MCA Notification dated 05.06.2015.

OPINION OF BOARD REGARDING INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTOR APPOINTED DURING THE YEAR

There has not been any appointment of Independent Director during this financial year.

POLICY FOR REMUNERATION OF KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

Your Corporation, being a Government Company, the remuneration payable to its Key Managerial Personnel and other employees are fixed by the Government of India. However, payment like Performance Related Pay is placed for the approval of Nomination and Remuneration Committee.

AUDIT COMMITTEE

The present composition of Audit Committee, which requires reporting under Section 177(8) of the Companies Act, 2013 is given as under:

Sl. No.	Name	Category
1	Shri G Rajendran Pillai	Independent Director – Chairman
2	Shri Sunil Kumar	Government Nominee Director – Member
3	Dr. Alka Mittal	Government Nominee Director – Member

The Changes in the Composition of Audit Committee during the Financial Year 2020-21 and till the date of this report are:

1. Dr. Alka Mittal, Government Nominee Director was inducted into the Committee as Member effective 28.07.2021.

2. Shri R Kesavan, Whole Time Director and Member of the Committee effective 23.09.2019 had held this post till he ceased to be Director of the Company effective 01.07.2021.

3. Shri Subhash Kumar, Government Nominee Director and Member of the Committee effective 01.10.2020 had held this post till he ceased to be Director of the Company effective 20.05.2021.

4. Shri G Rajendran Pillai, Independent Director was inducted into the Committee as Chairman effective 01.10.2020.

5. Shri Sunil Kumar, Government Nominee Director was inducted into the Committee as Member effective 01.10.2020.

6. Shri Amar Sinha, Independent Director and Chairman of the Committee effective 19.05.2020 had held this post till he ceased to be Director of the Company effective 21.09.2020.

7. Shri Siraj Hussain, Independent Director and Member of the Committee effective 08.01.2020 had held this post till he ceased to be Director of the Company effective 21.09.2020.

During the year, there were no cases observed where the Board had not accepted any recommendation of the Audit Committee.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (LODR) Regulations, 2015, your Company has appointed M/s. Dholakia and Associates LLP, practicing Company Secretary to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Report of Secretarial Audit in Form

No. MR-3 is annexed herewith and marked as **Annexure IV**. The Report does not contain qualification, reservation or adverse remark except that the Company did not have (a) Woman Director on its Board pursuant to second proviso of sub-section (1) of Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Independent Woman Director pursuant to proviso to Regulation 17(1) (a) of SEBI LODR from 01.04.2020 to 31.03.2021; (b) Required number of Independent Directors on its Board as stipulated under sub-section (4) of Section 149 of the Act, Regulation 17(1) (b) of SEBI LODR and DPE guidelines on Corporate Governance ("DPE Guidelines") for the period from 01.04.2020 to 31.03.2021; (c) Proper composition of Committees namely i) Audit Committee as prescribed under the Act, SEBI LODR and DPE Guidelines and ii) Nomination and Remuneration Committee as prescribed under the Act, SEBI LODR for the period from 21.09.2020 till 31.03.2021; (d) Optimum composition of the Board as number of Executive Directors exceeded the number of Non-Executive Directors as stipulated under the DPE Guidelines and SEBI LODR for the period from 21.09.2020 till 31.3.2021.

In this regard, your Company confirms that being a Government Company, which is under the Administrative Control of Ministry of Petroleum and Natural Gas (MOP&NG), the power to appoint the Directors (including Independent Directors) and finalizing the terms and conditions of appointment vest with Government of India. The matter regarding appointment of required number of Independent Directors/ Independent Woman Director have been taken up with MOP&NG from time to time and the Government is seized of the matter.

COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS

Your Corporation has complied with applicable Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

RELATED PARTY TRANSACTIONS

The details of transactions entered into with the Related Parties during the financial year 2020-21 in **Form No. AOC-2** is annexed herewith and marked as **Annexure V**.

WEB LINK OF ANNUAL RETURN

By virtue of amendment to Sec 92(3) and 134(3) of the Companies Act, 2013, the Annual Return of the Company is placed on its website which can be accessed in the web link https://www.hindustanpetroleum.com/69thAGM. In view of this, the Extract of Annual Return are not forming part as an attachment to the Directors' Report.

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

The details on the performance and financial position of Subsidiary, Associate and Joint Venture Companies are given in Management Discussion & Analysis Report. Further, pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the salient features of Financial Statements of Subsidiary, Associate and Joint Venture Companies in **Form No. AOC-1** form part of the Annual Report for the financial year 2020-21, separately.

COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

As on 01.04.2020, your Corporation was holding 50% shares in its Joint Venture Company HPCL Shapoorji Energy Private Limited (HSEPL), balance 50% being held by SP Ports Private Limited. By virtue of share purchase agreement entered into on 27.03.2021 by your Corporation with its Joint Venture Partner for acquisition of entire stake of the latter in the said Joint Venture and the subsequent share transfer that followed on 30.03.2021. HSEPL has become a wholly owned subsidiary.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the financial year 2020-21, your Corporation did not receive any Order or Direction of any Hon'ble Court or Tribunal or Regulator, which either affects your Corporation's status as a going concern or which substantially or significantly affects your Corporation's business operations.

VIGIL MECHANISM / WHISTLEBLOWER POLICY

Your Corporation, being a Government Company is subjected to the CVC Guidelines and the Corporation has a separate Vigilance Department administering the Vigilance matters. Your Corporation has a Whistleblower Policy approved by the Board and the same is placed on the website of the Corporation. The web link of Whistleblower Policy is stated herein below:

Web link: https://www.hindustanpetroleum.com/documents/pdf/Whistle_Blower_policy.pdf.

DETAILS OF DEPOSITS

Your Corporation has not been accepting any Deposits for the last several years, as specified in Section 73 to Section 76 of the Companies Act, 2013 and therefore there do not call for any disclosure of Deposits as required under Rule 8(5)(v) of Companies (Accounts) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, it is hereby confirmed that:

i. In the preparation of the annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.

ii. The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit and loss of the Company for that period.

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. The Directors have prepared the annual Accounts on a going concern basis.

v. The Directors, have laid down internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and are operating effectively.

vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Board of Directors gratefully acknowledge the valuable guidance and support extended by the Government of India, Ministry of Petroleum and Natural Gas, other Ministries, State Governments and various statutory and local authorities.

The Directors also acknowledge the contribution made by the large number of dealers and distributors spread all over the country towards improving the service to the Corporation's valued Customers as well as for the overall performance of the Corporation.

The employees of the Corporation have continued to display their total commitment towards the pursuit of excellence. This year has been very different, emotionally challenging and distressing at times as every Employee is a front-line worker, a COVID Warrior ensuring the sustenance of availability of Petroleum Products across the Nation. Your Directors take this opportunity to place on record their appreciation for the valuable contribution made by the employees and look forward to their services with zeal and dedication in the years ahead to enable the Corporation to scale even greater heights.

Your Directors are thankful to the Shareholders for their faith and continued support in the endeavors of the Corporation.

For and on behalf of the Board of Directors

Sd/-
MUKESH KUMAR SURANA
Chairman & Managing Director

Date : August 04, 2021

Annexure to Directors' Report for the financial year 2020-21

Annexure - I

Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per the Companies (Accounts) Rules, 2014.

ENERGY CONSERVATION & TECHNOLOGY ABSORPTION

A) CONSERVATION OF ENERGY

One of the major contributing factors in controlling operating cost of refineries is energy conservation and refineries accord highest priority to it. Both Mumbai and Visakh refineries have taken proactive role in the area of energy conservation and achieved significant improvement by continuously improving operating practices and implementing energy conservation projects. The major energy conservation measures undertaken during this year include:

- Implementation of Comprehensive Energy Monitoring Systems.
- Optimization of Feed quality of secondary units.
- Frequent insulation and steam leak surveys.
- Implementation of chemical programme for de-fouling of exchangers.
- Maximizing use of off gases in furnaces.
- Frequent energy surveys to ensure timely interventions to improve efficiency of various equipment such as furnaces, Steam Generators and Power Generators.

Both Mumbai and Visakh Refineries have celebrated Sanrakshan Kshamta Mahotsav (SAKSHAM) from 16.01.2021-15.02.2021 under the auspices of PCRA to generate mass awareness amongst the public for conservation of petroleum products.

Various energy conservation measures undertaken by both the refineries during the year 2020-21 have resulted in a savings of 27,125 SRFT/year (Standard Refinery Fuel Tonnage per year), comprising of 14,069 SRFT/year in case of Mumbai refinery and 13,056 SRFT/year in case of Visakh refinery.

Capital investments on energy conservation equipment:

Capital investment on energy conservation equipment during financial year 2020-21 is ₹ 11.1 Crore for Mumbai refinery and ₹ 98.25 Lakhs for Visakh refinery.

B) TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION

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

MUMBAI REFINERY:

- Routing of DHT naphtha to HSD instead of routing to Naphtha pool.
- New product, Solvent 3275 launched making it 37th Product from Mumbai Refinery.
- Implemented scheme for inline dosing of De-emulsifier in PG crude receipt line.
- Completed trial of dispersant chemical HPDUCER (Developed by R & D) in DIU.
- NHT-CCR dispersant chemical HPDUCER dosing scheme commissioned.
- Effective application of in-house developed HXN MODEL for fouling monitoring & proactive cleaning of FRE crude Pre-heat exchangers.
- Optimization of MS blend to maximize production, Butane to MS Scheme was developed and implemented.

VISAKH REFINERY:

- Digital Twin AOL models for CDU-3 and FCCU-1 developed for real-time plant optimization.
- Innovative facility developed for Simulator Training for DCS Panel operators from field room itself on 24x7 basis for training/learning/troubleshooting.
- Implemented real time Process KPIs SMS Alert system to monitor process deviations and sustain productivity.
- A new inferential was developed to predict DHT product diesel sulfur in BS-VI operation using PIN interface.
- HN 95% inferential for CDUs were developed with the objective of improving the monitoring of feed quality to NHT-CCR.

- New feed filter system installed in DHDS for improving reliability.
- Amipur skid was commissioned in DHDS block for improving Amine quality by removing Heat Stable Amine Salts (HSAS).
- HN processing in DHT-HGU PDS maximized which enabled HN absorption into Diesel stream.

C) IMPORTED TECHNOLOGY

The imported technology during last three financial years is tabulated below:

Technology Imported	Year	Whether fully absorbed or not	If not absorbed, Reasons
Mumbai Refinery			
Split pass flow technology-SEU II/ SEU I Furnace	2018	Yes	
Visakh Refinery			
Revamp of NHT/CCR/FCCNHT/DHT	2020	Yes	
AmiPur skid for removing HSAS for amine systems	2020	Yes	
Scale catcher for DHDS reactor	2020	Yes	
Feed filtration with ACR technology	2020	Yes	

D) EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT:

(₹ / Crore)

Particulars	2020-21	2019-20
Capital	145.60	127.27
Revenue	150.06	130.65

E) FOREIGN EXCHANGE EARNING AND OUTGO:

a. Activities relating to exports

There are various initiatives taken to increase exports and for development of new export markets for products and services. There are concerted efforts put in to access international Markets and to tap export potential for free trade products and lubricants.

b. Total Foreign Exchange used and earned

(₹ / Crore)

Particulars	2020-21	2019-20
Expenditure in Foreign Exchange	30,693.52	46,538.10
Earnings in Foreign Exchange	3,452.13	8,405.14

Annexure to Directors' Report for the financial year 2020-21

Annexure - II

Environmental Protection measures:

Pollution Control Measures initiated and other environment initiatives undertaken by Refineries during financial year 2020-21

MUMBAI REFINERY:

A. Pollution Control Measures initiated

- Implemented enhanced systems for sustaining effluent quality.
- Implemented improved systems during tank operations to reduce slop generation.
- As an improvement towards technological advancement, a multipurpose single analyzer has been installed capable of measuring SO2, NOx and CO.

B. Other activities undertaken

- 7,37,177 KL of water recycled in 2020-21 thereby saving of equivalent quantity of natural resources.
- Oily sludge quantity of 2,500 m^3 is undertaken for bioremediation by ONGC-TERI Biotech Ltd. (OTBL)
- Online robotic cleaning continuous operation in place for improving API separator separation efficiency and minimizing sludge generation.
- Disposed 1820.2 MT of hazardous waste and 18.4 MT of metal bearing spent catalyst within stipulated norms of disposal.
- Recovered 1600 m3 of oil from various solidified sample drums collected from different units of the refinery and blended the same in IFO and thereby saving on equivalent amount of generation of slop oil.
- Roof top solar panel installed with a capacity of 305KW.

VISAKH REFINERY:

A. Pollution control measures initiated

- Connectivity of ETP-1 effluent analyzers was established to APPCB/CPCB servers.
- MoU between VPT and Oil companies for combating oil spills in Visakhapatnam Port Area (excluding SPM) signed with a validity of 5 years.
- Renewed Consent for operation of Visakh Refinery with a validity of 5 years till 2025.
- Installation of dedicated stack analyzers completed for 7 out of 8 stacks.
- Installed LED board at refinery main gate for display of environmental parameters.

B. Other activities undertaken

- 9883 KL of high oily sludge was processed during the year.
- Bioremediation of 306 m^3 of low oily sludge is in progress.
- Disposed 1308 MT of various hazardous waste materials.
- Leak Detection and Repair (LDAR) program carried out for monitoring & controlling the hydrocarbon emission in the refinery.
- Integrated BCW system commissioned with estimated water savings of 5 m^3/hr.
- Routing of VRCFP stripped water to CDU-II commissioned as part of water conservation.

Annexure to Directors' Report for the financial year 2020-21

Annexure - III

REPORT ON CSR ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

1. Brief outline on CSR Policy of the Company.

CSR policy of the Corporation is guided by its corporate vision of becoming a model of excellence in meeting social commitment and creating shared value and interdependency of business and stakeholders. In line with this, CSR policy of the Corporation pens down the philosophy of CSR, defines the ambit of CSR and brings uniformity in various operations and functionalities of the structure and its activities. During financial year 2020-21, the Corporation spent ₹ 156.35 Crore in implementation of various CSR initiatives in the focus areas of childcare, education, healthcare, skill development and community development, creating social capital, especially in the host communities of the business.

2. Composition of CSR Committee (as on 31st March, 2021):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Amar Sinha (upto 20-09-20)	Chairman / Independent Director	1	1
2.	Shri G. Rajendran Pillai (From 01-10-20)	Chairman / Independent Director	2	2
3.	Shri Pushp Kumar Joshi	Member / Director - Human Resources	3	3
4.	Shri Vinod S Shenoy	Member / Director - Refineries	3	3
5.	Shri Rakesh Misri	Member / Director - Marketing	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

https://www.hindustanpetroleum.com/csrpolicy

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

As per sub-rule (3)(a) of rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, dated 22nd January, 2021, company shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of ₹ 1 Crore or more, and which have been completed not less than one year before undertaking the impact study. Accordingly, impact assessment of such projects shall be carried out as mandated.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

As per sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, dated 22nd January, 2021, "…excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years…", Pursuant to implementation of provision effective 22.01.2021, Nil amount remain available for set-off from preceding financial years which are required to be set-off for the financial year 2020-21.

6. Average net profit of the company as per section 135 (5).

Average net profit of the company as per section 135(5): ₹ 6,498.59 Crore

7.

(a) Two percent of average net profit of the company as per section 135(5)

Two percent of average net profit of the company as per section 135(5): ₹ 129.97 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

NIL

(c) Amount required to be set off for the financial year, if any.

NIL

(d) Total CSR obligation for the financial year (7a+7b-7c).

Total CSR obligation for the financial year (7a+7b-7c): ₹ 129.97 Crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 156.35 Crore	NIL	Not Applicable	Not Applicable	NIL	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration*	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Sanitation facility and waiting room for public	Item (i) Sanitation and making available safe drinking water	Yes	Tamil Nadu	Thoothukudi (Tuticorin)	1 Year	1365000	549685	NIL	Yes	-	-
2	Coaching and mentoring of meritorious students of Jammu and Kashmir for medical entrance examination	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Jammu & Kashmir	Srinagar	1 Year	10282000	2736750	NIL	No	Indian Army	NA
3	Construction of study hall & physical fitness center	Item (i) Promoting health care including preventive health care	Yes	Maharashtra	Nanded	1 Year	8000000	2000000	NIL	No	Superintendent of Police, Nanded, Maharashtra Police	NA
4	CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) - [refer 9(b)]							120395187				
	TOTAL							**125681622**				

*Excluding year of project commencement

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Support for differently-abled students	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Maharashtra	Mumbai Suburban and Mumbai City	8000000	No	ADAPT	NA
2	Academic, social and material support to girl children from backward and tribal areas.	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Maharashtra and Andhra Pradesh	Mumbai Suburban and Visakhapatnam	31856113	No	K.C. Mahindra Education Trust	NA
3	Prevention of HIV/ AIDS among long distance truckers	Item (i) Promoting health care including preventive health care	Yes	Andhra Pradesh, Karnataka, Maharashtra, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal	East Godavari, Bengaluru (Bangalore) Rural, Satara, Jaipur, Krishnagiri, Hooghly, Prayagraj	1775600	No	Transport Corporation of India Foundation	NA
4	Heart surgeries for patients	Item (i) Promoting health care including preventive health care	Yes	Pan India	Pan India	10000000	No	Prashanti Medical Services and Research Foundation (PMS&RF)	NA
5	Skill Development Institute Visakhapatnam	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Andhra Pradesh	Visakhapatnam	5000000	No	SDI - Visakhapatnam	NA
6	Skill Development Institute Bhubaneswar	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Odisha	Khordha	5000000	No	SDI- Bhubaneswar	NA
7	Skill Development Institute Raebareli	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Uttar Pradesh	Raebareli	5000000	No	SDI - Raebareli	NA

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
8	Skill Development Institute Guwahati	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Assam	Kamrup Metropolitan	5000000	No	SDI Guwahati	NA
9	Skill Development Institute Kochi	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Kerala	Ernakulam	5000000	No	SDI Kochi	NA
10	Sanitation infrastructure at hospital	Item (i) Sanitation and making available safe drinking water	Yes	Maharashtra	Mumbai Suburban	2326488	Yes	-	-
11	Contribution to ‘Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)’	Item (viii) Contribution to Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)	Yes	Pan India	Pan India	1200000000	No	PM CARES FUND	NA
12	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Pan India	Pan India	12605692	Yes	-	-
13	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Odisha	Khordha	5763002	Yes	-	-
14	COVID awareness generation activities	Item (i) Promoting health care including preventive health care	Yes	Andhra Pradesh	Visakhapatnam	479880	Yes	-	-
15	COVID awareness generation activities	Item (i) Promoting health care including preventive health care	Yes	Delhi	South Delhi	479799	Yes	-	-
16	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Assam	Kamrup Metropolitan	735140	Yes	-	-

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
17	Relief measures in cyclone affected areas	Item (xii) Disaster management, including relief, rehabilitation and reconstruction activities	Yes	West Bengal	South 24 Parganas	1124977	Yes	-	-
18	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Karnataka	Belagavi (Belgaum)	299997	Yes	-	-
19	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Delhi	South Delhi	174531	Yes	-	-
20	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Kerala	Kozhikode	300000	Yes	-	-
21	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Maharashtra	Pune	521000	Yes	-	-
22	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Delhi	South East Delhi	275000	Yes	-	-
23	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Andhra Pradesh	Visakhapatnam	3749000	No	Greater Visakhapatnam Municipal Corporation	NA
24	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Mumbai suburban	2340628	Yes	-	-
25	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Mumbai suburban	1652878	Yes	-	-
26	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Ahmednagar	750000	Yes	-	-
27	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Tamil Nadu	Coimbatore	568760	Yes	-	-

1	2	3	4	5		6	7	8	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the project**		**Amount spent for the project (In ₹)**	**Mode of Implementation - Direct (Yes/ No)**	**Mode of Implementation - Through Implementing Agency**	
				State	**District**			**Name**	**CSR Registration number**
28	Support to underprivileged people during COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Gujarat	Ahmedabad	430575	Yes	-	-
29	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Nashik	151950	Yes	-	-
30	Sanitation facilities at hospital	Item (i) Promoting health care including preventive health care	Yes	Kerala	Ernakulam	147500	Yes	-	-
31	Support to underprivileged people during COVID pandemic	Item (i) Eradicating hunger, poverty and malnutrition	Yes	Gujarat	Surat	99803	Yes	-	-
32	Activities under Swachhta Pakhwada campaign	Item (i) Sanitation and making available safe drinking water	Yes	Maharashtra	Mumbai City	220500	No	NIIT Foundation	NA
33	Activities under Swachhta Pakhwada campaign	Item (i) Sanitation and making available safe drinking water	Yes	Pan India	Pan India	5396366	Yes	-	-
34	Medical equipment	Item (i) Promoting health care including preventive health care	Yes	Tamil Nadu	Dharmapuri	7511408	Yes	-	-
35	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Delhi	South Delhi	838748	Yes	-	-
36	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Delhi	South Delhi	171429	Yes	-	-
37	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	West Bengal	South 24 Parganas	428338	Yes	-	-
38	Medical equipment at government hospital	Item (i) Promoting health care including preventive health care	Yes	Tamil Nadu	Madurai	418590	Yes	-	-

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
39	Medicines for needy patients	Item (i) Promoting health care including preventive health care	Yes	Maharashtra	Mumbai Suburban	500000	No	Chembur Hospital Project Trust	NA
40	Contribution to Armed Forces Flag Day Fund	Item (vi) Measures for the benefit of armed forces veterans, war widows and their dependents	Yes	Delhi	North Delhi	1000000	No	Kendriya Sainik Board	NA
41	Basic infrastructure facilities at school	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Punjab	Sangrur	4510101	Yes	-	-
42	Support to fight against COVID pandemic	Item (i) Promoting health care including preventive health care	Yes	Maharashtra	Mumbai Suburban	41360	Yes	-	-
43	Augmentation of cold chain infrastructure under COVID-19 vaccination program	Item (i) Promoting health care including preventive health care	Yes	Chandigarh (UT), Maharashtra, Punjab, Rajasthan	Multiple	24683530	Yes	-	-
44	Primary healthcare services through Mobile Medical Vans	Item (i) Promoting health care including preventive health care	Yes	Pan India	Pan India	8518318	No	Wockhardt Foundation	NA
45	Support to fight against COVID pandemic	Item (xii) Disaster management, including relief, rehabilitation and reconstruction activities	Yes	Rajasthan	Jaipur	250000	No	Rajasthan State Disaster Management Authority	NA
46	Maintenance of public garden	Item (i) Sanitation and making available safe drinking water	Yes	Maharashtra	Mumbai City	160002	No	All India Association of Industries	NA
47	Support for holistic development of underprivileged children	Item (ii) Promoting Education, including special education and employment enhancing vocation skills	Yes	Uttarakhand	Dehradun	405600	No	Ramakrishna Mission	NA

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
48	Development of facilities and supply of items in Purebariyar village, Sewapuri block	Item (x) rural development projects	Yes	Uttar Pradesh	Varanasi	45037000	No	Project Director - District Rural Development Authority	NA
	TOTAL					**1411699600**			

(d) Amount spent in Administrative Overheads: ₹ 2.61 Crore

(e) Amount spent on Impact Assessment, if applicable: - N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 156.35 Crore

(g) Excess amount for set off, if any

(₹ / Crore)

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	129.97
(ii)	Total amount spent for the Financial Year	156.35
(iii)	Excess amount spent for the financial year [(ii)-(i)]	26.38
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	26.38

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration*	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
1	81322	Support to Aspirational District	2019-20	1 Year	21112000	14895077	16777053	Completed
2	81325	Support to Aspirational District	2019-20	1 Year	11014000	8810674	11013343	Completed
3	48179	Hostel block	2017-18	3 Years	12000000	10018478	10018478	Completed
4	53818	Infrastructural support for school	2018-19	2 Years	24400000	316453	13663748	Completed
5	49108	Sanitation facilities at public place	2018-19	2 Years	6154728	2385384	5747633	Completed
6	65579	Protection and promotion of education, Indian culture and heritage	2018-19	3 Years	57300000	2018348	2627015	Ongoing
7	65515	Library and other facilities at school	2018-19	3 Years	8000000	3405971	3405971	Ongoing
8	81720	Coaching and mentoring of meritorious students of Jammu and Kashmir for medical entrance examination	2019-20	1 Year	9614000	2274000	9546000	Completed
9	60831	Development of rural infrastructure	2019-20	1 Year	13330000	3389746	12689746	Completed
10	54713	Sanitation facilities at public place	2018-19	2 Years	1300000	780000	1300000	Completed
11	61889	Infrastructure facilities at school	2019-20	1 Year	1731000	113787	1510765	Completed
12	74628	Sanitation facilities at public place	2019-20	1 Year	3744000	1018129	3714409	Completed
13	73662	Infrastructure facilities at schools	2019-20	1 Year	3568000	2997703	2997703	Completed
14	60628	Infrastructure facilities at schools	2019-20	1 Year	3050000	690680	1570680	Completed
15	58947	Sanitation facilities at school	2019-20	1 Year	3500000	975825	3088838	Completed
16	56661	Sanitation facilities at school	2019-20	1 Year	1256000	214784	798338	Completed
17	62194	Sanitation facilities and library-cum-reading room at school	2019-20	1 Year	3929363	1884026	3795482	Completed

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration*	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed /Ongoing
18	64952	Community hall	2019-20	1 Year	574883	87697	574750	Completed
19	68396	Sanitation facilities at school	2019-20	1 Year	3000000	693022	2976180	Completed
20	60893	Infrastructure facilities at schools	2019-20	1 Year	2498663	283673	454566	Completed
21	59862	Infrastructure facilities at schools	2019-20	1 Year	2100000	368738	942592	Completed
22	61291	Infrastructure facilities at schools	2019-20	1 Year	2908500	1216640	2002383	Completed
23	61531	Sanitation infrastructure at destitute home	2019-20	1 Year	881065	13900	13900	Completed
24	69152	Infrastructure facilities at school	2019-20	1 Year	760500	510027	510027	Completed
25	59701	Infrastructure facilities at school	2019-20	1 Year	1200000	24702	778530	Completed
26	61286	Infrastructure facilities at school and college	2019-20	1 Year	3481500	1605608	3059858	Completed
27	58945	Infrastructure facilities at schools	2019-20	1 Year	3810000	590912	710396	Completed
28	61630	Infrastructure facilities at schools	2019-20	1 Year	3318150	9633	1673765	Completed
29	55007	Infrastructure facilities at school	2019-20	1 Year	1592256	141600	1258106	Completed
30	58598	Infrastructure facilities at schools	2019-20	1 Year	1578937	906701	1343876	Completed
31	62298	Infrastructure facilities at school	2019-20	1 Year	450000	176202	176202	Completed
32	61733	Infrastructure facilities at schools	2019-20	1 Year	636420	469510	469510	Completed
33	61189	Infrastructure facilities at schools	2019-20	1 Year	1300000	237038	1078993	Completed
34	70985	Infrastructure facilities at school	2019-20	1 Year	6500000	2010739	4977823	Completed
35	73061	Infrastructure facilities at school	2019-20	1 Year	2160000	764912	1964912	Completed
36	64608	Sanitation facilities at school	2019-20	1 Year	2219000	1402205	2217431	Completed
37	65194	Infrastructure facilities at school	2019-20	1 Year	356002	280363	280363	Completed
38	56825	Medical equipment for health services to SHG women and adolescent girls	2019-20	1 Year	600000	242400	242400	Completed

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration*	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed /Ongoing
39	63141	Process modelling & simulation laboratory at University	2019-20	1 Year	1650000	754883	1579883	Completed
40	72953	Facilities at civil hospital and primary health centres	2019-20	1 Year	650000	429800	429800	Completed
41	61617	Infrastructure facilities in villages	2019-20	1 Year	3237104	1946029	1946029	Completed
42	61629	Infrastructure facilities at schools	2019-20	1 Year	2675200	598312	688192	Completed
43	75802	Infrastructure facilities at school	2019-20	1 Year	509250	482550	482550	Completed
44	69192	Infrastructure facilities at college	2019-20	1 Year	462556	349499	349499	Completed
45	75881	Sanitation facilities at school	2019-20	1 Year	1728000	744545	1649388	Completed
46	76007	Sanitation facilities at school	2019-20	1 Year	992000	411535	411535	Completed
47	76427	Sanitation facilities at public place	2019-20	1 Year	1998114	821414	1759164	Completed
48	74243	Sanitation facilities at public place	2019-20	1 Year	3825000	1599992	1999990	Completed
49	77088	Infrastructure facilities at schools	2019-20	1 Year	3891540	1964408	3384308	Completed
50	77720	Infrastructure facilities at schools	2019-20	1 Year	3466820	695907	1672307	Completed
51	77053	Sanitation facilities at schools	2019-20	1 Year	2250000	417722	1421814	Completed
52	77143	Infrastructure facilities at school	2019-20	1 Year	96000	90624	90624	Completed
53	61631	Infrastructure facilities at schools	2019-20	1 Year	1904000	356454	356454	Completed
54	77633	Sanitation facilities at University	2019-20	1 Year	1498360	630584	630584	Completed
55	75302	Infrastructure facilities at schools	2019-20	1 Year	3291748	423877	1163349	Completed
56	76611	Infrastructure facilities at schools	2019-20	1 Year	3941460	1496190	2523690	Completed
57	80345	Infrastructure facilities at school	2019-20	1 Year	2472159	1333603	1466769	Completed
58	80130	Medical equipment to Regional Red Cross Blood Bank	2019-20	1 Year	896443	257398	257398	Completed

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration*	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed /Ongoing
59	77189	Drinking water facilities in school	2019-20	1 Year	3426696	45300	90614	Completed
60	77075	Infrastructure facilities at orphanage	2019-20	1 Year	3753370	1215373	1855327	Completed
61	79664	Infrastructure facilities at school	2019-20	1 Year	445814	445813	445813	Completed
62	102386	Medical equipment at AIIMS, Rishikesh	2019-20	1 Year	12400000	12224040	12224040	Completed
63	81259	Sanitation facilities at public place	2019-20	1 Year	3000000	926511	2576511	Completed
64	80225	Construction of Anganwadi Block	2019-20	1 Year	2352705	2352705	2352705	Completed
65	75677	Infrastructure facilities at school	2019-20	1 Year	1220000	575348	575348	Completed
66	79822	Infrastructure facilities at schools	2019-20	1 Year	1750000	872425	1188842	Completed
67	80978	Sanitation facilities at schools	2019-20	2 Years	6000000	967131	967131	Ongoing
68	81319	Infrastructure facilities at school	2019-20	2 Years	6892061	4443120	5160024	Ongoing
69	81317	Infrastructure facilities at school	2019-20	1 Year	2044000	2027948	2027948	Completed
70	76896	Sanitation facilities at school	2019-20	1 Year	750000	639757	639757	Completed
71	62980	Community hall	2018-19	3 Years	6128000	3064000	4596000	Ongoing
72	81511	Infrastructure facilities at school	2019-20	2 Years	7500000	1288580	1288580	Ongoing
73	81305	Infrastructure items for students	2019-20	1 Year	1058925	1044000	1044000	Completed
74	81103	Infrastructure facilities at school	2019-20	2 Years	3516400	816621	816621	Ongoing
75	59271	Infrastructure facilities at school	2019-20	1 Year	1867971	913511	1867971	Completed
76	60447	Infrastructure facilities at schools	2018-19	2 Years	2000000	1986072	1986072	Completed
77	61911	Infrastructure facilities at schools	2018-19	2 Years	800000	516319	516319	Completed
		TOTAL				**120395187**		

*Excluding year of project commencement

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
05.09.2020	2,352,705	Cherthala Municipality, Cherthala, District Alappuzha, Kerala	Two storey building for Smart Anganwadi Address: Cherthala Municipality, Cherthala, District Alappuzha, Kerala
02.11.2020	542,025	ZP High School, Kavuluru, G. Kondur, District Krishna, Andhra Pradesh	Water Sump, Overhead Tank, Washing Area and Water facility to Toilets & Kitchen Address: ZP High School, Kavuluru, G. Kondur, District Krishna, Andhra Pradesh
02.11.2020	247,800	AP Tribal Welfare Residential Girls school, Kondapalli, District Krishna, Andhra Pradesh	Desk-cum-Benches (30 Nos.) Address: AP Tribal Welfare Residential Girls school, Kondapalli, District Krishna, Andhra Pradesh
02.11.2020	82,600	M. P. Primary School, Kumarikuntla, District Krishna, Andhra Pradesh	Desk-cum-Benches (10 Nos.) Address: M. P. Primary School, Kumarikuntla, District Krishna, Andhra Pradesh
29.03.2021	7,511,408	Government Hospitals and Primary Health Centers in Dharmapuri District, Tamil Nadu	Cell Counter Machines (21 Nos.) Address: Various Government Hospitals and Primary Health Centers in Dharmapuri District, Tamil Nadu
03.03.2021	926,511	Sri Adichunchanagiri Mahasamsthana Math, Adichunchanagiri Kshetra, Nagamangala, District Mandya, Karnataka	Toilet Block for Female (06 WCs), Toilet Block for Male (04 WCs, Urinals (08 Nos.)) Address: Adichunchanagiri Kshetra, Nagamangala, District Mandya, Karnataka
13.07.2020	690,680	Government Secondary School, Kaklana, Nasirabad, District Ajmer, Rajasthan	Toilet Block for Girls (01 WC), Toilet Block for Boys (01 WC) Address: Government Secondary School, Kaklana, Nasirabad, District Ajmer, Rajasthan
13.07.2020	368,738	Government Senior Secondary School Rahlana, Dudu, District Jaipur, Rajasthan	Desk-cum-benches (120 Nos.), Public Announcement System (01 No.), Student Tables (10 Nos.), Ceiling Fans (10 Nos.) Address: Government Senior Secondary School Rahlana, Dudu, District Jaipur, Rajasthan
01.03.2021	3,389,746	Kozhikode Municipal Corporation, District Kozhikode, Kerala	Village Road (4 Mtr wide X 1.0 Km long) Address: Village Elathur, Kozhikode, District Kozhikode, Kerala
31.03.2021	821,414	Community Health Centre, Cholapur, Varanasi, District Varanasi, Uttar Pradesh	Toilet Block (05 WCs) Address: Community Health Centre, Cholapur, Varanasi, District Varanasi, Uttar Pradesh
10.03.2021	1,402,205	Sharada English High School Marcela, Village Orgao, Marcela, District North Goa, Goa	Toilet Block (09 WCs) Address: Sharada English High School Marcela, Village Orgao, Marcela, District North Goa, Goa
07.12.2020	76,676	Brahmanand Vidyalay, Brahmanandnagar - Bhilawadi, Palus, District Sangli, Maharashtra	Desktops (02 Nos.) Address: Brahmanand Vidyalay, Brahmanandnagar - Bhilawadi, Palus, District Sangli, Maharashtra

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
07.12.2020	90,376	Zila Parishad School Sawarde, Village Sawarde, Tasgaon, District Sangli, Maharashtra	Desktops (02 Nos.), Water Purifier (01 No.) Address: Zila Parishad School Sawarde, Village Sawarde, Tasgaon, District Sangli, Maharashtra
07.12.2020	56,286	Loknete Yashwant (Aba) Patil School Khujgaon-Waghapur, Tasgaon, District Sangli, Maharashtra	Desktop (01 No.), Water Purifier (01 No.), Ceiling Fans (02 Nos.) Address: Loknete Yashwant (Aba) Patil School Khujgaon-Waghapur, Tasgaon, District Sangli, Maharashtra
07.12.2020	27,400	Zila Parishad School No 2 Bambawade, Palus, District Sangli, Maharashtra	Water Purifier (02 Nos.) Address: Zila Parishad School No 2 Bambawade, Palus, District Sangli, Maharashtra
07.12.2020	111,616	Zila Parishad School Bhalwani, Khanapur, District Sangli, Maharashtra	Desktops (02 Nos.), Water Purifier (01 No.), Ceiling Fans (10 Nos.) Address: Zila Parishad School Bhalwani, Khanapur, District Sangli, Maharashtra
24.12.2020	40,474	Government Adarsh Senior Secondary School, Nana, District Pali, Rajasthan	Water Purifier (01 No.) Address: Government Adarsh Senior Secondary School, Nana, District Pali, Rajasthan
24.12.2020	40,474	Government Adarsh Senior Secondary School, Hariyamali, District Pali, Rajasthan	Water Purifier (01 No.) Address: Government Adarsh Senior Secondary School, Hariyamali, District Pali, Rajasthan
24.12.2020	40,474	Government Secondary School, Dhanla, District Pali, Rajasthan	Water Purifier (01 No.) Address: Government Secondary School, Dhanla, District Pali, Rajasthan
30.03.2021	230,351	Government Elementary School Katar Singh Wala, Bathinda, District Bathinda, Punjab	Almirah (11 Nos.), Computers (02 Nos.), Ceiling Fans (10 Nos.), Computer Tables (08 Nos), Chairs (28 Nos.), Library Tables (02 Nos.) Address: Government Elementary School Katar Singh Wala, Bathinda, District Bathinda, Punjab
30.03.2021	1,734,649	Government Senior Secondary School Kot Bhaktu, Kot Bhaktu, Bathinda, District Bathinda, Punjab	Almirah (05 Nos.), Smart Class Room (01 No.), Computers (12 Nos.), Toilet Block (03 WCs), Computer Tables (10 Nos.), Chairs (70 Nos), Library Tables (04 Nos.) Address: Government Senior Secondary School Kot Bhaktu, Kot Bhaktu, Bathinda, District Bathinda, Punjab
09.12.2020	176,202	Zilla Parishad Primary School Ladegaon, Taluka Khatav, District Satara, Maharashtra	Desktops (02 Nos.), Water Purifier (01 No.), Tablets (02 Nos.), LED TV (01 No.), Wooden Chairs (10 Nos.), Wooden Stools (10 Nos.), Steel Cupboard (01 No.), Office Table (01 No.), Color Printer (01 No.) Address: Zilla Parishad Primary School Ladegaon, Taluka Khatav, District Satara, Maharashtra
30.03.2021	119,345	Government Primary School, Kot Shamir, Bathinda, District Bathinda, Punjab	Almirah (5 Nos.),Ceiling Fans (20 Nos.), Dustbins (15 Nos.), Chairs (40) Address: Government Primary School, Kot Shamir, Bathinda, District Bathinda, Punjab

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
30.03.2021	145,189	Government High School, Nasibpura, Bathinda, District Bathinda, Punjab	Computers (05 Nos.), Ceiling Fans (25 Nos.), Chairs (30 Nos.) Address: Government High School, Nasibpura, Bathinda, District Bathinda, Punjab
30.03.2021	431,466	Government High School, Katar Singh Wala, Bathinda, District Bathinda, Punjab	Almirah (12 Nos.), Computers (04 Nos.), Ceiling Fans (15 Nos.), Chairs (20 Nos.), Dual Desks (50 Nos.) Address: Government High School, Katar Singh Wala, Bathinda, District Bathinda, Punjab
31.03.2021	1,104,401	Government Senior Secondary School, Gulabgarh, Bathinda, District Bathinda, Punjab	Almirah (10 Nos.), Smart Class Room (01 No.), Computers (02 Nos.), Toilet Block (02 WCs), Ceiling Fans (20 Nos.), Dustbins (15 Nos.), Chairs (20 Nos.), Dual Desk (20 Nos.) Address: Government Sen. Sec. School, Gulabgarh, Bathinda, District Bathinda, Punjab
31.03.2021	40,963	Government Senior Secondary School, Ramsara, Bathinda, District Bathinda, Punjab	Almirah (06 Nos.), Smart Class Room (1 No.), Computers (10 Nos.), Dustbins (12 Nos.) Address: Government Senior Secondary School, Ramsara, Bathinda, District Bathinda, Punjab
31.03.2021	351,636	Government Senior Secondary School, Jassi Pau Wali, Bathinda, District Bathinda, Punjab	Almirah (05 Nos.), Smart Class Room (01 No.), Dual Desks (50 Nos.) Address: Government Sen. Sec. School, Jassi Pau Wali, Bathinda, District Bathinda, Punjab
28.05.2020	45,300	Government High School Kamathi Kuduge, Alur Taluk, District Hassan, Karnataka	Water Purifier (01 No.) Address: Government High School Kamathi Kuduge, Alur Taluk, District Hassan, Karnataka
15.02.2021	639,757	Government Girls Senior Secondary School, Khetri, District Jhunjhunu, Rajasthan	Toilet Block for Girls (05 WCs) Address: Government Girls Senior Secondary School, Khetri, District Jhunjhunu, Rajasthan
17.02.2021	744,545	Adijambaba Government Higher Primary School, Gandhinagar, Mysore, District Mysore, Karnataka	Toilets Block (10 WCs) Address: Adijambaba Government Higher Primary School, Gandhinagar, Mysore, District Mysore, Karnataka
17.02.2021	411,535	Government High School, N R Mohalla, Mysore, District Mysore, Karnataka	Toilets Block (06 WCs) Address: Government High School, N R Mohalla, Mysore, District Mysore, Karnataka
26.11.2020	1,599,992	Bathinda Municipal Corporation, District Bathinda, Punjab	Mobile Toilets (08 Nos.) Address: Multiple locations under Bathinda Municipal Corporation, District Bathinda, Punjab
09.07.2020	1,884,026	Government Senior Secondary School Kantaliya, Marwar Junction, District Pali, Rajasthan	Library-cum-Reading Room, Toilet Block (02 WCs) Address: Goverment Senior Secondary School Kantaliya, Marwar Junction, District Pali, Rajasthan
25.02.2021	39,506	Zila Parishad School, Village Kadlas, Sangola, District Solapur, Maharashtra	Computer Tables (02 Nos.), Computer Chairs (02 Nos.) Address: Zila Parishad School, Village Kadlas, Sangola, District Solapur, Maharashtra

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
25.02.2021	79,013	Zila Parishad School, Village Laxmidahiwadi, Mangalweda, District Solapur, Maharashtra	Computer Tables (04 Nos.), Computer Chairs (04 Nos.) Address: Zila Parishad School, Village Laxmidahiwadi, Mangalweda, District Solapur, Maharashtra
16.03.2021	39,506	Zila Parishad School, Village Ganeshwadi, Mangalweda, District Solapur, Maharashtra	Computer Tables (02 Nos.), Computer Chairs (02 Nos.) Address: Zila Parishad School, Village Ganeshwadi, Mangalweda, District Solapur, Maharashtra
26.03.2021	79,013	Zila Parishad School, Village Kurul, Mohol, District Solapur, Maharashtra	Computer Tables (04 Nos.), Computer Chairs (04 Nos.) Address: Zila Parishad School, Village Kurul, Mohol, District Solapur, Maharashtra
06.03.2021	507,398	Government Higher Secondary School, Bawad Shakatpura, Shahjhanpur, District Alwar, Rajasthan	Toilet Block for Boys (01 WC), Toilet Block for Girls (01 WC), Desk-cum-Benches (150 Nos.), Sanitary Napkin Vending Machine (01 No.), Sanitary Napkin Incinerator Machine (01 No.), Ceiling Fan (20 Nos.) Address: Government Higher Secondary School, Bawad Shakatpura, Shahjhanpur, District Alwar, Rajasthan
23.02.2021	195,398	Government Higher Secondary School, Pahadi, Behror, Shahjhanpur, District Alwar, Rajasthan	Toilet Block for Boys (01 No.), Toilet Block for Girls (01 No.), Desktops (10 Nos.), Sanitary Napkin Vending Machine (01 No.), Sanitary Napkin Incinerator Machine (01 No.), Dual Battery Inverter (01 No.) Address: Government Higher Secondary School, Pahadi, Behror, Shahjhanpur, District Alwar, Rajasthan
26.02.2021	250,948	Government Higher Secondary School, Mohammadpur, Behror, Shahjhanpur, District Alwar, Rajasthan	Toilet Block for Boys (01 WC), Toilet Block for Girls (01 WC), Stool Desks (50 Nos.) Address: Government Higher Secondary School, Mohammadpur, Behror, Shahjhanpur, District Alwar, Rajasthan
06.03.2021	250,948	Government Higher Secondary School, Foladpur, Neemrana, District Alwar, Rajasthan	Toilet Block for Boys (01 WC), Toilet Block for Girls (01 WC), Stool Desks (01 No.) Address: Government Higher Secondary School, Foladpur, Neemrana, District Alwar, Rajasthan
06.03.2021	362,048	Government Higher Secondary School, Googlekota, Shahjhanpur, District Alwar, Rajasthan	Toilet Block for Boys (01 WC), Toilet Block for Girls (01 WC), Stool Desks (150 Nos.) Address: Government Higher Secondary School, Googlekota, Shahjhanpur, District Alwar, Rajasthan
27.08.2020	423,877	Government Secondary School Roing, District Lower Dibang Valley, Arunachal Pradesh	Plastic Chairs (200 Nos.), White Board (36 Nos.), Dual Slides (3 Nos.), Swing (3 Nos.), See Saw (3 Nos.), Arc Ladder (03 Nos.) Address: Government Secondary School Roing, District Lower Dibang Valley, Arunachal Pradesh
24.11.2020	115,255	Rajkiya Bal Grih (shishu), Mathura, District Mathura, Uttar Pradesh	Wooden Study Tables (20 Nos.), Wooden Chairs (20 Nos.), Dining Table with Connected Chairs (02 Nos.), See-Saw (1 No.), Swing (01 No.) Address: Rajkiya Bal Grih (shishu), Mathura, District Mathura, Uttar Pradesh

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
24.11.2020	1,101,007	Swadhar Mahila Ashray Sadan, Chaitanya Vihar, Vrindavan, Mathura, District Mathura, Uttar Pradesh	Borewell (01 No.), Wooden Single Beds with Storage Box (250 Nos.) Address: Swadhar Mahila Ashray Sadan, Chaitanya Vihar, Vrindavan, Mathura, District Mathura, Uttar Pradesh
25.11.2020	87,697	Senior Superintendent of Police (SSP) Office Firozabad, Police Lines Firozabad, District Firozabad, Uttar Pradesh	Common Hall for visitors (01 No.) Address: Police Lines Firozabad, District Firozabad, Uttar Pradesh
11.08.2020	576,221	Government Senior Secondary School Parnala, District Jhajjar, Haryana	Projectors (02 Nos.), Motorized Screens (02 Nos.), Inverter (01 No.), Computers (02 Nos.), Batteries (02 Nos.), Water Storage Tanks (02 Nos.), Dual desks (100 Nos.), Lockable Book Racks (10 Nos.), White Boards (10 Nos.) Address: Government Senior Secondary School Parnala, District Jhajjar, Haryana
11.08.2020	330,480	Government Primary School, Hassanpur, District Jhajjar, Haryana	Inverter (01 No.), Batteries (02 No.), Dual Desks (150 Nos.), Green Boards (06 Nos.) Address: Government Primary School, Hassanpur, District Jhajjar, Haryana
27.02.2021	402,771	Pre Secondary School Dhana Shamsabaad, District Mathura, Uttar Pradesh	Toilet Block for Girls (01 WC), Toilet Block for Boys (01 WC), Water Purifier (01 No.) Address: Pre Secondary School Dhana Shamsabaad, District Mathura, Uttar Pradesh
03.05.2021	369,519	Primary School Chandra Nagar, Chandra Nagar, District Mathura, Uttar Pradesh	Toilet Block for Girls (01 WC), Toilet Block for Boys (01 WC), Submersible Pump (01 No.), Water Purifier (01 No.) Address: Primary School Chandra Nagar, Chandra Nagar, District Mathura, Uttar Pradesh
03.05.2021	893,021	KR Degree College, District Mathura, Uttar Pradesh	Toilet Block for Girls (01 WC), Toilet Block for Boys (01 WC), Submersible Pump (01 No.), Water Tanks (02 Nos.), Water Purifier (01 No.) Address: KR Degree College, District Mathura, Uttar Pradesh
27.02.2021	525,139	Primary School Wishu, Mathura, Uttar Pradesh	Toilet Block for Girls (01 WC), Toilet Block for Boys (01 WC), Borewell Water Facility (01 No.), Submersible Pump (01 No.), Water Tank (01 No.), Water Purifier (01 No.) Address: Primary School Wishu, Mathura, Uttar Pradesh
27.02.2021	120,384	Primary School Aganpura, Aganpura, District Mathura, Uttar Pradesh	Toilet Block for Boys (01 WC), Toilet Block for Girls (01 WC), Water Tank (02 No.) Address: Primary School Aganpura, Aganpura, District Mathura, Uttar Pradesh

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
27.02.2021	357,717	Primary and Pre secondary School Pilua Sadikpur, District Mathura, Uttar Pradesh	Toilet Block for Boys (02 Nos.), Toilet Block for Girls (02 Nos.), Borewell (01 No.), Submersible Pumps (02 Nos.), Water Tank (04 Nos.) Address: Primary and Pre secondary School Pilua Sadikpur, District Mathura, Uttar Pradesh
31.03.2021	10,018,478	Vanavasi Kalyana Karnataka, Vanashree, 1435/36, 2nd Cross, 5th 'A' Main, 'D' Cross, 2nd stage, Rajajinagar, District Bangalore, Karnataka	Hostel Block Address: Vanavasi Kalyana Karnataka, Kumta, District Uttar Kannada, Karnataka
31.03.2021	2,027,948	Mahatma Gandhi Junior Girls High School, Lalbagh, District Lucknow, Uttar Pradesh	Water Purifier (01 No.), Sanitary Vending Machine (01 No.), Solar Lights (06 Nos.), GI Sheet Roofing, Submersible Pump (01 No.), School Benches (200 Nos.), Boundary Wall, Barbed Wires and Angles Address: Mahatma Gandhi Junior Girls High School, Lalbagh, District Lucknow, Uttar Pradesh
01.07.2020	13,900	Jeevan Aanand Sanstha, New BMC Colony, 2nd Hasnabad Lane, Near BMC School, Khar (W), Mumbai, Maharashtra	Sanitary Napkin Vending Machine with Incinarator (01 No.) Address: Savita Aashram Kudal, Kudal, District Sindhudurg, Maharashtra
05.10.2020	349,499	Sahyadri School of Art, Sawarda, Taluka Chiplun, District Ratnagiri, Maharashtra	Projector (01 No.), Printer (01 No.), Computers (07 Nos.), Camera (01 No.) Address: Sahyadri School of Art, Sawarda, Taluka Chiplun, District Ratnagiri, Maharashtra
10.11.2020	482,550	Dnyaneshwar Vidyalay Wadala, Rafi Ahmed Kidwai Road, Madhav Nagar, Maharashtra House, Mumbai, Maharashtra	Computers (05 Nos.), Fans (05 Nos.), Benches (50 Nos.) Address: Dnyaneshwar Vidyalay Wadala, Rafi Ahmed Kidwai Road, Madhav Nagar, Maharashtra House, Mumbai, Maharashtra
11.12.2020	764,912	S. N. G. Purva Madhyamik Vidyalaya Bhagwanpur, District Ballia, Uttar Pradesh	School Building (04 Classrooms) Address: S. N. G Purva Madhyamik Vidyalaya Bhagwanpur, District Ballia, Uttar Pradesh
31.03.2021	510,027	Vehaloli Vibhag Madhyamik Vidyalaya, Veheloli, Shahpur, Kalyan, District Thane, Maharashtra	Green Boards (04 Nos.), Office Tables (05 Nos.), Printer (01 No.), Ceiling Fans (12 Nos.), Benches (60 Nos.), Cupboard (01 No.), Computers (05 Nos.), Projector (01 No.), School Bags (130 Nos.) Address: Vehaloli Vibhag Madhyamik Vidyalaya, Veheloli, Shahpur, Kalyan, District Thane, Maharashtra
30.05.2020	14,895,077	District Administration Fatehpur, Government of Uttar Pradesh	ECG Machines (04 Nos.), Defibrillator (01 No.), Medicine Trollies (20 Nos.), Hemoglobinometer (400 Nos.), Horizontal Autoclave (01 No.), Crash Carts (12 Nos.), Cardiac Monitors (05 Nos.), Digital Display Boards (04 Nos.) Address: Government Hospitals and Public Health Centres in Fatehpur District, Uttar Pradesh

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
15.03.2021	8,810,674	District Administration Goalpara, Government of Assam	Tara Hand Pumps (253 Nos.) Address: Multiple Locations in Goalpara district, Assam
31.03.2021	12,224,040	All India Institute of Medical Sciences, Virbhadra Road, Rishikesh, Uttarakhand	Laser (YAP) (01 No.), Anesthesia Work Station (01 No.), Portable Ultrasound (01 No.), Rigid Bronchoscope Set (01 No.) All India Institute of Medical Sciences, Virbhadra Road, Rishikesh, Uttarakhand
30.03.2021	3,145,000	ADHS & State Immunization Officer, Asst. Director-EPI, Directorate of Health Services, State FW bureau, Kutumb Kalyan Bhawan, Behind Pune Railway Station, District Pune, Maharashtra	Refrigerated Truck (01 No.) Address: ADHS & State Immunization Officer, Asst. Director-EPI, Directorate of Health Services, State FW bureau, Kutumb Kalyan Bhawan, Behind Pune Railway Station, District Pune, Maharashtra
30.03.2021	3,145,000	State Immunization officer/ State Cold Chain Officer, Dy. Director (Imm.), Directorate of Medical Health and FW, Swastha Bhawan, Tilak Marg, District Jaipur, Rajasthan	Refrigerated Truck (01 No.) Address: State Immunization officer/State Cold Chain Officer, Dy. Director (Imm.), Directorate of Medical Health and FW, Swastha Bhawan, Tilak Marg, District Jaipur, Rajasthan
30.03.2021	15,336,760	Director Health & Family Welfare, Punjab, Sector-34A, Chandigarh, Punjab	Ice Lined Refrigerator (Small) (117 Nos.), Deep Freezer (Small) (43 Nos.), Deep Freezer (Large) (48 Nos.) Address: Director Health & Family Welfare, Punjab, Sector-34A, Chandigarh, Punjab
30.03.2021	3,056,770	State Vaccine Store, Govt. Multi-Specialty Hospital, Sector-16, Chandigarh (U/T)	Ice Lined Refrigerator (Small) (03 Nos.), Ice Lined Refrigerator (Large) (03 Nos.), Deep Freezer (Small) (01 No.), Deep Freezer (Large) (05 Nos.), Walk in Freezer (01 No.) Address: State Vaccine Store, Govt. Multi-Specialty Hospital, Sector-16, Chandigarh (U/T)
31.03.2021	1,067,996	Government Upper Primary School, Kanyadi, Dharmsthala, District Dakshina Kannada, Karnataka	Modular Toilets (04 WCs), Desk and Benches (30 Nos.), Green Boards (08 Nos.), Projector (01 No.) Address: Government Upper Primary School, Kanyadi, Dharmsthala, Dakshina Kannada, Karnataka
31.03.2021	848,136	Government Upper Primary School, Machina, District Dakshina Kannada, Karnataka	Modular Toilets (02 WCs), Solar Plant (01 No.), Water Purifier (01 No.), Fans (06 Nos.) Address: Government Upper Primary School, Machina, Dakshina Kannada, Karnataka
31.03.2021	506,235	Government High School, Machina, District Dakshina Kannada, Karnataka	Solar Plant (01 No.), Sanitary Pad Incinerator (01 No.), Projector (01 No.), Green Boards (03 Nos.), Water Storage (3000 ltr) Facility (01 No.) Address: Government High School, Machina, District Dakshina Kannada, Karnataka

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
31.03.2021	438,960	Government Upper Primary School, Koranja, Gerukatte, Kalia, District Dakshina Kannada, Karnataka	Solar Plant (01 No.), Water Purifier (01 No.), Projector (01 No.), Fans (10 Nos.) Address: Government Upper Primary School, Koranja, Gerukatte, Kalia, District Dakshina Kannada, Karnataka
31.03.2021	50,365	Government Higher Secondary School, Neriya, District Dakshina Kannada, Karnataka	Water Storage Facility (01 No.) Address: Government Higher Secondary School, Neriya, District Dakshina Kannada, Karnataka
28.02.2021	2,010,739	Tameer-e-Millat Inter School, Dodhpur, District Aligarh, Uttar Pradesh	Classrooms (02 Nos.) and Laboratory Address: Tameer-e-Millat Inter School, Dodhpur, District Aligarh, Uttar Pradesh
22.07.2020	45,466	Government Primary School, Faridpur, District Gurugram, Haryana	Tables (05 Nos.), Chairs (05 Nos.), Almirah (02 Nos.) Address: Government Primary School, Faridpur, District Gurugram, Haryana
22.07.2020	45,664	Government Middle School, Faridpur, District Gurugram, Haryana	Tables (04 Nos.), Chairs (06 Nos.), Almirah (02 Nos.) Address: Government Middle School, Faridpur, District Gurugram, Haryana
22.07.2020	44,070	Government Girls Primary School, Karola, District Gurugram, Haryana	Tables (03 Nos.), Chairs (05 Nos.), Almirah (01 No.), Green Board (05 Nos.) Address: Government Girls Primary School, Karola, District Gurugram, Haryana
22.07.2020	122,238	Government Girls Senior Secondary School, Loharheri, District Jhajjar, Haryana	Tables (07 Nos.), Almirah (01 No.), Green Board (05 Nos.), Dual Benches (20 Nos.) Address: Government Girls Senior Secondary School, Loharheri, District Jhajjar, Haryana
22.07.2020	15,924	Government Senior Secondary School, Dadri Toye, District Jhajjar, Haryana	Tables (06 Nos.) Address: Government Senior Secondary School, Dadri Toye, District Jhajjar, Haryana
22.07.2020	49,588	Government Primary School, Ladpur, District Jhajjar, Haryana	Tables (02 Nos.), Chairs (10 Nos.), Green Board (05 Nos.), Address: Government Primary School, Ladpur, District Jhajjar, Haryana
22.07.2020	33,864	Government Girls Primary School, Asaudha, District Jhajjar, Haryana	Chairs (06 Nos.), Green Board (06 Nos.), Address: Government Girls Primary School, Asaudha, District Jhajjar, Haryana
20.04.2020	445,813	Kota Primary School, Panagarh, District Bardhaman, West Bengal	Desk-cum-Benches (40 Nos.), Chairs (02 Nos.), Tables (02 Nos.) Address: Kota Primary School, Panagarh, District Bardhaman, West Bengal
31.03.2021	429,800	Sadar Hospital Muzaffarpur and various Primary Health Centres (PHCs) in Muzaffarpur district in Bihar	Air Conditioner (20 Nos.) Address: Sadar Hospital Muzaffarpur and various Primary Health Centres (PHCs) in Muzaffarpur district in Bihar
09.06.2020	242,400	Dhan Foundation, 18, Pillaiyar Koli Street, S. S. Colony, Madurai, District Madurai, Tamil Nadu	Biochemistry Analyser (01 No.), Cell Counter (01 No.) Address: Dhan Foundation, Kancharapalem, Urvasi Junction, Visakhapatnam, Andhra Pradesh

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
18.01.2021	280,363	ZP High School, VRR Peta, Visakhapatnam, District Visakhapatnam, Andhra Pradesh	Dual Desks (50 Nos.), Chairs (10 Nos.), Tables (10 Nos.), Ceiling Fans (10 Nos.) Address: ZP High School, VRR Peta, Visakhapatnam, District Visakhapatnam, Andhra Pradesh
18.01.2021	575,348	Kendriya Vidyalaya No. 1 School, Sri Vijaya Nagar, Marripalem, District Visakhapatnam, Andhra Pradesh	Dual Desks (200 Nos.) Address: Kendriya Vidyalaya No. 1 School, Sri Vijaya Nagar, Marripalem, District Visakhapatnam, Andhra Pradesh
06.03.2021	131,452	Rajkiya Uch Madhyamik Vidyalaya, Manai, District Jodhpur, Rajasthan	Toilet Block for Girls (05 WCs) Address: Rajkiya Uch Madhyamik Vidyalaya, Manai, District Jodhpur, Rajasthan
05.03.2021	286,270	Rajkiya Balika Uch Madhyamik Vidyalaya, Jatawas, Lohawat, District Jodhpur, Rajasthan	Toilet Block for Girls (05 WCs) Address: Rajkiya Balika Uch Madhyamik Vidyalaya, Jatawas, Lohawat, District Jodhpur, Rajasthan
31.03.2021	253,350	Rajkiya Balika Uch Prathmik Vidyalaya, Jajiwal Kalan, District Jodhpur, Rajasthan	Toilet Block for Girls (06 WCs) Address: Rajkiya Balika Uch Prathmik Vidyalaya, Jajiwal Kalan, District Jodhpur, Rajasthan
31.03.2021	439,672	Rajkiya Uch Prathmik Vidyalaya, Jajiwal Bishnoi ki Dhani, District Jodhpur, Rajasthan	Toilet Block for Girls (06 WCs) Address: Rajkiya Uch Prathmik Vidyalaya, Jajiwal Bishnoi ki Dhani, District Jodhpur, Rajasthan
23.03.2021	1,018,129	Rajasthan State Road Transport Corporation, Government of Rajasthan	Toilet Block for Male (Urinals (06 Nos.), Bathing Rooms (06 Nos.), WC (11 Nos.)), Toilet Block for Female (Bathing Rooms (02 Nos.), WCs (05 Nos.), Baby Feeder Room (01 No.)) Address: Sindhi Camp Bus Stand, Jaipur, District Jaipur, Rajasthan
20.02.2021	2,385,384	Brihanmumbai Municipal Corporation, Head Quarter, Mahanagarpalika Marg, Mumbai, Maharashtra	Toilet Block (12 WCs for Males, 12 WCs for Females, 01 WC for PH) Address: Gavanpada Gausiya Masjid, Chembur, District Mumbai Sub-urban, Maharashtra
04.03.2021	990,829	Government Middle School, Nayagaon, District Hissar, Haryana	Water Purifier (01 No.), Benches (30 Nos.), Toilet Block for Boys (02 WCs.), Fans (15 Nos.), Dustbins (10 Nos.), Almirah (03 Nos.) Address: Government Middle School, Nayagaon, District Hissar, Haryana
03.03.2021	189,000	Gram Panchayat Pabra, Village Pabra, District Hissar, Haryana	Solar Lights (07 Nos.), Dustbins (40 Nos.) Address: Gram Panchayat Pabra, Village Pabra, District Hissar, Haryana
03.03.2021	267,600	Gram Panchayat Kandool, Village Kandool, District Hissar, Haryana	Solar Lights (10 Nos.), Water Purifier (01 No.), Dustbins (12 Nos.) Address: Gram Panchayat Kandool, Village Kandool, District Hissar, Haryana

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
03.03.2021	504,677	Gran Panchayat Isheheri, Village Isheheri, District Hissar, Haryana	Solar Lights (13 Nos.), Water Purifier (01 No.), Dustbins (16 Nos.), Almirah (05 Nos.) Address: Gran Panchayat Isheheri, Village Isheheri, District Hissar, Haryana
31.03.2021	630,584	Panjab University, Sector -14, Chandigarh	Sanitary Napkins Vending Machines (08 Nos.), Sanitary Napkin Incinerator Machines (38 Nos.), Dustbins (400 Nos.) Address: Panjab University, Sector -14, Chandigarh
31.03.2021	257,398	Indian Red Cross Society, Red Cross Bhawan, Mall Road, Rakh Bagh, Civil Lines, Ludhiana, District Ludhiana, Punjab	Blood bag tube sealer (01 No.), Blood Collection Monitor (02 Nos.) Address: Indian Red Cross Society, Red Cross Bhawan, Mall Road, Rakh Bagh, Civil Lines, Ludhiana, District Ludhiana, Punjab
23.03.2021	147,500	Ernakulam General Hospital, Marine Drive, City Ernakulam, District Ernakulam, Kerala	Hand Wash Counters (10 Nos.) Address: Ernakulam General Hospital, Marine Drive, City Ernakulam, District Ernakulam, Kerala
13.03.2021	316,453	Saraswati Balika Vidya Mandir, Janki Puram Lucknow, District Lucknow, Uttar Pradesh	School Building (Classrooms (05 Nos.), Hall (01 No.), Toilet Block (02 WCs)), Water Tank (01 No.) Address: Saraswati Balika Vidya Mandir, Janki Puram Lucknow, District Lucknow, Uttar Pradesh
31.03.2021	4,510,101	Government Senior Secondary School, Village Saron, Dhuri, District Sangrur, Punjab	School Building (03 Rooms), Open Gymnasium Area, Paver Work in Playground area Address: Government Senior Secondary School, Village Saron, Dhuri, District Sangrur, Punjab
24.12.2020	141,600	Rajkeeya Balika Uchch Madhyamik Vidyalaya, Mandana, District Kota, Rajasthan	Benches (60 Nos.), Stools (60 Nos.) Address: Rajkeeya Balika Uchch Madhyamik Vidyalaya, Mandana, District Kota, Rajasthan
30.09.2020	214,784	Rajkeeya Uchchh Madhyamik Vidyalaya, Mundiyar, District Baran, Rajasthan	Toilet Block (05 WCs) Address: Rajkeeya Uchchh Madhyamik Vidyalaya, Mundiyar, District Baran, Rajasthan
26.09.2020	113,787	Rajkeeya Uchchh Madhyamik Vidyalaya, Daulatkheda, Mangliawas, District Ajmer, Rajasthan	Toilet Blocks (05 WCs) Address: Rajkeeya Uchchh Madhyamik Vidyalaya, Daulatkheda, Mangliawas, District Ajmer, Rajasthan
31.03.2021	780,000	Araku Valley Police Station, Araku - Visakhapatnam Road, Araku Valley, District Visakhapatnam, Andhra Pradesh	Bathrooms (5 Nos.), Toilet Block (05 WCs) Address: Araku Valley Police Station, Araku - Visakhapatnam Road, Araku Valley, District Visakhapatnam, Andhra Pradesh
31.03.2021	754,883	Andhra University, Waltair Junction, District Visakhapatnam, Andhra Pradesh	Process Modelling & Simulation Laboratory Address: Andhra University, Waltair Junction, District Visakhapatnam, Andhra Pradesh
29.08.2020	598,312	Multiple Government Schools in Hissar, District Hissar, Haryana	Water Tank (05 Nos.), Ceiling Fans (79 Nos.), Green Board (55 Nos.), Tables (41 Nos.), Benches (80 Nos.) Address: Multiple Government Schools in Hissar, District Hissar, Haryana

(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset. (In ₹)	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
20.08.2020	90,624	Indira Vidyalaya, Varur, Taluka Rajura, District Chandrapur, Maharashtra	Desk-cum-Benches (50 Nos.) Address: Indira Vidyalaya, Varur, Taluka Rajura, District Chandrapur, Maharashtra
31.03.2021	1,333,603	Government Senior Secondary School, Dera Bassi, District Sahibzada Ajit Singh Nagar, Punjab	CCTV Camera and DVRs (10 Nos.), Dustbins (50 Nos.), Computers (05 Nos.), Printer-cum-Scanners (02 Nos.), Printer (01 No.), Chairs (75 Nos.), Tables (52 Nos.), Green Boards (30 Nos.), Display Boards (10 Nos.), Projector (01 No.) Address: Government Senior Secondary School, Dera Bassi, District Sahibzada Ajit Singh Nagar, Punjab
04.12.2020	418,590	Government Hospital Peraiyur, District Madurai, Tamil Nadu	Multipara Monitor (01 No.), Table Top Pulse Oximeters (02 Nos.), Lumens Medical Examination Lamps (03 Nos.), Crash Cart (02 Nos.), ICU Cot (02 Nos.), D Type Oxygen Cylinder with Flow Meter (03 Nos.), Wheel Chairs (02 Nos.), Stretchers (02 Nos.) Address: Government Hospital Peraiyur, District Madurai, Tamil Nadu
10.09.2020	913,511	YMCA Kamak Higher Secondary School For The Hearing Impaired, Visalakshipuram, District Madurai, Tamil Nadu	Bakery Training Unit (Spiral Mixer (01 No.), Planatary Mixer (02 Nos.), Rotary Single Trolley Diesel Oven (01 No.), Table Top Slicer-Gravity Feeding System (01 No.)) Address: YMCA Kamak Higher Secondary School For The Hearing Impaired, Visalakshipuram, District Madurai, Tamil Nadu
04.02.2021	1,986,072	Panchayat Union Middle School, Veppadappu, Melur, District Madurai, Tamil Nadu	Toilet Block for Boys (04 WCs), Toilet Block for Girls (04 WCs) Address: Panchayat Union Middle School, Veppadappu, Melur, District Madurai, Tamil Nadu
21.08.2020	516,319	District Administration Tarn Taran, Government of Punjab	Desk-cum-Benches (280 Nos.) Address: Various Government Schools in Tarn Taran District, Punjab

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

Sd-
Mukesh Kumar Surana
Chairman & Managing Director

Sd-
G. Rajendran Pillai
Independent Director and
Chairman CSR and SD Committee

Annexure to Directors' Report for the financial year 2020-21

Annexure - IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Issued in pursuance to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
Hindustan Petroleum Corporation Limited
Petroleum House,
17, Jamshedji Tata Road,
Churchgate,
Mumbai - 400 020

Due to widespread outbreak of COVID-19 and consequent and subsequent imposition of lockdown, we have conducted the secretarial audit through periodical visits of our authorized person and electronic platform during the lock down period of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hindustan Petroleum Corporation Limited (CIN L23201MH1952GOI008858)** (hereinafter called the "Company") for the financial year ended 31st March, 2021. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

A. In expressing our opinion it must be noted that-

i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis of our opinion.

iii. We have not verified the correctness and appropriateness of the financial statements of the Company.

iv. The Company being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas ("MoP&NG"), the power to appoint Directors (including Independent Directors) and the terms and conditions of such appointment, including remuneration and evaluation, vests with the Government of India.

v. Wherever required, we have obtained the management representation pertaining to compliance of laws, rules and regulations, happening of events, etc.

vi. The compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

vii. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our physical and online examination and verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes (duly evolved) and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

C. We have conducted the physical and online examination of books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

I. The Companies Act, 2013 ("the Act") and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. A Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ("SEBI Act"):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;

(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and

(e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

B. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the SEBI Act and hence are not relevant for the purpose of audit:

(a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

VI. Guidelines on Corporate Governance for Central Public Sector Enterprises ("CPSE Guidelines") issued by the Department of Public Enterprises.

VII. The following Acts and Rules made thereunder pertaining to oil and gas business, as applicable to the Company:

(a) Oil fields (Regulation and Development) Act, 1948;

(b) Petroleum Act, 1934;

(c) Mines and Minerals (Regulation and Development) Act, 1957;

(d) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962;

(e) Oil Mines Regulations, 1984;

(f) Petroleum & Natural Gas Rules, 1959;

(g) Petroleum Rules, 2002;

(h) The Oil Industry (Development) Act, 1974;

(i) The Energy Conversation Act, 2001;

(j) Petroleum & Natural Gas Regulatory Board Act, 2006;

(k) Petroleum & Mineral Pipelines (Acquisition of Rights of User in Land) Act, 1962.

We have also examined the compliance with the following:

i. Secretarial Standards in respect of Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

ii. Compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that the Company did not have:

(a) Woman Director on its Board pursuant to second proviso of sub-section (1) of Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Independent Woman Director pursuant to proviso to Regulation 17(1)(a) of SEBI LODR from 01.04.2020 to 31.03.2021;

(b) Required number of Independent Directors on its Board as stipulated under sub-section (4) of Section 149 of the Act, Regulation 17(1)(b) of SEBI LODR and DPE guidelines on Corporate Governance ("DPE Guidelines") for the period from 01.04.2020 to 31.03.2021;

(c) Proper composition of Committees namely (1) Audit Committee as prescribed under the Act, SEBI LODR and DPE Guidelines and (2) Nomination and Remuneration Committee as prescribed under the Act, SEBI LODR for the period from 21.09.2020 till 31.03.2021;

(d) *Optimum composition of the Board as number of Executive Directors exceeded the number of Non-Executive Directors as stipulated under the DPE Guidelines and SEBI LODR for the period from 21.09.2020 till 31.03.2021;*

D. We further report that,

I. The Board of Directors of the Company is duly constituted *except to the extent mentioned in the preceding paragraph* and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

II. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

III. The agenda items are deliberated before passing the same and the views / observations made by the Directors are recorded in the minutes.

E. We further report that there are adequate systems and process in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

F. We further report that during the audit period:

1. The Company has issued Unsecured, Redeemable Non-Convertible Debentures on private placement basis, aggregating to ₹ 3,200 Crore in tranches.

2. Pursuant to the approval of the Board of Directors the Company has commenced buy-back of fully paid-up equity shares of ₹ 10/- each of the Company from its Shareholders/beneficial owners (other than those who are promoters or persons in control) from the open market through stock exchange mechanism for an aggregate amount not exceeding ₹ 2,500 Crore (Maximum Buy-Back Size) and at a price not exceeding ₹ 250/- (Maximum Buy-Back Price) per equity share payable in cash during the year and the same was in progress as on the date of closure of Financial Year i.e. 31.03.2021.

3. The Company, pursuant to the Share Purchase Agreement, had acquired 25.70 Crore number of equity shares held by S P Ports Pvt. Ltd in HPCL Shapoorji Energy Private Limited, (HSEPL), a Joint Venture Company at an aggregate consideration of ₹ 397,06,50,000/- (Rupees Three Hundred and Ninety Seven Crore Six Lakhs and Fifty Thousand Only). The said transaction was completed on 30th March, 2021. Upon acquisition of said shares, HSEPL became a Wholly Owned Subsidiary of the Company.

4. None of the following events has taken place except for those mentioned above:

   (a) Public/Rights/Preferential Issue of Shares/ Sweat equity etc.

   (b) Redemption of securities.

   (c) Merger/Amalgamation/Reconstruction, etc.

   (d) Foreign Technical Collaboration.

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

Place: Mumbai
Date: 10th June, 2021
UDIN: F000977C000444717

CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507

Annexure to Directors' Report for the financial year 2020-21

Annexure - V

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in AOC-2)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto.

1. Details of Contracts or arrangements or transactions not at arm's length basis: Nil

2. Details of Material Contracts or arrangements or transactions at arm's length basis:*

Sl. No.	Name of the Related Party	Nature of Relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Salient terms of Contracts/ Arrangements/ Transactions	Transaction Values (₹/ Crore)	Date of Board Approval	Amount paid as advance
NIL								

* The transactions executed during the year haven't exceeded threshold for determining the material transaction prescribed in Rule 15(3) of Companies (Meetings of Board and its powers) Rules, 2014, as amended vide notification by Ministry of Corporate Affairs on 18/11/2019.

For and on behalf of the Board of Directors

Sd/-
Mukesh Kumar Surana
Chairman & Managing Director

Place: Mumbai
Date: August 04, 2021

Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Hindustan Petroleum Corporation Limited ("**HPCL**" or "**Company**") believes in good Corporate Governance practices, ethics, fairness, professionalism and accountability to enhance stakeholders' value and interest on sustainable basis and to build an environment of trust and confidence of its Stakeholders. At HPCL, Corporate Governance is to follow systematic processes, policies, rules, regulations and laws by which companies are directed, controlled and administered by the management in meeting the stakeholder's aspirations and societal expectations.

HPCL lays special emphasis on conducting its affairs within the framework of policies, internal and external regulations, in a transparent manner. Being a Government Company, its activities are subjected to review by several external authorities like the Comptroller & Auditor General of India (CAG), the Central Vigilance Commission (CVC), and Parliamentary Committees etc.

Keeping in view the above philosophy, the Corporate Governance at HPCL is based on the following main principles & practices:

- Well-developed internal control, systems and processes, risk management and financial reporting;
- Full adherence and compliances of laws, rules and regulations;
- Timely and balanced disclosures of all material information on operational and financial matters to the Stakeholders;
- Clearly defined management performance and accountability;
- Enhanced accuracy and transparency in business operations, performance and financial position.

The Company has, inter-alia, a well-defined Policy framework for effective implementation of the Corporate Governance. These policies framework comprises of the following:

a. Code of Conduct for Directors and Senior Management Personnel

b. Integrity Pact to enhance transparency in business operations

c. Public Grievance Redressal Mechanism

d. Whistleblower Policy

e. Limits of Authority Manual

f. Procurement Manual

In compliance with Regulation 34 (3) & 53 (f) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**") and the notification on Corporate Governance for Public Sector Enterprises issued by the Department of Public Enterprises ("**DPE**"), the Corporate Governance Disclosures are as under:

1. BOARD OF DIRECTORS:

The primary role of Board is to protect and enhance stakeholder's value through strategic supervision. The Board also sets goals, policies, provides direction and exercises appropriate control to ensure that the Company achieve its set goals. All the statutory and other significant material information are placed before the Board to enable it to discharge its responsibility in an effective & efficient manner.

The Board of the Company constantly endeavors to set new goals and targets that complement the vision & mission of the Company so that the interests of stakeholders is protected.

The Company is a Government Company within the meaning of Section 2 (45) of the Companies Act, 2013 ("**Act**"). Being a Government Company and in accordance with the provisions of Articles of Association of the Company, all the Directors on the Board of the Company are appointed by the Government of India ("**GoI**") through Administrative Ministry i.e. Ministry of Petroleum & Natural Gas ("**MOP&NG**").

The Chairman and Managing Director and other Whole-Time Directors are generally appointed for a period of five years from the date of their taking over charge or till the date of their superannuation or until further orders from the GoI, whichever is earlier. Independent Directors are usually appointed for a period of three years. Government Nominee Directors continue on the Board at the discretion of the Nominating authority or till ceasing to be officials of such nominating authority.

During the financial year under review, the Company was not having sufficient number of Independent Directors including Woman Director on the Board hence, the Company was not in compliance of the Board Composition related requirements prescribed under the Act, SEBI LODR and DPE Guidelines.

1.1 Composition of Board of Directors as on March 31, 2021:

Names of Directors & their Designation	No.
Whole Time Directors Shri Mukesh Kumar Surana (Chairman & Managing Director) Shri Pushp Kumar Joshi (Director – Human Resources) Shri Vinod S. Shenoy (Director – Refineries) Shri R. Kesavan (Director – Finance) Shri Rakesh Misri (Director – Marketing)	5
Government Nominee Directors Shri Sunil Kumar (Ex-Officio) Shri Subhash Kumar (Representative of ONGC)	2
Independent Director Shri G Rajendran Pillai	1

Details of Changes in the Directors during the Financial Year 2020-2021:

Whole Time Directors **Government Nominee Directors**	No Change. However, changes occurred post March 31, 2021 and till the date of this report, are covered separately in Director's Report of Annual Report.
Independent Directors	Two Independent Directors viz. Shri Amar Sinha and Shri Siraj Hussain have ceased to be Directors of the Company effective September 21, 2020 on completion of their tenure of office of 3 years on September 20, 2020.

1.2 Board Meetings:

Eleven Board Meetings were held during the Financial Year 2020-2021.

Dates of Board Meetings
April 01, 2020
May 19, 2020
June 16, 2020
August 06, 2020
August 27, 2020
September 11, 2020
October 23, 2020
November 04, 2020
December 30, 2020
February 04, 2021
March 23, 2021

Given below are the details of attendance of each Director at the Board Meetings.

Attendance of Directors at Board Meetings		
Names of Directors	Number of Meetings Held	Number of Meetings Attended
Shri Mukesh Kumar Surana	11	11
Shri Pushp Kumar Joshi	11	11
Shri Vinod S Shenoy	11	11
Shri R Kesavan	11	11
Shri Rakesh Misri	11	11
Shri Sunil Kumar	11	11
Shri Subhash Kumar	11	10
Shri G Rajendran Pillai	11	11
Shri Amar Sinha	06	06
Shri Siraj Hussain	06	06

The gap between any two consecutive Board Meetings did not exceed 120 days and 3 months in line with the requirements of the Act & the SEBI LODR, and DPE Guidelines respectively.

1.3 Particulars of Directors including their attendance at the last Annual General Meeting & their Directorship in other Companies / Membership & Chairmanship in Committees as on March 31, 2021:

Names of Directors	Academic Qualifications	Attendance at the last AGM held on September 16, 2020	Number of Directorship in Other Companies	Details of Membership held in Audit/Stakeholders Relationship Committee including this Listed Entity	Details of Chairmanship held in Audit/Stakeholders Relationship Committee including this Listed Entity
WHOLE TIME DIRECTORS					
Shri Mukesh Kumar Surana (DIN: 07464675)	B.E. (Mechanical), Masters in Financial Management	Yes	5	0	0
Shri Pushp Kumar Joshi (DIN: 05323634)	B.A., LLB, PG (PM&IR), XLRI Jamshedpur	Yes	2	1	0
Shri Vinod S. Shenoy (DIN: 07632981)	B.E. (Chemical)	Yes	6	1	0
Shri R. Kesavan (DIN: 08202118)	ACA	Yes	6	2	0
Shri Rakesh Misri (DIN: 07340288)	B.E (Civil)	Yes	3	0	0
GOVERNMENT NOMINEE DIRECTORS					
Shri Sunil Kumar (DIN: 08467559)	IRAS, Bachelor of Technology (Petroleum Energy) from IIT, Masters in Business Administration	Yes	1	1	0
Shri Subhash Kumar (DIN: 07905656)	M.Com, ICMAI, ACS	Yes	6	3	0
INDEPENDENT DIRECTOR					
Shri G. Rajendran Pillai (DIN: 08510332)	B.A., M.A., LLB.	Yes	0	2	2

NOTES:

a. The Directorship held by Directors in other Companies as mentioned above includes Public and Private Limited Companies but do not include Companies registered under Section 8 of the Act.

b. Details of Directors who are holding Directorship in other Listed Entities:

Shri Sunil Kumar	Engineers India Limited	Nominee Director (Non-Executive)
Shri Subhash Kumar	Oil and Natural Gas Corporation Limited Mangalore Refinery and Petrochemicals Limited	Whole Time Director (Executive) Nominee Director (Non-Executive)
Shri Vinod S Shenoy	Mangalore Refinery and Petrochemicals Limited	Nominee Director (Non-Executive)

c. None of the Directors of the Company holds office of Director at any point of time in more than 10 public companies including 7 listed companies.

d. None of the Directors of the Company is a member in more than 10 committees or a Chairman of more than 5 committees. For the purpose of determination of limit of the Board Committees, Chairmanship or Membership of Audit Committee & Stakeholders Relationship Committee has been considered.

e. None of the Whole-Time Director / Managing Director of the Company is serving as an Independent Director in more than three listed companies.

f. None of the Directors of the Company are serving as a Director / Independent Director in more than seven listed companies.

g. The Directors of the Company do not have any relationships inter-se.

1.4 HOLDING OF ANY SHARES OR CONVERTIBLE INSTRUMENTS BY NON-EXECUTIVE DIRECTORS:

None of the Non-Executive Directors is holding any shares or convertible instruments in the Company.

1.5 PROFILE OF DIRECTORS:

WHOLE TIME DIRECTORS:

Shri Mukesh Kumar Surana

Shri Mukesh Kumar Surana is Chairman & Managing Director of the Company effective April 01, 2016. Prior to this, he served as Chief Executive Officer, Prize Petroleum Company Limited, a Wholly Owned Subsidiary and upstream arm of HPCL since September 2012.

A Mechanical Engineer with Master Degree in Financial Management, Shri Surana joined HPCL in the year 1982. During his career spanning over 39 years in Petroleum Industry, Shri Surana has handled a wide range of responsibilities including leadership positions in Refineries, Corporate, Information Systems and upstream business of HPCL. He has been closely involved in Strategy Formulation, Business Process Re-engineering, major projects implementation, Refinery Operations, Company-wide ERP Implementation, Acquisition and Management of upstream assets etc.

Shri Surana has vast experience in domestic and international Oil & Gas business and is known for his business acumen, innovative ideas and people-centric leadership. In his various roles, he has been able to empower teams to perform and deliver exceptional results through positive engagement and shared vision. He was a Core Team Member for Corporate-wide ERP Implementation in HPCL which now forms the backbone of all business transactions at HPCL.

A Certified Competency Assessor and a Project Management Professional, Shri Surana has also been actively associated with various important forums in Oil & Gas Sector.

Shri Pushp Kumar Joshi

Shri Pushp Kumar Joshi is Director – Human Resources of the Company effective August 01, 2012. Prior to this, he was holding key portfolios in Human Resources functions viz. Executive Director – HRD and Head – HR of Marketing Division. Shri Joshi is a Doctorate in Human Resource Management, Post Graduate in Human Resource Management from XLRI, Jamshedpur and Bachelor of Law from Andhra University.

As Director – HR, Shri Joshi is presently responsible for overseeing the design and deployment of key Human Resource policies and strategies while leading Human Resources practices that are employee oriented and aim at building high performance culture. With over three decades of experience in Human Resource and Industrial Relations, Shri Joshi has played a pivotal role in leading key transformational and strategic initiatives across HPCL such as Project Akshay, Akshaypath etc.

Shri Joshi has spearheaded Human Resource practices at HPCL with strong business focus and contemporary approaches for leadership development, capability building and productivity enhancement by leveraging technology. He helped in the development and shaping the Company's Culture and Values aligned to the Vision and provided support to the business and finance functions in the critical area of Human Resources.

Shri Vinod S. Shenoy

Shri Vinod S Shenoy is Director – Refineries of the Company effective November 01, 2016. Prior to this, he was the General Manager – Refinery Coordination of HPCL.

A Bachelor in Chemical Engineering from IIT Bombay, Shri Shenoy started his career with HPCL in June 1985. During his career spanning over 35 years, Shri Shenoy has held various positions in the Refinery Divisions and Corporate Departments of HPCL and has wide exposure to the Petroleum Industry.

Intelligent refinery production strategy to ensure profitability, vision from operational excellence and capacity expansion of refineries at Mumbai and Visakh with bottom up upgradation facilities are the tasks ahead.

Shri R. Kesavan

Shri R Kesavan is Director – Finance of the Company effective September 05, 2019. He is also the Chief Financial Officer (CFO) of the Company. Prior to his appointment as Director – Finance, Shri Kesavan was Executive Director – Corporate Finance for over 4 years. He is an Associate Member of the Institute of Chartered Accountants of India (ICAI).

Shri Kesavan brings rich experience of over 3 decades in handling various areas of Finance covering Corporate Accounts, Audit, Treasury Management, Risk Management, Budgeting, Pricing, Corporate Strategy & Margin Management, Heads of Commercial in various Marketing SBUs etc.

He has various academic distinctions to his credit and is a key technical speaker in in-house Capability Building seminars & workshops. He has contributed articles of corporate interest in various publications.

Shri Rakesh Misri

Shri Rakesh Misri is Director-Marketing of the Company effective October 17, 2019. Prior to his appointment as Director-Marketing, Shri Misri was Executive Director-Marketing Co-ordination of the Company.

A Gold Medalist in Civil Engineering from REC Srinagar (now NIT Srinagar), Shri Misri has a rich and varied professional exposure of over 37 years in the Company. He has held various senior level positions in the organization as Head-North Zone Retail, Executive Director-Direct Sales, Executive Director-Human Resources, Executive Director-Corporate Strategy & Business Development, and Executive Director-LPG.

He has various academic distinctions to his credit and is a key technical speaker in in-house Capability Building seminars and workshops.

GOVERNMENT NOMINEE DIRECTORS:

Shri Sunil Kumar

Shri Sunil Kumar is a Government Nominee Director of the Company from May 30, 2019. He is IRAS (1995 batch) and is presently posted as Joint Secretary (Refineries), MOP&NG, New Delhi since May 2019. He is a Bachelor of Technology (Petroleum Energy) from IIT(ISM), Dhanbad, Financial Management from NIFM, Faridabad, Masters in Business Administration from BI, School of Management, Oslo, Norway, Executive European MBA from ESCP-EAP, Paris, France, Masters Diploma in Public Administration from IIPA, New Delhi and Logistic Simulation and Planning from Beijing Jiaotong University, Beijing, China.

As Joint Secretary (Refineries), he is looking after the matters related to Refineries, Auto Fuel Policy, Petrochemicals, Import/ export of crude oil and other petroleum products: Bio Fuels, Renewable Energy and Conservation, Integrated Energy Policy, Climatic Change & National Clean Energy Policy. Before joining MoP&NG, he has worked with Indian Railways in various capacities including Director Finance-Expenditure in Railway Board and Chief Project Manager of Accounting Reform Project of Indian Railways.

Shri Subhash Kumar

Shri Subhash Kumar is a Part-Time Director on the Board of the Company, nominated by Government of India as representative of ONGC effective May 22, 2018. Shri Kumar is Director (Finance) of ONGC effective January 31, 2018.

Prior to joining as Director (Finance), ONGC, Shri Kumar served a brief stint with Petronet LNG Limited where he joined as Director (Finance) in August 2017.

Shri Kumar is a Fellow Member of ICMAI and also Associate Member of ICSI. He is an alumni of Punjab University, Chandigarh, where he obtained his Bachelor degree and Master degree in Commerce with Gold Medal.

Shri Kumar joined ONGC in 1985 as Finance & Accounts Officer (F&AO). After initially working in Jammu and Dehradun, he had a long stint at ONGC Videsh, the overseas arm of ONGC. During his tenure with ONGC Videsh, Shri Kumar was associated with key acquisitions and expansion of company's footprint from single asset company in 2001 into a company with global presence in 17 countries with 37 assets.

He played a key role in evaluation and acquisition of many assets abroad by ONGC Videsh.

INDEPENDENT DIRECTORS:

Shri G. Rajendran Pillai

Shri G Rajendran Pillai is an Independent Director on the Board of the Company effective July 15, 2019.

Shri Pillai hails from Kollam district. He has completed his B.A. and M.A. from SN College, Kollam and LLB from SP College of Chandrapur under Nagpur University.

He has worked with Income Tax Department and is currently practicing as an Advocate in District Court of Kollam.

Shri Amar Sinha (Upto September 20, 2020)

Shri Amar Sinha was an Independent Director on the Board of the Company from September 21, 2017 to September 20, 2020.

Shri Amar Sinha joined the Indian Foreign Service in 1982. He is an Economics Graduate from Patna University and has worked with the State Bank of India for over two years before joining the Indian Foreign Service.

During his diplomatic career, he has served in various capacities in Algiers (1983-87), Buenos Aires (1987-90), in the Ministry of External Affairs as Private Secretary to Minister of State for External Affairs, Chemicals & Fertilizers, Parliamentary Affairs and Department of Electronics and Ocean Development from July 1991 to May 1996. He then served as Director (BSM) in Ministry of External Affairs from June 1996 to July 1997 and as OSD to Minister of State for External Affairs from July 1997 to April 1998.

He also held diplomatic positions in Indian Missions in Washington DC (1998-2001) Jakarta (2001-2004) and Brussels (2004-2007) before being appointed as India's Ambassador to Tajikistan (April 2007 to July 2010) and Afghanistan (2013 to 2016).

During his last tenure in India (2010-2013), he was on deputation to the Ministry of Commerce and Industry and served as Joint Secretary in the Trade Policy Division and the RMTR Division handling WTO related matters and issues relating to multilateral economic negotiations. He also oversaw India's participation in multilateral agencies such as UNCTAD, APTA, BIMSTEC, G20, IBSA, BRICS etc.

He retired from the Ministry of External Affairs, New Delhi in June 2017 where he was serving as Secretary (Economic Relations) and oversaw all work related to India's economic relations and development partnership besides relations with countries in Africa, Gulf and West Asia. He was appointed a Member of the National Security Advisory Board on January 01, 2019.

Shri Siraj Hussain (Upto September 20, 2020)

Shri Siraj Hussain was an Independent Director on the Board of the Company from September 21, 2017 to September 20, 2020.

He joined the IAS in 1979 and was allotted Uttar Pradesh Cadre. He served the Government of Uttar Pradesh in various capacities including Managing Director, UP State Industrial Development Corporation and Managing Director, UP Agro Industries Corporation. He was also posted in the State Secretariat in the Departments of Energy, Education and Panchayati Raj. For a brief while, he was Secretary to Chief Minister of UP.

In the Union Government, he was Joint Secretary and Additional Secretary in Department of Food and Public Distribution and Chairman cum Managing Director of Food Corporation of India (FCI).

From 2000 to 2005, he served as Vice Chancellor of Jamia Hamdard University in New Delhi.

He has also served as Union Secretary in the Ministry of Food Processing Industries and Agriculture, Cooperation and Farmers Welfare.

He retired from Government Service in January 2016.

Presently he is a Visiting Senior Fellow with ICRIER where he has been researching and writing on issues confronting Indian Agriculture. He publishes articles in the Indian Express, Financial Express, Mint, DNA, Firstpost, Business Today, Business World, the Wire, the Print and Down to Earth. He has published several research papers on Indian Agriculture.

1.6 A Chart or a matrix setting out the skills/ expertise / competence of the Board of Directors:

HPCL, being a Government Company, under the administrative control of MOP&NG, the power to appoint Directors (including Independent Directors) vests with GoI. The Whole Time Directors having specified skills/expertise/ competencies in the context of Company's business and sector to function effectively are selected by Public Enterprises Selection Board (PESB), a high powered body constituted by GoI and appointed by MOP&NG as duly approved by Appointments Committee of Cabinet. Independent Directors are selected by Search Committee constituted by GoI from a mix of eminent personalities having requisite expertise & experience in diverse fields. In view thereof, the list of core skills expertise / competencies from a Director in the context of the Company's business, as specified under SEBI LODR is not required to be identified separately.

INDEPENDENT DIRECTORS:

1.7 Shri G. Rajendran Pillai, Independent Director on the Board of the Company as on March 31, 2021 has given a declaration that he meets the criteria of independence in accordance with the provisions of the Act and SEBI LODR and basis the declaration the Board is of the opinion that he fulfills the criteria of independence and is independent of the Management.

1.8 None of the Independent Directors has resigned from the Company before the expiry of their tenure. However, during the financial year under review, Shri Amar Sinha and Shri Siraj Hussain have ceased to be Independent Directors of the Company effective September 21, 2020 upon completion of their tenure of three years on September 20, 2020.

1.9 As provided under Schedule IV of the Act and also as per Regulation 25(3) of the SEBI LODR, a separate meeting of Independent Director was held on March 22, 2021.

1.10 The Company is nominating Independent Directors to the Familiarization Programs and other Corporate Programs from time to time. Web link where details of familiarization programs imparted to Independent Directors in the past is hosted on the website of the Company and can be accessed at https://www.hindustanpetroleum.com/stock_exchange

1.11 Being a Government Company, the appointment of all Directors including Independent Directors and their performance evaluation is being done by the GoI.

2. BOARD LEVEL COMMITTEES:

There are five Board Level Committees which were functional as on March 31, 2021, details of which are as follows:

- i Audit Committee
- ii Nomination and Remuneration Committee
- iii Risk Management Committee
- iv. Stakeholders Relationship Committee
- v. Corporate Social Responsibility and Sustainability Development Committee

The Company has only one Independent Director on its Board effective September 21, 2020. In view of this, existing Board Level Committees have been re-constituted with the available Directors with mix of executive and non-executive Directors for the functioning of the Committees. The composition of the Audit Committee & Nomination and Remuneration Committee and quorum of Audit Committee is not adequate as per Regulation 18 & 19 of SEBI LODR due to absence of sufficient number of Independent Directors on the Board of the Company.

Details of Members, Meetings held and Members' attendance at the Board Level Committees Meetings are given below:

i. Audit Committee:

The Company has constituted an Audit Committee as required under the Act, SEBI LODR and DPE Guidelines.

Sr . No.	Name of Directors	Shri Sunil Kumar	Shri Subhash Kumar	Shri R Kesavan	Shri G Rajendran Pillai	Shri Amar Sinha	Shri Siraj Hussain
	Category	Government Nominee Directors		Whole Time Director	Independent Directors		
	Designation in the Committee	Member from October 01, 2020	Member from October 01, 2020	Member	Chairman from October 01, 2020	Chairman till September 20, 2020	Member till September 20, 2020
	Date of Meetings						
1.	May 19, 2020	NA	NA	Yes	NA	Yes	Yes
2.	June 15, 2020	NA	NA	Yes	NA	Yes	Yes
3.	July 21, 2020	NA	NA	Yes	NA	Yes	Yes
4.	August 06, 2020	NA	NA	Yes	NA	Yes	Yes
5.	August 26, 2020	NA	NA	Yes	NA	Yes	Yes
6.	September 09, 2020	NA	NA	Yes	NA	Yes	Yes
7.	November 04, 2020	Yes	Yes	Yes	Yes	NA	NA
8.	February 03, 2021	Yes	Yes	Yes	Yes	NA	NA

Brief Terms of Reference:

The terms of reference of the Audit Committee are in accordance with the provisions of the Act, SEBI LODR and the DPE Guidelines for Corporate Governance and as amended from time to time. It, inter-alia, includes oversight of financial reporting process, recommending fixation of fees for auditors, approval of payment to auditors for any other services rendered, reviewing annual and quarterly financial statements, reviewing performance of statutory / internal auditors, reviewing adequacy of internal audit function, discussion with internal auditors, reviewing findings of internal investigations, if any, discussion with statutory auditors, approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments, if any; valuation of undertakings or assets of the Company, wherever it is necessary and evaluation of internal financial controls and risk management systems.

ii. Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee as required under the Act, SEBI LODR and DPE Guidelines. The remuneration of the Whole Time Directors and other officers is fixed by the GoI in view of the fact that the Company is a Government Company.

Sr. No.	Name of Directors	Shri Sunil Kumar	Shri Subhash Kumar	Shri G Rajendran Pillai	Shri Amar Sinha	Shri Siraj Hussain
	Category	Government Nominee Directors		Independent Directors		
	Designation in the Committee	Member from October 01, 2020	Member from October 01, 2020	Chairman from May 19, 2020	Member from May 19, 2020 till September 20, 2020	Member from May 19, 2020 till September 20, 2020
	Date of Meeting					
1.	October 26, 2020	Yes	Yes	Yes	NA	NA

Brief Terms of Reference:

The terms of reference of Nomination and Remuneration Committee is 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 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.

iii. Risk Management Committee:

The Board has constituted the Risk Management Committee as required under the provisions of the SEBI LODR.

Sr. No.	Name of Directors	Shri Mukesh Kumar Surana	Shri Pushp Kumar Joshi	Shri Vinod S Shenoy	Shri R Kesavan	Shri Rakesh Misri
	Category	**Whole Time Directors**				
	Designation in the Committee	**Chairman**	**Member**	**Member**	**Member**	**Member**
	Date of Meetings					
1.	May 27, 2020	Yes	Yes	Yes	Yes	Yes
2.	June 05, 2020	Yes	Yes	Yes	Yes	Yes

The Meeting held on May 27, 2020 (in accordance with relaxations provided by SEBI due to COVID-19) relates to Financial Year 2019-2020.

Brief Terms of Reference:

The terms of reference of the Committee broadly covers reviewing & spearheading risk management initiatives within the company, appointing the Chief Risk Officer (CRO), guiding and directing risk management activities and approving and allocating resources for risk mitigation.

iv. Stakeholders Relationship Committee:

The Board has constituted a Stakeholders Relationship Committee as required under the provisions of the Act and SEBI LODR.

Sr. No.	Name of Directors	Shri R Kesavan	Shri Pushp Kumar Joshi	Shri G Rajendran Pillai	Shri Siraj Hussain
	Category	**Whole Time Directors**		**Independent Directors**	
	Designation in the Committee	**Member**	**Member from October 01, 2020**	**Chairman from October 01, 2020**	**Chairman till September 20, 2020**
	Date of Meeting				
1.	October 26, 2020	Yes	Yes	Yes	NA

Shri. V. Murali, Company Secretary, is the Compliance Officer.

Brief Terms of Reference:

The role of the Committee shall be such as provided in Part D of Schedule II of Regulation 20 (4) of SEBI LODR. The terms of reference of the Committee is to, inter-alia, look into the various aspects of interests of shareholders, debenture holders and other security holders of the Company, to review and resolve the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report & declared dividends, issue of new/duplicate certificates including complaints received from statutory bodies on matters of investors interest.

v. Corporate Social Responsibility & Sustainability Development Committee:

The Board has constituted a Corporate Social Responsibility & Sustainability Development Committee (CSR & SD) as required under Section 135 of the Act and DPE Guidelines.

Sr. No.	Name of Directors	Shri Pushp Kumar Joshi	Shri Vinod S Shenoy	Shri Rakesh Misri	Shri G Rajendran Pillai	Shri Amar Sinha
	Category	**Whole Time Directors**			**Independent Directors**	
	Designation in the Committee	**Member**	**Member**	**Member**	**Chairman from October 01, 2020**	**Chairman till September 20, 2020**
	Date of Meetings					
1.	July 21, 2020	Yes	Yes	Yes	NA	Yes
2.	December 24, 2020	Yes	Yes	Yes	Yes	NA
3.	March 10, 2021	Yes	Yes	Yes	Yes	NA

vi. Investment Committee:

The Board has constituted an Investment Committee comprising Independent Directors and Whole Time Director as Members to review the investment in the projects of higher value before seeking approval of the Board.

Sr. No.	Name of Directors	Shri Siraj Hussain	Shri Amar Sinha	Shri R Kesavan
	Category	Independent Directors		Whole Time Director
	Designation in the Committee	Chairman till September 20, 2020	Member till September 20, 2020	Member
	Date of Meetings			
1.	May 19, 2020	Yes	Yes	Yes
2.	August 26, 2020	Yes	Yes	Yes
3.	September 09, 2020	Yes	Yes	Yes

There is no meeting of the Investment Committee from October 2020 due to the absence of sufficient number of Independent Directors and proposals requiring approval of the Investment Committee are placed for the consideration of the Board.

3. REMUNERATION OF DIRECTORS:

HPCL being a Government Company, the remuneration payable to its Whole Time Directors is approved by the GoI and advices thereof are received through MOP&NG. The remuneration of the Whole Time Directors includes Basic Salary, allowances and perquisites as determined by GoI. Moreover, they are entitled to Provident Fund and Superannuation Contributions as per the Rules of the Company. 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 details of Remuneration paid to all Whole Time Directors are given below.

i) The Gross Value of the fixed component of the remuneration paid to Whole Time Directors during the financial year 2020-2021 is given below:

(In ₹ Lakh)

Sr. No.	Particulars of Remuneration	Name of Chairman & Managing Director / Whole Time Directors					Total
		Mukesh Kumar Surana	Pushp Kumar Joshi	Vinod S Shenoy	R Kesavan	Rakesh Misri	
1	Gross Salary						
	(a) Salary as per provisions contained u/s 17(1) of the Income Tax Act, 1961	46.70	49.69	47.21	47.58	53.64	244.83
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	8.24	9.41	0.89	8.66	1.91	29.11
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission – as % of profit (Others, specify) / Bonus	-	-	-	-	-	-
5	Others: (PF, DCS, House Perks tax etc.)	8.69	9.17	6.53	11.36	6.17	41.92
	Total	**63.64**	**68.27**	**54.63**	**67.60**	**61.72**	**315.86**
	Ceiling as per the Act	Provisions of Section 197 of the Act with respect to overall maximum Managerial Remuneration is not applicable to the Company, being a Government Company as per MCA Notification dated June 5, 2015.					

Notes:

Performance linked incentives are payable to the Whole Time Directors as employees of the Company as per the policy applicable to all executives of the Company.

During the financial year, no Stock Options were issued by the Company to Whole Time Directors.

The terms of appointment of the Whole Time Directors, as issued by the GoI, provides for 3 months notice period or salary in lieu thereof for severance of service.

There has been no other pecuniary relationship or business transactions, except as disclosed in this Annual Report, by the Company with any of the Non-Executive Directors of the Company.

ii) Sitting Fees for the Financial Year 2020-2021:

The details of Sitting Fees paid to Independent Directors for the financial year 2020-2021 for attending the Board/Committees Meetings are given below:

(In ₹ Lakh)

Details of Meeting	Shri G Rajendran Pillai	Shri Amar Sinha	Shri Siraj Hussain
Board	4.40	2.40	2.40
Audit Committee	0.60	1.80	1.80
Nomination & Remuneration Committee	0.30	-	-
Stakeholders Relationship Committee	0.30	-	-
Investment Committee	-	0.90	0.90
CSR & SD Committee	0.60	0.30	-
Independent Directors	0.30	-	-
Total Sitting Fees Paid	**6.50**	**5.40**	**5.10**

4. REFERENCES & INVESTORS COMPLAINTS RECEIVED AND REPLIED DURING FINANCIAL YEAR 2020-2021:

Sr. No.	Nature of Correspondence	References	Complaints	Total
1.	Number of shareholders' references / complaints received	2367	35	2402
2.	Number of complaints not solved to the satisfaction of shareholders	0	0	0
3.	Number of pending references / complaints as on March 31, 2021	51	0	51

The Designated email ID for Investors' Communication: **hpclinvestors@mail.hpcl.co.in**

5. CODE OF CONDUCT:

In compliance with the provisions of Regulation 17 (5) (a) of the SEBI LODR, "Code of conduct for Board Members and Senior Management Personnel of Hindustan Petroleum Corporation Limited" has been devised by the Company including the duties of Independent Directors as envisaged in Regulation 17 (5) (b) of the SEBI LODR.

The purpose of this Code is to enhance further ethical and transparent process in managing the affairs of the Company. This Code has been made applicable to:

- All Whole-Time Directors;
- All Non-Whole Time Directors including Independent Directors; and
- Senior Management Personnel.

This code would be read in conjunction with the Conduct, Discipline & Appeal Rules for Officers applicable to Whole Time Directors and Senior Management Personnel.

All the Board Members and Senior Management Personnel have provided the Annual Compliance Certificate duly signed by them as on March 31, 2021.

6. RIGHT TO INFORMATION ACT, 2005:

The Right to Information Act, 2005 (RTI), which became effective October 12, 2005, is complied with by the Company. The Company has hosted detailed information on its website www.hindustanpetroleum.com and updated the same from time to time. Officers across the country, representing different departments, have been appointed as Public Information Officers and Appellate Authorities to deal with the queries received from the Indian Citizens under RTI.

7. INTEGRITY PACT:

The Company has introduced "Integrity Pact" (IP) to enhance ethics / transparency in the process of awarding contracts. An MoU has been signed with "Transparency International" on July 13, 2007. This was made applicable in the Company effective September 01, 2007 for contracts of ₹ 1 Crore and above. The Integrity Pact has now become a part of tender documents to be signed by the Company and by the vendor(s) / bidder(s).

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 the Purchase Process of the Company and review of orders covered under Integrity Pact.

8. SHARES DEPARTMENT ACTIVITIES:

Shares Department monitors the activities of R&T Agents M/s. Link Intime India Pvt. Ltd., and looks into the issues of shareholders such as Share Transfers, Demat, Remat, Issue of Duplicate Share Certificate, Transmission and other important matters which are approved by the Share Transfer Committee. The Share Department carries various activities in-house such as: Compliances under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), Dividend Reconciliation, Dividend Audits, Filing on-line Statutory Compliances on BSE Limited ("BSE") /National Stock Exchange of India Limited ("NSE"), TDS on dividend and responding to grievances of shareholders received through Statutory bodies.

HPCL has 3,22,996 shareholders as on March 31, 2021. The Company regularly interacts with the shareholders through e-mails, letters, during AGM, Investors' Meets, wherein the activities of the Company, its performance and its future plans are shared with the Shareholders.

The Company has been taking appropriate steps to ensure that Shareholder queries are given top priority and all references / representations which are received from various modes like emails on hpclinvestors, Corporate HQO, direct emails from shareholders, day today physical letters etc. are resolved at the earliest.

The quarterly results are published in English and Vernacular newspapers. The Financial and other details are also posted on the Company's website viz. www.hindustanpetroleum.com

The Company Secretary of the Company is the Compliance Officer in terms of the SEBI LODR and Nodal Officer for IEPF.

9. GENERAL BODY MEETINGS:

9.1 Location and time of the last three Annual General Meetings held:

Financial Year	Location	Date	Time	Special Resolution
2019-2020	Through Video Conference / Other Audio Visual Means Deemed Venue: Petroleum House, 17, Jamshedji Tata Road, Churchgate, Mumbai – 400020	September 16, 2020	11.00 AM	No
2018-2019	Y.B. Chavan Auditorium, Yashwantrao Chavan Pratisthan, Gen. Jagannatharao Bhosale Marg, Mumbai – 400 021	August 21, 2019	11.00 AM	No
2017-2018	Y.B. Chavan Auditorium, Yashwantrao Chavan Pratisthan, Gen. Jagannatharao Bhosale Marg, Mumbai – 400 021	August 30, 2018	11.00 AM	One Special Resolution was passed for approving Borrowing of Funds upto ₹ 12,000 Crore through issue of Debentures/Bonds /Notes etc.

9.2 Whether any Special Resolutions passed last year through Postal Ballot?

No approval of Shareholders was sought by means of Postal Ballot during the Financial Year 2020-2021.

9.3 Person who conducted the Postal Ballot Exercise:

Not Applicable

9.4 Whether any special resolution is proposed to be conducted through Postal Ballot:

For the financial year 2021-2022, Special Resolution through Postal Ballot, if any, will be passed on need basis as and when required.

9.5 Procedure for Postal Ballot:

Procedure as prescribed under Section 110 of the Act read with relevant rules made thereunder will be adhered to.

10. MEANS OF COMMUNICATON:

Timely disclosure of consistent, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, major steps taken are as under:

i) Quarterly and Yearly Financial Results:

The quarterly unaudited financial results and yearly audited financial results of the Company are announced within the time limits as prescribed under the SEBI LODR. The results are published in leading business/regional newspapers and were also sent to the Shareholders who have registered their e-mails for e-communication.

ii) Website:

The Company's website i.e www.hindustanpetroleum.com provides separate sections for investors where relevant information for shareholders is made available. It also provides comprehensive information on HPCL's Portfolio of business, including sustainability initiatives comprising CSR activities, HSE performance etc.

The link for accessing the details as prescribed under Regulation 46 of SEBI LODR is given at http://www.hindustanpetroleum.com/stock_exchange.

iii) News Releases:

Official News Releases are hosted on the Company's website at www.hindustanpetroleum.com

iv) Annual Report:

Annual Report for 2020-21 is circulated to shareholders and other stakeholders entitled thereto. The Management Discussion & Analysis Report is part of the Annual Report.

v) Correspondence with Shareholders:

- Physical letters were sent to shareholders for updation of bank details during the financial year.
- Emails were sent to shareholders advising on the applicability of deduction of tax at source (TDS) and submission of applicable forms for non-deduction of tax
- Inland Letters on Intimation of Dividend credited electronically for the Final Dividend of 2019-20 were sent.
- Inland Letters were sent to shareholders for claiming their unpaid / unclaimed dividends of last seven years.
- The Annual Reports, ECS Intimations on credit of the Dividends, E-Voting / Postal Ballot communications are sent through e-mails to the shareholders who have registered their emails for e-communications.

vii) Presentations made to Institutional Investors or to the Analysts: Presentations, if any, made to Institutional Investors or to the Analysts, are available at www.hindustanpetroleum.com.

Unclaimed Dividend and Shares transferred to IEPF Authority:

As per Section 124 (5) of the Act, the unpaid/unclaimed dividend in the "Unpaid Dividend Account" remaining unclaimed / unpaid for a period of 7 years, has to be transferred, to "Investor Education & Protection Fund" (IEPF) established by Government. The dividend declared @ 85% for the year 2012-13 on 05-09-2013 became due to be transferred to IEPF in FY 2020-21. Accordingly, unclaimed/unpaid dividend amount of the financial year 2012-13 was transferred to IEPF Authority.

Pursuant to Section 124 (6) of the Act read with the IEPF Rules as amended from time to time, the shares in respect of which dividend has not been paid or claimed for a period of seven consecutive years or more are required to be transferred by the Company to IEPF Authority. Accordingly, as prescribed under the Act, all the required actions were taken and the shares were transferred to IEPF Authority as summarized below :

Category	No. of Records	No. of Shares transferred
NSDL Account	110	12976
CDSL Account	22	1201
Physical Account	192	34851
Total	**324**	**49028**

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11. GENERAL SHAREHOLDER INFORMATION:

11.1 69th Annual General Meeting:

Date and Time : September 15, 2021 at 11.00 A.M.

Venue : Through Video Conferencing

11.2 Financial Year:

i) The details of Board Meetings, date of publications and newspapers for FY 2020-2021 are as below:

Adoption of Quarterly/ Annual Results for the Quarter/Financial year ended	Date of Board Meeting	Date of Publication	Names of Newspapers
June 30, 2020 (Quarterly Results)	August 6, 2020	August 7, 2020	1. Economic Times – English (All Edition) 2. Financial Express – English (All Edition) 3. Business Standard – English (All Edition) 4. Business Standard – Hindi (All Edition) 5. Jansatta – Hindi (All Edition) 6. Loksatta – Marathi (All Edition) 7. Sakal – Marathi (Mumbai Edition)
September 30, 2020 (Quarterly Results)	November 4, 2020	November 5, 2020	1. Economic Times – English (All Edition) 2. Financial Express – English (All Edition) 3. Business Standard – English (All Edition) 4. Business Standard – Hindi (All Edition) 5. Jansatta – Hindi (All Edition) 6. Loksatta – Marathi (All Edition) 7. Sakal – Marathi (Mumbai Edition)
December 31, 2020 (Quarterly Results)	February 4, 2021	February 5, 2021	1. Economic Times – English (All Edition) 2. Financial Express – English (All Edition) 3. Business Standard – English (All Edition) 4. Business Standard – Hindi (All Edition) 5. Jansatta – Hindi (All Edition) 6. Loksatta – Marathi (All Edition) 7. Sakal – Marathi (Mumbai Edition)
March 31, 2021 (Quarterly & Annual Results)	May 20, 2021	May 21, 2021	1. Economic Times – English (All Edition) 2. Financial Express – English (All Edition) 3. Business Standard – English (All Edition) 4. Business Standard – Hindi (All Edition) 5. Jansatta – Hindi (All Edition) 6. Loksatta – Marathi (All Edition) 7. Sakal – Marathi (Mumbai Edition)

ii) Calendar for FY 2021-22:

Adoption of Quarterly/ Annual Results for the Quarter/Financial year ended and Annual General Meeting	Tentative Period
June 30, 2021 (Quarterly Results)	Will be held within the timelines prescribed under the applicable statutes
September 30, 2021 (Quarterly Results)	
December 31, 2021 (Quarterly Results)	
March 31, 2022 (Quarterly & Annual Results)	
Annual General Meeting for financial year ending March 31, 2022.	

11.3 Book Closure Date(s) for Final Equity Dividend:

July 12, 2021 – July 16, 2021(Both days inclusive).

11.4 Dividend Payment Date: The Final Equity Dividend of ₹ 22.75 per Share as recommended by the Board of Directors, if approved at the AGM, shall be paid to the eligible Members/Beneficial Owners within the stipulated period of 30 days after the date of approval of Shareholders in the Annual General Meeting.

11.5 Listing on Stock Exchanges as of March 31 2021 (Both Equity and Debts):

BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051

11.6 Listing Fees: Listing Fees for Financial Year 2021-2022 have been paid to Stock Exchanges.

11.7 Stock Codes:

BSE: 500104 NSE: HINDPETRO

ISIN (for trading in Demat Form): INE094A01015

11.8 Stock Market Data:

HPCL SHARE PRICE:

(In ₹)

Financial Year	BSE		NSE	
	High	Low	High	Low
2020-21	259.20	163.30	259.25	162.90
2019-20	333.45	155.00	333.50	150.00
2018-19	370.00	163.45	370.00	163.00
2017-18	575.30	323.50	574.80	323.50
2016-17	1,328.95	390.00	1,328.00	389.50

Performance in Comparison to Broad Based Indices:

As on	HPCL Share (₹)	BSE Sensex	NSE Nifty
March 31, 2021	234.55	49,509.15	14,690.70
March 31, 2020	190.15	29,468.49	8,597.75
March 31, 2019	283.50	38,672.91	11,623.90
March 31, 2018	344.15	32,968.68	10,113.70
March 31, 2017	525.45	29,620.50	9,173.75

HPCL Share Price Monthly Data:

Month	BSE				NSE			
	High (₹)	Low (₹)	Close (₹)	Volume (Qty)	High (₹)	Low (₹)	Close (₹)	Volume (Qty)
April - 2020	228.55	175.60	220.20	60,56,199	228.50	175.55	220.30	12,60,83,700
May - 2020	220.10	170.40	194.00	1,11,52,367	220.00	170.35	194.55	13,41,35,421
June - 2020	241.80	192.40	216.40	1,11,18,667	242.10	192.30	216.75	18,10,04,211
July - 2020	240.70	200.30	215.00	1,11,77,986	240.70	200.50	215.00	18,69,85,504
August - 2020	224.90	200.50	201.70	1,18,53,903	223.00	200.50	201.55	17,03,34,715
September - 2020	204.60	171.00	180.20	73,03,059	204.80	170.85	180.65	15,58,61,456
October - 2020	189.50	163.30	187.70	80,29,504	189.60	162.90	187.65	15,67,86,585
November - 2020	223.30	181.20	209.00	83,77,988	223.40	181.15	209.35	18,52,76,260
December - 2020	234.45	203.85	217.90	91,64,729	234.40	203.90	217.90	17,22,50,999
January - 2021	238.00	214.10	218.70	62,12,419	237.60	214.05	218.60	14,59,68,724
February - 2021	259.20	212.50	240.35	81,07,508	259.25	212.30	242.45	19,43,22,551
March - 2021	257.90	226.05	234.55	86,39,940	257.90	225.90	234.50	14,10,98,166

Per Share and Related Data:

		2020-21	2019-20	2018-19	2017-18	2016-17
Per Share Data	Unit					
EPS (Note)	₹	70.57	17.31	39.56	41.72	40.74
CEPS (Note)	₹	94.06	30.23	63.02	62.54	61.51
Dividend	₹	9.75	9.40	9.00	15.60	44.90
Book Value	₹	249.21	190.06	184.90	157.16	200.29
Share Related Data	Unit					
Dividend Payout	%	13.82	54.31	22.75	36.52	56.01
Price to Earning *	Multiple	3.32	10.99	7.17	8.25	12.90
Price to Cash Earning *	Multiple	2.49	6.29	4.50	5.50	8.54
Price to Book Value	Multiple	0.94	1.00	1.53	2.19	2.62
* Based on March 31, closing price(BSE)		234.55	190.15	283.50	344.15	525.45

Note : EPS for earlier periods presented have been recalculated in accordance with Ind AS 33 "Earnings Per Share".

11.9 Registrar and Transfer Agents:

M/s. Link Intime India Pvt. Ltd.
Unit: HINDUSTAN PETROLEUM CORPORATION LTD.
C-101, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai - 400 083
Telephone No.: 022 – 49186000
Fax No.: 022 – 49186060
Email: rnt.helpdesk@linkintime.co.in

11.10 Share Transfer System:

Activities relating to Share Transfers are carried out by M/s. Link Intime India Pvt. Ltd. who is the Registrar and Transfer Agents of the Company and who has arrangements with the Depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited. The Transfers are approved by the Share Transfer Committee. If the documents are correct and valid in all respects, share transfers are registered and Share Certificates are dispatched within stipulated period from the date of receipt.

The number of shares transferred during the last two financial years:

2020-2021: 64,517 Shares

2019-2020: 1,06,252 Shares

SEBI vide its notification dated June 8, 2018 and vide its press release dated December 3, 2018, amended Regulation 40 of the SEBI LODR and has mandated that the transfer of securities would be carried out in dematerialised form only w.e.f. April 1, 2019. Further, SEBI vide its press release dated March 27, 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 1, 2019. Further, SEBI vide its circular dated September 7, 2020, notified March 31, 2021 as the cut-off date for receiving re-lodged transfer deeds by the Company. In addition, the shares that were being re-lodged for transfer (including those request that are pending with the Company/RTA) be issued only in demat mode.

11.11 Dematerialisation of shares and liquidity:

The total number of shares dematerialised as on March 31, 2021 is 1,45,04,77,000 representing 99.63% of paid up equity share capital. Trading in Equity Shares of the Company is permitted only in dematerialised form, w.e.f. February 15, 1999 as per the notification issued by the SEBI.

11.12 Outstanding Global Depository Receipts (GDR) or American Depository Receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity:

Not Applicable.

11.13 Plant Locations:

The Company has 2 Refineries located at Mumbai and Visakhapatnam. It has 133 Regional Offices, 41 Terminals, 39 Depots, 51 LPG Bottling Plants, 6 Lube Blending Plants, 18634 Retail Outlets, 46 ASFs, 1638 SKO/LDO Dealers, 6192 LPG Distributors located all over the country.

11.14 List of all credit ratings along with any revisions thereto, for all debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

As on March 31, 2021, the Company commands international long term issuer rating of "Baa3" with "Negative" outlook from Moody's Investors Services, and "BBB-" with "Negative" outlook from Fitch Ratings. Both ratings are at par with the sovereign rating.

During the financial year, Moody's Investors Services revised India's sovereign rating from "Baa2" to "Baa3" while maintaining the outlook as "Negative". Also, Fitch Ratings revised its outlook on India's "BBB-" sovereign rating from "Stable" to "Negative". Since the rating of the Company is aligned to India's sovereign rating, Moody's Investors Services, revised the rating of the Company from "Baa2" to "Baa3" while maintaining the outlook on the Company's rating as "Negative"; and Fitch Ratings, while maintaining the rating of the Company at "BBB-", revised the outlook on the Company's rating from "Stable" to "Negative", in line with the changed outlook on India.

The Company continues to command highest domestic rating for long term ("AAA" with "Stable" outlook) and short term ("A1+") facilities from CRISIL, India Ratings and Research and ICRA.

11.15 Address for Correspondence:

Registrars & Transfer Agents:	**Company's Shares Department:**
M/s. Link Intime India Pvt. Ltd. Unit: HINDUSTAN PETROLEUM CORPORATION LTD. C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400 083 Telephone No.: 022 - 49186000 Fax No.: 022 - 49186060 Email: rnt.helpdesk@linkintime.co.in	HINDUSTAN PETROLEUM CORPORATION LTD. Shares Department, 2nd Floor, Petroleum House, 17, Jamshedji Tata Road, Churchgate, Mumbai - 400 020 Telephone Nos.: 022 - 22863201 / 3204 Fax No.: 022 - 22874552 / 22841573 Email: hpclinvestors@mail.hpcl.co.in

11.16 Distribution Schedule as on March 31, 2021:

No. of Shares	Physical Holding		Dematerialized Holding		Total Shareholding		Percentage	
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	Shareholders	Holding
1-500	1,659	4,18,337	2,72,678	3,09,63,122	2,74,337	3,13,81,459	84.93	2.15
501-1000	3,436	22,52,241	22,596	1,69,05,431	26,032	1,91,57,672	8.06	1.32
1001-5000	1,356	22,73,360	17,612	3,63,56,739	18,968	3,86,30,099	5.87	2.65
5001-10000	20	1,36,424	1,776	1,26,47,889	1,796	1,27,84,313	0.56	0.88
10001 & above	2	2,88,225	1,861	1,35,36,03,819	1,863	1,35,38,92,044	0.58	93.00
TOTAL:	**6,473**	**53,68,587**	**3,16,523**	**1450477000**	**3,22,996**	**1,45,58,45,587**	**100**	**100**

11.17 Shareholding Pattern:

CATEGORY	As on March 31, 2021			As on March 31, 2020		
	No. of Holders	Shares held	% of total issued shares	No. of Holders	Shares held	% of total issued shares
Oil and Natural Gas Corporation Ltd.	1	778,845,375	53.50	1	778,845,375	51.11
FPI (Includes OCBs, FII & Foreign Banks)	585	237,687,202	16.33	615	270,026,078	17.72
Mutual Funds (Includes AIF)	171	207,973,603	14.29	191	231,226,883	15.17
Public	305,916	124,394,773	8.54	239,374	103,893,605	6.82
Insurance Companies	54	63,916,555	4.39	76	91,177,212	5.98
Other Bodies Corporate	1,816	18,327,566	1.26	1,870	23,958,207	1.57
Foreign Nationals (Includes NRI)	7,941	6,736,904	0.46	7,041	5,038,285	0.33

CATEGORY	As on March 31, 2021			As on March 31, 2020		
	No. of Holders	Shares held	% of total issued shares	No. of Holders	Shares held	% of total issued shares
Financial Institutions	18	3,173,940	0.22	10	4,936,693	0.32
Banks	10	450,599	0.03	10	2,658,733	0.17
Others	6,484	14,339,070	0.98	5,699	12,061,554	0.79
TOTAL	**322,996**	**1,455,845,587**	**100**	**254,887**	**1,523,822,625**	**100.00**

12. DISCLOSURES:

12.1 During the financial year 2020-2021, the Company has announced buy-back of its Equity Shares from Open Market through Stock Exchange Mechanism. The Buy-Back Size was ₹ 2,500 Crore and Maximum Buy-Back Price per share was ₹250. The buy-back of shares had commenced on November 17, 2020. During the period from November 17, 2020 till March 31, 2021, the Company has bought back 7,18,01,491 nos. of Equity Shares. Out of this, 6,79,77,038 nos. of Equity Shares were extinguished till March 31, 2021. With this, the Paid-Up Equity Share Capital of the Company was reduced from ₹ 1523,82,26,250 (Pre-Buy-back) to ₹ 1455,84,55,870 as of March 31, 2021.

12.2 During the financial year 2020-2021, there were no materially significant related party transactions with Directors or their relatives having potential conflict with the interest of the Company. Being a Government Company, all the Directors of HPCL are appointed by the GoI. There is no relationship inter se among these Directors.

12.3 Policies & web links for accessing:

Sn.	Particulars	Link
1.	As required under SEBI LODR, the Company has formulated a Policy on Materiality of Related Party Transactions and the same is hosted on the website of the Company. All the related party transactions entered into during Financial Year 2020-2021 were approved by the Audit Committee/Board.	https://www.hindustanpetroleum.com/documents/pdf/HP_RPT_Policy.pdf
2.	As required under Regulation 43A of the SEBI LODR, the Company has formulated Dividend Distribution Policy and the same is hosted on the website of the Company.	https://www.hindustanpetroleum.com/documents/pdf/Dividend%20Distribution%20Policy.pdf
3.	The Company has a Whistleblower Policy in place and no person have been denied access to the Audit Committee.	https://www.hindustanpetroleum.com/documents/pdf/Whistle_Blower_policy.pdf
4.	Policy for Determining Material Subsidiaries (As on March 31, 2021, the Company did not have any material subsidiary as per SEBI LODR.)	https://www.hindustanpetroleum.com/documents/pdf/HP_material_Subsidiary_policy.pdf
5.	The Company has framed "The Code for prohibition of Insider Trading in the Securities of HPCL".	https://www.hindustanpetroleum.com/documents/pdf/CodeforProhibitionofInsiderTrading.pdf
6.	Trading Window Closure Period (FY 2021-22): • From 1st April 2021 to May 22, 2021. • From 1st July, 2021 till 48 hours after the date of Board Meeting which will be held to consider and approve the Unaudited Financial Results of the Company for the 1st Quarter ended June 30, 2021. • From 1st October, 2021 till 48 hours after the date of Board Meeting which will be held to consider and approve the Unaudited Financial Results of the Company for the 2nd Quarter & Half Year ended September 30, 2021 • From 1st January, 2022 till 48 hours after the date of Board Meeting which will be held to consider and approve the Unaudited Financial Results of the Company for the 3rd Quarter ended December 31, 2021. • From 1st April, 2022 till 48 hours after the date of Board Meeting which will be held to consider and approve the Audited Financial Results of the Company for the Financial Year ended March 31, 2022.	

12.4 Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

It may be noted that post 20-11-2019, HPCL is non-compliant with the provisions of 17 (1) (b) of SEBI LODR i.e. not having required number of Independent Directors on the Board (considering Chairman of the Board being Executive Director). Further, post 13-02-2020, there is also Non-Compliance of Regulation 17 (1) (a) of the requirement of having at least one Woman Independent Director on the Board. Due to not having required number of Independent Directors, the Company w.e.f September 21, 2020 is also non-compliant of Regulation 18(1)(b) i.e. two-thirds of the members of Audit Committee are not Independent Directors; Regulation 18(2) (b) i.e. the quorum for Audit Committee meeting was not having at least two independent directors and Regulation 19(1)(c) i.e. fifty percent of the members of Nomination & Remuneration Committee was not Independent Directors.

It may be noted that HPCL has received letters from BSE and NSE informing levy of penalty for non-compliance. In this regard the Company has requested the Stock Exchanges for waiver of fine levied, as HPCL being a Government Company, the power to appoint Directors (including Independent/Women Director) and terms and conditions of appointments etc. vests with GoI and such non-compliance is not due to any negligence/ default by the Company. Accordingly, based on the Company's representation, BSE has waived the fines while NSE has advised the Company to make a formal request for waiver of fine subsequent to making good of the respective non-compliances. The non-compliance of provision of said Regulations has been reported by the Company in the quarterly Corporate Governance Reports filed during FY 2020-21.

12.5 The Company is complying with the various mandatory and non-mandatory Corporate Governance requirements envisaged under SEBI LODR, and DPE Guidelines. With regard to appointment of required number of Independent Directors & also Independent Woman Director on the Board of HPCL, to comply with 17 (1) (a) & (b) of the SEBI LODR and Clause 3.1.4. of the DPE Guidelines on Corporate Governance, the Company has taken up the same with MOP&NG.

12.6 With regard to SEBI Circular on implementation of certain recommendations of the Committee on Corporate Governance, it may be noted that HPCL is a Government Company. In the case of Government Companies which are also listed, the compliance of Section 134 (3) (p) of the Act is exempted by virtue of Ministry of Corporate Affairs Notification dated June 5, 2015 as the annual evaluation of the Performance of the Board, its Committees and of individual Directors are carried out by MOP&NG as per its own evaluation methodology.

Further as far as applicability of Regulation 17(10) of SEBI LODR i.e. Performance Evaluation of Independent Directors is concerned, the matter has been referred to SEBI for seeking clarifications on its applicability for the Government Companies since the same is exempted for Government Companies under the Act. It is also understood that DPE has taken up with SEBI through the Department of Economic Affairs, Ministry of Finance to make suitable amendments to SEBI LODR in line with provisions under the Act.

As far as SEBI Circular dated May 10, 2018 on the point of Group Governance Unit in the cases of "large number of Unlisted Subsidiaries" is concerned, HPCL has only 6 subsidiary companies. The Board minutes, important matters pertaining to subsidiary companies are regularly placed for information of the HPCL's Board. The requirement on Medium term and Long term strategy is already covered in the MDA.

12.7 CEO / CFO Certification:

Chairman & Managing Director and Director (Finance) of the Company have given "CEO/CFO Certification" to the Board in compliance of SEBI LODR.

12.8 The Disclosure in compliance of relevant provisions of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" with respect to complaints for Financial Year 2020-2021 is given below:

Number of Complaints filed during the Financial Year : 01

Number of Complaints disposed of during the Financial Year: Nil

Number of Complaints pending as on end of the Financial Year :01

12.9 In Compliance of Regulation 24A of SEBI LODR, the Company has undertaken Secretarial Audit and Secretarial Audit Report given by a Practising Company Secretary, M/s. Dholakia and Associates LLP is annexed to the Directors' Report.

12.10 The Company has received a certificate from Shri Upendra Shukla, Practising Company Secretary that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI, Ministry of Corporate Affairs or any such Statutory Authorities.

12.11 The recommendation made from time to time by the Committees of the Board are broadly accepted by the Board.

12.12 Total Fees paid by HPCL and its subsidiaries to respective Statutory Auditors of the Companies on Consolidated basis is as follows:

Type of Payment	2020-21 (In ₹ Crore)
Audit Fees	0.72
Other Services	0.38
Reimbursement of expenses	0.19
Total	**1.29**

12.13 The Board has taken on record the declaration and confirmation submitted by the Independent Director under the Act and the SEBI LODR.

12.14 Disclosure regarding commodity price risk and Hedging activities:

1. **Company's Risk management policy w.r.t. commodities and its hedging:**

The Company is exposed to various commodity price risks such as variation in refining margins, i.e. the difference between refined product price and crude price, risk of reduction in inventory valuation due to price variation, risk of higher crude prices on crude consumed in refining system and risk of price variations on import of petroleum products, etc.

The Company assesses these risks and appropriate hedging positions are executed using hedging instruments permitted under laws in India to monitor and manage risks.

The Company has a Board approved policy for the risk management covering the exposure towards commodities, commodity risk and hedged exposure.

2. **Exposure to commodity and commodity risks faced throughout the year:**

A. Total estimated exposure of the Company to commodities price risk:

The value of total Inventory held by the Company for Raw Material, Work in Process, Finished Goods (including Stock in Trade) as on March 31, 2021 was ₹ 28,104 Crore. The Refinery margins for the Financial Year 2020-21 was ₹ 3,415 Crore (approx.).

B. Exposure of the Company to material commodities:

Commodity Name	Exposure in INR Towards the Particular Commodity*	Exposure in Quantity Terms Towards the Particular Commodity	% of Such Exposure Hedged through Commodity Derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
	₹ Crore	In MMT					
Refinery Margin	342	16.42	Nil	Nil	4.21	Nil	4.21
Inventory as on March 31, 2021							
- Raw Material (mainly Crude)	391	0.67	Nil	Nil	Nil	Nil	Nil
- Work in progress	102	0.28	Nil	Nil	Nil	Nil	Nil
- Finished Goods (incl. Stock in Trade)	2,318	3.29	Nil	Nil	Nil	Nil	Nil

*impact for each 10% variation in exposure has been given for the particular commodity

C. Commodity risks faced by the Company during the year and how it has been managed:

The primary commodity risk faced by the Company is the risk around price movement in crude oil and refined products. Any adverse movement in commodity prices may affect the margin. Similarly, any favorable movement in prices can also allow margins to rise. Hedging activities are targeted to reduce uncertainties / volatilities in future cash flows.

12.15 The securities of the Company was not suspended during financial year 2020-21.

12.16 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): N.A.

13. EQUITY SHARES IN UNCLAIMED SUSPENSE ACCOUNT:

As per the provisions of Regulation 39(4) of the SEBI LODR, the unclaimed shares certificates which were lying in the possession of the Company were transferred into a special demat account held by the Company. This account is being held by the Company purely on behalf of the shareholders entitled for these shares. 9,891 equity shares are lying in the suspense account as on March 31, 2021.

It may also be noted that the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares. Shareholders who have not yet claimed their shares are requested to immediately approach the registrar and transfer agents of the Company by forwarding a request letter duly signed by all the joint holders furnishing their complete postal address along with pin code, self-attested copies of PAN card and proof of address and for delivery of shares in demat form - a copy of demat account - client master report duly certified by the Depository Participant and a recent demat account statement to enable the Company to release the said shares to the rightful owner.

The status of equity shares lying in the unclaimed suspense account is given below:

Particulars	No. of Shareholders	No. of Equity Shares Held
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	0	0
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
Number of shareholders to whom shares were transferred from suspense account during the year;	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	37	9,891

14. The Company has complied with the Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulations (2) of Regulation 46 to the extent applicable.

15. The discretionary requirements as specified in Part E of Schedule II of SEBI LODR have been adopted to the extent practicable.

DECLARATION OF THE CHAIRMAN & MANAGING DIRECTOR:

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the same is uploaded on the website of the Company www.hindustanpetroleum.com

Further, it is certified that the Board of Directors and Senior Management Personnel have affirmed and having complied with Code as applicable to them during the Financial Year ended March 31, 2021.

Mukesh Kumar Surana
Chairman & Managing Director

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Hindustan Petroleum Corporation Limited

We have examined the compliance of conditions of Corporate Governance by **Hindustan Petroleum Corporation Limited** ("the Company") for the year ended on March 31, 2021, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") and the Guidelines on Corporate Governance for Central Public Sector Enterprises (Guidelines) as issued by the Department of Public Enterprises (DPE).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination, as carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on our examination of the relevant records and in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paragraphs C and D of Schedule V to the Listing Regulations for the year ended March 31, 2021 as well the Guidelines issued by the DPE subject to the following:

a) The company has not complied with Regulation 17 (1) (b) of Listing Regulations & clause 3.1 of DPE Guidelines (Board), 18(1) (b) and 18 (2) (b) of Listing Regulations & clause 4.1 of DPE Guidelines (Audit Committee) and Regulation 19 (1) of Listing Regulations (Nomination and Remuneration Committee) regarding the minimum number of Independent Directors and further clause 5.1 of the DPE Guidelines regarding minimum number of Directors in Nomination and Remuneration Committee.

b) The company has not complied with Regulation 17 (1) (a) of the Listing Regulations regarding having at least one Woman Independent Director on the Board.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For R. Devendra Kumar & Associates
Chartered Accountants
Firm Regn. No.114207W

Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAABS1806

For M.P. Chitale & Co.
Chartered Accountants
Firm Regn. No.101851W

Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAAFL1064

Place: Mumbai
Date: August 04, 2021

Management Discussion & Analysis Report 2020-21

A. BUSINESS ENVIRONMENT & OUTLOOK

Economic Backdrop

The COVID-19 pandemic affected world economy in 2020. Governments across the world adopted several actions like lockdowns, quarantine and social distancing to 'flatten the curve' of the infections. The global economy contracted by over 3% in 2020 in view of the pandemic-induced restrictions.

The Indian economy was also impacted by the unprecedented crisis in 2020-21 due to the COVID-19 pandemic. The lockdown measures, imposed to contain the pandemic, affected the economic activities resulting in contraction of the real Gross Domestic Product (GDP) by 7.3% in 2020-21. Consequent to the several proactive preventive and mitigating measures taken by Government, the rebound from the COVID-19 induced slump has been sharp in the third quarter of 2020 as real GDP growth turned positive. The health care crisis has subsided during second quarter of 2021. With aggressive vaccination programme and fiscal stimulus, economic activity is witnessing a resumption.

Energy Scenario

The COVID-19 pandemic impacted the energy sector on the back of high contraction in demand. The period during 2020 saw new uncertainties for the energy sector and fundamental shifts in the energy ecosystem. The primary energy demand dropped by an estimated 4.5% in 2020 compared to the previous year.

For the first time in the 21st Century, primary energy consumption in India saw a decline by 5.9% in 2020, due to the pandemic mirroring the decline in GDP by about 7.3%. The largest decline in energy demand occurred in oil with a drop of 9.9% reflecting reduced road and air transport activity. Transport, currently the fastest-growing end-use sector in terms of energy demand, and urbanisation is expected to foster growth in energy demand in India. Industries are also witnessing a rebound as supply chain re-established with emergence of new pathways and a transition to clean and green energy solutions.

International Crude Oil Market

Measures to restrain the spread of COVID-19 triggered an estimated 8.7 million barrels per day (mbpd) (8.7%) drop in oil demand in 2020 compared to the previous year. Demand for transport fuel declined by 14% from 2019 levels. In April 2020, at the peak of the pandemic, global oil demand fell by more than 20% compared to pre-COVID levels.

Globally, Brent crude oil prices varied in a wide range during 2020-21. Brent prices fell to an average of US$ 18.8 per barrel in April 2020, the lowest monthly average price in real terms since February 1999. The low prices were the result of significant declines in oil consumption that caused a sharp rise in global oil inventories. However, Brent prices increased through much of the rest of 2020 because of rising oil demand and reduced production. Brent prices rose to a monthly average of US$ 49.9 per barrel in December 2020 because of expectations of future economic recovery based on continued news about the viability of multiple COVID-19 vaccines. Brent prices in early January 2021 reached their highest levels in 10 months after Saudi Arabia announced a one-month unilateral cut to its crude oil production for February 2021, which is in addition to its OPEC+ commitments. Brent prices have shown a rising trend in March 2021, reflecting expectations of rising oil demand as both COVID-19 vaccination rates and global economic activity have increased combined with ongoing crude oil production limits from members of the Organisation of the Petroleum Exporting Countries (OPEC) and partner countries (OPEC+). On an overall basis, Brent averaged at US$ 44.4 per barrel for 2020-21, which is about US$ 16.6 per barrel below the average of US$ 61.0 per barrel in 2019-20.

Indian Crude Oil Basket

Following the collapse of the international crude price due to concerns over rising COVID-19, Indian crude oil basket price for April 2020 settled at US$ 20 per barrel. In line with the recovery in crude prices, the Indian crude oil basket price rose in Q1 of 2020-21 following OPEC+ agreement on crude supply cuts. Following a recovery in May 2020 & June 2020, average Indian crude oil basket price for Q1 of 2020-21 was US$ 30.3 per barrel as compared to an average of US$ 50.7 per barrel in previous quarter. During Q2 of 2020-21, the Indian crude oil basket price recovered to US$ 43 per barrel tracking gain in international oil markets. In Q3 of 2020-21, the balancing act of demand recovery and supply interruption due to hurricanes followed by lower demand due to second wave of COVID-19 infection in West of Suez kept Indian crude oil basket price in check as it settled at average of US$ 44.6 per barrel. In Q4 of 2020-21 optimistic demand recovery, strict compliance by OPEC+, additional voluntary supply cuts by Saudi Arabia and the emergence of various potential COVID-19 vaccines supported crude prices. Further, winter storm in February 2021 tightened the crude supplies, which pushed crude price to fifteen months high in March 2021. For Q4 of 2020-21 Indian crude oil basket prices settled at an average of US$ 60.2 per barrel, the highest level in the financial year.

Benchmark Refining Margins

Singapore refining margins in Q1 of 2020-21 collapsed for the first time to negative territory of US$ -0.94 per barrel, as demand for all transportation fuels fell drastically amid lockdowns by nations due to the pandemic. Gasoline and Jet fuel margins were the first to fall, in April 2020 settling at US$ -0.95 per barrel and US$ 0.87 per barrel respectively as these fuels saw the sharpest drop in demand. Naphtha margins improved due to demand from petrochemical plants. Gasoil margins remained steady in Q1 of 2020-21, settling at US$ 7.48 per barrel due to large number of turnarounds in Asian region and robust demand from China in May 2020 where demand recovered to previous year level. In April 2020, High Sulphur Fuel Oil (HSFO) and Very Low Sulphur Fuel Oil (VLSFO) margins gained some strength due to high demand for floating storage vessels as market players began storing fuels amidst record low prices. Overall, Q1 of 2020-21 was the weakest quarter for Singapore refining margins since data tracking began.

Singapore refining margins improved slightly to US$ 0.05 per barrel in Q2 of 2020-21 amid recovery in Naphtha & Gasoline margins due to improvement in demand from South Asia, lower refinery run rates and higher refinery turnarounds year-on-year. Gasoline margins received support from hurricane season in US Gulf Coast during August 2020, when 3 mbpd of refinery capacity was taken offline. Gasoil margins were weak for the quarter, settling at US$ 4.99 per barrel as heavy rainfall and floods in China, typhoons in South Korea and Japan, and prolonged monsoon in India, dampened gasoil demand. This was also followed by higher exports out of India and China. The demand for jet fuel also remained low amid rising cases and lesser number of leisure and discretionary trips by people. Gasoil margins were the lowest ever in September 2020, settling at US$ 2.68 per barrel as rising COVID-19 cases in India and Asia, led to fall in demand due to muted driving and industrial activities. Fuel Oil margins made a recovery amid lower supply and power generation demand form Middle East.

In Q3 of 2020-21, the Singapore refinery margins improved to settle at US$ 1.22 per barrel as 3 mbpd of Asian refinery capacity went under maintenance. The month of October 2020 saw the strongest refining margins of US$ 1.57 per barrel since the pandemic began. Naphtha margins stayed strong in October 2020 as 6 MMTPA steam-cracking capacity was offline for turnarounds and LPG prices remained high amid robust petrochemical margins. Gasoline margins continued their strength in October 2020 due to strong recovery from India and continued onslaught of hurricanes in US Gulf Coast, but fell in November 2020 and December 2020 due to second wave of COVID-19 in Europe. Gasoil margins improved from September 2020 lows, amid refinery turnarounds, improvement in demand for heating during winter.

Refining margins in Q4 of 2020-21 rose to 12-month high with Singapore refining margin settling at US$ 1.79 per barrel. Naphtha margins continued to be strong throughout the quarter as offline steam cracker capacity returned from turnarounds and new steam cracking facilities started in China, boosting demand. Asian Gasoline demand recovery in January 2021 was hampered by surging cases in South East Asia and the tightening restrictions there, although the outage of 5.7 mbpd of refinery capacity and of 2.2 mbpd of Gasoline production in US due to the winter storm, boosted margins. Cold weather in Japan lent support to Jet fuel margins, where the fuel is used for heating purposes, further aided by recovery of domestic air travel in China to pre-pandemic level amid Lunar New Year holiday season. Gasoil demand in India and China remained resilient amid low daily numbers of new cases, although, waning demand for heating and a third wave of COVID-19 in Europe, pressured margins to return to US$ 5 per barrel level in March 2021. Low Sulphur Fuel oil enjoyed robust margins in Q4 of 2020-21 amid low supply due to refinery outage and soaring LNG and LPG prices, which forced utility firms in North Asia to use the fuel as alternative fuel for power generation.

Consumption of Petroleum Products

India's petroleum product demand contracted by 9.1% in the financial year ended 31st March, 2021 the first in more than two decades, as a stringent lockdown imposed to curb the spread of the pandemic pummelled economic activity. The consumption was 194.6 MMT in 2020-21 against 214.1 MMT is 2019-20. The petroleum product consumption in H1 of 2020-21 was heavily impacted with consumption reaching 73.9% and 88.7% of historical in first quarter and second quarter respectively. With relaxation of COVID-19 related restrictions and economic growth in positive territory, the consumption recovered in the last quarter of 2020-21 registering a growth of 2.4% over the same period in 2019-20.

During the year, Domestic LPG posted growth of 4.8% from 26.3 MMT to 27.6 MMT supported by Pradhan Mantri Garib Kalyan Yojana (PMGKY) scheme of Government of India (GOI) to provide free cylinders to the BPL households as COVID-19 relief and increased LPG consumption in houses due to lockdowns. While Naphtha sales were almost flat at 14.2 million tonnes, bitumen (used in road construction) rose 5.9% to 7.11 million tonnes as the Government stepped up construction activity to reboot the economic activities. Diesel consumption fell 12% to 72.72 million tonnes while petrol demand shrank 6.7% to

27.95 million tonnes mainly attributable to the lockdowns related restrictions on movements and its impact on economic activities. During the year, the consumption of FO (furnace oil) saw a de-growth of 4.8% mainly due to reduced demand from fertiliser and steel sectors due to lockdown. With the airlines remaining shut for the most part of the year, jet fuels (ATF) consumption fell by 54% to 3.7 MMT. Consumption of kerosene continued its decline, with de-growth of 25% over the previous year mainly due to increased substitution with LPG, leading to low household consumption of kerosene.

Outlook

Global growth is expected to recover to about 6% in 2021, on the back of expected moderation in new infections, aggressive rollout of the vaccination programme and large monetary and fiscal support. However, the uncertainty about the pandemic, further waves and possibility of new variants and its containment may pose risks to the global demand outlook.

As regards domestic economic activity, it is widely expected that the economic activity will rebound strongly in 2021-22. Rapid vaccination drive, large pent-up demand, investment-enhancing measures by the Government and better external demand provide an upside to the baseline growth path while surge in infections, new mutants and global financial market volatility pose downside risks. Going forward, rural demand is likely to remain resilient on good prospects for the agriculture sector. Urban demand and demand for contact-intensive services is also expected to strengthen with the spread of vaccination. The fiscal stimulus under AatmaNirbhar Bharat 2.0 and 3.0 schemes, increased capital outlays and the investment-enhancing proposals in the Union Budget 2021-22 will likely accelerate public investment and crowd-in private investment. While the domestic financial conditions are expected to remain supportive in view of the guidance from Government that systemic liquidity would continue to remain comfortable over the ensuing year, the risks of spill overs from volatility in global financial markets remain elevated.

Global oil demand, which plunged as much as 30% during the worst of the pandemic lockdowns in March & April 2020, has rebounded back to over 95% of the pre-COVID high by March 2021. The demand, still reeling from the effects of the pandemic, is likely to catch up with its pre-COVID levels by 2023. While the near-term recovery in global oil demand will primarily stem from transportation fuels, the petrochemical sector will dominate growth over the medium term. The demand growth is predominantly expected to come from emerging and developing economies, underpinned by rising populations and incomes. India is the third largest consumer of oil in the world and about one third of the total primary energy demand is met by oil. As Indian economy rebounds from its contraction from the previous year with recovery in industrial activities and with Government spending, fuel consumption is projected to rise. We remain focussed on delivering consistent, competitive, profitable and responsible growth through sustainable business models and leveraging new opportunities in product portfolio and geographies.

B. FINANCIAL PERFORMANCE

For the financial year 2020-21, HPCL has achieved Profit After Tax (PAT) of ₹ 10,664 Crore resulting in earnings per share of ₹ 70.57.

HPCL continues to command strong credit ratings assigned by various credit rating agencies as under:

Instrument	Rating Agency	Rating as on 31st July, 2021	Outlook as on 31st July, 2021	Remark
International Long Term Rating / USD Bond rating	Moody's	Baa3	Negative	At par with India's sovereign rating
International Long Term Rating / USD Bond rating	Fitch	BBB-	Negative	At par with India's sovereign rating
Long Term Debt	CRISIL	AAA	Stable	Highest rating grade by CRISIL
Long Term Debt	India Ratings	AAA	Stable	Highest rating grade by India Ratings
Long Term Debt	ICRA	AAA	Stable	Highest rating grade by ICRA

Gross Sales

Gross sales of the Corporation (inclusive of excise duty) in the financial year 2020-21 was ₹ 2,69,243 Crore as compared to ₹ 2,86,250 Crore in the financial year 2019-20. The total sale of products for the year 2020-21 was 36.59 MMT as against 39.64 MMT for the year 2019-20.

Profit Before Tax

The Corporation has earned a Profit Before Tax (PBT) of ₹ 14,247 Crore in 2020-21 as compared to ₹ 1,573 Crore in 2019-20.

Provision For Taxation

Net amount of ₹ 3,583 Crore has been provided on account of income tax for 2020-21 as against income tax reversal of ₹ 1,065 Crore provided during 2019-20.

Profit After Tax

The Corporation has earned a Profit After Tax (PAT) of ₹ 10,664 Crore during 2020-21 as compared to ₹ 2,637 Crore during 2019-20.

Depreciation And Amortisation

Depreciation for the year 2020-21 was ₹ 3,553 Crore as against ₹ 3,304 Crore for the year 2019-20.

Borrowings

The Borrowings (excluding lease liabilities) of the Corporation were ₹ 40,009 Crore as on 31st March, 2021 as compared to ₹ 40,528 Crore as on 31st March, 2020. Long-term borrowings were through Non-Convertible Debentures (NCDs), Foreign Currency bonds, Loans from foreign banks and Oil Industry Development Board (OIDB). Short-term borrowings during the year were mainly through short term Rupee loans from banks, Collateralized Borrowing and Lending Obligations (CBLO)/ Tri-partite Repo System (TREPS) and from Commercial papers. The long term debt (excluding lease liability) to equity ratio stands at 0.70 as on 31st March, 2021 as against 0.84 as on 31st March, 2020 and considering the overall borrowing (long-term and short-term, excluding lease liabilities) the debt equity ratio stands at 1.11 as on 31st March, 2021 as against 1.40 as on 31st March, 2020.

Capital Assets

Net fixed assets (including capital work-in-progress) increased to ₹ 74,147 Crore as on 31st March, 2021 from ₹ 65,444 Crore as on 31st March, 2020.

Investments

Investments as on 31st March, 2021 were ₹ 14,993 Crore as compared to ₹ 12,512 Crore as on 31st March, 2020.

Gross Refining Margins (GRMs)

The Gross Refining Margin for HPCL averaged at US$ 3.86 per barrel for the year 2020-21 as against US$ 1.02 per barrel for the year 2019-20.

Gross Refining Margin of Mumbai Refinery averaged at US$ 4.10 per barrel for the year 2020-21 as against US$ 3.63 per barrel for the year 2019-20.

Gross Refining Margin of Visakh Refinery averaged at US$ 3.67 per barrel for the year 2020-21 as against US$ (1.30) per barrel for the year 2019-20.

Earnings Per Share (EPS)

Earnings Per Share for the year 2020-21 are ₹ 70.57 as compared to ₹ 17.31 for the year 2019-20.

Dividend

The Board of Directors have recommended final dividend of ₹ 22.75 per share for the financial year 2020-21.The amount of final dividend as recommended by the Board would result in total payout of ₹ 3,227 Crore.

Key Financial Ratios

Key financial ratios for the Corporation are provided as under:

Ratio Description	2020-21	2019-20
Debtors Turnover Ratio (No. of days)	9	5
Inventory Turnover Ratio (No. of days)	43	29
Interest Coverage Ratio (Times)	16.57	2.45
Current Ratio	0.70	0.65
Long term Debt Equity Ratio (excluding Lease Liabilities)	0.70	0.84

C. STRATEGY

The progress of the 5-year strategy roadmap to traverse through the uncertainties and challenges of future business environment were continued to be monitored during the year. As envisaged in the roadmap, HPCL is focussed on expanding its refineries and marketing infrastructure towards strengthening the existing business. The greenfield & brownfield refinery expansion projects are in an advanced stage of completion and are expected to be progressively commissioned from second quarter of FY 2021-22 onwards. Various marketing infrastructure expansion projects were commissioned during the year towards enhancing capacities & market reach.

Towards building a diversified and flexible business portfolio aligned with the needs of changing market, natural gas & petrochemical are recognised as new growth drivers. In Natural gas sector, HPCL/HPCL JVs are enhancing its presence with availability of the authorisation for setting up of CGD network in 20 geographical areas in nine states with planned participation in the entire value chain of Natural gas. Petrochemical is considered to be the key lever for future growth as the per capita consumption in India is low and has potential for growth. Large-scale investments are underway for building the Petrochemical manufacturing capacities through Joint Venture route to capitalise on this opportunity. The marketing strategy for petrochemicals has been formulated and the pre-marketing plan is under implementation amid changing industry dynamics, trends in demand pattern, change in global trade flows etc.

Towards enhancement of R&D capabilities, the existing R&D infrastructure is being augmented and new labs are under development. Towards developments of new products & technologies of future, HPCL is enhancing R&D capabilities along with expansion of R&D infrastructure for covering new age products & technologies. Expansion of business footprints in overseas geographies shall help in more opportunities and 6 new countries have been added in FY 2020-21 in the portfolio. The Corporation continued to leverage subsidiary company “HPCL Middle East FZCO” set up in Dubai Free Trade Zone in expanding the overseas footprints. 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 & OEMs. Incubation of 23 start-ups by HPCL is a step towards exploration of emerging opportunities in business portfolio. HPCL is also leveraging its vast retail network for non-fuel allied businesses.

Digital technologies are fast evolving to become a key driver for business transformation and delivering value to customers. With the formulation of strategy for use of various digital technological innovations in businesses, focussed approach is being undertaken by the Corporation towards application of emerging technologies in business. The digital transformation in the organisation has been initiated with finalisation of the digital vision and strategy roadmap. Key focus themes in leveraging the emerging technologies, conversion of enterprise data into insights and streamlining of business processes etc. has been identified for implementation.

D. INTEGRATED MARGIN MANAGEMENT

Integrated Margin Management group continued with optimisation of Net Corporate Realisation (NCR) across the entire manufacturing Supply chain aligning various Strategic Business Units to a common corporate goal. For enhancing Net Corporate Realisation (NCR), various initiatives were taken in key performance areas viz., Crude thruput maximisation in refineries, leveraging margin improvement opportunities in crude oil and product sourcing, enhancing value-added products and improving capacity utilisation of cross-country pipeline network.

During peak COVID-19 lockdown period i.e., first and second quarter of 2020-21, crude processing in refineries was optimised by managing crude oil logistics as well as timely evacuation of products. Due to volatilities, continuous assessments of demands across the markets were undertaken by tracking the situations at district level in all regions. Efforts were taken to utilise the available storage capacities across the country including the option of floating storage. Pipelines pumping plans and Coastal and Rail linkages were dynamically modified for maximising product evacuation, inventory management and optimising product sourcing.

The structured initiative of the Initiative Management Office (IMO) called ‘Idea Junction’ to manage and execute various ideas generated across the Corporation has continued during the year. The activity gained more traction during the current year with processing of over 3,400 ideas and over 30% employee participation.

Activities towards stabilizing refinery margins with formalised hedging strategies and providing hedging solutions for crude, products and intermediates were continued during the year. Specific hedging to take advantage of market structure was also carried out to support operations and business.

E. REFINING PERFORMANCE

Crude Oil Imports

HPCL imported 12.04 MMT crude oil in 2020-21 as compared to import of 13.30 MMT during the previous year and procured 4.10 MMT crude oil from indigenous sources. Out of total crude import of 12.04 MMT, 9.45 MMT was high sulphur crude oil and 2.59 MMT was low sulphur crude oil. Free on Board (FOB) cost of imported crude oil was US$ 3,891.55 Million (₹ 28,695 Crore) in 2020-21 as compared to US$ 6,018.43 Million (₹ 42,809 Crore) in the previous year. The average cost of crude oil imported in 2020-21 stood at US$ 43.32 per barrel as compared to US$ 61.34 per barrel in the previous year. The average exchange rate was ₹ 73.74 per US$ in 2020-21 as compared to ₹ 71.13 per US$ in the previous year.

Refining

During 2020-21, both HPCL refineries at Mumbai and Visakh recorded sound physical performance with combined capacity utilisation of about 104% despite the constraints due to COVID-19 pandemic and reduced product demand in H1.

HPCL refineries have recorded refining thruput of 16.42 MMT in 2020-21 as compared to 17.18 MMT in previous year. Adapting continually to the unprecedented challenges from COVID-19, effective logistics management, sound crude sourcing plans and speedy evacuation of products have helped HPCL to exhibit the robust performance. Mumbai refinery achieved highest annual production of Lube Oil Base Stocks SPO 90 N, SPO-II and 150 N-II. Visakh refinery achieved highest annual production of LDO, VLSFO, MTO and JBO. New product Solvent-3275 was launched from Mumbai refinery.

Health, safety and environment form an integral part of both refineries of HPCL. Mumbai refinery has achieved best ever safety performance by clocking 30.08 million man-hours of safe operations in FY 2020-21. On the environment front, Mumbai refinery has installed a rooftop solar panel with capacity of 305 KW during the year. Mumbai refinery continues to source about 70% of its power requirement from the grid.

Reliability improvement and maximising asset utilisation has always been a priority of refineries. In this direction, HPCL ensured the time bound turnaround of existing units i.e. Propane Dewaxing Unit at Mumbai refinery and catalyst replacement of DHDS unit at Visakh refinery. In addition, trials of dewatering and sludge inhibiting chemical and corrosion inhibitor, developed by HP Green and R&D centre, were carried out during the year in Mumbai and Visakh refineries respectively.

The capacity augmentation projects at both refineries are in advanced stages of completion. Visakh Refinery Modernisation Project (VRMP) to enhance the capacity of Visakh refinery from 8.3 to 15 MMTPA is in the advanced stage of construction. Execution of Residue Upgradation Facilities (RUF) project as part of VRMP project is also progressing well at Visakh refinery. Mumbai Refinery Expansion Project (MREP) to enhance the capacity from 7.5 to 9.5 MMTPA is in advanced stage. Shutdown of Mumbai refinery is scheduled in 2021-22 for commissioning of new units along with revamp of existing production facilities. As part of the MREP project in Mumbai refinery, tankage facility with 38 Hydrocarbon tanks and 2 Firewater tanks has been mechanically completed.

Thrust on continuous performance improvement has been a key focus area of refineries. Both refineries are participating in performance benchmarking study conducted by Solomon Associates, USA, for the fifth successive bi-annual period. Both refineries have shown sustained improvement in Energy Intensity Index (EII) over last 4 cycles. Both refineries are also participating in Refinery Performance Improvement Programme (RPIP) towards process optimisation & energy consumption improvement.

Effective energy utilisation and energy conservation remains to be a priority of refineries. Consistent implementation of recommendations on energy conservation has helped refineries in achieving savings of about 27,125 SRFT/year (Standard Refinery Fuel Tonnage per year).

To further enhance product sufficiency, HPCL is setting up a new 9 MMTPA Greenfield Refinery and Petrochemical Complex at Pachpadra in Barmer District of Rajasthan through a joint venture company, HPCL Rajasthan Refinery Limited (HRRL). HRRL has achieved significant progress during the year 2020-21 in spite of several constraints posed by the COVID-19 pandemic. Engineering & Procurement activities of some of the major process units have been completed. Construction activities of major process units such as Crude Distillation Unit, Vacuum Distillation Unit, Delayed Coker Unit, Vacuum Gas Oil Hydro Treating Unit, Diesel Hydro Treating Unit, Hydrogen Generation Unit, Petro Fluidised Catalytic Cracking Unit and Dual Feed Cracker Unit etc. are in progress. In addition, construction of water reservoirs for plant use, raw water pipeline, crude pipeline to refinery, Effluent Treatment Plant, Cooling Towers, Off site jobs & Pipe Racks etc. are also in progress.

F. MARKETING PERFORMANCE

HPCL has achieved total sales volume of 36.6 MMT during FY 2020-21 with a market share of about 21.3% amongst public sector Oil Marketing Companies (OMCs). This performance was achieved against the backdrop of intense competition and demand contractions due to COVID-19 pandemic situation. In spite of the challenges, HPCL continued its operations without any disruption to ensure availability of petroleum products for essential services and public while ensuring the safety and wellbeing of its stakeholders and the workforce. The details of performance under various market business lines are as under:

Retail

In retail sales, total sales volume of 22 MMT was achieved with gain in market share in Total Motor Fuels (TMF) sales in PSU category.

A number of initiatives were undertaken during the year to enhance customer value and reach. During 2020-21, HPCL commissioned 2,158 retail outlets, which has been the highest ever in a year, taking the total retail outlets to 18,634 as of 31st March, 2021. CNG facilities were provided at 203 Retail outlets taking the total number of retail outlets with CNG facilities to 674, thereby ensuring availability of alternate fuels and offering more choices to customers. 369 numbers of Door-to-Door Mobile Dispensers were commissioned during the year to meet the requirement of select customers for getting fuel delivered at their premises. Auto LPG continues to be available at select retail outlets and Electric Vehicle (EV) charging facilities were enhanced to 84 retail outlets ensuring wider fuel choices to customers. Towards enhanced customer experience with usage of technology & integrated payment solutions, over 5,100 number of smart automated retail outlets under "Club HP Connect" brand were rolled out during the year. To increase operational efficiency & productivity, 100% automation has been ensured across the retail outlet network during the year.

To enhance the convenience of customers, faster transactions and reduced waiting time, digital modes of payment are continually being promoted at retail outlets. Integrated Payment System (IPS) with integration of Point of Sale (POS) machine with dispensing units (DUs) were installed at 6,924 retail outlets providing easy and smart payment options to the customers. To increase the adoption of digital modes of payment by customers with more choices, HPCL launched the HPCL-UBI Co-Branded contactless Rupay Credit Card with features of 'National Common Mobility' during the year. HPCL is the first amongst the Oil Marketing Companies to launch the National Common Mobility Card (NCMC) which is inter-operable across different transport systems in the country. The transactions through the unified 'HP Pay' mobile app has shown substantial increase during the year providing complete fuel management solutions to customers in the form of control, convenience, security and attractive reward points. HPCL was the first among Oil Marketing Companies to enable the usage of 'FASTag' for payments towards purchase of fuel/lubricants at retail outlets in 2020-21 thereby enhancing the digital payment options to consumers. Multiple payment options, incentives on usage of digital transactions, continued campaigns through various platforms etc. resulted in achieving over 40% payments through digital modes in Total Motor Fuels (TMF) sales as of 31st March, 2021. HPCL is actively working on the usage of technology for further expansion of business.

During the year, HPCL launched new fuel additives under brand names of **'HP PoWer Petrol Plus'** and **'HP Turbojet Diesel Plus'** for adding in petrol & diesel respectively to increase the variety of offerings to customers. The availability of super premium branded Petrol, 'PoWer 99' for high-end cars and two-wheelers was scaled up by making it available at 40 outlets across 22 cities. Launching 100 numbers of branded lube oil change stations under **'Club HP Lube Stations'** brand across India has enhanced the service offerings to customers. The marketing of Diesel Exhaust Fluid (DEF) in the brand name of 'HP-DEF' has been enhanced to over 60% retail outlets towards catering to the growing demand of Diesel Exhaust Fluid for usage in BS-VI vehicles. HPCL also commissioned its first bulk Diesel Exhaust Fluid dispensing facility at Ankleshwar, Gujarat offering better cost viability to truck and bus owners, as compared to packed product.

The flagship loyalty programme of HPCL 'Drive Track Plus' continues to maintain its momentum for customer retention and growth in commercial vehicles segment offering a combination of control, convenience, security and attractive rewards to fleet owners and drivers. Onboarding of major OEMs of commercial vehicles, aggregators, NBFCs, large fleet transporters, small fleet owners etc. in the **'Drive Track Plus'** platform helped in garnering additional volumes during the year.

HPCL continued to focus on non-fuel business (Allied Retail Business) with a wide range of facilities for the customers across the network including ATMs, take away food counters, 'C' stores, vehicle accessories etc., through tie-ups with leading banks, food brands and Original Equipment Manufacturers (OEMs).

Continuing the Corporation's commitment towards environment and sustainability, HPCL installed Stage I vapour recovery systems (VRS) at all outlets and Stage II VRS at outlets in NCR/NCT/Chembur area of Mumbai. In addition, Stage II VRS were provided in 114 retail outlets at 46 cities across India. Installation of Vapour Recovery systems makes the retail outlets more ecofriendly with reduction of polluting emissions in the atmosphere. In line with the Corporation's commitment to move towards a low carbon economy, solar panels were installed at 1,146 retail outlets during the year taking the total number of retail outlets with solar power to 4,648 outlets.

The first HPCL branded retail outlet opened in Bhutan in the previous year, in collaboration with State Trade Corporation of Bhutan Limited (STCBL), has achieved the status of the highest selling retail outlet in Bhutan in 2020-21.

LPG

'HP Gas', the LPG brand of HPCL is one of the most preferred brands among domestic and non-domestic LPG customers and serves over 8.7 Crore consumers. During 2020-21, HPCL achieved its highest ever LPG sales of 7.41 MMT, registering a growth of 5.3% over previous year.

'HP Gas' has enrolled over 22.8 lakh new customers during the year and 112 new regular LPG distributorships were commissioned taking the total number of distributors to 6,192. In April 2020, Government of India introduced the Pradhan Mantri Garib Kalyan Yojna (PMGKY) scheme giving free LPG refills to PMUY beneficiaries (3 per beneficiary) to mitigate the hardships faced by the BPL households due to the economic disruption caused by the global pandemic. As of 31st March, 2021, total 3.81 Crore refills were delivered to the beneficiaries by HPCL under the scheme.

Towards enhancing the number of offerings to consumers and value creation, HPCL launched the high performance branded LPG 'HP GAS FLAME PLUS' for its Commercial and Industrial customers in 2020-21. The product offers quicker heating, reduced gas consumption, reduced process time and savings to customers. HPCL also sustained its focus in the Free Trade LPG (FTL) segment to meet the needs of consumers, especially the small vendors & young professionals. In this category, over 3 million 'APPU' cylinders in package sizes of 5kg and 2kg were sold during the year and achieved market share of over 45% in this highly competitive segment.

To increase the adoption of digital modes of payments for refill booking and towards better customer convenience, 'HP Gas' refill booking and payment was made available on AMAZON and via its voice-assistant ALEXA. New services and features were integrated in 'HP PAY' app and 'HP GAS Vitran' app for customer value maximisation. These customer-centric initiatives helped 'HP Gas' in recording the highest ever digital transaction of over 25% in March 2021.

Numerous initiatives were undertaken during the year to enhance the use of technology, innovation and digitalisation towards improving the productivity in bottling operations. Industry first, fully automated skid mounted facility has been commissioned for bottling 5kg cylinders at Usar LPG plant. The highest ever LPG bottling of 7.2 MMT has been achieved during the year on the back of various productivity enhancement initiatives implemented in LPG plants across the country. For the reduction of logistic cost, one new LPG rake was commissioned during the year under the Liberalised Wagon Investment Scheme of railways.

HPCL continued its focus on augmenting the bottling capacity in tandem with growing LPG demand. HPCL commissioned the master godown for storage of 36,600 LPG cylinders in Leh. The facility will strengthen HPCL's endeavour to provide uninterrupted supplies of LPG especially during winters when Leh gets cut off from the rest of the country. Towards enhancement of LPG bottling capacities to meet the increasing market demand, construction of the 51st LPG plant of the Corporation at Rayagada in the state of Odisha with bottling capacity of 60 TMTPA has been completed. LPG bottling capacity augmentation projects were completed and commissioned in Gandhinagar, Jabalpur, Bahadurgarh, Yediyur and Pampore LPG Bottling Plants with total capacity addition of 270 TMTPA during the year. Mounded storage vessels and allied facilities were commissioned at Unnao LPG bottling plant enhancing the storage capacity to 1,500 MT. Projects of setting up of new LPG bottling plants at Gonda (Uttar Pradesh), Goalpara (Assam), Barhi (Jharkhand), Patalganga (Maharashtra), Abu Road (Rajasthan) and Sitarganj (Uttarakhand) are under progress for enhancing the bottling capacities by 630 TMTPA.

To promote sustainable development and carbon footprint reduction, HPCL implemented secondary realignment in packed cylinder movement resulting in reduction of 82.45 lakh kilometres of truck movement. The operation of newly commissioned Champaran LPG plant during the year resulted in an additional reduction of 8.27 lakh kilometres of truck movement. In addition, various sustainability initiatives such as tree plantations, rainwater harvesting systems etc. were implemented at various LPG plants.

Lubricants

The Indian lubricant market is one of the fastest growing markets in the world and third largest in terms of consumption. The total demand for finished lubricants is estimated to be about 2,500 TMT and process oils contribute to about one third of this demand.

HPCL recorded overall sales volume of over 600 TMT during the year retaining our market leadership position for eighth year in a row. On the back of multiple offerings and service capabilities by the Corporation, highest ever sales of value-added lubes of 545 TMT was achieved during the year representing a growth of 6% over historical. HPCL exported 14.8 TMT of Lubricants to 16 countries and enhanced its footprints in six new countries during the year.

HPCL remains the largest producer of base oils in the country with capability of producing Group I, Group II and III base oils. HPCL is effectively leveraging the production capacities of base oil in terms of flexibility in manufacturing a wide range of products at lube blending plants. HPCL continues to improve operational efficiencies at lube blending plants with infrastructure augmentation, automation and with various other innovative solutions. For further strengthening of the marketing channels and widening the geographic reach and market presence, over 50 new channel partners were added during the year through online mode in the pandemic situation.

During 2020-21, HPCL continued to put strong focus on its customers from core sectors and OEMs, further consolidating its business with improved participation and renewal of partnerships. The business continues to be benefited immensely from the close interactions between OEM and R&D teams of HPCL with stakeholders acknowledging the strengths and capabilities of HPCL. Towards enhancing customer loyalty and getting valuable customer insights, HPCL continued its engagements with customers during the year. Over 300 technical seminars / conferences with more than 3,500 participations were conducted during the year with extensive usage of digital platforms.

During the year, HPCL gave further impetus in marketing of the lubricants and specific products for BS-VI compliant engines. The commercial production and sales of Diesel Exhaust Fluid (DEF) was scaled up with sales crossing 12.5 TMT during the year, sold majorly through our wide network of retail outlets. Continued focus on the automotive segments for past few years, especially in the 4 stroke engine oil lubricants segment helped HPCL to register double digit growth in 2020-21 in motorcycle engine oil segment with the backing of 'RACER' brand of lubricants along with other products.

During the year, Lube R&D continued to play an innovative and proactive role with developments of new products for Government and private sector customers. Close interaction with Army, Air Force and other agencies enabled a number of approvals for new products. Fully equipped laboratories for testing of various petroleum products across the country enable HPCL to maintain high standards of product quality.

Direct Sales (Industrial & Consumer sales)

HPCL's Industrial and Consumer (I&C) business-line handles the institutional sales of fuels, bitumen, naphtha and other bulk products consumed by industries, mining, construction, power plants, shipping, etc. in both private and Government sectors and also carries out exports of these products to various overseas markets.

During 2020-21, HPCL's Industrial and Consumer (I&C) business line recorded overall sales of about 4.8 MMT in spite of business slowdown due to restrictions / lockdown related to COVID-19. The strategy of maximising volumes in three focus products helped HPCL to cross 1 MMT sales volume in Furnace Oil (FO), Diesel and Bitumen individually for the sixth consecutive year. Highest-ever sales in LDO, Mineral Turpentine Oil (MTO) and Jute Batching Oil (JBO) were achieved during the year.

Large and strategic key accounts play a pivotal role in growth of I&C business. HPCL supplies bulk Diesel to various public and private entities, including Indian Railways, State Transport Undertakings (STUs), defence units and industrial consumers. The focus on major road construction companies with long-term partnerships have contributed to enhanced sales in 2020-21. HPCL also caters to the fuel requirements of army and paramilitary forces such as BSF, ITBP, SSB, CRPF and Border Roads Organisation (BRO) for supply of fuels and bitumen, delivering products to even their most-remote locations. HPCL is committed to strengthen its relations with the key accounts through various customer-centric initiatives. Customer Relationship Management (CRM) tool has been fully rolled out during the year which helped in facilitating quicker and more efficient responses to customer leads and offering better customer experience.

Special focus has been maintained in retention of existing business and solicitation of new customers in the MSME sector to sustain growth in all product lines. HPCL continued to generate interest for its niche specialty products developed by its HP Green R&D Centre such as HP-FurnOKare (for descaling and maintenance of furnaces), HP CORRMIT (Corrosion Inhibitor), HP DLA (Diesel Lubricity Additive) etc.

Infrastructure remains to be a key strength of HPCL in delivering products at competitive prices to the consumers. HPCL could move various grades of Bitumen to its bulk storage facilities at Haldia and Chennai at optimal cost leveraging its chartered coastal vessels infrastructure. HPCL also made strong inroads in the bitumen market of North India by leveraging HMEL bitumen facility at Bathinda. HPCL launched branded bitumen in the name and style of HP BITUMEN VG-40 SUPER suitable for airport runway pavements & heavy-duty highways.

HPCL is also exporting products like FO, Bitumen, Hexane, JBO and MTO.

Aviation

HPCL supplies Aviation Turbine Fuel (ATF) to both domestic and international airline customers through its business unit, 'HP Aviation' having a countrywide network of Aviation Fuelling Stations called as Aviation Service Facility (ASF). 'HP Aviation' fuelling service meets the stringent International regulations for handling ATF. During 2020-21, HPCL achieved ATF sales volume of 398 TMT.

Aviation fuel network was strengthened with commissioning of new ASFs at Shirdi & Kurnool during the year. Currently HP Aviation operates 46 ASFs across the country to meet the fuel requirements of customers across the country. During the peak of pandemic, HPCL ensured round the clock refuelling service at various airports attending to rescue, emergency, repatriation and medical flights on 24x7 basis.

HP Aviation continues to be an important ATF supplier to major domestic, international customers and other scheduled and non-scheduled airline operators.

Natural Gas

Govt of India is taking various initiatives to make India a gas-based economy by increasing the share of Natural Gas in overall Energy Basket. HPCL has also undertaken several initiatives to expand its presence in the Natural Gas sector by increasing footprints in the midstream and downstream gas market in India.

HPCL is operating City Gas Distribution (CGD) networks in 8 Geographical Areas (GAs) in the states of Andhra Pradesh, Telangana and Madhya Pradesh through Joint Venture companies Aavantika Gas Limited (AGL), Bhagyanagar Gas Limited (BGL) and Godavari Gas Pvt. Limited (GGPL). HPCL is also operating a CNG network in Ahmedabad on a standalone basis.

Towards further enhancement of the presence in the sector, HPCL is setting up CGD networks in 10 GAs in the states of Haryana, Uttar Pradesh, Uttarakhand and West Bengal on a standalone basis. In addition, HPCL is setting up CGD networks in GAs of Ambala - Kurukshetra (Haryana) and Kolhapur (Maharashtra) districts through joint venture company HPOIL Gas Pvt. Limited (HOGPL). During the year, 51 new CNG Stations were commissioned in these 10 GAs. During the year, CNG facilities were provided at 203 retail outlets making the total number of retail outlets with CNG facilities to 674.

To further the presence in the Natural Gas market, HPCL commenced the import of LNG from the International Market during the year. HPCL also secured allocation of gas produced from non-regulated fields (marketing freedom gas) and thereby securing natural gas supplies for domestic marketing. HPCL commenced its gas marketing activities during the year by supplying Natural Gas to Industrial Customers.

To participate in the entire value chain of Natural Gas including sourcing & marketing, HPCL is building a 5 MMTPA LNG regasification terminal at Chhara port (Gir Somnath District) in Gujarat through JV Company HPCL Shapoorji Energy Pvt. Ltd. (HSEPL). During the year, HPCL has acquired 50% equity from SPPPL (SP Ports Pvt. Ltd.) resulting in HSEPL becoming 100% subsidiary of HPCL. Construction of the terminal is in progress.

HPCL is also participating in development of three cross-country natural gas pipelines (Mehsana to Bathinda, Bathinda to Srinagar and Mallavaram to Bhilwara) through Joint Venture companies' viz. GSPL India Gasnet Limited (GIGL) and GSPL India Transco Limited (GITL).

The details of the various Joint venture companies & subsidiaries for natural gas infrastructure & marketing has been provided in the section on 'Joint Venture Companies & Subsidiaries'.

Supplies, Operations & Distribution

Supplies, Operations and Distribution (SOD) continued to play the pivotal role in maintaining a robust supply chain management and seamless product movement from supply source to the end consumer in stipulated time in spite of challenges during the pandemic outbreak. SOD achieved thruput of 47.3 MMT and maintained uninterrupted supplies of petroleum products from refineries to oil installations / consumers spread across the country. Robust control and monitoring systems at operating locations with strict adherence to SOPs ensured safe operations during the year. HPCL conducted regular HSSE workshops, safety talks, dissemination of Information on best practices etc. to ensure collaborative learnings and enhanced safety culture in the Corporation.

HPCL has constantly leveraged technology and digitisation towards optimisation of resources and enhancement of efficiency & security. During the year, a centralised biometric access control system has been commissioned at 40 locations with contact less features. During the year, HPCL added 18 more locations as 'SMART' terminals with automation & seamless integration of various processes resulting in enhanced operational and cost efficiency, safety and stakeholder convenience. Total number of 'SMART' terminals stands at 50 as of 31st March, 2021.

HPCL continues to lay strong thrust on environment preservation. Towards prevention of release of Volatile Organic Compounds (VOC) to atmosphere and for complying with regulations, Vapour Recovery Units (VRU) were commissioned at 13 POL locations during the year taking the total number to 19 locations as of 31st March, 2021.

Pipelines & Projects

HPCL is currently operating a petroleum product pipeline network of 3,775 km with mainline capacity of 32.55 MMTPA and branch line capacity of 15.57 MMTPA. During 2020-21, total pipeline thruput of 19.1 MMT was recorded. HPCL achieved a thruput of 1.5 MMT in its LPG pipelines, registering a robust 38% growth.

To further expand the pipeline network and capacities for enhanced logistic efficiencies and the associated environmental benefits, a number of pipeline projects are under execution with an estimated investment of about ₹ 6,000 Crore. HPCL's major ongoing pipeline infrastructure projects include (i) Extension of VVSPL from Vijayawada to Dharmapuri and construction of marketing terminal at Dharmapuri (ii) Hassan Cherlapally LPG Pipeline and (iii) Barmer Palanpur Pipeline. These pipeline projects are expected to increase HPCL's pipeline capacity to over 41 MMTPA and network length to about 5,300 kilometres thus significantly strengthening HPCL's position in key markets. HPCL has also teamed up with IOCL and BPCL in development of India's longest LPG pipeline from Kandla to Gorakhpur (2,757 km) through joint venture route.

Energy efficiency and cost optimisation have been key focus areas for pipeline operations. With sustained efforts towards efficiency and conservation, the Specific Energy Consumption in pipeline operations has been significantly reduced during the year. On the back of various cost optimisation initiatives implemented during the year, HPCL has improved performance on the Solomon Global Benchmarking of Manageable Non Volume Expenditure (MNVE) in Indian Pipelines' average performance and is in top quartile.

To leverage technology for enhanced productivity and Safety in pipeline operations, OFC (Optical Fibre Cable) based Pipeline Intrusion Detection System (PIDS) was implemented in 169 Km of Pipeline Network during the year, taking the total length of pipeline covered by PIDS to 3,716 km.

During 2020-21, supply infrastructure was further strengthened with addition of Madurai Railway Siding facility. This facility will ensure uninterrupted supply of products through rail movement to Madurai Depot, which caters to the demand of POL Products in and around 8 districts of Tamil Nadu. In addition, Hissar POL Depot in state of Haryana was mechanically completed and commissioning activities are in progress. To ensure enhanced storage capacities and product availability to meet the market demand, additional 84.34 TKL of Tankage were added during the year at various locations.

G. RESEARCH AND DEVELOPMENT

Hindustan Petroleum Green Research & Development Centre (HPGRDC) has been set up with an objective to provide advanced technological support to Marketing SBUs and Refineries. HPGRDC aims to provide operational excellence, develop and adopt innovative, path breaking technologies and to become a knowledge hub. The research centre is provided with state-of-the-art infrastructure facilities comprising energy efficient green buildings with built-up area of 3 lakh square feet in a sprawling campus of 120 acres. The Phase-I of the research centre is set up with nine laboratories and the Phase-II of research centre is under construction for seven new laboratories. During 2020-21, construction of Petrochemicals and Polymers Lab, Lubes Research Lab, Corrosions Studies Lab and Green Hydrogen Generators with PEM electrolyser were completed as part of Phase II project.

During 2020-21, nine products / technologies were developed and launched. The key products and technologies developed include i) HP Gas Flame Plus (Additive for improving LPG efficiency) ii) HP DEWA (Crude Dewatering Additive) iii) HP DWA (Dewaxing Aid) iv) HP THERMOPRO D (Antifoulant formulation for DHDS units) v) HP FilmMax (Film forming amine formulation for CDU / VDU) vi) HP FilmMax HT (Film forming amine formulation for Hydrotreaters), vii) HP DEMU (Demulsifier formulation for crude desalter).

During the year 2020-21, HPGRDC filed 28 patents taking the cumulative Indian and International Patent applications to 287. During the year, 44 patents were granted to HPGRDC taking the cumulative patents granted to 90 as on 31st March, 2021. During the year, 8 HPGRDC papers were published in various international journals.

H. CENTRAL PROCUREMENT

Central Procurement Organisation (CPO) at HPCL has enhanced standardisation, efficiency and transparency ensuring policy compliances in handling procurement for various SBUs on a centralised basis. CPO ensures adoption of various Government directives/policies to strengthen the ecosystem for MSMEs and promote indigenisation of products and services. It has also helped in effective vendor management.

CPO has actively driven various initiatives undertaken by 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 on-board MSE vendors under TReDS (Trade Receivable Discounting System) resulted in vendor invoices of ₹ 162.88 Crore being discounted through the platform.

I. QUALITY ASSURANCE

In line with the directive of the Ministry of Petroleum & Natural Gas (MoP&NG), HPCL has a dedicated Quality Assurance (QA) cell with officers posted in all the zones and its functioning is independent of refining & marketing functions. QA cell carries out surprise inspections covering retail outlets, Kerosene (PDS) distributorships, LPG distributorships, supply locations in compliance with the revised Marketing Discipline Guidelines (MDG) & HQO directives.

During 2020-21, Quality Assurance (QA) cell carried out inspections at 2,096 retail outlets, 13 Kerosene (PDS) distributorships, 254 LPG distributorships and 10 LPG bottling plants. Establishment of robust QA systems has enabled HPCL set high customer service benchmarks for supply locations & channel partners and helped provide high quality products and services to customers.

J. INFORMATION TECHNOLOGY & DIGITAL INITIATIVES

Business processes at HPCL are effectively managed by Enterprise Resource Planning (ERP) system and a large number of other applications including workflow applications and portals to address specific requirements. A robust IT infrastructure has been put in place to support the same with adequate security and data integrity controls.

The year 2020-21 has been impacted by COVID-19 pandemic affecting the regular working in various operating locations & plants due to lockdown restrictions imposed to contain the pandemic. Significant technology solutions were implemented in 2020-21, ensuring employees can work seamlessly from remote locations / home to ensure business continuity including provisions for virtual meeting, upgradation of existing IS infrastructure, acquisition of licences etc.

To enhance business efficiency with standardisation, inter-operability and auto reporting of invoices into GST return, provision for generation of electronic invoice ('e-invoice') with printing of Invoice Reference Number (IRN) embedded in

QR code was implemented by integrating HPCL ERP system with that of GSTN system. For convenience of vendors, HPCL bill tracking system (BTS) was modified to enable vendors to upload e-invoice with valid IRN embedded in QR code. Vendors were also enabled to upload a digitally signed invoice thus eliminating requirement of submission of paper invoice.

Information security continues to be a key focus area of HPCL. HPCL implemented advanced security solutions to accurately identify Advanced Persistent Threat (APT) attacks to protect core information assets. Stringent security controls were put in place during the year to ensure data privacy.

ERP Modernisation

The project of modernisation of the existing ERP system is being undertaken in the organisation towards greater business flexibility, higher digital agility and enhanced efficiencies. The ERP modernisation project is gaining momentum with procurement of software solutions during the year.

Digital Initiatives

In order to leverage new-age technologies like Analytics, Artificial Intelligence (AI), Internet of Things (IoT), Machine Learning, Augmented & Virtual Reality (AR & VR) etc., HPCL has embarked upon a Digital Transformation exercise and various initiatives are under implementation.

K. HEALTH, SAFETY & ENVIRONMENT

HPCL conducts the business with strong focus on Health, Safety & Environment (HSE) aspects of the operations and with robust Sustainability Development (SD) Model and Framework. Safe operations and implementation of health and environmental initiatives continue to be at the core of all business activities. HPCL has been making continuous improvements in the systems and procedures to enhance HSE performance across all spheres of business activities. Monitoring of various processes, audits at regular intervals and application of learning form an integral part of HPCL's HSE system for identification and implementation of opportunities for improvement.

Health

Employees' health and wellbeing is paramount for HPCL. The Corporation undertakes various initiatives on a regular basis to ensure preventive and curative health services for employees. HPCL organises several health education programmes, awareness sessions and diagnostic camps for employees, their families and other stakeholders. The year 2020-21 was impacted by COVID-19 pandemic. HPCL has taken all actions towards ensuring the health and wellbeing of employees / stakeholders including work from home arrangements for employees, sanitisation of premises, ensuring mandatory checks on COVID-19, conducting awareness sessions about COVID-19, distribution of masks & PPE kits, diligent implementation of guidelines issued by authorities from time to time etc. HPCL has taken steps for vaccination of employees, contract workmen, drivers, dealer men, delivery men etc.

In the wake of the outbreak of the pandemic worldwide, locations conducted numerous programmes to raise awareness on general precautions, mandatory guidelines, treatment and myths around the prevention and spread of COVID-19 apart from streamlining workforce allocation and work-from-home arrangements to ensure uninterrupted business operations.

Safety

HPCL emphasises providing safety in all facets of operation to its employees and all stakeholders. To achieve the goal of 'Zero accident' and 'Zero damage' to the environment, 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 protective measures to minimise incidents. HPCL strives for continuous learning from industry incidents and upgrades systems by leveraging information technology. To ensure safe working across all locations & construction sites, governance practices of the safety systems & procedures of the critical processes are regularly monitored. At major projects sites, dedicated safety teams are monitoring the safety aspects during construction to ensure focussed attention to safety.

Environment

To achieve environmental stewardship, HPCL is adopting best-in-class operating systems, practices, technologies and procedures oriented towards environmental preservation. Major installations have adopted Environment Management Systems (EMS) to ensure continuous improvement in environment protection.

HPCL has state-of-the-art Effluent Treatment Plants for treating and recycling effluent water. Best-in-class technologies such as Volatile Organic Compound (VOC) monitoring and Leak Detection and Repair (LDAR) programme have been adopted for monitoring and controlling fugitive emissions at major installations. Gaseous emissions to the environment and ambient air quality are continuously monitored with the usage of latest technologies including real-time data transfer to regulatory agencies in major locations. Hazardous waste treatment and disposal systems are available at various locations in line with the best practices in industry. Environment awareness programmes are regularly conducted in the Corporation towards traction to sustainability in all facets of business.

Sustainable Development

HPCL is committed to achieve the economic, ecological and social responsibility objectives of sustainable development consistently in all operations and activities. The refineries and major marketing locations have implemented internationally accepted 'Environmental Management Systems' based on ISO-14001 Standards. With a focus on greening the operations, both refineries and marketing locations are focussed on implementation of sustainability initiatives leading to energy efficiency, water conservation, rainwater harvesting, reuse and recycling of effluents, monitoring and mitigation of GHG emissions etc. During 2020-21, Confederation of Indian Industry (CII) conducted a comprehensive rating assessment based on various sustainability parameters at two marketing locations of HPCL and the locations were certified with Platinum and Gold 'Green Co' Ratings. This has taken the total number of 'Green Co' certified HPCL locations to nine as of 31st March, 2021. All capability building initiatives towards sustainability such as training programmes, awareness sessions, sustainability quizzes, newsletters and technical bulletins were continued to enhance awareness on sustainability.

Renewable Energy

HPCL is leveraging Renewable energy sources to reduce the carbon footprints and electricity cost across the value chain and is continuously expanding the wind and solar power generation capacities. During 2020-21, HPCL has installed captive solar power capacity of 11.4 MWp across various locations, taking the total solar power capacity to 43.95 MWp as of 31st March, 2021.

HPCL has also set up wind power capacity of 100.90 MW which generated about 17.05 Crore kWh of electricity during 2020-21.

Bio Fuels

Government of India, through the National Policy on Biofuels-2018, aims to increase usage of biofuels in transportation sector towards energy security and climate change mitigation. In line with the policy, HPCL continues to give emphasis in environment protection, sustainability measures and reduction in Green House Gases (GHG) emissions with promotion of bio-fuels. During 2020-21, HPCL achieved Ethanol blending of 6.18% by blending 58.84 Crore litres of Ethanol in Motor Spirit (MS). In addition, HPCL recorded blending of 4.1 Crore litres of Biodiesel during the year.

To have a footprint in alternate fuels in transportation sector, HPCL is actively participating in Government of India's SATAT (Sustainable Alternative Towards Affordable Transportation) initiative for promotion of Compressed Bio Gas (CBG). HPCL had invited Expression of Interest (EOI) from potential investors and entrepreneurs for setting up CBG plants and offering CBG to HPCL for marketing through the Retail Network. During 2020-21, HPCL released Letters of Intent (LOIs) for setting up of 100 CBG plants with estimated production capacity of 232 TMTPA taking total LOIs to 151 numbers with capacity of 307 TMTPA.

HPCL is constructing a Second Generation Ethanol bio refinery at Bathinda, Punjab with 100 KL per day ethanol production capacity from biomass. The technology licensor for the project has been appointed and fabrication of various equipment are in progress. HPCL is also setting up a Compressed Biogas (CBG) plant of 15 MT/day capacity at Badaun, Uttar Pradesh. CBG produced from the Plant shall be sold through HPCL retail outlets.

L. GOVERNANCE

Corporate Governance

A separate segment on corporate governance forms part of the annual report. However, it would be relevant to point out here that the Corporation is giving utmost importance to compliance with corporate governance requirements including compliance of regulations, transparent management processes and adherence to both internal and external value norms. HPCL has implemented a robust grievance redressal mechanism.

Internal Control Processes

The Corporation has an independent Internal Audit department. The Internal Audit department consists of professionally qualified officers from finance and technical functions, supplementing the internal control processes through an extensive audit programme. The internal audits are carried out across all the spheres of business operations of HPCL to review the implementation of business processes and control. Internal audits are carried out as per the annual audit programme approved by the Audit Committee of the Board and significant audit observations are periodically reviewed by the Audit Committee of the Board.

Risk Management

While agility and adaptability remain the cornerstones to evolve and align to tomorrow's world, businesses at HPCL are synchronising with Enterprise Risk Management (ERM) processes to facilitate achievement of its business strategies and provide guidance to daily operations. HPCL has deployed an optimised mix of the bottom-up and top-down approach to gather robust risk insights covering Strategic Business Units (SBUs), functions and projects. Risk considerations are embedded into the rhythm of the business, including the strategic business planning process, resulting in risk-informed initiatives and programmes.

This process is further strengthened by a digital IT platform that provides an enterprise-wide view of risks and mitigation plan that enables the Corporation to take a holistic approach towards informed decision-making. The Digital platform enables receipt of continuous risk insights through monitoring of key parameters. It allows gathering insights on proactive risk-health triggers and reduces performance variability through prompt action rather than receiving ex post facto risk information.

Risk Management Steering Committee (RMSC) continues to provide direction and guidance to the operating management. The risk registers and risk profiles are regularly reviewed by RMSC to identify emerging risks and monitor the progress of implementation of various mitigation steps. The RMSC shares regular updates with the Board regarding all aspects of risk management. RMSC besides reviewing the risk reports on a periodical basis also encourage businesses to foresee risks in advance, which when managed well, can contribute to risk enablement and sustainable growth.

Integrity Pact

HPCL has signed MoU with 'Transparency International' and has implemented the Integrity Pact with effect from 1st September, 2007. The Integrity Pact is an integral part of procurement process for all tenders above ₹ 1 Crore. The Corporation has complied with 'Integrity Pact' (IP) to enhance ethics and transparency in the process of awarding contracts.

Right to Information (RTI)

HPCL is a Public Authority under the RTI Act 2005 and complies with all the requirements of the Right to Information Act 2005. HPCL receives and handles RTI requests through the RTI online portal at www.rtionline.gov.in , which is the unified RTI portal of the Government of India. Regional Managers/Officers across the country, representing different departments have been appointed as Central Public Information Officers (CPIOs) and Senior Management as the First Appellate Authorities (FAAs) to handle the RTI requests received from Indian Citizens. The requirements of the RTI Act 2005 are duly complied with, including related proactive disclosures.

Vigilance

Vigilance mechanism in HPCL is based on the guidelines from Central Vigilance Commission (CVC) on vigilance management in public sector enterprises and instructions issued from time to time by the Department of Personnel and Training (DoPT) as well as the administrative ministry i.e. Ministry of Petroleum & Natural Gas (MoP&NG). Vigilance complaints are handled as per the complaint handling policies stipulated in Vigilance Manual 2017 of CVC.

Under preventive vigilance, various activities are conducted by HPCL including surprise and regular inspections, study of systems & procedures and regular interaction with employees, stakeholders & public at large. In addition, Vigilance Department also undertakes initiatives for creating public awareness by conducting active interactive sessions in schools & colleges, promoting ethical values & sharing case studies with employees through in-house Vigilance publication 'Jagaran' and observing vigilance awareness week every year.

Global Compact

HPCL is also a member of the Global Compact Society of India, which is the unit of the UN Global Compact, the largest voluntary corporate initiatives in the world. It offers a unique platform to engage companies in responsible business behaviour through the principles of Human Rights, Labour Standards, Environmental norms and Ethical practices. All these areas receive constant attention of the management to ensure continuous compliance.

M. HUMAN RESOURCE MANAGEMENT

HPCL recognises the value of Human Resources in delivering accelerated performance and contributing to the growth of the organisation. Human Resources activities are aimed at creating a conducive environment for employees to thrive and help them deliver excellence in their respective areas. Guided by the vision and overall strategy of HPCL, the focus is to build an agile and future-ready workforce by establishing strong linkages between employees, processes and organisational values.

The year 2020-21 was impacted by the pandemic. HPCL embraced the various changes in human resource management system including recruitments through online systems, provision and support for employees to work from home, ensuring health & safety of employees in the pandemic situation etc., with active use of technology to ensure continuity in business & operations towards delivering value to customers.

With development and implementation of SOPs, sanitisation & hygiene drives were regularly undertaken at operating locations, administrative offices, transit houses etc. An initiative, christened as 'Sachet' was introduced for HPCL employees, their families and other stakeholders to be mindful and conscious in current COVID-19 times. Several webinars for awareness on COVID-19 and vaccination drive were conducted under the initiatives for existing and retired employees during the year. Project named as 'Humrahee' was launched in August 2020 in which virtual group sessions moderated by psychologists and life coaches, giving a platform for employees to share their learnings, concerns, fears, insights, experiences related to COVID-19 in the spirit of providing mutual support and caring. Being an essential services category, tie-ups were made with various hospitals to get the employees vaccinated across locations.

To ensure the welfare of the frontline COVID-19 warriors viz. contract labourers, LPG deliverymen, Retail Outlet Forecourt Salesmen, transport crew, security guards etc., special medical insurance scheme, group personal accident insurance scheme and special Ex-Gratia scheme were implemented during the year. Towards creation of awareness about the pandemic among all stakeholders, sessions were conducted covering a wide range of subjects such as mental wellbeing, precautions against the pandemic, vaccination and precautions during travelling etc.

Talent Acquisition and Management

During 2020-21, HPCL has successfully revamped the online application and document verification system and incorporated advanced features with greater efficiency and transparency in view of COVID-19 situation. To streamline the recruitment process and bring in uniformity, the information to the candidates were captured in audio-visual form and presented to candidates.

The flagship induction programme, 'Samavesh' was continued during the year for on-boarding of new recruits by facilitating their smooth transition to HPCL's culture and values and providing them exposure to various spheres of HPCL's business activities. The programmes were conducted online in view of COVID-19.

Capability Building

Towards creation of value for business functions through progressive learnings and building capabilities of employees, a wide array of multi-modal learning and development programmes were offered to the employees during the year. Adaptive learning strategies were implemented with delivery of custom learning experience that addresses the unique needs of each employee with introduction of publishing weekly digest of training modules, facility for self-nominations and availability of multimodal learning systems etc. In view of the COVID-19 restrictions, the digital learning systems has been extensively used during the year with usage of e-learning, virtual reality learning, webinars, simulations etc. A total of 41,322 man-days of training was imparted to management employees through various capability building interventions during 2020-21, which translated to around 7 training man-days per officer.

HP Academy

The e-learning platform, 'HP Academy', containing online modules with learning content for all marketing SBUs and refineries continued to grow, covering more than 70% of employees. Bite-sized learning modules were introduced in the platform towards delivering training in smaller chunks for making the learning easy and at the convenience of employees depending on work priorities. Digital Libraries, EBSCO and Magzter continue to be available on 'HP Academy' platform hosting a collection of scientific journals, eBooks, business magazines, audio books and a wide range of online reading materials. The platform hosts over 1,800 hrs of learning content including over 350 technical and behavioural online courses and inspirational videos.

Tie-ups with Academic Institutes

HPCL collaborated with Prominent / Centre of Excellence Institutes including various IIMs, XLRI Jamshedpur, Indian Institute of Foreign Trade, IIT Bombay, etc. for long, medium and short duration Management Development Programmes to build Technical and Behavioural Capabilities of young officers. Total 318 officers of HPCL have undergone training in these reputed institutes in 2020-21. To enhance the technical competencies of the refinery officers, impartation of full time M. Tech. programme in Chemical Engineering at IIT Bombay were continued.

Performance Management

HPCL has a robust performance management system for objective assessment, career progression and development of individuals based on Balanced Score Card Methodology.

Reward & Recognition

"HP Outstanding Achievers Awards" have been instituted to recognise the outstanding achievements of officers in the junior management category. During 2020-21, 60 officers were recognised with Outstanding Achievers Award.

"HP Gaurav Awards" recognises outstanding efforts, sustained excellence in work, commitment, adherence to safety measures and adherence to high standards of conduct in discharge of duties amongst Non-Executive category of employees. During 2020-21, 101 employees were felicitated with HP Gaurav Award.

Industrial Harmony

HPCL takes pride in having cordial and productive relations with Unions for more than two decades. The effective grievance management system, fairness & emphasis on transparency, has resulted in alignment of Unions & employees to the Corporation's vision.

Harmonious industrial relations have been sustained through continual and proactive engagement with different unions. Nineteen settlements with different unions were signed during the year on productivity, redeployment, commencement of new shifts etc. and have been implemented within record timelines.

Employee Engagement Initiatives

Employee engagement initiatives are conducted with the objective of creating an enabling, participative, nurturing &

winning work culture at HPCL and for reaching out to the families of the employees to build a stronger bond with the HP Family. Towards this objective, various programmes were conducted in 2020-21 with the active use of 'HP Pariwar' App including clay-modelling workshops, workshop on mandala art, fitness & workout sessions, science education programmes etc. HPCL collaborated with world's one of the largest online fitness and nutrition communities to promote 'Fit India Movement' across the Corporation with a view to make fitness an integral part of daily lives. An online app based competition cum series of total 18 online training sessions were conducted during the year under this programme.

'Reboot@35+' was undertaken for officers in the age group of 35 to 50 years focussed on self-development in personal, professional, family and social domains with mindfulness as its core theme. Team 'Reboot@35+' launched the first-ever All India Mega Talent Hunt -'HP Got Talent' to showcase the abundant talent of our HP Family in 2020-21.

Employees & their family members continue to contribute and create a positive impact in society through 'HP Sampark' platform. The platform enables the employees and families of HPCL to serve the community voluntarily by donating their time and expertise. During 2020-21, 'HP Sampark' in collaboration with an NGO started a campaign for providing ration kits for one month for the benefit of tribal children. Over 2,200 tribal families were benefited from the programme in 2020-21.

A 24x7 Employee Assistance Programme (EAP), 'Paramarsh' was continued during the year to provide counselling services to employees, their spouses, and dependent children.

The 'HP Shakti Club' endeavours to bring the female force of HP Family together to create friendships & joyful moments and give back to the society through philanthropic and social initiatives. The Club has undertaken over 120 initiatives during the year including mask distribution, health camps, COVID-19 awareness drives, donation to the needy & deprived in the society etc. touching more than 20,000 lives.

Prevention of Sexual Harassment at Workplace (POSH)

To inculcate appropriate workplace behaviour and promote gender sensitisation, a number of online POSH workshops were organised across the Corporation during 2020-21. Internal Complaint Committees (ICC) were also reconstituted for marketing zones and refineries in view of the reassignment, superannuation, separation or completion of 3 years as a member.

SC/ST Welfare Programmes

During the year, welfare initiatives designed for the SC/ST/OBC communities were undertaken, which included online sessions by All India HP SC/ST Employees' Welfare Association (HPSEWA) on various subjects. Awareness Drive on Indian constitution through lectures, knowledge bites, quizzes were organised to mark 71 years of Indian Constitution.

Promotion of Sports Activities

HPCL plays a significant role in promotion of sports and regularly participates in various tournaments organised under the aegis of Petroleum Sports Promotion Board (PSPB) and All India Public Sector Sports Promotion Board (AIPSSPB).

During 2020-21, HPCL organised the All India Inter Unit Online Bridge Tournament for employees and Chess Tournament for employees and for their families. The tournaments were conducted in online mode in view of the pandemic situation. A sports portal has been developed during the year, which enables the submission of various applications form in online mode for participation in PSPB Tournaments and Inter Unit Cricket Tournaments and thereby speedy and easier processing of applications.

Official Language Implementation

HPCL promotes the usage of Hindi by motivating the employees through sensitisation, persuasion and incentives. Recognition of linguistic and cultural talent of the employees and creating awareness about Hindi at workplaces is facilitated by encouraging participation in All India Hindi Mahotsav, Hindi fortnight, official language conferences, Hindi Competitions and Hindi Workshops. HPCL is the coordinator for 'Town Official Language Implementation Committee' (TOLIC) for Mumbai since 1983 and the Corporation is guiding Sixty-five (65) Mumbai-based offices of PSUs in the area of official language implementation. Other than the co-ordination of TOLIC Meetings, HPCL have trained the officials of different PSUs by conducting various programmes that included Hindi translations, promotion of linguistic harmony & regional languages etc. During 2020-21, the Rajbhasha Kirti First Prize was awarded to HPCL for its Hindi House Journal "HP Samachar" for the year 2018-19 by the Government of India.

N. CORPORATE SOCIAL RESPONSIBILITY (CSR)

HPCL's efforts to ensure mandated expenditures on CSR reaffirm the continuing commitment of Corporation towards societal development. HPCL undertook various activities under the focus areas of childcare, education, health care, skill development, sports and environment & community development, positively influencing lives of less privileged. As a responsible corporate, HPCL collaborated with various stakeholders to support COVID-19 relief measures by contributing to 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)'. HPCL also has undertaken various other relief measures such as distribution of food packets and ration materials, provision of Personal Protective Equipment (PPE) kits, provision of Cold Chain Equipment in four states / U.T. to support vaccination drive etc.

During 2020-21, under 'Project ADAPT', HPCL endeavoured to enhance the quality of lives of Children with Disabilities (CWD) through provision of online education, individual training and online therapeutic treatment. Under Project Nanhi Kali, girls were provided with online remedial classes, material kits, sports curriculum and other guidance & counselling on personal hygiene and career development.

HPCL also took part in Project Kashmir Super-30 (Medical) which supports the Sadhbhavna (Goodwill) efforts undertaken by Indian Army in Kashmir valley by providing mentoring and coaching to aspiring Medical students from Jammu and Kashmir region giving wings to academic aspirations of youth for their career development. HPCL also supported Army's initiative in 'Winning Hearts and Minds' of the local population of Ladakh by creating a Centre of Wellness and Excellence in Ladakh-Super- 45 to support less-privileged yet aspiring students of Ladakh region in enabling them to compete in various streams like Engineering, Medical and other career-oriented programmes.

To provide healthcare facilities in remote locations, Mobile Medical Vans were run under 'Project Dhanwantri'. Under Project 'Dil without Bill', free of cost heart surgeries were conducted with special focus on children. With an aim to increase employability and bridge skill-gap, skills training in various industry-oriented trades were provided to school dropouts from socio-economic backward communities. To improve employability, HPCL supported Skill India Mission by contributing to Skill Development Institutes at five locations.

To take forward Government of India's flagship programme of Swachh Bharat Abhiyan, around 100 toilets and 250 sources of clean drinking water were constructed/renovated during 2020-21. Apart from providing sanitation infrastructure, mass awareness campaigns were also undertaken under Swachhta Pakhwada focussed on spreading awareness on COVID-19 appropriate behaviour.

Aspirational District programme, an all-India initiative and unique experiment in ensuring the transformation of under-developed pockets of India was launched by the Hon'ble Prime Minister in January 2018. Anchored in NITI Aayog, the Aspirational Districts Programme intends to turn development into a mass movement, facilitated by Governments at different levels: Centre, State and District. HPCL supported projects in twenty-seven aspirational districts.

HPCL laid special focus to develop infrastructure and provide facilities in rural areas. 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.

O. JOINT VENTURE COMPANIES AND SUBSIDIARIES

HPCL also conducts 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 pipeline, City Gas Distribution (CGD), LPG cavern, LNG terminal, Aviation fuel farm facilities and biofuels. The brief about performance of joint venture and subsidiary companies during the year 2020-21 is as given under:

HPCL-Mittal Energy Ltd. (HMEL)

HPCL-Mittal Energy Ltd. (HMEL) is a joint venture between HPCL and Mittal Energy Investments Pte. Ltd., Singapore with equity holding of 48.99% each.

HMEL is a leading integrated refining and petrochemical company in India with operations that span crude oil refining, petrochemical production & marketing. It owns and operates a 11.3 MMTPA Guru Gobind Singh Refinery ('GGSR') at Bathinda, in Punjab.

During 2020-21, HMEL recorded 10.07 MMTPA of Crude processing in spite of challenges faced on account of lockdown due to COVID-19. Consolidated total revenue of ₹ 52,589 Crore and Profit After Tax (PAT) of ₹ 403.60 Crore has been achieved during the year.

HMEL is in the process of setting up of a Petrochemical facility, the Guru Gobind Singh Polymer Addition Project (GGSPAP) within the existing GGSR premises at Bathinda, Punjab. The project scope comprises of setting up of a world-class cracker unit to produce optimised Ethylene and setting up of associated downstream polymer units to produce LLDPE, HDPE, Butane and Impact Polypropylene (PP). The Construction activities are in advanced stage of completion. Major utility plants like the Compressed Air & Nitrogen Plant and raw water treatment plant have already been commissioned and Electrical sub-stations have been energised. Pre-Commissioning activities have commenced for process units. After commissioning of the petrochemical complex, the capacity of polymer production is expected to be about 2 MMTPA.

South Asia LPG Company Pvt. Ltd. (SALPG)

South Asia LPG Company Pvt. Ltd. (SALPG) is a joint venture between HPCL and Total Holding India with equity holding of 50% each. SALPG owns and operates an underground LPG cavern having 60 TMT capacity and associated receiving and despatch facilities at Visakhapatnam.

During 2020-21, SALPG achieved highest ever throughput of 1.83 MMT registering a growth of 9.4%. SALPG has achieved total revenue of ₹ 217.85 Crore and recorded Profit After Tax (PAT) of ₹ 129.04 Crore.

SALPG has been continuously paying dividend for the last 11 years. SALPG Board has recommended total dividend of 140% for FY 2020-21.

SALPG bagged 5 star rated EHS Excellence Award 2020 from Confederation of Indian Industry (CII), Southern region, Chennai.

Prize Petroleum Company Ltd. (PPCL)

Prize Petroleum Company Ltd. (PPCL) is a wholly-owned subsidiary of HPCL. PPCL is the upstream arm of HPCL and is in the business of Exploration and Production (E&P) of Hydrocarbons as well as providing services for management of E&P blocks.

PPCL has a wholly-owned subsidiary namely Prize Petroleum International Pte Ltd. (PPIPL), incorporated in Singapore. PPIPL has participation interest of 11.25% and 9.75% in two E&P blocks [T/L1 and T/18P (retention leases T/RL2, T/RL4 & T/RL5) respectively] in Australia. During 2020-21, PPIPL has achieved its share of production of 283,149 BoE (Barrels of Oil Equivalent) from Yolla producing field (T/L1).

During 2020-21, PPCL has recorded total revenue of ₹ 96.82 Crore on consolidated basis.

Hindustan Colas Pvt. Ltd. (HINCOL)

HINCOL is a joint venture of HPCL and Colas S.A., France with equity shareholding of 50% each. HINCOL is engaged in manufacturing and marketing of Bitumen derivatives, which are widely used in Road/Air Field construction in India. In addition to Bitumen derivatives, it also carries out niche Road Maintenance activities like Micro surfacing & Slurry sealing. HINCOL owns and operates 10 strategically located manufacturing plants complying with the requirements of International Standard ISO 9001:2015, 14001:2015 and 45001:2018.

During 2020-21, HINCOL recorded its highest-ever sale of 332 TMT registering a growth of 32% despite the challenges from COVID-19 pandemic. It also registered its highest-ever Emulsion sales of 210 TMT during the year, growing at 10%. During 2020-21, the Company achieved a total revenue of ₹ 1,158.75 Crore and Profit After Tax (PAT) of ₹ 155 Crore.

HINCOL has been paying dividend for the last 21 years and has declared total dividend of 800% for 2020-21.

The Company commissioned its 10th Plant near Guwahati, Assam in addition to augmenting its existing facilities to meet the growing market demand. During the year, HINCOL, in association with Dust-A-Side, Ireland established a 50:50 Joint Venture company, 'DUST-A-SIDE HINCOL Limited' for providing Dust Management solutions in Mining Industries in India.

HPCL Rajasthan Refinery Ltd. (HRRL)

HPCL Rajasthan Refinery Ltd. (HRRL) is a joint venture of HPCL and Government of Rajasthan with 74% equity participation by HPCL and 26% by Government of Rajasthan. HRRL is setting up a 9 MMTPA greenfield refinery and petrochemical complex in the state of Rajasthan.

The project of setting up the refinery achieved significant progress during the year in spite of several constraints posed by the COVID-19 pandemic. Engineering & Procurement activities of some of the major process units have been completed.. Construction activities of major process units such as Crude Distillation Unit, Vacuum Distillation Unit, Delayed Coker Unit, Vacuum Gas Oil Hydro Treating Unit, Diesel Hydro Treating Unit, Hydrogen Generation Unit, Petro Fluidised Catalytic Cracking Unit and Dual Feed Cracker Unit etc. are in progress. In addition, construction of water reservoirs for plant use, raw water pipeline, crude pipeline to refinery, Effluent Treatment Plant, Cooling Towers, Off site jobs & Pipe Racks etc. are in progress.

Mangalore Refinery and Petrochemicals Ltd. (MRPL)

Mangalore Refinery and Petrochemicals Ltd. (MRPL) is a joint venture of HPCL and ONGC wherein ONGC holds 71.63% of equity, HPCL holds 16.96% equity, and balance equity is held by public. MRPL is a schedule 'A' Miniratna, Central Public Sector Enterprise (CPSE) and operates 15 MMTPA refinery at Mangaluru in Karnataka.

During 2020-21, MRPL achieved refining thruput of 11.50 MMT and recorded consolidated total revenue of ₹ 50,992 Crore.

Natural Gas supply was established to MRPL through Kochi-Mangalore natural gas pipeline in March 2021 and natural gas is presently being used as feed to Hydrogen Unit in the refinery.

Ratnagiri Refinery and Petrochemical Ltd. (RRPCL)

Ratnagiri Refinery and Petrochemicals Ltd. (RRPCL) is a joint venture company promoted by IOCL, BPCL and HPCL with equity participation in the ratio of 50:25:25. RRPCL has planned to set up a 60 MMTPA refinery along with integrated petrochemical complex at west coast of Maharashtra. Saudi Aramco and ADNOC have also signed an MoU to partner with RRPCL to jointly execute the project along with IOCL, BPCL and HPCL.

The pre-project activities like data collection and other geo-physical requirements for environment clearance are in progress.

HPCL Biofuels Ltd. (HBL)

HPCL Biofuels Ltd. (HBL) is a wholly-owned subsidiary company of HPCL. HBL was promoted as a backward integration initiative to enable HPCL's foray in manufacturing of ethanol for blending in Petrol. HBL has two integrated Sugar-Ethanol-Cogeneration plants at Sugauli and Lauriya districts in the state of Bihar.

During 2020-21, HBL has recorded total revenue of ₹ 183.71 Crore and cane crushing of 399 TMT. HBL achieved sugar production of 38,958 MT, ethanol production of 7,175 KL and power generation of 31,396 MWh during 2020-21.

Petronet MHB Ltd. (PMHBL)

Petronet MHB Ltd. (PMHBL) is a joint venture of HPCL and ONGC with equal equity holding of 49.996% each. PMHBL owns and operates a multiproduct petroleum pipeline to transport MRPL refinery's petroleum products to various parts of Karnataka.

During 2020-21, PMHBL has achieved thruput of 2.139 MMT and reported total revenue of ₹ 111.28 Crore and Profit After Tax (PAT) of ₹ 51.81 Crore.

In order to tap into renewable resources and to promote usage of clean and green energy, PMHBL has installed Ground mounted Solar PV Power Plant at a total capacity of 3.63 MWp at its Mangalore, Hassan & Devangonthi Stations including SV stations.

PMHBL Integrated Management System (IMS) is certified for Quality Management System-ISO-9001-2015, Environmental Management System-ISO-14001, OHSAS-18001 and Energy Management System- ISO-50001-2011. The Company deployed various updated technologies/solutions for its operations as per International standards.

PMHBL Board declared total dividend of 60% for 2020-21.

Bhagyanagar Gas Ltd. (BGL)

Bhagyanagar Gas Ltd. (BGL) is a joint venture of HPCL and GAIL with equal equity holding of 48.73% each.

BGL has a CGD network comprising of 2,157 km MDPE pipeline and 172 km steel pipeline and is serving 2,44,459 domestic customers. BGL also operates 126 CNG stations in the cities of Hyderabad, Vijayawada and Kakinada in the states of Andhra Pradesh and Telangana.

During 2020-21, BGL has achieved sales volume of 15,817 MT of CNG and 390.53 lakh Standard Cubic Meter (SCM) of PNG, registering a growth of 40% in PNG sales over the previous year. BGL has recorded total revenue of ₹ 173.18 Crore and Profit After Tax (PAT) of ₹ 8.58 Crore during the year.

Aavantika Gas Ltd. (AGL)

Aavantika Gas Ltd. (AGL) is a joint venture of HPCL and GAIL with equal equity holding of 49.99% each.

AGL has a CGD network comprising of 2,328 km MDPE pipeline and 103 km steel pipeline and is serving 91,420 domestic customers. AGL also operates 67 CNG stations in the cities of Indore, Ujjain, Pithampur and Gwalior in the state of Madhya Pradesh.

During 2020-21, AGL has achieved sales volume of 18,801 MT of CNG and 303.45 lakh SCM of PNG, registering a growth of 10% in PNG sales over the previous year. AGL has also reported total revenue of ₹ 209.52 Crore and Profit After tax (PAT) of ₹ 42.80 Crore during the year.

GSPL India Gasnet Ltd. (GIGL)

GSPL India Gasnet Ltd. (GIGL) is a joint venture of Gujarat State Petronet Ltd. (GSPL), Indian Oil Corporation Ltd. (IOCL), Bharat Petroleum Corporation Ltd. (BPCL) and HPCL. HPCL has 11% equity participation in the company and balance equity is held by GSPL (52%), IOCL (26%) and BPCL (11%).

GIGL has been authorised to lay two cross-country gas pipelines Mehsana to Bathinda Pipeline (MBPL) and Bathinda to Srinagar Pipeline (BSPL). The initial sections of the projects viz. Barmer-Pali Pipeline, Palanpur-Pali Pipeline and Jalandhar Amritsar Pipeline are in operation from 2018-19 onwards. During 2020-21, the Company has transported 995.5 MMSCM of gas and recorded total revenue of ₹ 180.40 Crore and Profit After Tax (PAT) of ₹ 16.21 Crore.

GSPL India Transco Ltd. (GITL)

GSPL India Transco Ltd. (GITL) is a joint venture of GSPL, IOCL, BPCL and HPCL. HPCL has 11% equity participation in the Company and balance equity is being held by GSPL (52%), IOCL (26%), and BPCL (11%).

GITL has been authorised to lay 1,881 long km pipeline from Mallavaram to Bhilwara. The initial section of Project from Reliance Gas Transmission India Limited interconnection point at Kunchanapalli to Ramagundam Fertilisers & Chemicals Limited's Plant at Ramagundam has been commissioned in 2019-20. During the year, the Company has transported about 88.18 MMSCM of gas and has recorded total revenue of ₹ 45.25 Crore.

Godavari Gas Pvt. Ltd. (GGPL)

Godavari Gas Pvt Ltd. (GGPL) is a joint venture between Andhra Pradesh Gas Distribution Corporation Limited (APGDC) and HPCL with equity stakes in the ratio of 74:26.

GGPL has been formed to develop and operate city gas distribution network in East Godavari and West Godavari districts of Andhra Pradesh. GGPL has a CGD network comprising of 620 km MDPE pipeline and 93 km steel pipeline and is serving 1,00,232 domestic customers. GGPL also operates 31 CNG stations in East Godavari and West Godavari districts of Andhra Pradesh.

During 2020-21, GGPL has achieved sales volume of 705 MT of CNG and 26.26 lakh SCM of PNG. GGPL has recorded total revenue of ₹ 10.60 Crore during the year.

HPOIL Gas Pvt. Ltd. (HOGPL)

HPOIL Gas Pvt. Ltd. (HOGPL) is a joint venture between HPCL and OIL India Ltd. (OIL) with equity shareholding of 50% each.

HOGPL has been formed to develop and operate CGD networks in geographical areas of Ambala-Kurukshetra districts in the state of Haryana and Kolhapur district in the state of Maharashtra. HOGPL has a CGD network comprising of 462.79 km MDPE pipeline and 34.47 km steel pipeline and is serving 9,612 domestic customers. HOGPL also operates 14 CNG stations Ambala-Kurukshetra districts and Kolhapur district.

During 2020-21, HOGPL has achieved sales volume of 1,685 MT of CNG. PNG sales started to domestic households in March 2021. HOGPL has recorded total revenue of ₹ 11.20 Crore during the year.

HPCL Shapoorji Energy Pvt. Ltd. (HSEPL)

HPCL Shapoorji Energy Pvt. Ltd. (HSEPL), floated as 50:50 joint venture between HPCL and SP Ports Pvt. Ltd. (SPPPL), became a 100% subsidiary of HPCL on 30th March, 2021 subsequent to acquisition of 50% stake by HPCL from SPPPL.

HSEPL has been formed to build and operate a 5 MMTPA LNG regasification terminal at Chhara Port in Gir Somnath district of Gujarat. Major facilities at LNG terminal include marine facilities for berthing and unloading of LNG carrier, storage tanks, regasification facilities and associated utilities.

The project is under execution at site. Construction of 2 Number LNG storage tanks, regasification facilities, jetty facilities, other associated facilities etc. are in progress at site.

Mumbai Aviation Fuel Farm Facility Pvt. Ltd. (MAFFFL)

Mumbai Aviation Fuel Farm Facility Pvt. Ltd. (MAFFFL) is a joint venture of Mumbai International Airport Private Limited (MIAL), IOCL, BPCL and HPCL with equity holding of 25% each.

The Company is engaged in operation and maintenance of the existing aviation fuel farm facilities and provides Into-plane services at Chhatrapati Shivaji International Airport (CSIA), Mumbai. The Company will construct, maintain and operate the new integrated fuel farm facility on an open access basis. The construction of the integrated fuel farm is in advanced stage of completion.

MAFFFL achieved thruput of 6.06 lakh KL during 2020-21. MAFFFL has registered total revenue of ₹ 50.90 Crore and Profit After Tax (PAT) of ₹ 1.56 Crore during 2020-21.

HPCL Middle East FZCO (HMEF)

HPCL Middle East FZCO, a wholly-owned subsidiary of HPCL has been formed for marketing of lubricants and other petroleum products across various markets of Middle East and Africa.

The Company is registered under the DAFZA (Dubai Airport Free Zone Authority) and has trade licence for trading in lubricants and greases, petrochemicals and refined oil products.

HPCL Middle East FZCO has registered a sale of 818 MT of value-added lubricants recording growth of 435% over previous year. HPCL Middle East FZCO has recorded total revenue of 4.55 million AED (₹ 9.20 Crore) during the year.

IHB Ltd. (IHBL)

IHB Ltd. (IHBL) is a joint venture company promoted by IOCL, BPCL and HPCL with equity participation in the ratio of 50:25:25. The Company was converted into a Public Limited Company and new certificate of incorporation was received on 6th April, 2021.

IHB Ltd. was incorporated to construct, operate and manage about 2,800 km long Kandla-Gorakhpur LPG Pipeline, longest LPG pipeline in the world, for meeting the LPG demand of the bottling plants enroute the pipeline in Gujarat, Madhya Pradesh and Uttar Pradesh. Statutory clearances & acquisition of Right of Way (ROW) has been done for major part of the pipeline length and pipeline laying is in progress at multiple fronts.

P. AWARDS RECEIVED

During the year 2020-21, HPCL was conferred with a number of awards and recognitions at various forums. The following is the list of awards received by HPCL during 2020-21:

1. "Oil Marketing Company of the Year" for leadership in oil marketing business in India by Federation of Indian Petroleum Industry (FIPI)
2. "Shrestha Suraksha Puraskar" to Visakh Refinery Modernisation Project (VRMP) - Full Conversion Hydrocracker Unit (FCHCU) construction site by 'National Safety Council of India (NSCI)'
3. "International Safety Award 2020" bestowed on Delhi Terminal, Ramamandi Rewari Pipeline and Coimbatore IRD by British Safety Council
4. Bhopal LPG Plant, Calicut ASF, Kanpur Terminal and Mundra Terminal awarded "Greenco Platinum Rating" at the 9th Virtual Greenco Summit organised by the Confederation of Indian Industry Green Business Centre (CII-GBC)
5. First Prize for "Swachhta Hi Sewa" campaign and 'Outstanding Contribution' Award for Swachhta Pakhwada campaign by Ministry of Petroleum and Natural Gas and Ministry of Drinking Water and Sanitation
6. CII SCALE Award 'Excellent' category in Oil, Gas and Petrochemical Category for Digital interventions at various customer interface points, last mile logistics planning, and productivity & process improvements through process digitisation
7. "Exceed Platinum Award" under the category 'Environment Sustainability' in Oil Refining Sector by Sustainable Development Foundation of 'Ek Kaam Desh Ke Naam'
8. "Tech Circle Award" for Excellence in Digital Execution by Mosaic Digital
9. "Digital Tech Sabha Award" in 'Enterprise' category for the project of 'Smart LPG Plant'
10. "PRSI National Awards 2020" by Public Relations Society of India for (i) Best Corporate Website for second consecutive year, (ii) Best House Journal in 'English Category' to HP News, (iii) Best House Journal in 'Hindi Category' to HP Samachar, (iv) Best use of Social Media, (v) Best Corona Awareness Campaign
11. "59th ABCI Awards 2020" by Association of Business Communicators of India for (i) HP Corporate Website, (ii) Annual Report 2017-2018, (iii) HP Samachar under the Indian Language Publication, (iv) Expressions under the Photo Feature category and (v) Sustainability Report 2017-18
12. "Innovation in Capability Building" award by AIAC (All India Achievers Conference) towards the various learning platform and training modules
13. "National Quality Award" in the Gold category to Proficiency Testing Project of Quality Control Department (Marketing) by Quality Control Council of India
14. "Saksham Award 2020" to State Level Coordinator, Chandigarh for 'Best Overall Performance' among small states & UTs category for Oil & Gas Conservation activities carried out during Saksham 2020
15. Felicitation by Hon'ble Governor of Maharashtra for humanitarian services rendered during COVID-19 pandemic by HPCL
16. Felicitation by Hon'ble Governor of Telangana & Lieutenant Governor of Puducherry, for the excellent efforts made by HPCL to ensure smooth supply of Petrol, Diesel and LPG refill to consumers in the State of Telangana during the COVID-19 pandemic

Q. CAUTIONARY STATEMENT

Matters covered in the Management Discussion and Analysis report describing the Corporation's objective, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. The actual performance could vary 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.

Business Responsibility Report (BRR)

Businesses being a critical component of the social system have huge responsibility towards all their stakeholders more so towards environment and society in new paradigm. In light of ever-increasing global challenges relating to climate change, environmental risks etc., businesses are reimagining their role in the society not only as economic units generating financial wealth, but also on how they significantly contribute to environmental, social and governance (ESG) objectives.

For HPCL, embracing responsible business practices is as important as delivering financial and operational growth. This becomes even more pertinent to us being a Central Public Sector Enterprise and a listed entity.

Securities and Exchange Board of India (SEBI) notified Listing obligations and disclosure requirements regulation 2015 in Gazette of India Extraordinary Part III – Section 4 dated September 02, 2015 and amended on December 26, 2019. Vide this notification, it is mandatory to release the BRR for the top 1000 listed entities based on market capitalization at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) as on March 31, of every financial year. HPCL stands 111th and 109th in ranking of market capitalization as on March 31, 2021 at BSE and NSE respectively and is delighted to present its 5th Business Responsibility Report as a part of Annual report 2020-21.

This report is developed in-line with the framework suggested by SEBI, which is based on 'National Voluntary Guidelines (NVG) on Social, Environment and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs, Govt. of India.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:**
   L23201MH1952GOI008858

2. **Name of the Company:**
   Hindustan Petroleum Corporation Limited

3. **Registered Address:**
   17, Jamshedji Tata Road, Mumbai - 400020

4. **Website:** www.hindustanpetroleum.com

5. **E-mail id:** corphqo@hpcl.in

6. **Financial Year Reported:** 2020-21

7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

   As per National Industrial Classification 2008, Ministry of Statistics & Programme Implementation, the Company is engaged in activities described below:

Group	Class	Sub-class	Description
061	0610	06102	On shore extraction of crude petroleum
192	1920	19201	Production of liquid and gaseous fuels, illuminating oils, lubricating oils or greases or other products from crude petroleum or bituminous minerals
		19203	Bottling of LPG/CNG
		19209	Manufacture of other petroleum n.e.c. (includes manufacture of petroleum jelly, micro-crystalline petroleum wax, slack wax, ozokerite, lignite wax, petroleum coke, petroleum bitumen and other residues of petroleum oils or of oils obtained from bituminous minerals)
351	3510	35105	Electric power generation using solar energy
		35106	Electric power generation using other non-conventional sources
352	3520	35202	Distribution and sale of gaseous fuels through mains
466	4661	46610	Wholesale of solid, liquid and gaseous fuels and related products
473	4730	47300	Retail sale of automotive fuel in specialised stores [includes the activity of petrol filling stations]
477	4773	47736	Retail sale of household fuel oil, bottled gas, coal and fuel wood
493	4930	49300	Transport via pipeline (Crude, LPG and Petroleum products)
721	7210	72100	Research and experimental development on natural sciences and engineering

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**
   a. High Speed Diesel (HSD)
   b. Motor Spirit (MS)
   c. Liquefied Petroleum Gas (LPG)

9. **Total number of locations where business activity is undertaken by the Company:**
   a. Number of International Locations (Provide details of major 5)

   Number of International Locations = Three; HPCL does not carry out direct operations at its international locations. Its subsidiaries have international operations.

   b. Number of National Locations as on March 31, 2021:

Sr. No	Description	Units	Number
1	Refineries	Nos	2
2	LPG Import Locations	Nos	2
3	Terminals, TOPs and Depots	Nos	80
4	LPG Bottling Plants	Nos	51
5	Lube Blending Plants	Nos	6
6	Aviation Fuel Stations	Nos	46
7	Pipelines (Main Lines - POL)	Nos	6
8	Pipelines (Branch Lines - POL)	Nos	4
9	Pipelines (Main Line - LPG)	Nos	2
10	Specialty Product Pipeline (Lube Oil/ATF)	Nos	2
11	Exclusive Lube Depots (COLD/COD)	Nos	31
12	Retail Outlets	Nos	18634
13	LPG Distributorships	Nos	6192
14	SKO/ LDO Dealerships	Nos	1638
15	Auto LPG Dispensing Stations (ALDS)	Nos	186
16	CNG Outlets	Nos	674
17	Clearing and Forwarding Agents (CFA)	Nos	121
18	Lube Distributors	Nos	280

   c. **Markets served by the Company – local/state/ national/international:**

   HPCL serves local, state, national as well as international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid Up Capital (INR)** ₹ 1,452.02 Crore
2. **Total Turnover (INR)** ₹ 2,69,242.86 Crore
3. **Total Profit after Taxes (INR)** ₹ 10,663.88 Crore
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%)** ₹ 156.35 Crore i.e. (2.41%) of Average Net Profit of the company for last three financial years.

   The mandatory spending being 2%, additional expenditure of ₹ 26.38 Crore is carried forward to FY 2021-22 and the same is available for set-off.

5. **List of activities in which the expenditure in 4 above has been incurred.**

   The CSR activities of the Corporation were carried out in the following major areas:
   - Child Care
   - Education
   - Health Care
   - Environment and Community Development

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/Companies?**

   HPCL has the following subsidiary companies as on March 31, 2021:

   a Prize Petroleum Co. Ltd. : HPCL's equity holding - 100%

   b. HPCL Biofuels Ltd. : HPCL's equity holding - 100%

   c. HPCL Rajasthan Refinery Ltd. : HPCL's equity holding - 74%

   d. HPCL Middle East FZCO : HPCL's equity holding - 100%

   e. HPCL Shapoorji Energy Private Ltd. : HPCL's equity holding - 100%

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   The subsidiary companies are driven by their own policies.

3. **Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? (Less than 30%, 30% – 60% and More than 60%)**

No other entity/ entities that are engaged with the Company's business participate in the BR initiatives. However, HPCL engages periodically with more than 60% of its suppliers, distributors, dealers, transporters etc. for raising awareness on sustainability issues. HPCL's Dealers/Distributors and Transporters participate in various activities of the company such as training to retail outlet staff, Sanrakshan Kshamata Mahotsav (SAKSHAM), Swachh Bharat Abhiyan awareness drives, Vigilance Awareness Week, Van Mahotsav, training to transport crew, health camps for transporters, safety trainings and fitness camps for tank trucks, safety clinics and campaigns etc. to name a few. HPCL supported the fight against COVID-19 pandemic through various initiatives. As one of the initiatives, the frontline workforce like LPG Deliverymen, Forecourt Salesmen at Retail Outlets, Tank Truck drivers and crew members were provided with hygiene kits by HPCL for maintaining continuous operation of essential services and ensuring their own safety and customer safety. In addition, Floater Group Mediclaim Policy was also provided by HPCL to extended workmen engaged by our stakeholders eg. In HP Retail Outlets, HP Gas Distributorships, Business Partners of Lubes SBU / DS SBU Agencies, at our locations engaged through contractors (not covered by ESIC) for Hospitalization of Employee / Family Members for any diseases including COVID-19.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. **Details of Director/Directors responsible for Business Responsibility (BR)**

a) Details of the Director/Director responsible for implementation of the BR policy/policies

The Corporation has a "CSR & Sustainability Development Committee" headed by an Independent Director for periodic review, discussion and guidance on various CSR, sustainability development initiatives and measures and implementation of BR policies. The composition of CSR & Sustainability Development Committee as on March 31, 2021 is as follows:

DIN Number	Name	Position in the Committee	Designation
08510332	G Rajendran Pillai(Note1)	Chairman	Independent Director
05323634	Pushp Kumar Joshi	Member	Whole Time Director
07632981	Vinod S Shenoy	Member	Whole Time Director
07340288	Rakesh Misri	Member	Whole Time Director

Note 1: Shri G Rajendran Pillai was inducted into the Committee as Chairperson effective 01.10.2020.

b) Details of the BR head

Particulars	Details
DIN Number (if applicable)	Not Applicable
Name	Sukumar Nandi
Designation	Executive Director - Corporate HSE
Telephone number	022 - 25544253
E-mail id	snandi@hpcl.in

2. **Principle wise (as per NVGs) BR policy/Policies (Reply in Y/N)**

a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
		P1: Code of Conduct; Whistle Blower Policy P2: HSE Policy; Sustainable Development Policy P3: Signatory to United Nations Global Compact (UNGC); Whistle Blower Policy; Internal Human Resource Policies P4: CSR Policy; Sustainable Development Policy P5: Signatory to UNGC; CDA Rules; Internal Human Resource Policies P6: HSE Policy; Sustainable Development Policy; Climate Change Policy Statement P7: Sustainable Development Policy P8: CSR Policy P9: Citizen Charter; Sustainable Development Policy; Internal Quality Control Vision Document								
2	Has the policy been formulated in consultation with relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been formulated in accordance with the relevant statutory laws, guidelines issued by Government of India, Regulatory bodies and industry best practices.								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Policies are approved by Board / Competent Authorities as per Limits of Authority.								
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link to view the policy online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Code of Conduct: https://hindustanpetroleum.com/codeofconduct Whistle Blower Policy: https://www.hindustanpetroleum.com/documents/pdf/Whistle_Blower_policy.pdf HSE Policy: https://hindustanpetroleum.com/CSRPolicys Sustainable development Policy: https://hindustanpetroleum.com/CSRPolicys UNGC: https://hindustanpetroleum.com/CSRGCCommitment CSR Policy: https://www.hindustanpetroleum.com/documents/pdf/csr/HPCL_CSR_Policy_wef%2020052021.pdf Climate Change Policy Statement: https://hindustanpetroleum.com/documents/pdf/HPCL_Climate_Change_policy.pdf Citizen's Charter: https://hindustanpetroleum.com/citizens-clients-charter								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Sufficient awareness has been created amongst all stakeholders through Website.								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8	Does the Company have in-house structure to implement its policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b) **If answer against any principle, is 'No', please explain why: (Tick up to 2 options):**

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done in the next 6 months									
5	It is planned to be done in the next year									
6	Any other reason (please specify)									

3. **Governance related to BR**

a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The Corporation has constituted a "CSR & Sustainability Development Committee" for periodic review, discussion and guidance on various CSR and Sustainability Development Initiatives and measures. Annual Review is conducted by the committee.

b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

HPCL is publishing the BRR as part of the Annual Report since 2016-17.

HPCL also publishes Sustainability Report annually in line with Global Reporting Initiative (GRI) standards.

HPCL Sustainability Reports can be accessed through the following link: https://hindustanpetroleum.com/CSRPolicys

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Yes, the policy formulated by HPCL relating to ethics, bribery and corruption covers only the company i.e. HPCL. The Joint venture companies/ subsidiaries have their own policies. The suppliers/contractors are governed as per the terms & conditions of the contract. HPCL has implemented Integrity Pact since 2007 as a part of contracts with a value above ₹1.0 Crore. The reference received from the vendors are placed before Independent External Monitors (IEMs) for their review and recommendations to the Management for compliance.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

HPCL, a customer-centric organisation, has well-defined service standards and strong commitments towards customer delight.

HPCL had 44 Nos of public grievances pending as on April 01, 2020. HPCL received 4,751 public grievances during 2020-21 and resolved 4719 of the pending grievances. The closing number of public grievances as on March 31, 2021 is 76. The average disposal time for the complaints was 11 days, well within permissible timeline of 30 days as per the directive of Department of Administrative Reforms and Public Grievances [DARPG] / Prime Minister's Office [PMO]. Grievances received under specially carved out category i.e. COVID-19 Category wherein 108 Nos had been registered, were resolved within 48 hours as against 72 hours directive.

Company has also received 35 complaints from shareholders in 2020-21 and all of them were resolved as on March 31, 2021.

HPCL had 16 Nos of vigilance related complaints pending as on April 01, 2020. A total of 321 complaints were received by vigilance department during 2020-21. Of these, 305 complaints were resolved during 2020-21. Balance 32 Nos complaints are under investigation as on March 31, 2021.

During the year 2020-21, HPCL has received 04 complaints from vendors, which were referred to and resolved by the Independent External Monitors.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.**

   a) Bharat Stage VI (BS VI) MS and HSD

   b) Biofuels (Ethanol Blended Petrol and Biodiesel Blended Diesel)

   c) Very Low Sulphur Fuel Oil (VLSFO)

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

HPCL produces and markets BS VI MS and HSD (Bharat Stage-VI fuels) which contain only 10 ppm sulphur which result in lesser sulphur dioxide emissions that helps in reducing air pollution.

Towards reduction of carbon intensity in transportation sector, HPCL is actively pursuing blending of biofuels (ethanol and biodiesel) with fossil fuels. In 2020-21, HPCL has procured approx. 6,42,943 KL of Ethanol and 2,986 KL of Biodiesel for blending in MS and HSD respectively. The sales volume of Ethanol Blended MS was 59,59,643 KL and that of Biodiesel Blended Diesel was 41,039 KL in 2020-21.

HPCL produces IMO-2020 compliant Very Low Sulphur Fuel Oil (VLSFO) meeting Residual Marine Grade (RMG) 0.50 Specification and ISO 8217:2017 Standard requirements. This product helps shipping companies to respond to the stringent regulation on Sulphur dioxide emissions thereby keeping a check on air pollution.

In consonance with the green initiatives being undertaken by HPCL, its Green R&D Centre (HPGRDC) has developed additives for LPG: HP Gas Flame Plus, for BS VI-HSD: HP-DFA (Dual Functional Additive), for VLSFO: HP PPD (Pour Point Depressant) which are aimed at improving the different operating parameters of the products thereby improving efficiency and reducing consumption of chemicals.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

HPCL's term crude oil strategy takes into account factors like security of supply and geographical diversification of sourcing of crude oil. The crude oil is sourced under term contracts with National Oil Companies and Multinational Oil Companies.

HPCL also has contracts for importing crude oil on optional basis to meet the requirement of additional crude in event of reduction in term contract volumes due to unforeseen factors like OPEC supply cut, operational exigencies etc.

In addition to the term crude, to meet the spot crude requirement, HPCL has a basket of crude oil grades from different geographies which ensures diversification of sources of supply. Further, efforts are made on continuous basis to add new grades and new countries to the crude basket.

Towards the objective of geographical diversification in sourcing of crude oils for our refineries, two new grades of crude oil from two different countries have been added to the crude basket during the year. Also, one new grade Basrah Medium was processed in our refinery.

HPCL has entered into a Contract of Affreightment with an Indian ship owner, ensuring support to Indian shipping tonnage and security for our crude transportation requirements.

The vessels deployed for crude transportation comply with all extant International and Domestic Maritime regulations. Vessels engaged by HPCL for crude and product transportation are in compliance with IMO 2020 norms, a regulation in place from 1st January 2020, seeking to provide environmental and health benefits by eliminating emissions produced by heavy bunker fuels.

Products sourced for meeting our market demand, meet the criteria of sustainability. As part of the sustainability initiative, in addition to production from our own refineries, HPCL is sourcing products from other Oil Marketing Companies, Stand Alone Refineries and from imports, complying with the quality specifications of BS-VI grades of Gasoline and Gasoil issued by the MOP&NG.

Pipeline is a cost effective, energy efficient, safe and environment friendly mode of transportation of petroleum products. HPCL has pipelines for transportation of petroleum products for their availability to consumers and public through its facilities.

HPCL uses best in class optimization tools to plan and optimize the sourcing, transportation linkages and long term infrastructure needs. It reduces carbon foot print by maximising product movement through energy efficient modes like Pipeline, Coastal and Rail over road transportation, which also reduces cost. Six fully owned dedicated rakes have been procured and deployed in LPG transportation service.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, the Company is engaged with various local and small vendors for procurement activities.

Various vendors' meets were conducted with focus on MSEs, SC/ST MSEs and Women MSEs. Ensured compliance of Public procurement Policy and extended the benefits like exemption of EMD, allowed to supply a portion quoting within +15% on matching L1 rates and up to 25% of requirement etc. Regular order including developmental order/trial order were also released to improve capacity and capability of local vendors including MSEs. HPCL has also been fully abiding by various government directives / policies to provide relief to MSMEs and promote indigenization of products and services.

HPCL has achieved 28.49% of procurement of goods & services (other than Crude Oil, Petroleum Products, Logistics (Marine, Railway & Pipeline)) from Micro and Small Enterprises (MSEs) in 2020-21 against a target of 25%.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Yes, Company has mechanism to recycle products and waste. Percentage of recycling of products is <5%. Mainly off spec products (slop) generated during crude oil refining as well as during product handling are recycled back. This slop generated is reprocessed for converting to products on a regular basis.

Some examples of waste recycling and processing are:

a) Processing and treatment of effluents and sewage through Effluent treatment plants, sewage treatment plants and phytoremediation units

b) Minimisation of flared off-gases by utilizing them internally towards fuel gas requirement in both refineries by employing Flare Gas Recovery systems.

c) Disposal of catalysts to approved recyclers.

d) Mechanical recovery of oil from high oily sludge and reprocessing.

e) Conversion of biodegradable wastes into compost using vermi composting and organic waste converter machines.

Principle 3: Businesses should promote the well-being of all employees

1. **Please indicate the Total number of employees.**

9,448 permanent employees as on March 31, 2021.

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

Contract labour is engaged through contractors for non-core activities at HPCL Locations. The number of contract labour engaged in different locations/units of HPCL under various contractors is 44,728 during 2020-21; 15 workmen are on casual basis.

3. **Please indicate the Number of permanent women employees**

916 as on March 31, 2021.

4. **Please indicate the Number of permanent employees with disabilities**

153 as on March 31, 2021.

5. **Do you have an employee association that is recognised by management?**

Yes, The Company has 13 recognised unions for representing non-management employees. The Company also has Employee Welfare Associations representing SC/ST Employees and OBC Employees.

6. **What percentage of your permanent employees is members of this recognized employee association?**

94% of non-management employees are members of recognized unions and associations.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
a.	Child labour/forced labour/involuntary labour	Nil	Nil
b.	Sexual harassment	1	1
c.	Discriminatory Employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

HPCL employees are covered in various training programs including safety and skill up-gradation under behavioral, technical training programs which cover various aspects of environment, social, governance including issues on ethical standards, human rights, prevention of sexual harassment etc. Mandatory training programs are also a part of the KPI of employees.

Contract workmen are provided basic safety trainings, use of personal protective equipment and trade specific safety trainings before engagement in the working locations.

Mandays of training given to various employees in 2020-21 are as follows:

- Permanent Employees (Management and Non-Management) : 43,883 (Coverage: 88.2%)
- Permanent Women Employees : 6,985 (Coverage: 95.6%)
- Employees with Disabilities : 952 (Coverage: 91.6%)

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. **Has the company mapped its internal and external stakeholders?**

Yes, HPCL has mapped both its internal and external stakeholders and continuously engages with them in order to have synergetic relationship. The identified stakeholders (in no order of preference) are Shareholders, Customers, Statutory/Regulatory Bodies, Government, Employees, Dealers, Distributors, Financial Institutions, Transporters, Suppliers, Contractors, Contract Workmen etc.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?**

Yes. HPCL has identified disadvantaged, vulnerable and marginalised stakeholders. Various activities/ programs/ initiatives have been undertaken for the welfare of these stakeholders to bring about holistic and sustainable development. The CSR policy of the Corporation has provision that the CSR projects/ activities shall be undertaken for the welfare of SC, ST and other weaker sections of society. In addition, initiatives have been undertaken for the welfare of communities in Aspirational districts identified by NITI Aayog.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.**

Initiatives have been undertaken for the empowerment, upliftment and overall development of communities and society at large. These include relief measures during COVID-19 pandemic, sanitation facilities, educational and health infrastructure in rural areas. These efforts of the Corporation have contributed to overall social development in local areas.

For various specialized procurement, factors like social, ethical and environmental performance are considered for selection of supplier eg. In Transportation tenders - age of truck, reservation for SC/ST, Micro and Small Enterprises (MSE) women entrepreneurs etc.

HPCL supported the fight against COVID-19 pandemic through contribution to PM CARES fund, and undertaking other relief measures like distribution of food packets, masks, sanitizers and soaps, Personal Protective Equipment (PPE) kits, hygiene kits and ration materials to less-privileged people especially migrant workers and remote rural population.

Support was also extended to District Administration, municipal corporation, police personnel, hospital administration, sanitation workers and disaster management authorities by providing masks, sanitisers, relief materials etc.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

   Policies addressing human rights cover only HPCL. The Joint ventures / Subsidiaries have their independent policies.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During 2020-21, there were no complaints related to Human rights.

Principle 6: Businesses should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**

   The Policy related to principle 6 cover only the company. Joint Ventures / Subsidiaries are governed by their own policies.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes, HPCL is aware of its responsibility as responsible Corporate Citizen towards caring for the environment and striving to reduce its carbon footprint. HPCL does this by incorporating the 'green' perspective in its key organisational processes, while pursuing its own growth aspirations towards Customer delight. HPCL has adopted a 'Climate Change Policy' which can be accessed through the following link: https://hindustanpetroleum.com/documents/pdf/HPCL_Climate_Change_policy.pdf

   The strategies/initiatives being adopted by HPCL to address global environmental issues such as climate change, global warming etc. have been enlisted in its annual sustainability reports, which are based on GRI Standards and assured by third party.

   HPCL sustainability reports can be accessed through the following link: https://hindustanpetroleum.com/CSRPolicys

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes, Environmental risks are identified and given due consideration in the risk management framework of the organization. HPCL's Mumbai and Visakh Refineries are certified with environmental management system ISO-14001 and have identified and assessed for potential environmental risks in the form of ISO- 14001 IER (Initial Environment Review) or the Aspect /Impact Register. EIA is done for all projects and PHA studies are done on a continuous basis. All major locations of HPCL undergo environmental audit and compliance of findings are ensured.

4. **Does the company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   The Company does not have any projects registered under CDM in the reporting financial year of 2020-21.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.**

   Yes, HPCL firmly believes that centering the business on sustainability leads to economic, environmental and social progress. With a focus to go beyond environmental compliance and achieve best-in-class performance, our actions are guided by our Board-approved policies on environment and sustainable development. HPCL has systems to manage its ecological performance and maintains a relentless focus on operational excellence. HPCL strives for incorporating adaptation and mitigation measures to counter probable impacts of climate change on its infrastructure, operations as well as upcoming projects. Some of the green initiatives are:

   a) Bureau of Energy Efficiency (BEE) has extended PAT (Perform, Achieve and Trade) program to petroleum refineries. Both HPCL refineries have successfully completed PAT cycle-II and have exceeded their respective energy efficiency (MBN) targets. Currently, both the refineries are participating in PAT Cycle-VI.

   b) Energy savings of 14,069 SRFT and 13,056 SRFT were achieved in Mumbai and Visakh Refineries respectively during 2020-21 by implementing energy conservation measures.

   c) Various energy conservation measures are implemented at refineries as given below:

      - Implementation of Comprehensive Energy Monitoring systems
      - Optimisation of Feed quality of secondary units
      - Frequent insulation and steam leak surveys
      - Implementation of chemical programme for defouling of exchangers

- Maximising use of off gases in furnaces
- Frequent energy surveys to ensure timely interventions to improve efficiency of various equipment such as furnaces, Steam Generators and Power Generators.

d) Blending of Biofuels with Fossil Fuels - In 2020-21, HPCL has procured approx. 6,42,943 KL of Ethanol and 2,986 KL of Biodiesel for blending in MS and HSD respectively. The sales volume of Ethanol Blended MS was 59,59,643 KL and that of Biodiesel Blended Diesel was 41,039 KL in 2020-21.

e) During 2020-21, HPCL released Letters of Intent (LOIs) for setting up 100 Compressed Bio-Gas (CBG) Plants with a capacity of 634.8 ton/day, taking the cumulative to 151 LOIs with capacity of 840.6 ton/day, across the country to increase usage of biofuels in the energy and transportation sectors.

f) Replacing conventional lighting with LED lights across locations towards Energy conservation.

g) Utilising renewable energy sources to reduce the carbon footprint across the value chain and continuously expanding the wind and solar power generation capacities. During 2020-21, HPCL has installed about 11.4 MWp Capacity of Solar PV power plants across the country at different installations in the value chain. This has brought the cumulative Renewable Energy installed capacity to 100.9 MW Wind power and 43.95 MWp Solar Power as on March 31, 2021. The wind power plants generated about 17.05 Crore kWh in 2020-21 while the solar plants led to substantial savings in terms of electricity purchase cost for various depots, LPG plants, Pipeline Locations and Retail outlets.

h) Installed Vapor Recovery Systems at all outlets in NCR including NCT.

i) Installed rain water harvesting systems at various locations.

j) HP Green R&D Center commissioned Green Hydrogen Generators. 'Green hydrogen' is produced using solar power and PEM electrolyser.

HPCL's various 'Green' initiatives have been elaborated in Annual Sustainability Reports which can be accessed through the following link: https://hindustanpetroleum.com/CSRPolicys

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/waste generated during the course of operations are within the permissible limits given by CPCB/SPCB norms.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

1) Case: Before Supreme Court – HPCL Vs. Charudatt Koli & Others

Mr. Charudatt Koli and certain other individuals have alleged that industries in Mahul, Mumbai are polluting and creating health hazard to the nearby residents. On 18.12.2015, Hon'ble National Green Tribunal, Pune had directed Maharashtra Pollution Control Board (MPCB) to prepare action plan to control pollution and conduct health assessment study etc. HPCL has complied with the directions of MPCB, passed pursuant to NGT's orders. Thereafter, an Execution Application was filed by Mr. Charudatt Koli and others at NGT New Delhi (where the matter was transferred to). In this EA by order dated 13.08.2020 the NGT assessed damages to environment to the tune of ₹ 142 Crore, ₹ 76.50 Crore, ₹ 67.50 Crore, and ₹ 0.20 Crore to be borne by Aegis, HPCL, BPCL, and Sealord respectively. This amount was directed to be kept in separate accounts by HPCL and BPCL. A 10 member committee was appointed and directed to prepare an action plan for restoration measures spread over a period of 5 years and further that these amounts will be used for such remedial measures. This Order was challenged before the Hon'ble Supreme Court, and the Hon'ble Court by Orders dated 27.10.2020 granted stay of the order of NGT. The matter is pending before Hon'ble Supreme Court.

2) Case: Before NGT (SZ) – Visakha Pawan Praja Karmika Sangham Vs. Union of India & Others.

This application has been filed before NGT-South Zone bench (Chennai), inter alia complaining about odour emanating from HPCL's refinery at Visakhapatnam. The applicant has alleged that other government bodies have not implemented recommendation of studies conducted to reduce odour and pollution in the area, and that A.P. Pollution Control Board has not implemented the directions of the Hon'ble Andhra Pradesh High Court. On 25.02.2021, NGT has admitted the application and constituted a 5 member committee to inspect the premises/ area and submit a report by 12.04.2021. The committee has sought one month further time, which has been granted. HPCL has filed its reply before the NGT stating that it has the required "consent to operate" under the environmental laws, and complies with all the applicable law, rules, regulations, consent conditions, etc. There are no violations from HPCL's side. The matter is pending hearing.

3) **Details of cases regarding Vapour Recovery System:**

CPCB issued circular dated 12.2.2016 directing OMCs to install Vapour Recovery System (VRS) at all retail outlets with capacity of 300 KL/M or more, in cities with million plus population. Petition was filed before NGT for directions to MOP&NG and OMCs to install VRS at all fuel stations, distribution centers, terminals, railway loadings/unloading facilities and airports in NCR region. NGT disposed the matter by order dated 28.9.2018 directing OMCs to ensure installation of VRS giving timelines. OMCs filed Civil Appeal before Hon'ble Supreme Court of India and the Supreme Court vide its Order dated 14.02.2019 disposed of the Appeals by extending the timelines for installation of VRS upto 31.03.2020 for Outlets selling > 300 KL/M and upto 30.09.2020 for Outlets selling < 300 KL/M. While VRS has been installed at Outlets, the pre-commissioning and testing checks on VRS at Installations involving Foreign Parties could not take place due to COVID-19 restrictions. Hence an application was moved before the Hon'ble Supreme Court for time extension and on 08.04.2020, the Hon'ble Supreme Court allowed HPCL's application and granted further 6 months' time to complete the activities. HPCL has completed installation of VRS Stage I-A (installation of a device at filling depots/terminals), Stage I-B (installation of device on the tanks of retail outlets) and Stage-II (installation of device in the dispensing units of each retail outlet on all nozzles if DU has more than one nozzle), within the timelines in all districts of NCR.

Principle 7: Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, HPCL is member of various trade, chamber and associations, few of them are listed below:

a) Associated Chambers of Commerce and Industry of India (ASSOCHAM)

b) Confederation of Indian Industry (CII)

c) Federation of Indian Chambers of Commerce & Industry (FICCI)

d) Federation of Indian Petroleum Industry (FIPI)

e) Global Compact Network India (GCNI)

f) Standing Conference of Public Enterprises (SCOPE)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

HPCL participates in consultative committee meetings for setting up policy framework as and when asked by Government or regulatory departments. In addition, HPCL also contributes by providing its opinion to Ministry of Petroleum & Natural Gas and other bodies such as Oil India Safety Directorate (OISD), Petroleum and Natural Gas Regulatory Board (PNGRB), Center for High Technology (CHT) etc. towards advancement of public good and nation building.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

HPCL has programs/ initiatives/ projects in pursuit of the policy related to Principle 8. Details of various CSR projects undertaken are provided in the section on CSR activities, which is a part of the Annual Report.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The CSR Programs/ activities/ initiatives are implemented either directly by HPCL or through external agencies including Governmental and Non-Governmental organizations.

3. **Have you done any impact assessment of your initiative?**

HPCL has been carrying out impact assessment of its CSR major projects over the years. However, during 2020-21, view pandemic, specific dispensation was obtained from Board of Directors on conducting impact assessment in view of travel restrictions and advisories/guidelines issued by Ministry of Home Affairs, Govt. of India.

4. **What is your company's direct contribution to community development? Projects – Amount in INR and the details of the projects undertaken.**

HPCL's contribution to community development projects during 2020-21 has been ₹ 156.35 Crore. Details of CSR projects undertaken are provided in the section on CSR activities, which is a part of the Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The CSR activities are carried out by our locations with the active participation of communities/ local bodies/administration. The projects are handed-over to local administration / panchayat/ school principal who ensure that the activity is sustained and benefits reach out to communities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

HPCL had 0.35% customer complaints pending as on end of financial year.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The company follows National and International laws to display product information on its product labels where feasible.

HPCL's products are in line with BIS specifications, internationally accepted standards and customer specific standards.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

The Company has not received any complaints on unfair trade practices and irresponsible advertising. The following cases/ appeals on alleged Anti-competitive behaviour are pending:

Complaints	No. of cases filed in the last five years	No. of cases pending as on end of FY 2020-21
Unfair Trade Practice	0	0
Irresponsible Advertising	0	0
Anti-competitive behaviour	7	5

Details of cases regarding Anti-competitive behaviour are as follows:

1. Reliance Industries Ltd. filed a complaint before the Competition Commission of India alleging cartelisation and misuse of dominant position in the ATF tender issued by Air India. Jurisdiction of CCI was challenged by OMCs and when CCI held that it has jurisdiction, the OMCs filed a WP in Delhi High Court which stayed CCI proceedings. WP is pending.

2. CCI initiated an enquiry on its own against OMCs regarding possible cartelisation in fixing petrol price. Preliminary objection was taken by OMCs that CCI does not have jurisdiction as PNGRB is the sectoral regulator and has requisite powers. However, CCI ordered investigation by DG. This was challenged before Delhi High Court by a WP and on 22.11.2013 and the High Court stayed the CCI proceedings and tagged the matter with the earlier WP filed in RIL matter. The matter is pending.

3. North East India Petroleum Dealers Association filed Case no. 95/2013 alleging unfair terms in Dealership Agreements for a) not allowing to use petroleum products of other OMCs and b) reserving dealer land just for selling of Company products, etc. CCI dismissed matter on 11.02.2014 refusing to investigate. Assn. filed Appeal challenging said order. COMPAT set aside CCI Order and asked DG to investigate. The matter is pending investigation.

4. India Glycols Ltd & Eastern India Chemicals Ltd. filed Cases 21 & 29 of 2013 against Sugar Manufacturers Association, alleging that they have quoted similar/ identical prices for ethanol in tender of the Oil Marketing Companies viz. IOC, BPC and HPC (OMCs) and also alleged that OMCs are in cartel. CCI decided case in favour of OMCs on 18.9.2018 holding that there is no cartelisation by OMCs being buyers. Aggrieved by this order, these 2 companies, have filed appeals before NCLAT. The appeals are pending.

5. Competition Appeal no. 48/2018 – India Glycol v. ISMA & Ors. – This appeal has been filed by India Glycols against order dated 11.05.2018 passed by CCI in Case no. 94 of 2014, wherein CCI had dismissed the allegation of India Glycol that the Sugar Manufacturers are pressurizing OMCs to procure ethanol at artificially high prices. The appeal of India Glycol is pending.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

For HPCL, its customers are instrumental in improving the product delivery by providing valuable feedback. We have several communication channels through which we engage with them. The feedback helps in understanding the interventions required to enhance the efficacy of the system.

Few of the initiatives taken up in the reporting year for capturing the consumer satisfaction sentiment are:

Aviation:

The service related feedback is taken from the customers on a quarterly basis at all the ASFs. The feedback is taken on the following parameters: Quality of fuel, Promptness of service, appearance and performance of refueling equipment, safe practices and responsiveness towards customer complaints.

LPG:

LPG SBU has provisioned feedback of consumers on LPG cylinder delivery system thru its HP GAS mobile App and HP PAY Mobile App. This gives an indication on the satisfaction level of the consumer on the refill delivery system. HP Gas has enabled consumer feedback on digital payment in its consumer mobile app i.e. HPPay App wherein consumers feedback is used to improve consumers' digital payment experience. Apart from this, consumers feedback is also enabled in the CRM portal where in feedback is captured while consumers register their complaints/ suggestions. During 2020-21, LPG SBU has received feedback from 14,284 customers through CRM Portal. HP Gas call center executives also make outbound calls to customers, collect feedback and record the same for further analysis and action for improvement thereafter. During 2020-21 approx. 60,000 feedbacks were taken through call center.

Basis all these customers' feedback, LPG SBU has enabled multiple options of refill booking apart from IVRS, missed call, online booking, multiple options for cashless payment through various app based applications like HPPAY, BBPS, Umang, Bhim, e-wallets (PayTM, GPay, Amazon), credit / debit card, digital payment options at the doorstep of customers and various other consumer centric initiatives. The LPG SBU is in process for rolling out of geo coordinate based delivery route optimisation for its LPG refill delivery staff, which will further improve the experience of consumer during refill delivery.

Abbreviations:

ALDS	Auto LPG Dispensing Station
ASSOCHAM	Associated Chambers of Commerce and Industry of India
ATF	Aviation Turbine Fuel
BEE	Bureau of Energy Efficiency
BIS	Bureau of Indian Standards
BR	Business Responsibility
BRR	Business Responsibility Report
BS VI	Bharat Stage VI
BSE	Bombay Stock Exchange
CBG	Compressed Bio-Gas
CCI	Competition Commission of India
CDA	Conduct, Discipline and Appeal
CDM	Clean Development Mechanism
CFA	Clearing and Forwarding Agent
CHT	Center for High Technology
CII	Confederation of Indian Industry
CNG	Compressed Natural Gas
COD	Contractor Operated Depot
COLD	Contractor Operated Lube Depot
CPCB	Central Pollution Control Board
CSR	Corporate Social Responsibility
DARPG	Department of Administrative Reforms and Public Grievances
DFA	Dual Functional Additive
EMD	Earnest Money Deposit
ESG	Environment, Social and Governance
FICCI	Federation of Indian Chambers of Commerce & Industry
FIPI	Federation of Indian Petroleum Industry
FZCO	Free Zone Company
GCNI	Global Compact Network India
GRI	Global Reporting Initiative
HSD	High Speed Diesel
IER	Initial Environment Review
IMO	International Maritime Organisation
ISO	International Organisation for Standardisation
IVRS	Interactive Voice Response System
KPI	Key Performance Indicator
LDO	Light Diesel Oil
LED	Light Emitting Diode

LOI	Letter of Intent
LPG	Liquefied Petroleum Gas
MBN	MMBTU/Barrel/NRGF
MPCB	Maharashtra Pollution Control Board
MS	Motor Spirit
MSE	Micro and Small Enterprises
MSME	Micro, Small and Medium Enterprises
MW	Mega Watt
MWp	Mega Watt Peak
n.e.c	Not Elsewhere Classified
NCR	National Capital Region
NCT	National Capital Territory
NGO	Non-Governmental Organization
NGT	National Green Tribunal
NITI Aayog	(National Institution for Transforming India) Aayog
NSE	National Stock Exchange
NVG	National Voluntary Guidelines
OISD	Oil Industry Safety Directorate
OMC	Oil Marketing Company
OPEC	Organisation of the Petroleum Exporting Countries
PAT	Perform, Achieve and Trade
PEM	Polymer Electrolyte Membrane
PM CARES Fund	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund
PMO	Prime Minister's Office
PNGRB	Petroleum and Natural Gas Regulatory Board
POL	Petroleum, Oil and Lubricants
PPD	Pour Point Depressant
PPE	Personal Protective Equipment
PV	Photo Voltaic
RMG	Residual Marine Grade
SCOPE	Standing Conference of Public Enterprises
SEBI	Securities and Exchange Board of India
SKO	Superior Kerosene Oil
SPCB	State Pollution Control Board
SRFT	Standard Refinery Fuel Tonnage
TOP	Tap Off Point
UNGC	United Nations Global Compact
VLSFO	Very Low Sulphur Fuel Oil
VRS	Vapour Recovery System

Independent Auditors' Report

TO THE MEMBERS OF HINDUSTAN PETROLEUM CORPORATION LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Indian Accounting Standard ("Ind AS") financial statements of Hindustan Petroleum Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements"), in which are included the Ind-AS financial statements for the year ended on that date audited by the branch auditor of the Visakh Refinery Located at Visakhapatnam.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (" the SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We invite attention to the following :

a) Note No 59 regarding provision for impairment made during the year of ₹ 390.67 Crore (cumulative as of year ended ₹ 618.07 Crore) towards loans given to consumers under Prime Minister Ujjwala Yojna (PMUY) of the total outstanding loans of ₹ 1,882.25 Crore. The above impairment has been computed based on the estimates of default as assessed by the management. Further, during the year, the management has performed re-measurement of the gross carrying value and accounted re-measurement loss amounting to ₹ 450.62 Crore.

b) Note No. 69 regarding provision towards diminution in value of investments made by Provident Fund Trust and Post Retirement Medical Benefit Fund Trust to the extent of ₹ 170.10 Crore & ₹ 69.65 Crore respectively arising out of the default over interest obligations and probable principal amounting to ₹ 243 Crore & ₹ 99.50 Crore respectively in the case of Non-convertible Debentures of certain companies which includes IL&FS & DHFL, basis best available estimate of the management. The estimate is dependent upon the outcome of matters pending with judicial authorities and recognition of Company's claim in these matters.

c) Note No 62 regarding the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials for the year ended March 31, 2021, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

1. Evaluation of uncertain indirect tax positions

The Company has material uncertain indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The Company has disputes pending at various levels of tax authorities over the past several years. As on March 31,2021, the company has total such disputed demands amounting to ₹ 10,493.99 Crore (Refer Note No. 2.16 and para (vii) (b) Annexure I of this report.)

Auditors' Responses

Principal Audit Procedures

- We have evaluated the appropriateness of the design and tested the operating effectiveness of the management's controls over the tax litigation matters.
- Perused details of completed tax assessments and demands for the year ended March 31, 2021 from management.
- We reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. The legal precedence and other rulings were considered in evaluating management's position on these uncertain tax positions.
- Further we have relied upon the management judgements, industry level deliberations and estimates for possible outflow and opinion of internal experts of the Company in relations to such disputed tax positions.

2. Evaluation of Direct Tax position

The Company has open direct tax positions including matters under dispute for different assessment years and the matters are at different stages with Tax Authorities/Courts. The Company has opted for Vivad Se Vishwas Scheme (VSVS) for which a tax liability of ₹ 776.66 Crore has been assessed by the management for which necessary declarations have been filed with the Income Tax Department and have been accepted. The proceedings are not yet concluded. [Refer Note No. 44(e)]

Auditors' Responses

Principal Audit Procedures

- Obtained details of completed tax assessments and demands up-to the year ended March 31, 2021 from management.
- We reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. The legal precedence and other rulings were considered in evaluating management's position on these direct tax positions.
- Additionally, we considered the effect of the outcomes of the Appellate Orders received during the year in respect of uncertain tax positions to evaluate whether any change was required to management's position on these uncertainties.
- We have reviewed the management data compiled to offer the disputed liabilities towards VSVS scheme and the basis at which these are considered as eligible for settlement under the scheme.
- We have reviewed the declarations filed with the Income Tax Department in respect of matters being declared under VSVS and also reviewed the confirmations received from the department in respect thereof.
- We have verified the orders from tax and appellate authorities for the previous years and relied on management judgments in evaluating the tax provisions for the Current Financial Year.

3. Recoverability of pre-deposits relating to tax and non tax matters and balances with Customs and Excise

As at March 31, 2021, the Company has non-current assets i.e. pre-deposits pertaining to various tax and non-tax matters namely VAT, excise duty, custom duty etc. with adjudicating authorities amounting to ₹ 388.59 Crore that are pending for/relating to cases pending for more than 3 years and there are receivables from Customs and Excise department amounting to ₹ 109.39 Crore pending for more than 3 years, for which there are no balance confirmations from the respective authorities available on records.

Auditors' Responses

Principal Audit Procedures

- We have evaluated the appropriateness of the design for recording and tracking the recoverability of pre-deposits pertaining to the old tax and non-tax cases.
- We have discussed and reviewed the nature of the amounts recoverable vis-à-vis the underlying cases. We further discussed the sustainability of the cases on a sample basis and the likelihood of recoverability or otherwise upon final resolution from the respective authorities.
- We enquired with the management about these cases vis-à-vis the current position and the efforts taken by the management to recover the deposits placed or obtaining the balance confirmations from the respective authorities.
- We have also advised the management to approach and continue to pursue with the Custom Authorities for early settlement of receivable claims pending for earlier years. (Refer Note No. 10.1).
- Further, we have relied on the management estimations and judgements with reference to inherent uncertainties involved while determining the outcome of these cases.

4. Evaluation of disputed claims against the company under various non-tax matters

The company has disputed claims against it which are pending at various courts/forums and are at various stages in the judicial process. The management has exercised significant judgement in assessing the possible outflow in such matters and accordingly an amount of ₹ 1,280.60 Crore has been disclosed for which the company is contingently liable while possibility of any outflow in matters having claims amounting to ₹ 483.89 Crore has been considered remote. (Refer Note No. 52).

Auditors' Responses

Principal Audit Procedures

- Read and analysed select key correspondences, internal/external legal opinions/consultations by management for key disputed non tax matters.
- Reviewed and verified other legal pronouncements wherever available in similar matters in the case of the company/other corporates.
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the provisions.
- Assessed management's estimate of the possible outcome of the disputed cases and relied on the management judgements in such cases.

5. Assessment for impairment of Investment in Wholly Owned Subsidiary and various financial assistance provided to them

The Company has wholly owned subsidiaries named 'HPCL Biofuels Ltd' (HBL) and Prize Petroleum Corporation Ltd (PPCL). PPCL has a wholly owned subsidiary named Prize Petroleum International Pte Ltd (the step down subsidiary) (PPIPL), incorporated in Singapore.

i) HPCL Biofuels Ltd. (HBL)

Since its inception, HBL has not been able to break-even based on which this project was approved. There has been a significant erosion in the net worth of the subsidiary.

Based on this, management assessed that the recoverable amount of the Company's investment exceeded its carrying value and an impairment assessment has been carried out by the management and accordingly as against the carrying value of ₹ 748.94 Crore, an amount of ₹ 572.16 Crore (₹ 50.00 Crore during the year) has been considered as impaired.

The above assessment includes significant estimations pertaining to projections of cash flows arising from the continuing use of its assets in the entity. (Refer Note no. 56)

Auditors' Responses

Principal Audit Procedures

- We reviewed the process followed by the Company to asses the valuation of investment, with respect to the transactions that took place during the year.
- We analysed the impairment test s performed by the management, and verified that the criterion used to perform these test are consistent with those established in applicable reporting regulations.;
- In estimating the impairment of investments we have reviewed that the management has followed the discounting of future cash flows of the revenue streams of HBL from its Cash Generating Unit using a pre tax discount rate.;
- We considered the adequacy of disclosures in the Financial Statements in respect of this matter.

ii) Prize Petroleum International Pte. Ltd.

The Company has an equity investment of ₹ 248.97 Crore in its 100% subsidiary, Prize Petroleum Company Limited. The management has carried out impairment assessment for the investment and a total amount of ₹ 162.98 Crore stands provided for towards the investment. The assessment has been made by the management based on future cash flow assumptions. HPCL has also given Corporate guarantee on behalf of PPIPL for obtaining borrowings from a consortium of banks. Due to uncertainty in the exploration and production of oil and gas with reference to its reserves and gas prices, there is a possibility of the corporate guarantee being invoked and a provision of ₹ 318.00 Crore has been made in the accounts towards such probable obligation based on management assumptions as estimates. (Refer Note No. 57 & 58).

Auditors' Responses

Principal Audit Procedures

- We reviewed the process followed by the Company to assess the valuation of investments and the consistency of such process over the years.
- We analysed impairment tests performed by the management and verified that the criteria used to perform these tests are consistent with those established in applicable reporting regulations and relied on management estimates.
- In estimating the impairment of investments, we have reviewed that management has followed the discounting of future cash flows of the revenue streams of PPCL.
- We reviewed the management estimates and assumptions, especially on Production Profile Scenarios and Gas Prices, in respect of impairment of the Corporate Guarantee, in case of Prize Petroleum International Pte Ltd.
- Further, we made enquiries with the technical expert (petroleum engineer) of the subsidiary to substantiate the production profiles of the production blocks running over the future periods.
- We considered the provision made by the company and adequacy of the disclosures in the financial statements in respect of this matter.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Other information as above is expected to be made available to us after the date of this Auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of one branch viz Visakh Refinery included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 26,536.03 Crore as at 31st March 2021 and the total revenue of ₹ 45,167.29 Crore for the year ended on that date, as considered in the Branch's financial statements. The financial statements of this branch have been audited by the branch auditor whose report dated May 10, 2021 has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on the report of such branch auditor.

b) We refer to Note no. 49 in respect of 21 unincorporated Joint Operations involved in exploration activities, of which majority are under relinquishment. The standalone financial statements include Company's proportionate share in Assets and Liabilities as on March 31, 2021, Income and Expenditure for the year ended March 31, 2021 amounting to ₹ 7.15 Crore and ₹ 36.07 Crore, ₹ 2.22 Crore and ₹ 0.90 Crore respectively. In respect of these Joint Operations, the financial information has been incorporated based on data received from the respective operators. Our opinion in respect thereof is solely based on the management certified information.

   We have placed reliance on technical/commercial evaluation by the management in respect of categorization of wells, allocation of cost incurred on them, liability for decommissioning costs, liability for NELP and nominated blocks for under performance against agreed Minimum Work Programme.

c) The Company has less than minimum number of Independent Directors required in terms of the provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial statements have been reviewed and recommended to the Board of Directors by the Audit Committee consisting of one Independent Director and subsequently approved by the Board consisting of one Independent Director, who is also not an Independent Women Director. We have been informed that the Independent Directors are appointed by Government of India.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure I**, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required under section 143(5) of the Act, based on our audit as aforesaid, we give in the **Annexure II**, a report on the directions including additional directions issued by the Comptroller and Auditor General of India (C&AG'), action taken thereon and its impact on the accounts and standalone financial statements of the company.

3. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branch not visited by us.

   c) The report on the accounts, dated May 10, 2021 of the Visakh refinery of the Company audited under section 143(8) of the Act by the branch auditors has been provided to us and has been properly dealt with by us in preparing this report.

   d) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   e) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements comply with the Indian Accounting Standard specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.

   f) As per notification no. G.S.R 463(E) dated June 5, 2015, the Government companies are exempted from the provisions of section 164(2) of the Act, accordingly, we are not required to report whether any of the directors of the Company are disqualified in terms of provisions contained in the said section;

   g) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure III**".

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: As per notification no. G.S.R 463(E) dated June 5, 2015, the Government companies are exempted from the provisions of section 197 of the Act and hence we are not required to report as to whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note No. 52 to the standalone financial statements read with Para 1, 2 and 4 of Key Audit Matters here in above.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note No.53 to the standalone financial statements.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **R. Devendra Kumar & Associates**
Chartered Accountants
Firm Regn. No.114207W

sd/-
Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAAAZ1037

For **M.P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

sd/-
Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAADS3302

Place: Mumbai
Date: May 20, 2021

Annexure I to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Hindustan Petroleum Corporation Limited)

i. In respect of the Company's fixed assets :

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment (fixed assets).

b) The Property Plant and Equipment (PPE) of the Company, other than LPG cylinders and pressure regulators with customers, are physically verified by the Management in a phased program of three years cycle. In our opinion, the programme is reasonable having regard to the size of the Company and the nature of its assets. In our opinion and as per the information given by the management, the discrepancies observed were not material and have been appropriately accounted in the books of account.

c) On the basis of the information to the extent compiled by the Company pending the reconciliation of the available records, title deeds/lease deeds for immovable properties held as Property Plant & Equipment are not available with the Company in the case of 3 properties with Gross block ₹ 0.02 Crore and in the case of 13 properties with Gross block ₹ 2.25 Crore where property tax receipts are held by the Company to substantiate the title to such properties. Further in case of land taken on lease from Vishakhapatnam Port Trust (VPT) Legal formalities of registration of lease deed is pending in 36 cases Gross block as at 31st March, 2021 is ₹ 593.45 Crore and Net Block as at 31st March, 2021 is ₹.543.09 Crore. In other cases, based on verification of records on random basis, the title deeds are held in the name of the Company. For the purpose of reporting under this clause, where ever title deeds of immovable properties were not available, we have relied on other substantive evidences like allotment letters, noting in municipal / revenue records conveying title to the Company over the property.

ii. According to the information and explanations given to us, during the year, the inventories have been physically verified at reasonable intervals by the management. The discrepancies noticed on physical verification, as compared to the book records, were not material having regard to size and nature of operations and have been properly dealt with in the books of account.

iii. As per notification no. G.S.R 463(E) dated June 5, 2015, the Government companies are exempted from the provisions of section 188 of the Act in respect of contracts or arrangements entered into between the Government companies. The Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Hence, the question of reporting under sub-clauses (a), (b) & (c) of the clause 3(iii) of the Order does not arise.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under section 186 of the Act.

v. According to the information and explanations given to us , the Company has not accepted any deposits from the public, within the meaning of sections 73 to 76 of the Act and the rules framed there under. We are informed by the Management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

vi. We have broadly reviewed accounts and records maintained by the Company pursuant to rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods & Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and any other statutory dues, wherever applicable.

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding as on March 31, 2021 for a period of more than 6 months from the date they became payable.

b) According to the information and explanations given to us, the particulars of statutory dues that have not been deposited on account of disputes are as under:

₹ / Crore

Statute	Forum Pending	Period to which amount relates	Total
Customs	Appellate Authority**	2019-2020	3.47
	Tribunal*	1998-2009	0.85
Customs Total			**4.33**
Excise	Appellate Authority**	2000-2018	6.46
	High Court	1994-2015	17.26
	Supreme Court	2003-2011	211.38
	Tribunal*	1996-2018	2,473.34
Excise Total			**2,708.44**
Sales Tax/Entry Tax/CST/VAT	Appellate Authority**	1976-2017	3,478.46
	High Court	1981-2017	767.78
	Supreme Court	1998-2003	1.03
	Tribunal*	1988-2017	3,440.08
Sales Tax/Entry Tax/CST/VAT Total			7,687.34
Service Tax	Appellate Authority**	2011-2017	0.62
	High Court	2004-2006	0.63
	Supreme Court	2004-2012	3.25
	Tribunal*	2002-2015	89.38
Service Tax Total			**93.88**
Grand Total			**10,493.99**

* Tribunal represents Sales Tax Appellate Tribunal, Central Excise and Service Tax Appellate Tribunal (CESTAT).

** Appellate Authority represents Deputy Commissioner (A), Joint Commissioner (A), Additional Commissioner (A), Commissioner (A).

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to financial institutions, banks, government or dues to debenture holders.

ix. The Company has not raised money by way of Initial Public Offer or Further Public Offer (including debt instruments). According to the information and explanations given to us and on the basis of the records examined by us, the Company has prima facie applied the term loan for the purpose for which it was obtained.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of material fraud by the Company or on the Company by its officers and employees have been noticed or reported during the year.

xi. As per notification no. G.S.R 463(E) dated June 5, 2015, the Government companies are exempted from the provisions of section 197 of the Act, accordingly, the question of reporting whether the payment of managerial remuneration by the Company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act does not arise.

xii. The Company is not a chit fund or a Nidhi company. Hence, the question of reporting under clause 3(xii) of the Order does not arise.

xiii. As per notification no. G.S.R 463(E) dated June 5, 2015, the Government companies are exempted from the provisions of section 188 of the Act in respect of contracts or arrangements entered into between the Government companies. The Company has complied with the provisions of section 177 and section 188 of the Act in respect of transactions with the related parties and the details have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.

xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him covered under the provisions of section 192 of the Act.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **R. Devendra Kumar & Associates**
Chartered Accountants
Firm Regn. No.114207W

sd/-
Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAAAZ1037

For **M.P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

sd/-
Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAADS3302

Place: Mumbai
Date: May 20, 2021

Annexure II to the Independent Auditors' Report

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of Hindustan Petroleum Corporation Limited)

Based on the verification of records of the Company and based on information and explanations given to us, we give below a report on the directions/ Additional directions issued by the Comptroller and Auditor General of India in terms of the section 143(5) of the Act.

Sr. No.	Directions under section 143(5) of the Act	Auditors' Comments
1.	Whether the Company has system in place to process all the accounting transactions through IT system ? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanations furnished to us, the company has an Enterprise Resource Planning ERP system in the name of "JD Edwards (JDE) " to process the accounting transactions. There are large number of other applications including workflow applications and portals to address specific requirements. Most of these applications/modules have real time integration with ERP (JDE) system for smooth accounting / recording of transactions. As a part of our general review of IT controls, we have carried out the review of major controls in existence in the applications with regard to integrity of data flowing to JDE. Basis our sample verification, nothing significant has come to our attention that causes us to believe that there are material gaps pertaining to IT controls. Further, we have also relied on the exercise conducted by the management with the help of consultant to check the design of internal controls, and its operating effectiveness including the IT systems and control. Further management has conducted the system audit with the help of the consultants which has not reported any significant gaps. Apart from above there are few other accounting process being undertaken through excel spreadsheet like inventory valuation, interest calculation of treasury funding activities, matching of open credits in the case of Trade accounts receivables, matching of suppliers accounts wherein sufficient controls for data integrity have been observed in our review of general IT controls. There is however a need of automation of such processes to ensure complete data integrity.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the load? If yes, the financial impact may be stated.	No such instances have been noticed during the financial year 2020-21.

Sr. No.	Directions under section 143(5) of the Act	Auditors' Comments
3.	Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	As per the information and explanations furnished to us, the funds received /receivable by the company for specific schemes from Central/State agencies to the extent these are recorded in the books of accounts and records produced before us, were properly accounted. We are informed that in the case of schemes of Central Government i.e. PMUY, DBTL, other subsidies etc. claims for reimbursements duly certified by Chartered Accountants are filed with Petroleum Planning and Analysis Cell (PPAC) for reimbursement and hence these are not considered as Grants and no utilisation certificates are filed. In the case of certain state specific scheme, utilisation certificates are furnished by the Company separately to the respective agencies. During the course of our test checks of the records available at Head Office of the Company in respect of such claims for reimbursement recorded in the books which are approved by PPAC, nothing has come to our notice that causes us to believe that there has been any violation of terms and conditions in relation to these claims. The separate audit of these claims filed with PPAC is carried out by separate firms of Chartered Accountants.

For **R. Devendra Kumar & Associates**
Chartered Accountants
Firm Regn. No.114207W

sd/-
Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAAAZ1037

For **M.P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

sd/-
Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAADS3302

Place: Mumbai
Date: May 20, 2021

Annexure III to the Independent Auditors' Report

(Referred to in paragraph 3(g) under "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls with reference to Financial Statements of **Hindustan Petroleum Corporation Limited** ('the Company') as of March 31, 2021 in conjunction with our audit of the standalone Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's 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 financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and as prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's Internal Financial Controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Financial Statements to future periods are subject to the risk that the Internal Financial Control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as at March 31, 2021, based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Financial Controls with reference to Financial Statements in so far as it relates to branch office of the Company viz. Visakh Refinery audited by the branch auditor, appointed under section 143(8) of the Act is based on the report of the branch auditor which has been sent to us and has been properly dealt with by us in preparing this report.

For **R. Devendra Kumar & Associates**
Chartered Accountants
Firm Regn. No.114207W

sd/-
Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAAAZ1037

For **M.P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

sd/-
Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAADS3302

Place: Mumbai
Date: May 20, 2021

Balance Sheet as on 31st March, 2021

(₹ / Crore)

	Notes	31.03.2021	31.03.2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	49,260.87	47,746.94
(b) Capital Work-in-Progress	4	24,053.26	17,046.93
(c) Intangible Assets	5	639.66	543.47
(d) Intangible Assets Under Development	5A	180.24	96.76
(e) Financial Assets			
(i) Investment in Subsidiaries, Joint Ventures and Associates	6	9,233.21	6,936.81
(ii) Other Investments	7	341.96	229.93
(iii) Loans	8	1,133.93	1,415.90
(iv) Other Financial Assets	9	18.80	6.29
(f) Other Non-Current Assets	10	2,766.51	2,696.97
Total Non-Current Assets		**87,628.44**	**76,720.00**
(2) Current Assets			
(a) Inventories	11	28,592.17	19,141.19
(b) Financial Assets			
(i) Investments	12	5,417.58	5,344.86
(ii) Trade Receivables	13	6,856.31	3,922.72
(iii) Cash and Cash Equivalents	14	155.29	95.04
(iv) Bank Balances other than cash and cash equivalents	15	81.91	18.11
(v) Loans	16	124.63	407.84
(vi) Other Financial Assets	17	1,943.33	7,938.81
(c) Other Current Assets	18	426.85	415.88
		43,598.07	**37,284.45**
Assets classified as held for Sale/Disposal		12.67	10.07
Total Current Assets		**43,610.74**	**37,294.52**
Total Assets		**131,239.18**	**114,014.52**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	1,452.41	1,524.21
(b) Other Equity	20	34,733.70	27,438.15
Total Equity		**36,186.11**	**28,962.36**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	27,069.72	22,287.17
(ii) Other Financial Liabilities	22	0.89	0.70
(b) Provisions	23	51.66	50.20
(c) Deferred Tax Liabilities (Net)	44	5,511.09	5,491.53
(d) Other Non-Current Liabilities	24	370.04	211.48
Total Non-Current Liabilities		**33,003.40**	**28,041.08**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	14,819.37	16,145.80
(ii) Trade Payables:			
Outstanding dues of micro enterprises and small enterprises	51	131.13	105.56
Outstanding dues of creditor other than micro and small enterprises		17,566.14	11,193.41
(iii) Other Financial Liabilities	26	20,341.97	23,338.74
(b) Other Current Liabilities	27	5,694.46	2,912.16
(c) Provisions	28	3,144.88	2,948.44
(d) Current Tax Liabilities (Net)	29	351.72	366.97
Total Current Liabilities		**62,049.67**	**57,011.08**
Total Equity and Liabilities		**131,239.18**	**114,014.52**
Significant Accounting Policies	1 & 2		

Significant Accounting Policies and Notes forming Part of Accounts are integral part of the Financial Statements

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Statement of Profit and Loss for the year ended 31st March, 2021

(₹ / Crore)

	Notes	2020-21	2019-20
Income			
Revenue From Operations			
Gross Sale of Products	30	269,242.86	286,250.27
Other Operating Revenue	31	1,083.46	1,166.66
		270,326.32	**287,416.93**
Other Income	32	2,788.73	1,838.17
Total Income		**273,115.05**	**289,255.10**
Expenses			
Cost of Materials Consumed	33	41,101.96	59,750.69
Purchases of Stock-in-Trade		167,855.10	187,233.94
Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress	34	(8,532.96)	(418.49)
Excise Duty		37,329.51	18,650.52
Employee Benefits Expense	35	3,188.38	3,193.46
Finance Costs	36	914.73	1,081.72
Depreciation and Amortization Expense	3&5	3,552.65	3,304.39
Other Expenses	37	13,458.89	13,883.35
Total Expenses		**258,868.26**	**286,679.58**
Profit/(Loss) before exceptional items and Tax		**14,246.79**	**2,575.52**
Exceptional Items - Income/(Expenses)	62	-	(1,002.93)
Profit/(Loss) before Tax		**14,246.79**	**1,572.59**
Tax expense:	44		
Current tax		3,569.56	166.95
Deferred tax		(3.28)	316.50
Provision for tax for earlier years written back (net)	44(e)	16.63	(1,548.12)
Total Tax Expenses		**3,582.91**	**(1,064.67)**
Profit/(Loss) for the year		**10,663.88**	**2,637.26**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Fair value changes on Equity Instruments through Other Comprehensive Income		106.89	(274.61)
Re-measurements of the defined benefit plans		(123.25)	(211.20)
Income tax relating to items that will not be reclassified to profit or loss		31.02	53.15
Items that will be reclassified to profit or loss:			
Effective Portion of Gains/(loss) in a Cash Flow Hedge		(1.14)	(24.11)
Income tax relating to items that will be reclassified to profit or loss		0.29	6.07
Other Comprehensive Income for the year (net of tax)		**13.81**	**(450.70)**
Total Comprehensive Income for the year (net of tax)		**10,677.69**	**2,186.56**
Basic and Diluted Earnings per Equity Share (₹)	45	70.57	17.31
Significant Accounting Policies	1 & 2		

Significant Accounting Policies and Notes forming Part of Accounts are integral part of the Financial Statements

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Statement of Changes in Equity for the year ended 31st March, 2021

A. Statement of changes in Equity

	No. of Share	(₹ / Crore)
Balance as on 31st March, 2019	**1,523,822,625**	**1,524.21**
Changes in Equity Share Capital	-	-
Balance as on 31st March, 2020	**1,523,822,625**	**1,524.21**
Buy-back of Equity Shares (refer Note 19 H (ii))	(71,801,491)	(71.80)
Balance as on 31st March, 2021	**1,452,021,134**	**1,452.41**

B. Other Equity

(₹ / Crore)

	Reserves & Surplus					Cash Flow Hedge Reserve	Equity instruments through OCI	Total Other Equity
	Capital Redemption Reserve	General Reserve	Debenture Redemption Reserve	FCMITDA	Retained Earnings			
Balance as on 31st March, 2019	**-**	**1,777.65**	**-**	**(2.91)**	**24,941.79**	**-**	**(65.92)**	**26,650.61**
Profit/(Loss) for the year	-	-	-	-	2,637.26	-	-	2,637.26
Reversal of Tax Expense on exercising option under section 115BAA of Income-tax Act, 1961 (refer note 44)	-	-	-	-	324.89	-	-	324.89
Other Comprehensive income (OCI) for the year (net of tax)	-	-	-	-	(158.05)	(18.04)	(274.61)	(450.70)
Transfer to Debenture Redemption Reserve	-	-	625.00	-	(625.00)	-	-	-
Final Dividend for 2018 - 19 (₹ 9.40 per share)	-	-	-	-	(1,432.39)	-	-	(1,432.39)
Dividend Distribution Tax on above	-	-	-	-	(294.43)	-	-	(294.43)
Net addition / amortization in FCMITDA	-	-	-	2.91	-	-	-	2.91
Balance as on 31st March, 2020	**-**	**1,777.65**	**625.00**	**-**	**25,394.07**	**(18.04)**	**(340.53)**	**27,438.15**
Profit/(Loss) for the year	-	-	-	-	10,663.88	-	-	10,663.88
Other Comprehensive income (OCI) for the year (net of tax)	-	-	-	-	(92.23)	(0.85)	106.89	13.81
Utilisation for Shares Buy-back (refer Note 19 H (ii))	-	(1,705.85)	-	-	(208.61)	-	-	(1,914.46)
Final Dividend for 2019 - 20 (₹ 9.75 per share)	-	-	-	-	(1,485.72)	-	-	(1,485.72)
Transfer to Capital Redemption Reserve	71.80	(71.80)	-	-	-	-	-	-
Reclassification to Statement of Profit and Loss	-	-	-	-	-	18.04	-	18.04
Balance as on 31st March, 2021	**71.80**	**-**	**625.00**	**-**	**34,271.39**	**(0.85)**	**(233.64)**	**34,733.70**

Statement of Changes in Equity for the year ended 31st March, 2021

Notes:

General Reserve : Forms part of the Retained Earnings and available for distribution to shareholders

Debenture Redemption Reserve : The reserve is created on Non-Convertible Debentures (totalling to ₹ 2,500 Crore) issued till 15th August 2019 under Companies Act, 2013.

Capital Redemption Reserve : Pursuant to Buy-back of shares, this reserve is created under Companies Act, 2013 for an amount equivalent to nominal value of the shares bought back. Utilisation of this reserve is governed under the provisions of Companies Act, 2013.

Foreign Currency Monetary Item Translation Difference Account (FCMITDA) : Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.

Retained Earnings : The balance represents accumulated retained profits and available for distribution to shareholders

Cash flow Hedge Reserve: Represents the cumulative effective portion of gains or losses arising on changes in fair value of designated hedging instruments entered into for cash flow hedges. The cumulative gain or loss on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/affects statement of profit and loss or on termination, if any.

Equity instruments through OCI : The Corporation has chosen to recognise the subsequent changes in the fair value of certain investments in equity instrument through other comprehensive income. These changes are accumulated within 'Equity instruments through OCI'

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Cash Flow Statement for the year ended 31st March, 2021

(₹ / Crore)

	2020-21	2019-20
A. Cash Flow from Operating Activities		
Profit/(Loss) Before Tax	14,246.79	1,572.59
Adjustments for:		
Depreciation and Amortization Expense	3,552.65	3,304.39
(Gain)/Loss on sale/write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	51.30	(18.01)
Gain / (Loss) on Remeasurement of Defined benefit plans	(92.23)	(158.05)
Impairment in Value of Non-current Investments	50.00	229.73
Fair value gain on Current Investments carried at FVTPL	(72.90)	(262.66)
Finance Costs	914.72	1,081.72
Foreign Currency Transaction and Translation	(565.23)	909.23
Provision for Doubtful Debts, Loans & Receivables	699.29	218.22
Bad Debts written off	0.41	0.21
Interest Income on current Investments	(379.94)	(366.30)
Dividend received	(314.95)	(183.59)
Other Non-Cash items	(0.64)	(11.92)
Operating Profit before Changes in Assets & Liabilities {Sub Total - (i)}	**18,089.27**	**6,315.56**
Change in Assets and Liabilities :		
Decrease / (Increase) in Trade Receivables	(3,074.22)	1,717.30
Decrease / (Increase) in Loans and Other Assets	5,378.06	2,613.72
Decrease / (Increase) in Inventories	(9,452.09)	1,049.81
(Decrease) / Increase in Trade and Other Payables	9,966.42	(4,520.12)
Sub Total - (ii)	**2,818.17**	**860.71**
Cash generated from Operations (i) + (ii)	**20,907.44**	**7,176.27**
Less : Direct Taxes paid (Net)	3,185.16	1,722.94
Net Cash Flow generated from/ (used in) Operating Activities (A)	**17,722.28**	**5,453.33**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment (including Capital Work in Progress / excluding interest capitalised)	(11,235.34)	(13,833.45)
Sale of Property, Plant and Equipment	58.35	48.76
Purchase of Investments (Including share application money pending allotment/Advance towards Equity)	(2,245.02)	(931.91)
Interest received	378.85	367.30
Dividend Received	314.95	183.59
Net Cash Flow generated from / (used in) Investing Activities (B)	**(12,728.21)**	**(14,165.71)**

Cash Flow Statement for the year ended 31st March, 2021

(₹ / Crore)

	2020-21	2019-20
C. Cash Flow from Financing Activities		
Proceeds from Long term borrowings	5,448.91	12,002.41
Repayment of Long term borrowings and leasing liabilities	(4,279.71)	(2,250.96)
Proceeds / (repayment) of Short term borrowings	(599.91)	1,682.54
Finance Cost paid	(1,564.41)	(1,230.62)
Buy-back of equity shares (including tax)	(1,913.47)	-
Dividend paid (including dividend distribution tax)	(1,484.41)	(1,725.11)
Net Cash Flow generated from / (used in) Financing Activities (C)	**(4,393.00)**	**8,478.26**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	**601.07**	**(234.12)**
Cash and cash equivalents at the beginning of the year	**(2,906.53)**	**(2,672.41)**
Cash and cash equivalents at the end of the year	**(2,305.46)**	**(2,906.53)**
Details of cash and cash equivalents at the end of the year:		
Cash and cash equivalents as on	**31.03.2021**	**31.03.2020**
Balances with Banks:		
- on current accounts	150.94	93.19
- on non-operative current accounts	0.01	0.01
Cash on hand	4.34	1.84
Less : Cash Credits	(2,460.75)	(3,001.57)
Cash and cash equivalents at the end of the year	**(2,305.46)**	**(2,906.53)**

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Notes to Financial Statements for the year ended 31st March, 2021

1. Corporate Information

Hindustan Petroleum Corporation Limited referred to as "HPCL" or "the Corporation" was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with ONGC holding 51.11% of Equity Shares w.e.f. 31st January, 2018. Pursuant to shares buy-back, the ONGC holding as of 31.03.2021 is 53.64%. The Corporation is engaged, primarily in the business of refining of crude oil and marketing of petroleum products. The Corporation has, among others, refineries at Mumbai and Vishakhapatnam, LPG bottling plants and Lube blending plants. The Corporation's marketing infrastructure includes vast network of Installations, Depots, Aviation Service Stations, Retail Outlets and LPG distributors.

Authorization of financial statements

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 20th May, 2021 (refer Note 63).

1.1. Basis for preparation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and other relevant provisions of the Act and Rules thereunder.

The Financial Statements are prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Corporation has adopted Ind AS in accordance with Ind AS 101 (First time adoption of Indian Accounting Standards). The transition was carried out from Accounting Standard as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, (previous GAAP). The Corporation's presentation currency and functional currency is Indian Rupees (₹). All figures appearing in the Financial Statements are rounded off to the nearest Crore (₹ Crore), except where otherwise stated.

1.2. Use of Judgement and Estimates

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affecting the financial statements of future periods. The Corporation continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets;

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use).

2.1.3. Technical know-how / licence fee relating to plants / facilities are capitalized as part of cost of the underlying asset.

2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised.

2.1.5. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.

2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.

2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.

2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis.

2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation / amortization

2.2.1. Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following:

Useful Life (Basis internal technical assessment):

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years
CNG Compressors	10 years
CNG Cascades and SS tubing in CNG Stations	20 years

Residual Value (Basis historical data):

LPG cylinder and pressure regulator	15% of original cost
Catalyst with noble metal content	90% of original cost of noble metal content

2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor.

2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment.

2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

2.2.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

2.3. Intangible assets

2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life.

2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite.

2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.

2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.

2.3.7. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets.

2.3.8. Estimated lives of intangible assets (acquired) are as follows:

- Software: 2 to 4 years
- Technical know-how/license fees: 2 to 10 years
- Right to use – wind mills: 22 years

2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.

2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.5. Non-currents assets held for sale

2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Leases

Wherever a Contract conveys the right to control the Use of an identified Asset by either of the PARTIES for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.6.1 Lessee:

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease.

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability.

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard.

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

2.6.2 Lessor:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

2.7. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of assets of cash generating unit (CGU) exceeds their recoverable amount.

2.8. Inventories

2.8.1. Valuation of inventories (including in transit) of different categories is as under:

a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value.

b) Raw materials for lubricants are valued at weighted average cost or at net realisable value, whichever is lower.

c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower.

d) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower.

e) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.

f) Empty packages are valued at weighted average cost.

g) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment/ ascertainment of condition. Stores and Spares in transit are valued at cost.

2.8.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

2.8.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

2.8.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.9. Revenue recognition

2.9.1. Sale of goods

Revenue is recognised when:

a) The Corporation satisfies a performance obligation by transferring control of a promised goods / services to a customer;

b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;

c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;

d) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis.

Claims, including subsidy on Liquified Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

2.9.2 Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate.

2.9.3 Dividend is recognised when right to receive the payment is established.

2.10. Accounting / classification of expenditure and income

2.10.1. Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively.

2.10.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

2.10.3. Insurance claims are accounted on acceptance basis.

2.10.4. All other claims / entitlements are accounted on the merits of each case.

2.10.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.11. Employee benefits

2.11.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

2.11.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post – retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method.

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method.

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.

2.11.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.12. Foreign currency transactions

2.12.1. Monetary items

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset / liability.

2.12.2. Non – Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.13. Investment in Subsidiary, associates and joint ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

The Corporation has chosen the carrying value of the investment in Subsidiaries, associates and joint ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.14. Government Grants

2.14.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

2.14.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.14.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.15. Exploration & production expenditure

"Successful Efforts Method" of accounting is followed for Oil & Gas exploration and production activities as stated below:

2.15.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence.

2.15.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production.

2.15.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which they are determined to be dry.

2.15.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.16. Provisions and contingent liabilities

2.16.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.16.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.16.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

2.16.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.16.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

2.16.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.17. Fair value measurement

2.17.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

2.17.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.18. Financial Assets

2.18.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.18.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

(a) subsequently measured at amortised cost;

(b) fair value through other comprehensive income; or

(c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is:

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.18.3. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.19. Financial Liabilities

2.19.1. Initial recognition and measurement

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.19.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.

2.20. Financial guarantees

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.21. Derivative financial instruments

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.21.1 Derivatives Contracts designated as hedging instruments:

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.21.2 Derivatives Contracts not designated as hedging instruments:

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.22. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.23. Taxes on Income

2.23.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

2.23.2. Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

2.23.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized.

2.23.4. The carrying amount of deferred tax assets/Liabilities is reviewed at each Balance Sheet date.

2.23.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.

2.24. Earnings per share

2.24.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

2.24.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.25. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

3. Property, Plant and Equipments

The following are the carrying values of Property, Plant & Equipments:

(₹ / Crore)

Particulars	Land - Freehold	Right-of-Use Assets#	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Siding & Rolling Stock	E&P Assets	Total
Gross Block											
As on 01.04.2020	**1,042.85**	**3,443.31**	**6,743.76**	**42,109.33**	**272.00**	**144.90**	**3,472.29**	**3,324.83**	**470.15**	**5.77**	**61,029.19**
Additions	60.46	634.57	618.82	2,876.14	35.73	21.50	446.29	360.67	46.43	-	5,100.61
Deductions/ Reclassifications	(8.13)	20.74	5.79	154.87	13.18	1.37	23.21	3.64	-	-	214.67
As on 31.03.2021	**1,111.44**	**4,057.14**	**7,356.79**	**44,830.60**	**294.55**	**165.03**	**3,895.37**	**3,681.86**	**516.58**	**5.77**	**65,915.13**
Depreciation/ Amortisation											
As on 01.04.2020	**-**	**172.09**	**746.83**	**8,774.07**	**101.99**	**61.78**	**1,632.20**	**1,670.86**	**121.36**	**1.07**	**13,282.25**
For the year	-	213.25	192.98	2,240.00	30.21	15.23	439.75	373.20	33.31	0.48	3,538.41
Deductions/ Reclassifications	-	12.55	2.05	122.27	5.42	0.76	20.60	2.75	-	-	166.40
As on 31.03.2021	**-**	**372.79**	**937.76**	**10,891.80**	**126.78**	**76.25**	**2,051.35**	**2,041.31**	**154.67**	**1.55**	**16,654.26**
Net Block as on 01.04.2020	**1,042.85**	**3,271.22**	**5,996.93**	**33,335.26**	**170.01**	**83.12**	**1,840.09**	**1,653.97**	**348.79**	**4.70**	**47,746.94**
Net Block as on 31.03.2021	**1,111.44**	**3,684.35**	**6,419.03**	**33,938.80**	**167.77**	**88.78**	**1,844.02**	**1,640.55**	**361.91**	**4.22**	**49,260.87**

refer note 41

Notes:

1. Includes assets costing ₹ 0.007 Crore /- (31.03.2020 : ₹ 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.

2. Includes ₹ 810.28 Crore (31.03.2020 : ₹ 799.55 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.

3. Includes ₹ 32.25 Crore (31.03.2020 : ₹ 32.35 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.

4. a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (₹ / Crore)	
	31.03.2021	31.03.2020
Roads & culverts	0.13	0.13
Buildings	1.58	1.62
Plant & Equipment	2.07	2.09
Total	**3.78**	**3.84**

b) Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India:

Description	Original Cost (₹ / Crore)	
	31.03.2021	31.03.2020
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	**14.70**	**14.70**

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', a loss of ₹ 13.92 Crore during the year (2019-20: ₹ 17.97 Crore) has been recognised in the statement of profit and loss.

6. Includes Right of Use Assets having Gross value ₹ 19.38 Crore (31.03.2020: ₹ 27.57 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.

7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.

8. The Corporation has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.

9. Includes assets of ₹ 1.03 Crore (31.03.2020: ₹ 1.20 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.

10. Assets of ₹ 0.02 Crore (31.03.2020 : ₹ 0.03 Crore) comprising 3 number of properties (31.03.2020 : 4) towards which title deeds for freehold/leasehold are not available and further for assets of ₹ 2.25 Crore (31.03.2020 : ₹ 2.27 Crore) comprising of 13 number of properties (31.03.2020 : 14) for which property tax receipts are available. Further in case of land taken on lease from Vishakhapatnam Port Trust (VPT) Legal formalities of registration of lease deed is pending in 36 cases having Gross block as at 31.03.2021 ₹ 593.45 Crore and Net Block as at 31.03.2021 ₹ 543.09 Crore.

11. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

4. Capital Work-in-Progress

(₹ / Crore)

		31.03.2021	31.03.2020
Unallocated Capital Expenditure and Materials at Site		21,111.16	15,313.94
Capital Stores lying with Contractors		954.45	494.25
Capital goods in transit		0.13	17.34
	A	**22,065.74**	**15,825.53**
Construction period expenses pending apportionment (Net of recovery) :			
Opening balance		1,220.54	618.67
Add: Expenditure during the year:			
Establishment charges including Salaries and Wages		149.75	227.70
Interest		717.21	758.90
Loss / (gain) on foreign currency transactions and translations		(70.21)	206.80
Others		3.95	0.13
		2,021.24	**1,812.20**
Less: Allocated to assets capitalised/charged off during the year		33.72	590.80
Closing balance pending allocation	**B**	**1,987.52**	**1,221.40**
	A + B	**24,053.26**	**17,046.93**

5. Intangible Assets

The following are the carrying values of Intangible assets :

(₹ / Crore)

Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2020	**347.99**	**67.37**	**117.34**	**188.56**	**721.26**
Additions	123.07	-	6.63	0.29	129.99
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2021	**471.06**	**67.37**	**123.97**	**188.85**	**851.25**
Depreciation/ Amortisation					
As on 01.04.2020	0.05	44.07	82.26	51.41	177.79
For the year	0.29	5.05	18.04	10.42	33.80
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2021	**0.34**	**49.12**	**100.30**	**61.83**	**211.59**
Net Block as on 01.04.2020	**347.94**	**23.30**	**35.08**	**137.15**	**543.47**
Net Block as on 31.03.2021	**470.72**	**18.25**	**23.67**	**127.02**	**639.66**

Note: Includes ₹ 77.14 Crore (31.03.2020: ₹ 77.14 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

5A. Intangible Assets under development

(₹ / Crore)

	31.03.2021	31.03.2020
Opening balance	96.76	48.41
Add: Expenditure during the year:		
Expenditure on Intangible assets	67.29	41.79
Establishment charges including Salaries and Wages	13.94	10.48
Interest	2.25	1.26
	180.24	**101.94**
Less: Capitalised during the year	-	5.18
Closing balance	**180.24**	**96.76**

6. Investment in Subsidiaries, Joint Ventures and Associates

(₹ / Crore)

	31.03.2021	31.03.2020
Investments in Equity Instruments		
Subsidiaries		
Un - Quoted		
HPCL - Biofuels Ltd		
97,89,51,511 (31.03.2020 : 62,51,71,511) Equity Shares of ₹ 10 each fully paid up	748.94	395.16
Less : Provision for Impairment (refer Note 56)	572.16	395.16
Prize Petroleum Company Ltd		
24,50,00,000 (31.03.2020 : 24,50,00,000) Equity Shares of ₹ 10 each fully paid up	248.97	248.07
Less : Provision for Impairment (refer Note 57)	162.98	162.98

(₹ / Crore)

	31.03.2021	31.03.2020
HPCL Middle East FZCO		
3,107 (31.03.2020 : 3,107) Shares of AED 1000 each fully paid up	5.92	5.92
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 6.3)		
117,20,00,000 (31.03.2020 : Nil) Equity Shares of ₹ 10 each fully paid up	1,312.07	-
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Ltd.		
29,71,53,518 (31.03.2020 : 29,71,53,518) Equity Shares of ₹ 10 each fully paid up	471.68	471.68
Un - Quoted		
GSPL India Transco Ltd		
6,40,20,000 (31.03.2020 : 5,41,20,000) Equity Shares of ₹ 10 each fully paid up	64.02	54.12
GSPL India Gasnet Ltd		
17,51,22,128 (31.03.2020 : 10,36,22,128) Equity Shares of ₹ 10 each fully paid up	175.12	103.62
Joint Ventures		
Un - Quoted		
HPCL Rajasthan Refinery Ltd (refer Note 6.1)		
179,82,37,000 (31.03.2020 : 129,87,37,000) Equity Shares of ₹ 10 each fully paid-up	1,798.24	1,298.74
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 6.3)		
Nil (31.03.2020 : 17,50,00,000) Equity Shares of ₹ 10 each fully paid-up	-	175.00
HPCL-Mittal Energy Ltd. (refer Note 6.1)		
3,93,95,55,200 (31.03.2020 : 3,93,95,55,200) Equity Shares of ₹ 10 each fully paid up	3,939.56	3,939.56
Hindustan Colas Pvt. Ltd.		
47,25,000 (31.03.2020 : 47,25,000) Equity Shares of ₹ 10 each fully paid up	4.73	4.73
Petronet India Ltd. (refer Note 6.2)		
1,60,00,000 (31.03.2020 : 1,60,00,000) Equity Shares of ₹ 0.10 each fully paid up	0.16	0.16
Petronet MHB Ltd.		
27,43,33,672 (31.03.2020 : 27,43,33,672) Equity Shares of ₹ 10 each fully paid up	369.31	369.31
South Asia LPG Company Pvt. Ltd.		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity Shares of ₹ 10 each fully paid up	50.00	50.00
Bhagyanagar Gas Ltd.		
4,36,50,000 (31.03.2020 : 4,36,50,000) Equity Shares of ₹ 10 each fully paid up	128.25	128.25
Aavantika Gas Ltd		
2,95,57,038 (31.03.2020 : 2,95,57,038) Equity Shares of ₹ 10 each fully paid up	50.02	50.02
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.		
4,82,88,750 (31.03.2020 : 4,82,88,750) Equity Shares of ₹ 10 each fully paid up	48.29	48.29
Godavari Gas Pvt. Ltd.		
1,60,74,643 (31.03.2020 : 1,60,74,643) Equity Shares of ₹ 10 each fully paid up	16.07	16.07
Ratnagiri Refinery and Petrochemicals Ltd.		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity shares of ₹ 10 each fully paid up	50.00	50.00
HPOIL Gas Pvt Ltd.		
7,25,00,000 (31.03.2020 : 6,00,00,000) Equity shares of ₹ 10 each fully paid up	72.50	60.00
IHB Pvt Ltd		
41,45,00,000 (31.03.2020 : 2,62,50,000) Equity shares of ₹ 10 each fully paid up	414.50	26.25
	9,233.21	**6,936.81**

(₹ / Crore)

		31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment			
a	Aggregate amount of Quoted Investments (Market Value)	1,152.96	686.42
b	Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c	Aggregate amount of Unquoted Investments (Cost)	9,496.67	7,023.27
d	Aggregate amount of Provision for impairment	735.14	558.14

6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Ltd (HMEL) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on 31st March 2021, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

6.2. Petronet India Ltd. is in the process of Voluntary winding up w.e.f. August 30, 2018.

6.3. HPCL Shapoorji Energy Private Limited (HSEPL), a joint venture company with 50:50 ownership with SP Ports Private Limited (SPPPL) was incorporated in October 2013 to set up and operate an Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On 30th March 2021, the Corporation acquired the entire shares held by SPPPL. Upon the acquisition, HSEPL has become a wholly owned subsidiary of the Corporation.

7. Other Investments

(₹ / Crore)

	31.03.2021	31.03.2020
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Ltd.(refer Note 7.1)		
2,67,50,550 (31.03.2020 : 2,67,50,550) Equity Shares of ₹ 10 each fully paid up	328.10	221.23
Scooters India Ltd.(refer Note 7.1)		
10,000 (31.03.2020 : 10,000) Equity Shares of ₹ 10 each fully paid up	0.04	0.02
Investment in equity instruments carried at fair value through Profit or Loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ₹ 0.21 lakhs		
2,110 (31.03.2020 : 2,110) Equity shares of ₹ 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ₹ 0.10 lakhs		
100 (31.03.2020 : 100) Equity Shares of ₹ 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	**328.14**	**221.25**
Investments in Preference Shares carried at fair value through profit or Loss		
Others		
Un - Quoted		
Compulsorily Convertible Preference shares in Start-Up Companies (refer Note 7.2)	13.82	8.68
Total Investments in Preference Shares	**13.82**	**8.68**
	341.96	**229.93**

7.1. The Corporation intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.

7.2. In view that these start-ups (20 start ups) are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.

(₹ / Crore)

		31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment			
a	Aggregate amount of Quoted Investments (Market Value)	328.14	221.25
b	Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c	Aggregate amount of Unquoted Investments (Cost)	13.82	8.68
d	Aggregate amount of Provision for impairment	-	-

8. Loans

(₹ / Crore)

	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	368.03	346.32
Unsecured		
Deposits, considered good	132.69	146.93
Loans to related parties, considered good (refer Note 43)	155.00	-
Loans to related parties which have significant increase in credit risk (refer Note 43)	-	69.50
Other Loans, considered good (refer Note 8.1)	776.86	911.75
Loan Receivables which have significant increase in credit risk (refer Note 8.1)	161.37	153.54
Loan Receivables – credit impaired (refer Note 8.1)	90.69	13.34
Less: Provision for Impairment (refer Note 8.2)	550.71	225.48
	1,133.93	**1,415.90**

8.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 963.05 Crore before impairment (31.03.2020: ₹ 1,027.1 Crore)

8.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 550.71 Crore (31.03.2020: ₹ 162.43 Crore)

9. Other Financial Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Share application money pending allotment	10.74	0.35
Bank Deposit with more than 12 months maturity (refer Note 9.1)	7.09	4.97
Lease Receivables	0.97	0.97
	18.80	**6.29**

9.1. Earmarked with various authorities.

10. Other Non-Current Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Balances with Excise, Customs etc. (refer Note 10.1)	490.99	479.20
Less: Provision for doubtful receivables (refer Note 10.1)	22.30	-
Deposits	84.80	131.78
Advance Tax (net of provisions)	1,256.88	1,381.51
Capital advances	220.60	207.61
Advance to Employee's PF Trust (net of provisions) (refer Note 10.2)	72.90	-
Prepaid employee cost	168.60	176.28
Prepaid Lease Rental	0.30	0.30
Other Prepaid Expenses (including advance)	493.74	320.29
	2,766.51	**2,696.97**

10.1. Includes an amount of ₹ 80.56 Crore (2019-20: ₹ 80.56 Crore) on which a net provision of ₹ 22.30 Crore (2019-20 : Nil) made in the current financial year 2020-21 carried in the books as receivable towards Customs Duty refund claims filed relating to the period 1994-97 to 2020-21. As per the assessment made by the management, though partially provided, considering the effluxion of time, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

10.2. During the year, Trust has been provided with reimbursable advance of ₹ 243 Crore by the Corporation. (refer Note 69)

11. Inventories

(₹ / Crore)

	31.03.2021	31.03.2020
Raw materials (Including in transit 31.03.2021 : ₹ 993.50 Crore; 31.03.2020: ₹ 1,020.42 Crore)	3,906.20	2,950.06
Work-in-progress	1,020.53	914.72
Finished goods (Including in transit 31.03.2021 : ₹ 200.69 Crore ; 31.03.2020 : ₹ 88.17 Crore)	8,660.01	5,994.32
Stock-in-trade (Including in transit 31.03.2021 : ₹ 1,547.00 Crore; 31.03.2020: ₹ 1,322.23 Crore)	14,517.01	8,755.55
Stores and spares (Including in transit 31.03.2021 : ₹ 24.06 Crore; 31.03.2020 : ₹ 32.02 Crore)	447.33	500.02
Less : Provision for Stores and Spares	6.78	7.68
Packages	47.87	34.20
	28,592.17	**19,141.19**

11.1. The write-down including reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 122.24 Crore (31.03.2020 : ₹ 1,002.93 Crore). The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress. (Refer Note 62)

12. Investments

(₹ / Crore)

	31.03.2021	31.03.2020
Investments carried at fair value through Profit or Loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2020 : 17,36,36,000) Bonds of ₹ 100 each face value	1,794.07	1,767.79
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2020 : 24,41,000) Bonds of ₹ 100 each face value	26.37	26.18
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2020 : 1,23,49,000) Bonds of ₹ 100 each face value	133.47	132.76
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2020 : 18,32,33,000) Bonds of ₹ 100 each face value	1,870.31	1,834.06
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31.03.2020 : 1,85,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	197.47	196.19
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31,03.2020 : 8,36,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	897.03	892.01
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31,03.2020 : 1,80,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	197.46	196.92
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31,03.2020 : 2,75,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	301.40	298.95
	5,417.58	**5,344.86**

12.1. Bonds valuing ₹ 1,476 Crore (31.03.2020: ₹ 1,476 Crore) comprising 7.59% G - Sec Bonds of ₹ 185 Crore (31.03.2020: ₹ 185 Crore), 7.72% G - Sec Bonds of ₹ 836 Crore (31.03.2020:₹ 836 Crore), 8.33% G - Sec Bonds of ₹ 180 Crore (31.03.2020: ₹ 180 Crore) and 8.15% G - Sec Bonds of ₹ 275 Crore (31.03.2020:₹ 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

(₹ / Crore)

		31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment			
a	Aggregate amount of Quoted Investments (Market Value)	5,417.58	5,344.86
b	Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c	Aggregate amount of Unquoted Investments (Cost)	-	-
d	Aggregate amount of Provision for impairment	-	-

13. Trade Receivables

(₹ / Crore)

	31.03.2021	31.03.2020
Unsecured		
Considered good	6,207.32	3,943.31
Significant increase in credit risk	809.77	-
Credit impaired	159.36	159.33
Less: Allowances for Bad and Doubtful Debts (refer Note 13.1)	320.14	179.92
	6,856.31	**3,922.72**

13.1. Includes loss allowance of ₹ 302.62 Crore (31.03.2020 : ₹ 159.33 Crore) on trade receivables of ₹ 969.13 Crore (31.03.2020 : ₹ 159.33 Crore) for which the credit risk has been assessed on an individual basis.

14. Cash and Cash Equivalents

(₹ / Crore)

	31.03.2021	31.03.2020
Balances with Scheduled Banks:		
- on Current Accounts	150.94	93.19
- on Non-Operative Current Accounts	0.01	0.01
Cash on Hand	4.34	1.84
	155.29	**95.04**

15. Bank Balances other than cash and cash equivalents

(₹ / Crore)

	31.03.2021	31.03.2020
Earmarked balances with banks for unpaid dividend	19.01	17.70
Earmarked balances with banks for Shares Buy-back	62.50	-
Fixed Deposits with 3 - 12 months maturity (refer Note 15.1)	0.40	0.41
	81.91	**18.11**

15.1. Earmarked with various authorities.

16. Loans

(₹ / Crore)

	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	52.74	45.16
Unsecured		
Loans to related parties, considered good (refer Note 43)	10.00	-
Loans to related parties which have significant increase in credit risk (refer Note 43)	-	70.50
Other Loans, considered good (refer Note 16.1)	105.23	354.35
Loan Receivables which have significant increase in credit risk (refer Note 16.1)	15.38	61.42
Loan Receivables – credit impaired (refer Note 16.1)	20.64	17.34
Less: Provision for Impairment (refer Note 16.2)	79.36	140.93
	124.63	**407.84**

16.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 117.8 Crore before impairment (31.03.2020: ₹ 410.84 Crore)

16.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 67.36 Crore (31.03.2020: ₹ 64.97 Crore)

17. Other Financial Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Amounts recoverable under subsidy schemes	17.26	432.63
Less: Provision for doubtful receivables	10.47	-
Interest accrued on Investments	89.43	88.34
Derivative Assets	5.20	16.04
Delayed payment charges receivable from customers	313.12	282.93
Less : Loss allowance	153.07	121.87
Receivables from Govt of India towards Pradhan Mantri Ujjwala Yojana (PMUY)	7.19	290.48
Receivables from Govt of India towards Direct Benefit Transfer of LPG (DBTL)	279.63	5,576.35
Balance with Life Insurance Corporation of India	975.04	1,041.76
Other Receivables (refer Note 17.1)	573.25	359.42
Less: Provision for doubtful other receivables (refer Note 17.1)	153.25	27.27
	1,943.33	**7,938.81**

17.1. Includes an amount of ₹ 91.58 Crore (2019-20 : ₹ NIL) on which a provision of ₹ 91.58 Crore (2019-20 : Nil) made (refer Note 61).

18. Other Current Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Advance recoverable other than cash	56.53	34.20
Balances with Excise, Customs etc.	45.49	33.03
Deposits	-	5.81
Prepaid employee cost	15.08	15.56
Prepaid Lease Rental	20.43	10.96
Other Prepaid Expenses	242.99	292.92
Gold Coins in Hand	-	7.40
Other Current Assets	46.33	16.00
	426.85	**415.88**

19. Equity Share capital

(₹ / Crore)

		31.03.2021	31.03.2020
A.	**Authorised:**		
	2,49,92,50,000 (31.03.2020 : 2,49,92,50,000) Equity Shares of ₹ 10/- each	2,499.25	2,499.25
	75,000 (31.03.2020: 75,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
		2,500.00	**2,500.00**
B.	**Issued & Subscribed:**		
	1,45,27,23,884 (31.03.2020 : 1,52,45,25,375) Equity Shares of ₹ 10/- each	1,452.72	1,524.53
C.	**Fully Paid up:**		
	1,45,20,21,134 (31.03.2020 : 1,52,38,22,625) Equity Shares of ₹ 10/- each	1,452.02	1,523.82
D.	**Shares Forfeited:**		
	7,02,750 (31.03.2020 : 7,02,750) Shares Forfeited (money received)	0.39	0.39
		1,452.41	**1,524.21**

(₹ / Crore)

		31.03.2021	31.03.2020
E.	**Reconciliation of number of equity shares:**		
	Outstanding at the beginning of the year	1,523,822,625	1,523,822,625
	Equity shares extinguished including pending extinguishment as on 31.03.2021 bought under shares buy-back program (refer Note 19 H (ii))	71,801,491	-
	Outstanding at the end of the year	**1,452,021,134**	**1,523,822,625**

F. Rights and Restrictions on Equity / Preference Shares:

The Company has only one class of Equity Shares having a face value of ₹ 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon. The Company also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ₹ 100 /- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Ltd. (ESRC). Presently the said Preference Shares stand redeemed.

G. Details of shares held by each shareholder, holding more than 5% shares in the Company:

	31.03.2021	
Name of shareholders	**% Holding***	**No. of Shares**
Oil and Natural Gas Corporation Limited	53.64	778,845,375

	31.03.2020	
Name of shareholders	**% Holding***	**No. of Shares**
Oil and Natural Gas Corporation Limited	51.11	778,845,375

* Calculated considering both shares extinguished and pending extinguishment (refer Note 19 H (ii)).

H. In the period of five years immediately preceding 31st March, 2021:

(i) The Company had issued Bonus Shares during Financial Years 2017-18 and 2016-17 in the ratio of 1:2 and 2:1 respectively by capitalization of Reserves. The total number of Bonus Shares issued during Financial Years 2017-18 and 2016-17 are 50,79,40,875 and 67,72,54,500 equity shares respectively, having face value of ₹ 10 each.

(ii) The Board, at its meeting held on 04.11.2020 approved the buyback of fully paid-up equity shares of the face value of ₹ 10/- from the open market through stock exchange mechanism for an aggregate amount not exceeding ₹ 2,500 Crore ("Maximum Buyback Size") and at a price not exceeding ₹ 250 per Equity Share, payable in cash. This do not include any transaction costs such as brokerage, fees, turnover charges, taxes such as buyback tax and securities transaction tax, stamp duty, advisor fees, filing fees etc. Pursuant to relevant SEBI regulations, a public announcement was made on 06.11.2020, buy-back opened on 17.11.2020 and it closed on 14.05.2021. As on 31.03.2021, equity shares numbering 7,18,01,491, representing 4.71% of paid up Share Capital (prior to commencement of buy-back), having a face value of ₹ 71,80,14,910/- have been bought back. Of this, in line with SEBI Regulations, 6,79,77,038 shares have been extinguished as on reporting date and the rest of it on 20.04.2021. The effect of subsequent extinguishment, being adjusting event, under Ind-AS, has been duly recognized as on 31.03.2021 itself.

20. Other Equity

(₹ / Crore)

		31.03.2021	31.03.2020
Debenture Redemption Reserve	(i)	625.00	625.00
Foreign Currency Monetary Item Translation Difference Account	(ii)	-	-
General Reserve	(iii)	-	1,777.65
Retained Earnings	(iv)	34,271.39	25,394.07
Equity Instruments through Other Comprehensive Income	(v)	(233.64)	(340.53)
Cash Flow Hedge Reserve	(vi)	(0.85)	(18.04)
Capital Redemption Reserve	(vii)	71.80	-
		34,733.70	**27,438.15**
(i) Debenture Redemption Reserve			
As per last Balance Sheet		625.00	-
Add: Transfer from Retained Earnings (refer Note 20.1)		-	625.00
		625.00	**625.00**
20.1. The reserve is created on Non-Convertible Debentures (totalling to ₹ 2,500 Crore) issued till 15th August 2019 under Companies Act, 2013.			
(ii) Foreign Currency Monetary Item Translation Difference Account			
As per last Balance Sheet		-	(2.91)
Add : Additions during the year		-	(0.79)
Less : Amortised during the year		-	(3.70)
		-	**-**
20.2. Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.			
(iii) General Reserve			
As per last Balance Sheet		1,777.65	1,777.65
Less: Utilisation for Shares Buy-back		1,705.85	-
Less: Transfer to Capital Redemption Reserve		71.80	-
		-	**1,777.65**
(iv) Retained Earnings			
As per last Balance Sheet		25,394.07	24,941.79
Add : Profit/(Loss) for the year		10,663.88	2,637.26
Add : Reversal of Tax Expense on exercising option under section 115BAA of Income-tax Act, 1961 (refer Note 44)		-	324.89
Less : Transfer to Debenture Redemption Reserve		-	625.00
Less : Utilisation for Shares Buy-back		208.61	-
Less : Profit appropriated to Interim / Final Dividend		1,485.72	1,432.39
Less : Profit appropriated to Tax on Distributed Profits		-	294.43
Less : Remeasurment (Gain)/Loss on Defined Benefit Plans		92.23	158.05
		34,271.39	**25,394.07**

(₹ / Crore)

	31.03.2021	31.03.2020
(v) Equity Instruments through Other Comprehensive Income		
As per last Balance Sheet	(340.53)	(65.92)
Add : Additions during the year	106.89	(274.61)
	(233.64)	**(340.53)**
(vi) Cash Flow Hedge Reserve		
As per last Balance Sheet	(18.04)	-
Add : Effective Portion of Gains/(loss) in a Cash Flow Hedge	(0.85)	(18.04)
Less : Reclassification to Statement of Profit and Loss	(18.04)	-
	(0.85)	**(18.04)**
(vii) Capital Redemption Reserve		
As per last Balance Sheet	-	-
Add : Transfer from General Reserve	71.80	-
	71.80	**-**
	34,733.70	**27,438.15**

21. Borrowings

(₹ / Crore)

	31.03.2021	31.03.2020
Bonds and Debentures (refer note 21.1)		
Un - secured		
Foreign Currency Bonds	3,646.17	3,771.95
8.00% Non-Convertible Debentures	499.81	499.75
7.00% Non-Convertible Debentures	1,999.81	1,999.76
6.80% Non-Convertible Debentures	2,999.85	2,999.77
6.38% Non-Convertible Debentures	599.83	599.75
7.03% Non-Convertible Debentures	1,399.76	1,399.76
5.36% Non-Convertible Debentures	1,199.92	-
4.79% Non-Convertible Debentures	1,999.89	-
Term loans		
Secured		
Oil Industry Development Board (refer note 21.2)	2,850.00	2,931.19
Un - secured		
Syndicated Loans from Foreign Banks (repayable in foreign currency) (refer note 21.3)	7,994.50	10,180.01
Others		
Un - secured		
Lease Liabilities (under Ind AS 116)	2,906.95	2,493.11
	28,096.49	**26,875.05**
Less: Current maturities of Long Term Borrowings	725.00	4,331.26
Less: Current maturities of Lease Liabilities	301.77	256.62
	27,069.72	**22,287.17**

21.1. Bonds and Debentures

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity/Redemption
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12th July 2027
5.36% Non-Convertible Debentures	5.36% p.a. payable Annually	11th April 2025
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25th April 2024
4.79% Non-Convertible Debentures	4.79% p.a. payable Annually	23rd October 2023
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15th December 2022

21.2. Term Loans from Oil Industry Development Board

Repayable during	₹ in Crore		Range of Interest Rate as on	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
2020-21	-	181.19	-	7.72%-8.28%
2021-22	725.00	725.00	6.53%-8.28%	6.53%-8.28%
2022-23	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2023-24	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2024-25	600.00	575.00	5.68%-7.96%	6.53%-7.96%
2025-26	25.00	-	5.68%-5.68%	-
Total	**2,850.00**	**2,931.19**		

The loan has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project, Mumbai Refinery Expansion Project, Awa Salawas Pipeline, Manglore Hassan Mysore LPG Pipeline, Uran-Chakan / Shikarpur LPG Pipeline & Rewari Mathura Kanpur Pipeline for a value of ₹ 17,437.87 Crore (31.03.2020: ₹ 15,815.87 Crore). Of the loan amount ₹ 725.00 Crore (31.03.2020: ₹ 181.19 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

21.3. Syndicated Loans from foreign Banks (repayable in foreign currency)

The Corporation has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR plus spread (spread range: 100 to 155 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ₹ Nil (31.03.2020: ₹ 4,150.07 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

22. Other Financial Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Other Liabilities	0.89	0.70
	0.89	**0.70**

23. Provisions

(₹ / Crore)

	31.03.2021	31.03.2020
Provision for employee benefits	51.66	50.20
	51.66	**50.20**

24. Other Non-Current Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Capital Grant	0.74	1.01
Other liabilities	369.30	210.47
	370.04	**211.48**

25. Borrowings

(₹ / Crore)

	31.03.2021	31.03.2020
Loans repayable on demand		
Secured		
from banks		
Cash Credit (Secured by hypothecation of Inventories in favour of Banks on pari passu basis)	2,460.75	3,001.57
from other parties		
Triparty Repo Dealing System Loan (refer note 25.1)	1,449.62	1,399.94
Un - Secured		
from banks		
Clean Loans	4,800.31	3,056.02
Short term loans	2,120.57	6,246.11
from other parties		
Commercial papers	3,988.12	2,442.16
	14,819.37	**16,145.80**

25.1. Bonds valuing ₹ 1,476 Crore (31.03.2020: ₹ 1,476 Crore) comprising 7.59% G - Sec Bonds of ₹ 185 Crore (31.03.2020: ₹ 185 Crore), 7.72% G - Sec Bonds of ₹ 836 Crore (31.03.2020:₹ 836 Crore), 8.33% G - Sec Bonds of ₹ 180 Crore (31.03.2020:₹ 180 Crore) and 8.15% G - Sec Bonds of ₹ 275 Crore (31.03.2020:₹ 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

26. Other Financial Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Current maturities of Long Term Borrowings (refer Note 26.1)	725.00	4,331.26
Current maturities of Lease Liabilities	301.77	256.62
Interest accrued but not due on loans	321.77	249.91
Unpaid Dividend (refer Note 26.2)	19.01	17.70
Derivative liability	1.84	79.51
Deposits from Dealers /Consumers/Suppliers (refer Note 26.3)	16,130.95	15,436.10
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer note 51)	492.08	339.55
Outstanding dues of creditor other than micro and small enterprises	1,480.44	1,643.81
Other Financial Deposits	10.33	10.77
Other liabilities	858.78	973.51
	20,341.97	**23,338.74**

26.1. Includes loans repayable within one year: Syndicated Loans from Foreign Banks (repayable in foreign currency) ₹ Nil Crore (31.03.2020: ₹ 4,150.07 Crore); Loan from Oil Industry and Development Board ₹ 725.00 Crore (31.03.2020 : ₹ 181.19 Crore).

26.2. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ₹ NIL (31.03.2020: NIL).

26.3. Includes deposits received towards Rajiv Gandhi Gramin LPG Vitrak Yojana ₹ 241.89 Crore (31.03.2020: ₹ 241.89 Crore) and Prime Minister Ujjawala Yojana of ₹ 3,015.69 Crore (31.03.2020: ₹ 3,020.91 Crore).These deposits have been either made by Government of India or created out of CSR fund.

27. Other Current Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Revenue received in Advance	1,044.75	1,046.95
Capital Grant	0.23	0.91
Statutory Payables	4,539.39	1,705.95
Other Liabilities	110.09	158.35
	5,694.46	**2,912.16**

28. Provisions

(₹ / Crore)

	31.03.2021	31.03.2020
Provision for Employee Benefits	1,722.42	1,903.31
Provisions for probable obligations (refer Note 53)	1,422.46	1,045.13
	3,144.88	**2,948.44**

29. Current Tax Liabilities (Net)

(₹ / Crore)

	31.03.2021	31.03.2020
Provision for tax (net of advance tax) (refer Note 44)	351.72	366.97
	351.72	**366.97**

30. Gross Sale of Products

(₹ / Crore)

	2020-21	2019-20
Sale of Products	269,221.36	285,904.90
Recovery under Subsidy Schemes	21.50	345.37
	269,242.86	**286,250.27**

30.1. Net of discount of ₹ 2,199.63 Crore (2019-20: ₹ 2,348.47 Crore).

30.2. Includes Subsidy on PDS Kerosene from State Governments amounting to ₹ 31.30 Crore (2019-20: ₹ 63.95 Crore).

30.3. Includes Budgetary Support amounting to ₹ -9.80 Crore (2019-20: ₹ 281.41 Crore) under 'Recovery under Subsidy Schemes' towards under-recovery on sale of PDS SKO.

30.4. Disaggregation of revenue as required under Ind AS 115:

(₹ / Crore)

	2020-21	2019-20
Exports	3,054.58	6,203.38
Other than export	266,188.28	280,046.89
	269,242.86	**286,250.27**

31. Other Operating Revenues

(₹ / Crore)

	2020-21	2019-20
Rent Recoveries	756.97	827.02
Net Recovery for LPG Filling Charges	1.63	0.63
Miscellaneous Operating Income	324.86	339.01
	1,083.46	**1,166.66**

32. Other Income

(₹ / Crore)

	2020-21	2019-20
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	13.18	0.40
On Staff Loans	38.12	41.72
On Customers' Accounts	292.58	272.62
Interest On Current Investments carried at fair value through Profit or Loss	379.94	366.30
Interest on Others Financial Assets carried at amortized cost	380.29	312.44
	1,104.11	**993.48**
Dividend Income from Joint Venture/Associate Companies	301.31	154.83
Dividend Income from non-current equity instruments at FVOCI	13.64	28.76
Fair value gain on Derivative instruments carried at FVTPL	15.08	-
Gain on foreign currency transition and translation	1,010.86	-
Fair value gain on Current Investments carried at FVTPL	72.90	262.66
Profit on Sale of Current Investment	-	0.55
Profit on Sale/write off of Property Plant & Equipments/Capital Work in Progress/Assets classified as held for Sale/Disposal (net)	-	18.01
Share of Profit from Petroleum India International (AOP)	-	0.34
Miscellaneous Income	270.83	379.54
	1,684.62	**844.69**
	2,788.73	**1,838.17**

33. Cost of Materials Consumed

(₹ / Crore)

	2020-21	2019-20
Cost of Raw Materials Consumed	40,789.15	59,430.19
Packages Consumed	312.81	320.50
	41,101.96	**59,750.69**

34. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease

(₹ / Crore)

	2020-21	2019-20
(A) Closing Stock:		
Work-in-progress	1,020.53	914.72
Finished Goods	8,660.01	5,994.32
Stock-in-trade	14,517.01	8,755.55
	24,197.55	**15,664.59**
(B) Opening Stock:		
Work-in-Progress	914.72	775.86
Finished Goods	5,994.32	6,760.31
Stock-in-Trade	8,755.55	8,712.86
	15,664.59	**16,249.03**
(C) Write down of inventories considered under Exceptional Items (refer Note 62)	-	1,002.93
(B-A-C)	**(8,532.96)**	**(418.49)**

35. Employee Benefits Expense

(₹ / Crore)

	2020-21	2019-20
Salaries, Wages, Bonus, etc.	2,449.35	2,258.15
Contribution to Provident Fund (refer Note 69)	174.62	329.90
Pension, Gratuity and Other Employee Benefits	220.41	266.04
Employee Welfare Expenses	344.00	339.37
	3,188.38	**3,193.46**

36. Finance costs

(₹ / Crore)

	2020-21	2019-20
Interest (refer Note 36.1)	892.88	717.19
Exchange differences regarded as an adjustment to borrowing costs	7.38	345.32
Other borrowing costs	14.47	19.21
	914.73	**1,081.72**

36.1. Includes interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ₹ 57.03 Crore (2019-20 : ₹ NIL).

37. Other Expenses

(₹ / Crore)

	2020-21	2019-20
Transportation Expenses	6,401.44	6,139.80
Consumption of Stores, Spares and Chemicals	244.97	285.75
Power and Fuel	2,267.06	2,714.75
Less : Consumption of fuel out of own production	1,863.78	2,223.37
Power and fuel consumed (net)	403.28	491.38
Repairs and Maintenance - Buildings	40.75	59.73
Repairs and Maintenance - Plant and Machinery	1,087.38	1,183.88
Repairs and Maintenance - Other Assets	397.10	486.80
Insurance	130.32	74.31
Rates and Taxes	223.34	92.70
Irrecoverable Taxes and Other Levies	584.74	416.38
Equipment Hire Charges	1.85	2.32
Rent	272.08	289.60
Travelling and Conveyance	140.98	235.72
Printing and Stationery	15.13	19.52
Electricity and Water	821.76	831.11
Corporate Social Responsibility (CSR) Expenses	129.97	182.24
Stores and spares written off	1.11	2.42
Impairment in value of Non - Current Investments	50.00	229.73
Provision for Doubtful Receivables/Loans	559.08	205.43
Provision for Doubtful Debts (After adjusting provision no longer required written back ₹ 1.36 Crore, 2019-20: ₹ NIL)	140.21	12.78
Loss on Sale/ write off of Property Plant & Equipments/Capital Work In Progress / Assets classified as held for Sale/Disposal (net)	51.30	-
Bad Debts written off	0.41	0.21
Security Charges	280.68	280.57
Advertisement and Publicity	127.15	155.59
Sundry Expenses and Charges (Not otherwise classified) (refer Note 59)	1,275.85	1,187.95
Consultancy and Technical Services	76.48	67.18
Loss on Foreign Currency Transaction and Translation (net)	-	873.50
Fair value Loss on Derivative instruments carried at FVTPL (net)	-	44.75
Exploration cost	0.42	30.75
Payments to the auditors for:		
- Audit Fees	0.70	0.72
- Other Services	0.38	0.39
- Reimbursement of expenses	0.03	0.14
	13,458.89	**13,883.35**

38. Fair Value Measurements

38.A. Classification of Financial Assets and Financial Liabilities:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through Profit or Loss (FVTPL), Fair Value through Other Comprehensive Income (FVTOCI) and Amortized Cost:

(₹ / Crore)

	31.03.2021			31.03.2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Investment in Equity Instruments	0.00	328.14	-	0.00	221.25	-
- Investment in Preference Shares	13.82	-	-	8.68	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans						
- Employee Loans	-	-	420.77	-	-	391.48
- Other Loans	-	-	837.79	-	-	1,432.26
Trade receivables	-	-	6,856.31	-	-	3,922.72
Cash and cash equivalents	-	-	155.29	-	-	95.04
Other Bank Balances	-	-	81.91	-	-	18.11
Derivative Assets	5.20	-	-	16.04	-	-
Amounts recoverable under subsidy schemes	-	-	17.26	-	-	432.63
Others	-	-	1,939.67	-	-	7,496.43
Total	**5,436.60**	**328.14**	**10,309.00**	**5,369.58**	**221.25**	**13,788.67**
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,646.17	-	-	3,771.95
- Non Convertible Debentures	-	-	10,698.87	-	-	7,498.79
- Oil Industry Development Board	-	-	2,850.00	-	-	2,931.19
- Syndicated Loans from Foreign Banks	-	-	7,994.50	-	-	10,180.01
- Cash Credit	-	-	2,460.75	-	-	3,001.57
- Short term loans from banks	-	-	2,120.57	-	-	6,246.11
- Clean Loans	-	-	4,800.31	-	-	3,056.02
- Triparty Repo Dealing System Loan	-	-	1,449.62	-	-	1,399.94
- Commercial papers	-	-	3,988.12	-	-	2,442.16
Lease Liabilities	-	-	2,906.95	-	-	2,493.11
Trade Payables	-	-	17,697.27	-	-	11,298.97
Deposits from Consumers	-	-	16,130.95	-	-	15,436.10
Derivative liabilities	1.84	-	-	79.51	-	-
Others	-	-	3,183.30	-	-	3,235.95
Total	**1.84**	**-**	**79,927.38**	**79.51**	**-**	**72,991.87**

38.B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(₹ / Crore)

	31.03.2021			31.03.2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	328.14	-	-	221.25	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans						
- Employee Loans	-	420.77	-	-	391.48	-
- Other Loans	-	1,080.85	-	-	1,437.94	-
Derivative Assets	-	5.20	-	-	16.04	-
Total	**5,745.72**	**1,506.82**	**-**	**5,566.11**	**1,845.46**	**-**
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,883.37	-	-	3,435.78	-
- Non Convertible Debentures	-	11,033.26	-	-	7,640.55	-
- Oil Industry Development Board Loan	-	2,942.15	-	-	3,011.98	-
Derivative Liabilities	-	1.84	-	-	79.51	-
Total	**-**	**17,860.62**	**-**	**-**	**14,167.82**	**-**

38.C. Valuation techniques used to determine Fair Value

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.

39. Financial risk management

39.A. Risk management framework

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The outbreak of the Coronavirus Disease (COVID-19) has stricken communities across the globe. The virus' rapid geographical spread has caught the world off-guard, with major implications for personal health, business continuity and the world economic order. The Corporation had immediately reviewed the Risks arising out of the COVID-19 and suitably included the new risks as well as amended the existing Risks for suitably mitigating same.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

39.B. Corporation has identified financial risk and categorised them in three parts Viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Corporation manages the risk is explained in following notes:

39.B.1. **Credit risk:**

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Company's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Corporation extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 59 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables:

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Corporation assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogeneously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(₹ / Crore)

Past due	31.03.2021			31.03.2020		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	6,336.66	0.05%	3.29	3,599.85	0.03%	1.25
91–360 days	352.21	1.73%	6.10	292.03	1.17%	3.42
More than 360 days	487.58	63.73%	310.75	210.76	83.15%	175.25
	7,176.45		**320.14**	**4,102.64**		**179.92**

Delivering Happiness

The movement in loss allowance on trade receivables is as follows:

(₹ / Crore)

Balance as on 01.04.2019	**167.14**
Add : Loss allowance recognised	12.99
Less : Amounts written off	0.21
Balance as on 31.03.2020	**179.92**
Add : Loss allowance recognised	140.59
Less : Amounts written off	0.37
Balance as on 31.03.2021	**320.14**

The amounts written off relate to customers who have defaulted payments and are not expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and Cash Equivalents:

The Corporation held cash and cash equivalents of ₹ 155.29 Crore as on 31.03.2021 (31.03.2020 : ₹ 95.04 Crore). The cash and cash equivalents (other than cash on hand) are held with scheduled banks. The Corporation invests its surplus funds for short duration in fixed deposit with banks, Govt of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Corporation is exposed only to low credit risk.

Derivatives:

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in Debt Securities:

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

39.B.2. **Liquidity risk**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. Corporation has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Corporation has adequate borrowing limits in place duly approved by its Shareholders and Board. Corporation's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Corporation ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements

The Corporation has an adequate fund and non-fund based lines from various banks. The Corporation has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Corporation's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Corporation diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Corporation taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.

(ii) Maturities of financial liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	Contractual cash flows					
	31.03.2021			31.03.2020		
	Upto 1 year	1-3 years	more than 3 years	Upto 1 year	1-3 years	more than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	16,665.66	12,596.12	15,246.58	21,646.77	6,417.08	17,639.15
Trade payables	17,697.27	-	-	11,298.97	-	-
Other financial liabilities	3,182.41	-	16,131.84	3,235.25	-	15,436.80
Financial guarantee contracts *	-	588.58	-	-	-	609.10
Total	**37,545.34**	**13,184.70**	**31,378.42**	**36,180.99**	**6,417.08**	**33,685.05**
Derivative financial liabilities / (Assets)						
Interest rate swaps	-	-	-	(4.35)	-	-
Commodity contracts (net settled)	3.36	-	-	60.44	-	-
Forward exchange contracts (Gross settled)						
- Inflows	-	-	-	-	-	-
- Outflows	-	-	-	-	-	-
Total	**3.36**	**-**	**-**	**56.09**	**-**	**-**

* Outstanding loan of one of the step down subsidiary, guaranteed by the Corporation by way of providing 'Corporate Guarantee', payable in the event of default by the step down subsidiary on its repayment obligation. As of the Reporting date, there has been no default by the step down subsidiary and hence the Corporation does not have any present obligation in relation to such guarantee.

39.B.3. **Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:**

39.B.3.1. **Currency risk:**

The Corporation is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Corporation has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Corporation uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Corporation does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

(₹ / Crore)

	31.03.2021		31.03.2020	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	341.96	-	229.93	-
Current investments	5,417.58	-	5,344.86	-
Long-term loans	1,133.93	-	1,415.90	-
Short-term loans	124.63	-	407.84	-
Trade receivables	6,321.02	535.29	3,748.44	174.28
Cash and Cash Equivalents	155.29	-	95.04	-
Other Bank Balances	81.91	-	18.11	-
Others Non Current Financial Assets	18.80	-	6.29	-
Others Current Financial Assets	1,938.13	5.20	7,922.77	16.04
Exposure for assets - A	**15,533.25**	**540.49**	**19,189.18**	**190.32**
Financial liabilities				
Long term borrowings & Lease Liabilities	16,455.82	11,640.67	12,923.09	13,951.96
Short term borrowings	12,698.80	2,120.57	9,899.69	6,246.11
Trade Payables	12,072.71	5,624.56	7,158.17	4,140.80
Other Financial Liabilities	19,305.33	10.76	18,655.29	96.27
	60,532.66	**19,396.56**	**48,636.24**	**24,435.14**
Less: Foreign currency forward exchange contracts	-	-	-	-
Exposure for liabilities - B	**60,532.66**	**19,396.56**	**48,636.24**	**24,435.14**
Net exposure (Assets - Liabilities)(A - B)	**(44,999.41)**	**(18856.07)**	**(29447.06)**	**(24,244.82)**

The following exchange rates have been applied during the year:

INR	**31.03.2021**	**31.03.2020**
USD 1	73.12	75.67

Sensitivity analysis:

The table below shows sensitivity of open forex exposure of the Corporation to USD/INR currency movement. The impact of exposure to a currency movement in the range of 1% (+/-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is directional and does not reflect management's forecast on currency movement.

Effect in INR	**Impact on profit or (loss) due to % increase / Decrease in currency (₹/Crore)**			
	Increase	**Decrease**	**Increase**	**Decrease**
	31.03.2021		**31.03.2020**	
1% movement	1%		1%	
USD	(188.56)	188.56	(242.45)	242.45

39.B.3.2. **Interest rate risk**

The Corporation has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Corporation to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Corporation manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Corporation agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Corporation monitors the interest rate movement and manages the interest rate risk, based on the Corporation's Forex Risk Management Policy. The Corporation also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Corporation does not use derivative financial instruments for trading or speculative purposes.

The Corporation's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

The derivative financial instrument used in hedging the interest rate risk is as under:

(₹ / Crore)

Category	Instrument	Currency	Cross Currency	31.03.2021	31.03.2020
Hedges of floating rate foreign currency loans($ 0 mn (31.03.2020: $ 250 mn)	Interest rate swaps	USD	INR	-	1,891.63

Interest rate risk exposure:

The Corporation's interest rate risk arises mainly from borrowings. The profile of the Corporation's interest-bearing financial instruments at period end is as follows:

(₹ / Crore)

	Carrying amount	
	31.03.2021	31.03.2020
Fixed-rate instruments		
Financial assets	5,523.30	5,425.68
Financial liabilities	29,893.84	24,101.62
Variable-rate instruments		
Financial assets	2,023.59	2,656.78
Financial liabilities	10,115.07	16,426.12

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased / (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (In ₹ Crore)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2021		31.03.2020	
Floating rate borrowings	(16.81)	16.81	(28.25)	28.25
Interest rate swaps (notional principal amount)	-	-	4.14	(4.14)
Cash flow sensitivity (net)	**(16.81)**	**16.81**	**(24.11)**	**24.11**

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39.B.3.3. **Commodity Risk**

The Corporation's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. The Corporation monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market. The Corporation also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Corporation which are Outstanding as at Balance Sheet date is given below:

	Quantity (in million Barrels)	
	31.03.2021	**31.03.2020**
Crude/Product Swaps	1.11	4.23

The sensitivity to a reasonable possible change of 10% in the price of crude/product swaps on the outstanding Commodity derivative/ paper contracts as on Balance Sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement.

	Effect on Profit before Tax (In ₹ Crore)			
	10% Increase	**10% Decrease**	**10% Increase**	**10% Decrease**
	31.03.2021		**31.03.2020**	
Crude/Product Swaps	(14.01)	11.56	2.80	(2.80)

Derivatives & Hedging

The Corporation enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. The Corporation has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market Debit amounting to ₹ 1.14 Crore (2019-20: ₹ 24.11 Crore) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness:

The Corporation has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged Item (in absolute amounts).

Source of Hedge Effectiveness:

The Corporation has identified the following sources of hedge ineffectiveness which are not expected to be material as at date:

a. Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.

b. Difference in the timing of the cash flows of the hedged items and the hedge instruments

c. Different indexes used to hedge risk of the hedged item.

d. Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

Disclosures of effects of Cash Flow Hedge Accounting:

The Corporation has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Corporation is holding the following derivative contracts:

(₹ / Crore)

As at March 31, 2021	Maturities					
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	Total
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.50	0.30	-	-	0.80
Nominal amount (₹ / Crore)	-	97.26	18.30	-	-	115.55

(₹ / Crore)

As at March 31, 2020	Maturities					
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	Total
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.45	0.38	0.15	-	0.98
Nominal amount (₹ / Crore)	-	24.06	15.85	10.47	-	50.38

The Impact of Hedging Instruments in Balance sheet is as under:

(₹ / Crore)

	Commodity forward contract- Margin Hedging	
	31.03.2021	31.03.2020
Nominal Amount	115.55	50.38
Carrying Amount	(1.14)	(24.11)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/Other Financial Liabilities	Other Financial Assets/Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

(₹ / Crore)

	Highly Probable Forecast Transaction	
	2020-21	2019-20
Hedging Gain / (Loss) recognised in OCI*	(1.14)	(24.11)
Income tax on Above	0.29	6.07
Net amount recognised in Cash flow Hedge Reserve	**(0.85)**	**(18.04)**
Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss	(24.11)	-
Income tax on above	6.07	-
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/ Purchases	Revenue/ Purchases

*The Corporation expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

39.B.3.4. **Price risk**

The Corporation's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/decrease in price:

	Equity Instruments through OCI (In ₹ Crore)			
	1% Increase	1% Decrease	1% Increase	1% Decrease
	31.03.2021		31.03.2020	
Equity Investment in Oil India Ltd.	3.28	(3.28)	2.21	(2.21)

39.C.1. **Offsetting**

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the balance sheet if all set-off rights are exercised.

(₹ / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the Balance Sheet (B)	Net amounts presented in the Balance Sheet(C) (A-B)	Amounts not Offset(D)(Other than (B))	Net Amount (E) (C-D)
As on March 31, 2021					
Financial assets					
Trade Receivables	8,046.88	(1,190.57)	6,856.31	-	6,856.31
Financial liabilities					
Trade Payables	18,887.84	(1,190.57)	17,697.27	-	17,697.27
Other Current Financial Liabilities	20,341.97	-	20,341.97	-	20,341.97
As on Mar 31, 2020					
Financial assets					
Trade Receivables	7,720.43	(3,797.71)	3,922.72	(138.22)	3,784.50
Financial liabilities					
Trade Payables	15,096.68	(3,797.71)	11,298.97	-	11,298.97
Other Current Financial Liabilities	23,338.74	-	23,338.74	(138.22)	23,200.52

40. Revenue from Contracts with Customers

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

(₹ / Crore)

	31.03.2021	31.03.2020
Trade Receivables	6,856.31	3,922.72
Liabilities under contractual obligation	1,044.75	1,046.95

During the financial year, the Corporation recognized revenue of ₹ 801.78 Crore (2019-20: ₹ 836.60 Crore) arising from opening unearned revenue.

41. Leases

The Corporation enters into lease arrangements for underlying assets such as land, office premises, staff quarters. Upon 1st time adoption of Ind AS 116 in financial year 2019-20, the Corporation had chosen modified retrospective approach with exercising of options to use certain practical expedients. 'Lease Liability' and 'Right-of-use Assets', wherever the term of lease is in excess of 12 months have been appropriately disclosed, unless the underlying Asset is of low value.

A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	31.03.2021	31.03.2020
Less than one year	314.49	269.44
Between one and three years	616.00	512.72
More than three years	5,664.00	5,092.03
	6,594.49	**5,874.19**

B. Other Disclosures:

(₹ / Crore)

Particulars	31.03.2021	31.03.2020
a) Expense relating to short-term leases	846.16	781.06
b) Expense relating to leases of low-value assets *	5.21	4.89
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	4,826.02	4,512.62
d) Income from sub-leasing of 'right-of-use'	45.15	60.64
e) Interest expense on lease liabilities	245.43	201.72
f) Total cash outflow for leases	310.51	264.05

* Lease of items such as Personal Computers, Laptops, Printers, Photocopiers, Scanners etc., small items of furniture & fixtures and Other Office Equipment including Digital devises and Point of Sales Machines provided at customer touch points are treated as low-value leases under Ind-AS 116, Leases.

C. The following are the carrying values of Right-of-use (ROU) assets:

(₹ / Crore)

Particulars	Class of Underlying Asset			
	Land	Buildings	Plant & Equipment	Total
Gross Block				
As on 01.04.2020	3,389.36	53.95	-	3,443.31
Additions	537.77	71.55	25.25	634.57
Deductions/ Reclassifications	13.31	7.43	-	20.74
As on 31.03.2021	**3,913.82**	**118.07**	**25.25**	**4,057.14**
Depreciation/ Amortisation				
As on 01.04.2020	158.05	14.04	-	172.09
For the year	189.62	20.68	2.95	213.25
Deductions/ Reclassifications	5.12	7.43	-	12.55
As on 31.03.2021	**342.55**	**27.29**	**2.95**	**372.79**
Net Block as on 01.04.2020	**3,231.31**	**39.91**	**-**	**3,271.22**
Net Block as on 31.03.2021	**3,571.27**	**90.78**	**22.30**	**3,684.35**

42. Related Party Disclosure

A. Name of the Related Party and the nature of the relationship:

1. Holding Company, Subsidaries, Jointly controlled entities and Associates (Govt related entities, except otherwise mentioned):

(a) Holding Company

i. Oil & Natural Gas Corporation Ltd.

(b) Subsidiaries

i. HPCL Biofuels Ltd.

ii. Prize Petroleum Company Ltd. (PPCL)

iii. Prize Petroleum International Pte. Ltd. (a wholly owned subsidiary of PPCL)

iv. HPCL Middle East FZCO

v. HPCL Shapoorji Energy Pvt. Ltd. (refer Note 6.3)

(c) Jointly controlled entities

i. HPCL Rajasthan Refinery Ltd.

ii. Bhagyanagar Gas Ltd.

iii. Petronet MHB Ltd.

iv. Mumbai Aviation Fuel Farm Facility Pvt. Ltd.

v. Godavari Gas Pvt. Ltd.

vi. Aavantika Gas Ltd.

vii. Ratnagiri Refinery & Petrochemicals Ltd.

viii. Ujjwala plus foundation

ix. HPOIL Gas Pvt. Ltd.

x. IHB Pvt. Ltd.

(d) Jointly controlled entities (Other than Govt. related entities)

i. HPCL-Mittal Energy Ltd.

ii. Hindustan Colas Pvt. Ltd.

iii. South Asia LPG Company Pvt. Ltd.

iv. Petronet India Ltd. (in process of voluntary winding up w.e.f. 30th August 2018)

(e) Associates

i. GSPL India Gasnet Ltd.

ii. GSPL India Transco Ltd.

iii. Mangalore Refinery and Petrochemicals Ltd.

(f) Fellow Subsidiaries

i. ONGC Mangalore Petrochemicals Ltd.

2. Key Management Personnel

i. Shri Mukesh Kumar Surana, Chairman and Managing Director

ii. Shri Pushp Kumar Joshi, Director - Human Resources

iii. Shri Vinod S. Shenoy, Director - Refineries

iv. Shri R. Kesavan, Director - Finance & CFO

v. Shri Rakesh Misri, Director - Marketing

vi. Shri V. Murali, Company Secretary (CS)

3. **Independent Directors**
   i. Shri G. Rajendran Pillai
   ii. Shri Amar Sinha (Upto 20th September 2020)
   iii. Shri Siraj Hussain (Upto 20th September 2020)

4. **Government Nominee Directors**
   i. Shri Sunil Kumar
   ii. Shri Subhash Kumar

Note: The disclosure requirements in respect of transactions with 'Govt. related entities', being exempted under Ind AS 24, the rest of Related Party Disclosures (i.e. Parties named in '1(d)' above & '1(b)v') are furnished as under:

B. Details of transactions with related parties:

(₹ / Crore)

		2020-21	2019-20
(i)	**Sale of goods**		
	HPCL-Mittal Energy Ltd.	35.73	132.63
	Hindustan Colas Pvt. Ltd.	691.50	482.38
	South Asia LPG Company Pvt. Ltd.	0.22	0.20
		727.45	**615.21**
(ii)	**Purchase of goods**		
	HPCL-Mittal Energy Ltd.	22,544.93	38,168.16
	Hindustan Colas Pvt. Ltd.	240.85	82.58
		22,785.78	**38,250.74**
(iii)	**Dividend income**		
	HPCL-Mittal Energy Ltd.	-	50.03
	Hindustan Colas Pvt. Ltd.	59.06	18.90
	South Asia LPG Company Pvt. Ltd.	75.00	55.00
		134.06	**123.93**
(iv)	**Services provided (Manpower Supply Service)**		
	HPCL-Mittal Energy Ltd.	0.36	0.67
	Hindustan Colas Pvt. Ltd.	2.53	2.73
	South Asia LPG Company Pvt. Ltd.	0.64	0.66
	HPCL Shapoorji Energy Pvt. Ltd.	0.72	0.30
		4.25	**4.36**
(v)	**Lease rental income**		
	HPCL-Mittal Energy Ltd.	1.20	1.20
	Hindustan Colas Pvt. Ltd.	0.51	0.26
	South Asia LPG Company Pvt. Ltd.	1.71	1.16
		3.42	**2.62**
(vi)	**Other Income (Services provided)**		
	HPCL-Mittal Energy Ltd.	16.65	18.91
	Hindustan Colas Pvt. Ltd.	3.96	3.61
		20.61	**22.52**

(₹ / Crore)

		2020-21	2019-20
(vii)	**Others Expenses (Services availed)**		
	HPCL-Mittal Energy Ltd.	16.06	16.16
	Hindustan Colas Pvt. Ltd.	1.01	4.23
	South Asia LPG Company Pvt. Ltd.	92.27	91.03
		109.34	**111.42**
(viii)	**Investment in equity shares**		
	HPCL Shapoorji Energy Pvt. Ltd.	**740.00**	**151.00**
		31.03.2021	**31.03.2020**
(ix)	**Receivables**		
	HPCL-Mittal Energy Ltd.	5.10	6.72
	South Asia LPG Company Pvt. Ltd.	0.06	0.11
	HPCL Shapoorji Energy Pvt. Ltd.	0.79	0.13
		5.95	**6.96**
(x)	**Payables**		
	HPCL-Mittal Energy Ltd.	2,528.52	1,363.04
	Hindustan Colas Pvt. Ltd.	29.97	29.37
	South Asia LPG Company Pvt. Ltd.	9.97	8.47
		2,568.46	**1,400.88**

C. Transactions with other Government-Controlled Entities

The Company is a Government related entity, engaged in the business of refining of crude oil and marketing of petroleum products. The Company also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Companys' group Companies, the Company has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products;
- rendering and receiving services;
- leasing of assets;
- depositing and borrowing money; and
- use of public utilities

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

(₹ / Crore)

No	Description	2020-21	2019-20
(i)	Short-term Employee Benefits	3.70	4.28
(ii)	Post-Employment Benefits	-	0.46
		3.70	**4.74**

* Remuneration to KMP has been considered from / to the date from which they became/ceased to be KMP.

E. Amount due from Key Management Personnel

(₹ / Crore)

No	Description	31.03.2021	31.03.2020
(i)	Shri Mukesh Kumar Surana	0.09	0.08
(ii)	Shri Pushp Kumar Joshi	-	0.16
(iii)	Shri Vinod S Shenoy	0.05	0.06
(iv)	Shri Rakesh Misri	0.07	0.07
(v)	Shri V. Murali	0.19	0.11
		0.40	**0.48**

F. Sitting Fee paid to Non-Executive Directors

(₹ / Crore)

Details of Meeting	Shri Amar Sinha	Shri Siraj Hussain	Shri G. Rajendran Pillai
Board	0.02	0.02	0.04
Audit Committee	0.02	0.02	0.01
Stakeholders Relationship Committee	-	-	0.00
Nomination & Remuneration Committee	-	-	0.00
CSR & SD Committee	0.00	-	0.01
Investment Committee	0.01	0.01	-
Independent Directors Meeting	-	-	0.00
Total Sitting Fees	**0.05**	**0.05**	**0.06**

43. Disclosure as required by Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ / Crore)

No	Particulars	Balance as on		Maximum amount outstanding during the year	
		31.03.2021	31.03.2020	2020-21	2019-20
(a)	Loans and advances in the nature of loans to subsidiary Companies (by name and amount):				
	Inter Corporate Loan to HPCL – Biofuels Ltd	165.00	140.00	261.00	150.00
(b)	Loans and advances in the nature of loans to joint ventures (by name and amount)	-	-	-	-
(c)	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
(d)	Investment by the loanee in the shares of HPCL and its subsidiary company, when the Company has made a loan or advance in the nature of loan	-	-	-	-

44. Tax expense

(a) Amount recognised in Statement of Profit and Loss

(₹ / Crore)

	2020-21	2019-20
Current tax expense		
Current year	3,569.56	166.95
Changes in estimates relating to prior years (refer Note 44(e))	(0.42)	103.92
Deferred tax expense		
Origination and reversal of temporary differences	(3.28)	316.50
Changes in estimates relating to prior years (refer Note 44(e))	17.05	(1,652.04)
Tax expense recognised	**3,582.91**	**(1,064.67)**

(b) Amount recognised in Other Comprehensive Income:

(₹ / Crore)

	2020-21			2019-20		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Re-measurement of the defined benefit plans	(123.25)	31.02	(92.23)	(211.20)	53.15	(158.05)
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(1.14)	0.29	(0.85)	(24.11)	6.07	(18.04)

(c) Reconciliation of effective tax rate

	2020-21		2019-20	
	%	(₹ / Crore)	%	(₹ / Crore)
Profit before tax		**14,246.79**		**1,572.59**
Tax as per Corporate Tax Rate	**25.168%**	**3,585.63**	**25.168%**	**395.79**
Tax effect of:				
Non-deductible tax expenses	0.340%	48.37	8.375%	131.70
Tax-exempt income	(0.553%)	(78.73)	(2.070%)	(32.56)
Interest expense u/s 234B/C not deductible for tax purposes	0.077%	11.01	0.000%	-
Deduction for research and development expenditure	0.000%	-	0.000%	-
Adjustments recognised in current year in relation to the current tax of prior years	0.117%	16.63	(98.443%)	(1,548.11)
Others	0.000%	-	(0.731%)	(11.49)
Income Tax Expense	**25.149%**	**3,582.91**	**(67.702%)**	**(1,064.67)**

(d) Movement in deferred tax balances

(₹ / Crore)

	Net balance 01.04.2020	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2021
Deferred Tax Asset				
Provision for Employee Benefits	134.75	10.42	-	145.17
Current investments	(15.55)	(18.30)	-	(33.85)
Provision for Doubtful Debts & Receivables	175.04	176.00	-	351.04
Disallowance u/s 43B	16.14	0.20	-	16.34
Others	137.42	58.66	(5.78)	190.30
	447.80	**226.98**	**(5.78)**	**669.00**
Deferred Tax Liabilities				
Property, plant and equipment	5,909.13	270.96	-	6,180.09
Others	30.20	(30.20)	-	0.00
	5,939.33	**240.76**	**-**	**6,180.09**
Deferred Tax (Assets) / Liabilities	**5,491.53**	**13.78**	**5.78**	**5,511.09**

(₹ / Crore)

	Net balance 01.04.2019	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2020
Deferred Tax Asset				
Provision for Employee Benefits	159.72	(23.99)	(0.98)	134.75
Current investments	70.37	(85.92)	-	(15.55)
Provision for Doubtful Debts & Receivables	166.98	8.06	-	175.04
Disallowance u/s 43B	89.65	(73.51)	-	16.14
Others	101.18	30.17	6.07	137.42
	587.90	**(145.19)**	**5.09**	**447.80**
Deferred Tax Liabilities				
Property, plant and equipment	7,736.71	(1,827.58)	-	5,909.13
Others	15.94	14.26	-	30.20
	7,752.65	**(1,813.32)**	**-**	**5,939.33**
Deferred Tax (Assets) / Liabilities	**7,164.75**	**(1,668.13)**	**(5.09)**	**5,491.53**

(e) Provision for tax for earlier years ₹ 16.63 Crore (2019-20: ₹ (1,548.11) Crore) comprising of additional provision towards current tax of ₹ 7.18 Crore (2019-20 : ₹ 172.33 Crore), additional provision towards deferred Tax of ₹ 17.05 Crore (2019-20: ₹ (1,652.03) Crore) and recognition of MAT credit Entitlements of ₹ 7.60 Crore (2019-20: ₹ 68.41 Crore).

The Provision for Tax for earlier years includes an additional amount of ₹ 11.79 Crore (2019-20: ₹ 623.01 Crore) provided during year, pursuant to filing of declaration and acceptance by Income tax department under Vivad Se Vishwas Scheme, 2020 (opted in FY 2019-20), leading to revised tax liability of ₹ 776.66 Crore vis.a.vis. earlier determination of ₹ 764.87 Crore, accounted till previous financial years. The proceedings have not been concluded.

45. Earnings per share (EPS)

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

(₹ / Crore)

	2020-21	2019-20
Profit attributable to equity holders for basic and diluted earnings per share (A)	10,663.88	2,637.26
Weighted average number of shares for basic and diluted earnings per shares (B) (refer Note 19 H (ii))	1,511,057,676	1,523,822,625
Basic and Diluted Earnings per Equity Share (₹) (A/B)	**70.57**	**17.31**

46. Capital management

The Corporation's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Company's debt to equity ratio, used for monitoring capital management is as follows:

(₹ / Crore)

	31.03.2021	31.03.2020
Long term borrowings (excluding Lease Liabilities) (refer note # 21)	25,189.54	24,381.94
Total equity (refer note # 19 and 20)	36,186.11	28,962.36
Debt to Equity ratio	**0.70**	**0.84**

47. Dividends

(₹ / Crore)

	31.03.2021	31.03.2020
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2020: ₹ 9.75 (31.03.2019: ₹ 9.40) This amount includes Dividend distribution tax of ₹ NIL (31.03.2019: ₹ 294.43 Crore).	1,485.73	1,726.82
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ₹ 22.75 per fully paid equity share (31.03.2020 : ₹ 9.75), subject to the approval of shareholders in the ensuing annual general meeting.	3,227.20	1,485.73

48. In compliance of Ind AS-27 'Separate Financial Statements', the required information is as under

Name of Company	Country of Incorporation	Nature of Investments	Percentage of ownership interest as on	
			31.03.2021	31.03.2020
HPCL - Biofuels Ltd.	India	Subsidiary	100.00	100.00
Prize Petroleum Company Ltd	India	Subsidiary	100.00	100.00
HPCL Middle East FZCO	Dubai	Subsidiary	100.00	100.00
HPCL Shapoorji Energy Private Ltd.	India	Subsidiary	100.00	50.00
HPCL Rajasthan Refinery Ltd	India	Joint Venture	74.00	74.00
Hindustan Colas Private Ltd.	India	Joint Venture	50.00	50.00
South Asia LPG Company Pvt. Ltd.	India	Joint Venture	50.00	50.00
HPCL-Mittal Energy Ltd.	India	Joint Venture	48.99	48.99
Aavantika Gas Ltd.	India	Joint Venture	49.99	49.99
Petronet MHB Ltd.	India	Joint Venture	50.00	50.00
Godvari Gas Pvt. Ltd.	India	Joint Venture	26.00	26.00
Mumbai Aviation Fuel Farm Facility Pvt Ltd.	India	Joint Venture	25.00	25.00
Bhagyanagar Gas Ltd.*	India	Joint Venture	48.73	24.99
Petronet India Ltd.	India	Joint Venture	16.00	16.00
Ratnagiri Refinery & Petrochemicals Ltd	India	Joint Venture	25.00	25.00
HPOIL Gas Pvt Ltd.	India	Joint Venture	50.00	50.00
IHB Pvt Ltd	India	Joint Venture	25.00	25.00
Mangalore Refinery and Petrochemicals Ltd.	India	Associate	16.96	16.96
GSPL India Transco Ltd	India	Associate	11.00	11.00
GSPL India Gasnet Ltd	India	Associate	11.00	11.00

* As of 31st March 2014, Bhagyanagar Gas Ltd. (BGL) had a paid up equity capital of ₹ 5 lakhs, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 22.49 Crore each as Advance against Equity / Share application money (totaling to ₹ 44.98 Crore). On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14-Sep-2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, the shareholding was considered at 24.99% till 31st March 2020. At its AGM held on 29-Sept-2020, BGL declared maiden final dividend for FY 2019-20. Accordingly, the Corporation received dividend of ₹ 0.87 Crore on its stake of 48.73% which has been considered in the Financial Statements. Though KSPL's appeal is sub judice, taking all facts into consideration, Corporations stake in BGL is now considered at the actual shareholding of 48.73% which is consistent with the Articles of Association of BGL.

Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) was incorporated on 21st July 2017 as a not for profit Private Company Limited by Guarantee (Without Share Capital) under Section 8 of the Companies Act 2013.

49. The Corporation has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates. The details are as under

Name of the Block	Participating Interest of HPCL in%	
	31.03.2021	31.03.2020
In India		
Under NELP IV		
KK- DWN-2002/2	20.00	20.00
KK- DWN-2002/3	20.00	20.00
CB- ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/1	10.00	10.00
KG-DWN-2004/2	10.00	10.00
KG-DWN-2004/3	10.00	10.00
KG-DWN-2004/5	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00

(i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2020-21.

(ii) In respect of Cluster – 7, the matter is under litigation (refer Note No. 52.1). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2020-21.

(iii) Other than (i) & (ii) above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.

50. During the financial year 2020-21, Corporation has spent ₹ 156.35 Crore (2019-20: ₹ 182.24 Crore) towards Corporate Social Responsibility (CSR) as against the budget of ₹ 129.97 Crore (2019-20: ₹ 182.13 Crore)

(₹ / Crore)

No	Head of Expenses	2020-21	2019-20
1	Promoting Education	10.10	39.58
2	Promoting Health Care	130.51	25.03
3	Empowerment of Socially and Economically Backward groups	6.56	6.64
4	Promotion of Nationally recognized and Para-Olympic Sports	-	0.88
5	Imparting Employment by Enhancing Vocation Skills	2.50	41.27
6	Swachh Bharat Abhiyaan	3.77	27.22
7	Environment Sustainability	-	36.80
8	Others	2.91	4.82
		156.35	**182.24**

Amount spent during the financial year 2020-21 on:

(₹ / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisitioin of assets controlled by the Company			
(ii)	Purpose other than (i) above	155.02	1.33	156.35

Amount spent during the financial year 2019-20 on:

(₹ / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisitioin of assets controlled by the Company	-	-	-
(ii)	Purpose other than (i) above	162.69	19.55	182.24

Excess amount spent during the financial year 2020-21:

(₹ / Crore)

	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
	-	129.97	156.35	26.38

51. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon

(₹ / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	492.08	131.13	339.55	105.56
- Interest	-	-	-	-

(₹ / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

52. Contingent Liabilities and Commitments*

(₹ / Crore)

I.	Contingent Liabilities	31.03.2021	31.03.2020
A.	**Disputed demands / claims subject to appeals / representations filed by the Corporation**		
	i. Sales Tax/Octroi	1,670.83	1,880.18
	ii. Excise/Customs	264.14	378.46
	iii. Land Rentals & Licence Fees	238.92	224.97
	iv. Others	94.52	87.37
		2,268.41	**2,570.98**
B.	**Disputed demands / claims subject to appeals / representations filed against the Corporation**		
	i. Sales Tax/Octroi	0.77	0.77
	ii. Employee Benefits/Demands (to the extent quantifiable)	338.84	212.88
	iii. Claims against the Corporation not acknowledged as Debts (refer note 52.1)	396.46	430.20
	iv. Others	211.86	144.98
		947.93	**788.83**

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

(₹ / Crore)

	31.03.2021	31.03.2020
II. Guarantees given to Others	1,896.52	1,888.43

52.1 The Corporation with a Participating Interest(PI) of 60%, Prize Petroleum Company Limited (PPCL), a subsidiary company along with 2 other consortium members together having a PI of 10%, and M3nergy Sdn. Bhd (M/s M3nergy) having a PI of 30% were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. HPCL and PPCL demanded the refund of monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of USD 36.51 Million was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards, 3rd being Final Award. All awards were in favour of the Corporation and PPCL. The Arbitral Tribunal vide 1st partial arbitration award dated 09.01.2014 held that M3nergy had committed breach of the contract and hence their counter claims were disallowed and that the Corporation and PPCL are entitled for damages, which will be quantified later. The 2nd Partial Award dated 27/09/2017 allowed 2 claims of the Corporation/ PPCL in the ratio of 6:1, viz., (1) A claim of USD 91.3 million towards loss of profit (by a majority Award) and (2) A claim of recovery of damages by way of money lost due to encashment of Bank Guarantees of ₹ 41.60 Crore (by a unanimous Award). Both amounts were allowed with interest. Arbitral Tribunal passed final award as to cost vide Award dated 15.06.2018 thereby directing M3nergy to pay ₹ 4.82 Crore to the Corporation/PPCL towards cost of arbitration.

All the 3 Awards were challenged by M3nergy before the Bombay High Court. However, there was no stay granted by Bombay High Court, hence, HPCL/ PPCL filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia since M3nergy is located in Malaysia.

By Orders dated 10th January, 2019 the Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if HPCL/ PPCL succeed later. Meanwhile, HPCL and PPCL have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16th of October, 2019 the Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the Bombay High Court, to decide the matter afresh on merits. This Order was challenged by M3nergy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M3nergy) on 31st January 2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits.

As a result, the Corporation's share of the awarded amount which is approximately ₹ 420.74 Crore (78.26 Million USD @ exchange rate of ₹ 48.68 for a US Dollar prevailing on January 6, 2009 plus ₹ 39.79 Crore towards loss of profit /damages /costs) and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M3Energy to the extent of Corporation's share i.e. approximately ₹ 228.81 Crore (@ Exchange rate of 1 USD = ₹ 73.115), being considered remote is also not recognized.

(₹ / Crore)

III. Commitments	31.03.2021	31.03.2020
Estimated amounts of contracts remaining to be executed on capital account not provided for	18,116.18	22,278.25

52.2. Corporation has entered into a long term product off take agreement with HPCL - Mittal Energy Limited (HMEL), its joint venture company, for purchase of petroleum products produced by the refinery. This agreement has a take or pay clause and the Corporation is committed to purchase the said petroleum products over the tenure of the agreement.

52.3. In respect of certain Joint Venture/Associate Companies, the Corporation and other joint venture partners have committed that they would jointly hold at least 51% of share capital of such Joint Venture/Associate till the repayment of certain bank loans / bonds.

IV. Corporation's Share in aggregate of Contingent Liabilities of Jointly Controlled Operations (refer Note No.49):

(₹ / Crore)

Jointly controlled Operations	31.03.2021	31.03.2020
Contingent Liabilities	266.94	276.25

53. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2020	Additions	Utilization	Reversals	Closing Balance as on 31.03.2021
Excise	-	4.43	0.67	0.29	3.47
Sales Tax/Octroi/Entry Tax	210.35	194.93	1.47	17.09	386.72
Others	834.78	376.64	131.81	47.34	1,032.27
Total	**1,045.13**	**576.00**	**133.95**	**64.72**	**1,422.46**

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2019	Additions	Utilization	Reversals	Closing Balance as on 31.03.2020
Excise	0.59	-	0.50	0.09	-
Sales Tax/Octroi/Entry Tax	438.04	1.40	95.27	133.82	210.35
Service Tax	13.50	0.26	6.28	7.48	-
Others	571.94	322.56	0.88	58.84	834.78
Total	**1,024.07**	**324.22**	**102.93**	**200.23**	**1,045.13**

Note: The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

54. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/ reconciliation which is not likely to have a material impact.

(b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.

55. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Since there is no indication of impairment of assets as at Balance Sheet date as per the assessment carried out, no impairment has been considered. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

56. On the reporting date, the Corporation has an equity investment of ₹ 748.94 Crore (31.03.2020: ₹ 395.16 Crore) in its wholly owned subsidiary, HPCL Biofuels Ltd. (HBL). The above investment includes an equity infusion together with conversion of loan into equity during the current financial year aggregating to ₹ 353.78 Crore. The subsidiary has reported loss for the current financial year. Pursuant to impairment assessment carried out, an amount of ₹ 50 Crore (2019-20: ₹ 196.16 Crore against equity and ₹ 127 Crore towards loss allowance against Outstanding Loan) has been provided during the current financial year, taking the aggregate impairment as of 31.03.2021 to ₹ 572.16 Crore (31.03.2020: ₹ 395.16 Crore against equity and ₹ 127 Crore against Loan) against the aforesaid carrying value. The said impairment has been carried out in line with the requirement of Ind AS 36 and is based on the estimated future cash flow projections from continuing use of its Assets in the entity. In the opinion of the management, the current level of impairment is appropriate considering the intricacies involved in the Sugar Industry.

57. The Corporation has an equity investment of ₹ 248.97 Crore in its 100% subsidiary, Prize Petroleum Company Limited. During the current financial year, an impairment assessment is carried out and ₹ NIL (2019-20: ₹ 33.57 Crore) is provided. The total amount of impairment towards the carrying value of the investment stands at ₹ 162.98 Crore (31.03.2020: ₹ 162.98 Crore). The said impairment is in line with the requirement of Ind AS 36 and is based on the estimated future cash flow projections from continuing use of its Assets in the entity. In the opinion of the management, the current level of impairment is appropriate.

58. The Corporation's 100% step-down subsidiary, Prize Petroleum International Pte Ltd. (a wholly owned subsidiary of Prize Petroleum Company Ltd.), incorporated in Singapore is engaged in the business of exploration & production of hydrocarbons. On a Corporate Guarantee provided to the Bank by the corporation towards a loan of $86m taken by the step-down subsidiary during the financial year 2016-17, the carrying value of it was re-measured during the current financial year and a loss allowance of ₹ NIL (2019-20: ₹ 165 Crore) is provided during the year (under 'Sundry Expenses and Charges'). The total amount of loss allowance thus made towards the carrying value of the Corporate Guarantee stands at ₹ 318 Crore (31.03.2020: ₹ 318 Crore).

59. The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from BPL households. Under the scheme, no charges towards the deposit of equipment and cost of Suraksha hose were to be collected from the beneficiary. An amount of ₹ 1,600 per connection is paid by the Oil Marketing Companies (OMC) to the Distributor and the Government reimburses OMC's an amount of ₹ 1,600 per connection towards the same. For the purchase of the stove (cost ₹ 990/-) as well as for cost of the first fill (prevailing rate at the time of installation), the beneficiary is given an option to avail loan from OMC. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinder. The total loan disbursed to Consumers under (PMUY), since inception is ₹ 2,963.01 Crore (31.03.2020: ₹ 2,963.75 Crore) and of this ₹ 1,882.25 Crore (31.03.2020: ₹ 1,966.21 Crore) is outstanding at period end. This is to be repaid out of the subsidy accruing to the consumer from the subsequent refill of cylinders. The overall consumer base is at 2.15 Crore(net of termination) and the consumption pattern of LPG is still evolving. Considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, an aggregate provision of ₹ 618.07 Crore (31.03.2020: ₹ 227.40 Crore) is estimated and recognized as on 31/03/2021, which includes a provision of ₹ 390.67 Crore (2019-20: ₹ 131.69 Crore) made during the financial year 2020-21. The expected credit loss estimate is reasonable. The Loan is considered as 'subsequently measured at amortized cost' in the financial statements. Considering the steep decline in the average subsidy of LPG during the year at ₹ 42/- (2019-20: ₹ 200/-.) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date requires re-measurement based on revised estimates of future cash flows. Such re-measurement resulted in reduction in gross carrying amount of outstanding loan by a ₹ 450.62 Crore (2019-20: ₹ NIL). Further, considering the recognition of Interest Income of ₹ 177.51 Crore during the year on this Loan, both having been recognized in the Statement of Profit and Loss during the year, the net impact is a reduction in fair-valuation of loan by ₹ 273.11 Crore. The carrying amount of outstanding loan at period end after considering loans disbursed/recovered during the year is ₹ 1,080.85 Crore (2019-20:₹ 1,437.95 Crore).

60. The Corporation implements various Government of India schemes such as PMUY, Direct Benefit Transfer scheme wherein the amount is either received in advance or reimbursed subsequently. As of 31.03.2021, reimbursements amounting to ₹ 215.92 Crore (31.03.2020: ₹ 2,518.00 Crore) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.

61. During the financial year, Pradhan Mantri Garib Kalyan Yojana (PMGKY) was rolled out by Government of India (GOI) as a COVID relief measure. The scheme entailed PMUY Consumers to avail a sequential advance towards purchase of three free refill cylinders. A total of 3.81 Crore refills were delivered under the scheme towards which an advance amount of ₹ 2,601.86 Crore (2019-20: NIL) was disbursed. The scheme ended on 31.12.2020. The scheme mechanism enabled filing of claim with GOI towards reimbursement. Claims amounting to ₹ 2,510.28 Crore were settled leaving an amount of ₹ 91.58 Crore unsettled till date. This unsettled amount represents advance towards which either, the Consumers after availing advance, had not taken the refills, or claims by the Corporation, which were not settled fully pursuant to price variance between date of advance and date of sale of refill cylinders. Considering that the mechanism towards settlement of such amounts is not explicit, notwithstanding the persuasion for its full and final settlement with GOI, considering the principles of prudence and conservatism, a loss allowance has been recognized amounting to ₹ 91.58 Crore (2019-20: NIL).

62. The COVID-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the Corporation, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1FY'21 which had gradually tapered down by end of December 2020. Project construction sites which were required to be closed down after announcement of nationwide lockdown had restarted gradually and by September 2020, resumption to pre-COVID level could be achieved. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. Both our Refineries and all the supply distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned all through the year with optimized manpower during the lockdown period.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the business of essential commodity, using the principles of prudence in applying judgements and estimates, the Corporation expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Corporation expects to go ahead with its capex plans and ensure execution of the same. The Corporation has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate foreign and domestic resources that could be readily tapped for raising funds required for meeting any of its Capex or working capital needs and therefore there are no liquidity concerns. Unlike previous financial year, the current situation did not call for any significant write down of inventories at period end resorting to reporting of exceptional item in the financial statement (FY 2019-20: ₹ 1,002.93 Crore, net of Tax: ₹ 750.51 Crore).

63. During the financial year, pursuant to completion of tenure in Office & consequential cessation of 2 of the Independent Directors combined with Government of India not having appointed further Independent Directors to the Board, the number of Independent Director in the Board has got reduced to 1 only, which is less than the minimum number of Independent Directors required in terms of the provisions of the Listing Agreement and the Companies Act, 2013. This is also not in line with the requirement under the relevant SEBI Regulations for the Board to have independent Women Director. The Company has approached the administrative ministry for appointment of requisite number of Directors for compliance of the provisions of the Listing Agreement and the Companies Act, 2013 and the same is awaited. This position has been continuing even as on the date of approval of Financial Statements for the financial year 2020-21. Pending such appointment, the financial statements have been reviewed and recommended to the Board by the reconstituted Audit Committee consisting of one Independent Director and further, these have been approved by the Board consisting of one Independent Director, who is also not an Independent Women Director.

64. Expenditure incurred on Research and Development

(₹ / Crore)

	2020-21	2019-20
- Capital	145.60	127.27
- Revenue	150.06	130.65

(₹ / Crore)

		2020-21	2019-20
65.	Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 1.53% (2019-20 : 5.96%)).	719.46	760.16

(₹ / Crore)

		2020-21	2019-20
66.	Exchange Differences adjusted in the carrying amount of Assets during the accounting period.	(70.21)	206.79

67. There are no reportable segments other than downstream petroleum, as per Ind AS - 108 on Segment Reporting.

68. Threshold limits adopted in respect of financial statements is given below

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	₹ Lakhs	15.00 (2019-20: 10.00)
Deprecation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	₹	10,000.00 (2019-20: 5,000.00)
Income / expenditure pertaining to prior year(s)	₹ Crore	175.00 (2019-20: 175.00)
Prepaid expenses	₹ Lakhs	7.50 (2019-20: 5.00)
Disclosure of contingent liabilities	₹ Lakhs	5.00 (2019-20: 5.00)
Disclosure of capital commitments	₹ Lakhs	5.00 (2019-20: 5.00)
Refundable Non-current Financial Deposits not yielding Interest excluded from fair-valuation.	₹ Lakhs	50.00 (2019-20: Nil)
Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous years.	₹	10,000.00 (2019-20: Nil)

69. Employee benefit obligations

A. Provident Fund:

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Corporation's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Corporation has recognized ₹ 167.65 Crore (2019-20: ₹ 146.30 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss. Under the Statute, the shortfall, if any, in the interest obligation, in comparison to minimum rate of return, declared by Government of India will have to be made good by the Employer. There did not arise any shortfall in interest obligation in the current financial year though the previous year's shortfall, provisionally accounted in 2019-20 as ₹ 10.04 Crore got revised to ₹ 10.43 Crore and therefore an amount of ₹ 0.39 Crore (2019-20: ₹ 10.04 Crore) has been provided and charged to Statement of Profit and Loss during the current financial year.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ₹ 243 Crore (31.03.2020: ₹ 243 Crore) which have witnessed default in meeting interest obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. Thus, no additional provision (2019-20: ₹ 170.10 Crore) is warranted during this financial year.

The present value of benefit obligation at period end is ₹ 4,678.45 Crore (31.03.2020: ₹ 4,372.13 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

B. Superannuation Fund:

The Corporation has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2020-21, the Corporation has made an overall contribution of ₹ 192.51 Crore (2019 - 20 : ₹ 162.89 Crore) towards Superannuation - DCS [including ₹ 59.70 Crore (2019-20 : ₹ 50.76 Crore) to NPS] by charging it to the statement of Profit and Loss.

Further, for the financial year 2020-21, Corporation has made a provision of ₹ 23.41 Crore (2019-20: ₹ 52.15 Crore) by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation – Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
1	**Present value of projected benefit obligation**					
	Present value of Benefit Obligation at the beginning of the period	869.27	907.54	18.78	21.92	11.67
		828.66	*773.83*	*21.32*	*24.31*	*11.51*
	Interest Cost	59.72	61.80	1.28	1.44	0.80
		64.30	*60.20*	*1.59*	*1.82*	*0.89*
	Current Service Cost	14.07	58.93	-	-	2.66
		13.36	*58.79*	-	-	*2.65*
	Past Service Cost	-	-	-	9.92	-
		-	-	-	-	-
	Benefit paid	(100.71)	(58.27)	(3.03)	(6.52)	(0.50)
		(106.41)	*(52.73)*	*(3.46)*	*(4.88)*	*(3.42)*
	Actuarial (gains)/ losses on obligations - due to change in demographic assumptions	-	95.17	0.15	(0.78)	-
		-	-	-	-	-
	Actuarial (gains)/ losses on obligations - due to change in financial assumptions	3.58	48.70	0.26	0.08	0.05
		42.90	*106.82*	*0.45*	*0.58*	*0.68*
	Actuarial (gains)/ losses on obligations - due to experience	25.06	(28.80)	(0.35)	2.06	(3.61)
		26.46	*(39.37)*	*(1.12)*	*0.09*	*(0.64)*
	Present value of Benefit Obligation at the end of the period	870.99	1,085.07	17.09	28.12	11.07
		869.27	*907.54*	*18.78*	*21.92*	*11.67*
2	**Changes in fair value of plan assets**					
	Fair value of Plan Assets at the beginning of the period	783.39	749.17	NA	NA	NA
		818.26	*768.30*	*NA*	*NA*	*NA*
	Interest income	53.82	51.02	NA	NA	NA
		63.50	*59.77*	*NA*	*NA*	*NA*
	Contributions by the employer	85.88	158.37	NA	NA	NA
		10.40	*5.53*	*NA*	*NA*	*NA*
	Contributions by the employee	-	4.50	NA	NA	NA
		-	*0.81*	*NA*	*NA*	*NA*
	Benefit paid	(100.71)	-	NA	NA	NA
		(106.41)	-	*NA*	*NA*	*NA*
	Return on plan assets, excluding interest income	(1.89)	14.32	NA	NA	NA
		(2.36)	*(85.24)*	*NA*	*NA*	*NA*
	Fair value of Plan Assets at the end of the period	820.49	977.38	NA	NA	NA
		783.39	*749.17*	*NA*	*NA*	*NA*
3	**Included in Statement of Profit and Loss**					
	Current Service Cost	14.07	58.93	-	-	2.66
		13.36	*58.79*	-	-	*2.65*
	Past Service Cost	-	-	-	9.92	-
		-	-	-	-	-
	Net interest cost	5.90	10.78	1.28	1.44	0.80
		0.80	*0.43*	*1.59*	*1.82*	*0.89*
	Contributions by the employee	-	(4.50)	-	-	-
		-	*(0.81)*	-	-	-
	Total amount recognised in Statement of Profit and Loss	19.97	65.21	1.28	11.36	3.46
		14.16	*58.41*	*1.59*	*1.82*	*3.54*

(₹ / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
4	**Remeasurements**					
	Return on plan assets, excluding interest income	1.89	(14.32)	-	-	-
		2.36	*85.24*	-	-	-
	(Gain)/loss from change in demographic assumptions	-	95.17	0.15	(0.78)	-
		-	-	-	-	-
	(Gain)/loss from change in financial assumptions	3.58	48.70	0.26	0.08	0.05
		42.90	*106.82*	*0.45*	*0.58*	*0.68*
	Experience (gains)/losses	25.06	(28.80)	(0.35)	2.06	(3.61)
		26.46	*(39.37)*	*(1.12)*	*0.09*	*(0.64)*
	Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-
		-	-	-	-	-
	Total amount recognised in other comprehensive income	30.53	100.75	0.06	1.36	(3.56)
		71.72	*152.69*	*(0.67)*	*0.67*	*0.04*

D. Amount recognised in the Balance Sheet

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2021	870.99	1,085.07	17.09	28.12	11.07
Fair value of plan assets as on 31.03.2021	820.49	977.38	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	**50.50**	**107.69**	**17.09**	**28.12**	**11.07**

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Present value of benefit obligation as on 31.03.2020	869.27	907.54	18.78	21.92	11.67
Fair value of plan assets as on 31.03.2020	783.39	749.17	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	**85.88**	**158.37**	**18.78**	**21.92**	**11.67**

E. Plan assets

(₹ /Crore)

	31.03.2021		31.03.2020	
	Gratuity	PRMBS	Gratuity	PRMBS
Plan assets comprise the following:				
Insurance fund	820.49	977.38	783.39	749.17
	820.49	**977.38**	**783.39**	**749.17**

F. Significant estimates (actuarial assumptions and sensitivity):

(i). The significant actuarial assumptions were as follows:

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.80%	6.91%	NA	NA	NA
Rate of Discounting	6.80%	6.91%	6.44%	6.49%	6.80%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Individual AMT (2012-15)				

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.87%	6.81%	NA	NA	NA
Rate of Discounting	6.87%	6.81%	6.82%	6.59%	6.87%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Assured Lives Mortality (2006-08)				

(ii). Sensitivity analysis

(₹ / Crore)

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.87)	(133.06)	(0.66)	(0.79)	(0.73)
Delta effect of -1% Change in Rate of Discounting	55.36	170.13	0.73	0.85	0.86
Delta effect of +1% Change in Future Benefit cost inflation	-	170.71	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(134.07)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	9.92	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(12.18)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	15.44	-	-	-	(0.80)
Delta effect of -1% Change in Rate of Employee Turnover	(17.46)	-	-	-	0.94

(₹ / Crore)

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.85)	(109.81)	(0.69)	(0.65)	(0.76)
Delta effect of -1% Change in Rate of Discounting	55.06	139.91	0.75	0.70	0.88
Delta effect of +1% Change in Future Benefit cost inflation	-	140.35	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(110.68)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	12.88	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.16)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	14.11	-	-	-	(0.83)
Delta effect of -1% Change in Rate of Employee Turnover	(15.93)	-	-	-	0.97

G. The expected maturity analysis of undiscounted benefits is as follows:

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2021				
Gratuity	131.76	84.00	326.43	989.37
PRMBS	50.70	55.05	194.30	323.63
Pension	2.45	2.41	7.02	10.51
Ex - Gratia	5.30	5.19	14.78	21.41
Resettlement Allowance	1.36	0.81	3.91	15.59
Total	**191.57**	**147.46**	**546.44**	**1,360.51**

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year & above
31.03.2020				
Gratuity	120.48	75.22	328.27	1,002.22
PRMBS	42.00	45.89	163.86	276.71
Pension	2.79	2.76	8.10	12.66
Ex - Gratia	4.05	3.99	11.61	17.76
Resettlement Allowance	1.31	0.72	4.18	16.29
Total	**170.63**	**128.58**	**516.02**	**1,325.64**

H. Notes:

I. **Gratuity :** Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ₹ 0.20 Crore at the time of separation from the Corporation. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC).

II. **Pension :** The employees covered by the Pension Plan of the Corporation are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.

III. **Post Retirement Medical Benefit (PRMBS):** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ₹ 99.50 Crore (31.03.2020: ₹ 99.50 Crore) which have witnessed default in meeting interest & or principal obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment, these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. The diminution in Trust Investments are factored in the actuarial valuation while ascertaining the liability for the Corporation. Thus, no additional provision (2019-20: ₹ 69.65 Crore) is warranted during this financial year, to be charged to Statement of Profit and Loss in compliance with Ind AS 19.

IV. Ex-gratia : The ex-employees of Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.

V. Resettlement Allowance : Upon superannuation from the services of the Corporation, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Corporation.

VI. Interest rate on funds retained in LIC: The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).

VII. Others: The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures

70. As on 31.03.2021, the Corporation has an inventory of Non-Solar Renewable Energy Certificates numbering 35041 Units (31.03.2020: 69256), available for Sale after earmarking a requisite quantity already for captive consumption. The revenue from Certificates is recognized as and when the same are sold. The Central Electricity Regulatory Commission has fixed a floor price of ₹ NIL and a ceiling price of ₹ 1000/- per certificate in which range, it could be sold in Indian Energy Exchange Ltd., wherein it is traded. Aggrieved by the decision of NIL floor price, Green Energy Association has filed a petition in the Appellate Tribunal for Electricity (APTEL) and Tribunal has halted trading of these Certificates, until final disposal of the petition.

71. Previous periods figures are regrouped / reclassified wherever necessary.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HINDUSTAN PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013, (the Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 May 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
C.M.Sane
Director General of Commercial Audit, Mumbai

Place: Mumbai
Date: 26 July 2021

Independent Auditors' Report

TO THE MEMBERS OF HINDUSTAN PETROLEUM CORPORATION LIMITED

Report on Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Indian Accounting Standard ("Ind AS") financial statements of Hindustan Petroleum Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), of its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2021, and the Consolidated Statement of Profit And Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, of its associates and joint ventures as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We invite attention to the following :

a) Note No. 52.3 which describes the case towards claim of ₹ 19.90 Crore being defended by one of the component HPCL Biofuels Limited. The outcome of the matter is uncertain as on the Balance Sheet date.

b) Note No. 57 regarding provision for impairment made during the year of ₹ 390.67 Crore (cumulative as of year ended ₹ 618.07 Crore) towards loans given to consumers under Prime Minister Ujjwala Yojna (PMUY) of the total outstanding loans of ₹ 1,882.25 Crore. The above impairment has been computed based on the estimates of default as assessed by the management. Further, during the year, the management has performed re-measurement of the gross carrying value and accounted re-measurement loss amounting to ₹ 450.62 Crore.

c) Note No. 61 regarding the outbreak of COVID-19 pandemic and the assessment made by the management on its business and financials for the year ended March 31, 2021, this assessment and the outcome of the pandemic is as made by the management and is highly dependent on the circumstances as they evolve in the subsequent periods.

d) Note No. 66A & 66H (III) regarding provision towards diminution in value of investments made by Provident Fund Trust and Post Retirement Medical Benefit Fund Trust to the extent of ₹ 170.10 Crore & ₹ 69.65 Crore respectively arising out of the default over interest obligations and probable principal amounting to ₹ 243 Crore & ₹ 99.50 Crore respectively in the case of Non-convertible Debentures of certain companies which includes IL&FS & DHFL, basis best available estimate of the management. The estimate is dependent upon the outcome of matters pending with judicial authorities and recognition of Company's claim in these matters.

Our opinion is not modified in respect of above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report with reference to the Key Audit Matters identified by the Principal Auditors along with the Key Audit Matters reported by the respective component auditors which, in our opinion, are material.

1. Evaluation of uncertain indirect tax positions

The Holding Company has material uncertain indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The Company has disputes pending at various levels of tax authorities over the past several years. As on March 31,2021, the company has total such disputed demands amounting to ₹ 10,493.99 Crore (Refer Note No. 2.16)

Auditors' Responses

Principal Audit Procedures

- We have evaluated the appropriateness of the design and tested the operating effectiveness of the management's controls over the tax litigation matters.
- Perused details of completed tax assessments and demands for the year ended March 31, 2021 from management.
- We reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. The legal precedence and other rulings were considered in evaluating management's position on these uncertain tax positions.
- Further we have relied upon the management judgements, industry level deliberations and estimates for possible outflow and opinion of internal experts of the Company in relations to such disputed tax positions.

2. Evaluation of Direct Tax position

The holding company has open direct tax positions including matters under dispute for different assessment years and the matters are at different stages with Tax Authorities/Courts. The company has opted for Vivad Se Vishwas Scheme (VSVS) for which a tax liability of ₹ 776.66 Crore has been assessed by the management for which necessary declarations have been filed with the Income Tax Department and have been accepted. The proceedings are not yet concluded. [Refer Note No. 40 (e)]

Auditors' Responses

Principal Audit Procedures

- Obtained details of completed tax assessments and demands up-to the year ended March 31, 2021 from management.
- We reviewed the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. The legal precedences and other rulings were considered in evaluating management's position on these direct tax positions.
- Additionally, we considered the effect of the outcomes of the Appellate Orders received during the year in respect of uncertain tax positions as at April 1, 2020 to evaluate whether any change was required to management's position on these uncertainties.
- We have reviewed the management data compiled to offer the disputed liabilities towards VSVS scheme and the basis at which these are considered as eligible for settlement under the scheme.
- We have reviewed the declarations filed with the Income Tax Department in respect of matters being declared under VSVS and also reviewed the confirmations received from the department in respect thereof.
- We have verified the orders from tax and appellate authorities for the previous years and relied on management judgments in evaluating the tax provisions for the Current Financial Year.

3. Recoverability of pre-deposits relating to tax and non tax matters and balances with Customs and Excise

As at March 31, 2021, the Holding Company has non-current assets i.e. pre-deposits pertaining to various tax and non-tax matters namely VAT ,excise duty, custom duty etc. with adjudicating authorities amounting to ₹ 388.59 Crore that are pending for/relating to cases pending for more than 3 years and there are receivables from Customs and Excise department amounting to ₹ 109.39 Crore pending for more than 3 years, for which there are no balance confirmations from the respective authorities available on records.

Auditors' Responses

Principal Audit Procedures

- We have evaluated the appropriateness of the design for recording and tracking the recoverability of pre-deposits pertaining to the old tax and non-tax cases.
- We have discussed and reviewed the nature of the amounts recoverable vis-à-vis the underlying cases. We further discussed the sustainability of the cases on a sample basis and the likelihood of recoverability or otherwise upon final resolution from the respective authorities.
- We enquired with the management about these cases vis-à-vis the current position and the efforts taken by the management to recover the deposits placed or obtaining the balance confirmations from the respective authorities.
- We have also advised the management to approach and continue to pursue with the Custom Authorities for early settlement of receivable claims pending for earlier years. (Refer Note No. 10.1).
- Further, we have relied on the management estimations and judgements with reference to inherent uncertainties involved while determining the outcome of these cases.

4. Evaluation of disputed claims against the company under various non-tax matters

The holding company has disputed claims against it which are pending at various courts/forums and are at various stages in the judicial process. The management has exercised significant judgement in assessing the possible outflow in such matters and accordingly an amount of ₹ 1,280.60 Crore has been disclosed for which the company is contingently liable while possibility of any outflow in matters having claims amounting to ₹ 483.89 Crore has been considered remote. (Refer Note No. 52).

Auditors' Responses

Principal Audit Procedures

- Read and analysed select key correspondences, internal/external legal opinions / consultations by management for key disputed non tax matters.
- Reviewed and verified other legal pronouncements wherever available in similar matters in the case of the company/other corporates.
- Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the provisions.
- Assessed management's estimate of the possible outcome of the disputed cases and relied on the management judgements in such cases.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors' Report including Annexures to Directors' Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon. The Other information as above is expected to be made available to us after the date of this Auditors' report.

Our opinion on the Consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Joint Ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and Joint Ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and Joint Ventures are responsible for assessing the ability of the Group and of its associates and Joint Ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and Joint Ventures are responsible for overseeing the financial reporting process of the Group and of its associates and Joint Ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its associates and Joint Ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group, its associates and Joint Ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of 4 subsidiaries (including 1 subsidiary acquired on March 30, 2021) included in the consolidated financial statements, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 2,718.37 Crore as at 31st March 2021 and the total revenues (before consolidation adjustments) of ₹ 289.73 Crore, net (loss) after tax (before consolidation adjustments) and total comprehensive income/(loss) (before consolidation adjustments) of ₹ (108.49) Crore and ₹ (93.63) Crore respectively and Net cash inflow/(outflow) of 230.20 Crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include Group's share of net profit of ₹ 246.38 Crore for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 1 associate and 13 Joint Ventures ,whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements , in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of section 143(3) of the Act, insofar as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the reports of the other auditors.

   One of the subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their country and which have been audited by other auditor under generally accepted auditing standards applicable in their country. The Subsidiary's management has converted the financial statements of subsidiary located outside India from accounting principles generally accepted in their country to accounting principles generally accepted in India and certified by their auditors. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the Subsidiary management and certified by their auditors.

b) The consolidated financial statements also include the Group's share of net loss of ₹ 6.61 Crore for the year ended 31st March, 2021, as considered in the consolidated financial statements, in respect of 1 Joint Venture and 2 associates whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture and Associates and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid Joint Venture and Associates is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

c) The Holding company has less than minimum number of Independent Directors required in terms of the provisions contained in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial statements have been reviewed and recommended to the Board of Directors by the Audit Committee consisting of one Independent Director and subsequently approved by the Board consisting of one Independent Director, who is also not an Independent Women Director. We have been informed that the Independent Directors are appointed by Government of India.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statements;

   b) In our opinion, proper books of account as required by law relating to preparation of the Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and workings maintained for the purpose of preparation of the Consolidated Financial Statements;

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015 as amended;

   e) As per notification no: G.S.R 463(E) dated June 5, 2015, Government companies are exempted from the provisions of section 164(2) of the Act, accordingly, we are not required to report whether any directors of the Holding Company are disqualified in terms of provisions contained in the said section. On the basis of the reports of the statutory auditors of its subsidiaries, associates and joint ventures incorporated in India other than Government companies, none of the directors of the Group Companies, its associates companies and joint ventures companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of section 164(2) of the Act;

   f) With respect to the adequacy of the Internal Financial Controls with reference to Financial Statements of the Holding Company, its subsidiaries, associates and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure I; and

g) With respect to the other matters to be included in the Auditors' Report in accordance with rule 11 of the Companies (Audit and Auditor's) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph :

   i. The consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures – Refer note 52 to the consolidated Financial Statements read with Para 1, 2 and 4 of Key Audit Matters here in above;

   ii. The Holding Company and the individual entities have made provision, as required under the applicable law and accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer note 56 to the consolidated Financial Statements; and

   iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures companies incorporated in India.

For **R. Devendra Kumar & Associates**
Chartered Accountants
Firm Regn. No.114207W

sd/-
Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAABB5095

For **M.P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

sd/-
Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAADT6610

Place: Mumbai
Date: May 20, 2021

Annexure I to the Independent Auditors' Report

(Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls with reference to Financial Statements under section 143(3)(i) of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2021, we have audited the Internal Financial Controls with reference to Financial Statements of **Hindustan Petroleum Corporation Limited** ('the Holding Company') and its subsidiaries, its associate companies and Joint Ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and Joint Ventures, which are companies incorporated in India , are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's 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 financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to Financial Statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of Internal Financial Controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's Internal Financial Control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of Internal Financial Controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Financial Statements to future periods are subject to the risk that the Internal Financial Control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, in all material respects, an adequate Internal Financial Controls system with reference to Financial Statements and such Internal Financial Controls with reference to Financial Statements were operating effectively as on March 31, 2021, based on the Internal Control with reference to Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal Financial Controls with reference to Financial Statements insofar as it relates to 3 subsidiaries, 1 associates, and 11 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Further, the Company has 1 overseas subsidiary and 1 joint venture in process of winding up, where Internal Financial Controls with reference to Financial Statements are not applicable.

For **R. Devendra Kumar & Associates**
Chartered Accountants
Firm Regn. No.114207W

sd/-
Neeraj Golas
Partner
Membership No. 074392
UDIN: 21074392AAAABB5095

For **M.P. Chitale & Co.**
Chartered Accountants
Firm Regn. No.101851W

sd/-
Anagha Thatte
Partner
Membership No. 105525
UDIN: 21105525AAAADT6610

Place: Mumbai
Date: May 20, 2021

Consolidated Balance Sheet as on 31st March, 2021

(₹ / Crore)

	Notes	31.03.2021	31.03.2020
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	49,950.58	48,391.57
(b) Capital Work-in-Progress	4	25,128.63	17,047.34
(c) Goodwill on Consolidation	5	321.62	16.69
(d) Other Intangible Assets	5A	639.71	543.52
(e) Intangible Assets Under Development	5B	207.40	122.42
(f) Investment in Joint Ventures and Associates	6	9,333.88	8,820.82
(g) Financial Assets			
(i) Other Investments	7	341.96	229.93
(ii) Loans	8	979.21	1,409.48
(iii) Other Financial Assets	9	16.39	6.29
(h) Other Non-Current Assets	10	3,073.25	2,702.07
Total Non-Current Assets		**89,992.63**	**79,290.13**
(2) Current Assets			
(a) Inventories	11	28,763.90	19,325.99
(b) Financial Assets			
(i) Investments	12	5,417.58	5,344.86
(ii) Trade Receivables	13	6,869.99	3,934.19
(iii) Cash and Cash Equivalents	14	480.38	204.76
(iv) Bank Balances other than cash and cash equivalents	15	94.54	18.36
(v) Loans	16	126.33	409.86
(vi) Other Financial Assets	17	1,975.77	7,970.43
(c) Other Current Assets	18	425.92	401.24
		44,154.41	**37,609.69**
Assets classified as held for Sale / Disposal		12.67	10.07
Total Current Assets		**44,167.08**	**37,619.76**
Total Assets		**134,159.71**	**116,909.89**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	19	1,452.41	1,524.21
(b) Other Equity	20	36,628.45	29,456.41
Total Equity		**38,080.86**	**30,980.62**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	27,764.42	23,109.63
(ii) Other Financial Liabilities	22	32.63	0.70
(b) Provisions	23	56.78	54.62
(c) Deferred Tax Liabilities (Net)	40	5,462.21	5,491.44
(d) Other Non-Current Liabilities	24	382.48	224.83
Total Non-Current Liabilities		**33,698.52**	**28,881.22**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	14,909.65	16,276.12
(ii) Trade Payables:			
Outstanding dues of micro enterprises and small enterprises	47	131.99	113.75
Outstanding dues of creditor other than micro and small enterprises		17,666.66	11,358.80
(iii) Other Financial Liabilities	26	20,778.02	23,385.91
(b) Other Current Liabilities	27	5,715.20	2,915.94
(c) Provisions	28	2,827.09	2,630.56
(d) Current Tax Liabilities (Net)	29	351.72	366.97
Total Current Liabilities		**62,380.33**	**57,048.05**
Total Equity and Liabilities		**134,159.71**	**116,909.89**
Significant Accounting Policies	1 & 2		

Significant Accounting Policies and Notes Forming Part of Accounts are integral part of the Financial Statements

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2021

(₹ / Crore)

	Notes	2020-21	2019-20
Income			
Revenue From Operations			
Gross Sale of Products	30	269,493.69	286,574.27
Other Operating Revenue	31	1,084.27	1,167.78
		270,577.96	**287,742.05**
Other Income	32	2,643.73	1,681.62
Total Income		**273,221.69**	**289,423.67**
Expenses			
Cost of Materials Consumed	33	41,212.33	59,906.49
Purchases of Stock-in-Trade		167,861.20	187,234.13
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in- Progress	34	(8,518.53)	(354.51)
Excise Duty		37,329.51	18,650.52
Employee Benefits Expense	35	3,219.42	3,224.06
Finance Costs	36	963.28	1,138.85
Depreciation & Amortization Expense	3&5A	3,625.47	3,369.87
Other Expenses	37	13,470.67	13,418.87
Total Expenses		**259,163.35**	**286,588.28**
Profit/(Loss) before share in profit of Joint Ventures and Associates, Exceptional Items and Tax		**14,058.34**	**2,835.39**
Share in Profit/(Loss) of Joint Ventures and Associates		138.66	(458.17)
Profit/(Loss) before Exceptional Items and Tax		**14,197.00**	**2,377.22**
Exceptional Items - Income/(Expenses)	61	-	(1,002.93)
Profit/(Loss) before Tax		**14,197.00**	**1,374.29**
Tax expense:	40		
Current tax		3,569.56	166.95
Deferred tax		(52.08)	116.73
Provision for tax for earlier years written back (net)	40(e)	16.63	(1,548.12)
Total Tax Expenses		**3,534.11**	**(1,264.44)**
Profit/(Loss) for the year		**10,662.89**	**2,638.73**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Re-measurements of the defined benefit plans		(123.14)	(211.73)
Fair value changes on Equity Instruments through Other Comprehensive Income		106.89	(274.61)
Share in Other Comprehensive Income of Joint Ventures and Associates		3.17	(2.93)
Income tax relating to items that will not be reclassified to profit or loss		31.02	53.15
		17.94	**(436.12)**
Items that will be reclassified to profit or loss:			
Effective Portion of Gains/(loss) in a Cash Flow Hedge		(1.14)	(24.11)
Share in Other Comprehensive Income of Joint Ventures and Associates		121.59	(169.07)
Foreign Currency Translation Reserve		14.75	(34.59)
Income tax relating to items that will be reclassified to profit or loss		0.29	6.07
		135.49	**(221.70)**
Other Comprehensive Income for the year (net of tax)		**153.43**	**(657.82)**
Total Comprehensive Income for the year (net of tax)		**10,816.32**	**1,980.91**
Basic and Diluted Earnings per Equity Share (₹)	43	70.57	17.32
Significant Accounting Policies	1 & 2		

Significant Accounting Policies and Notes Forming Part of Accounts are integral part of the Consolidated Financial Statements

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

A. Statement of changes in Equity

	No. of Share	(₹ / Crore)
Balance as on 31st March, 2019	**1,523,822,625**	**1,524.21**
Changes in Equity Share Capital	-	-
Balance as on 31st March, 2020	**1,523,822,625**	**1,524.21**
Buy-back of Equity Shares (refer Note 19 H (ii))	(71,801,491)	(71.80)
Balance as on 31st March, 2021	**1,452,021,134**	**1,452.41**

B. Other Equity

(₹ / Crore)

	Reserves & Surplus						Cash Flow Hedge Reserve	Equity Instruments thru OCI	Foreign Currency Translation Reserve	Total Other Equity
	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	FCMITDA				
Balance as on 31st March 2019	**26,923.39**	**1.56**	**208.60**	**1,827.75**	**0.71**	**(2.91)**	**-**	**(65.92)**	**(16.74)**	**28,876.44**
Profit / (Loss) for the year	2,638.73	-	-	-	-	-	-	-	-	2,638.73
Reversal of Tax Expense on exercising option under section 115BAA of Income-tax Act, 1961 (refer note 40)	324.89	-	-	-	-	-	-	-	-	324.89
Other Comprehensive income (OCI) for the year (net of tax)	(161.50)	-	-	-	-	-	(187.11)	(274.61)	(34.59)	(657.81)
Interim / Final Dividend	(1,432.39)	-	-	-	-	-	-	-	-	(1,432.39)
Dividend Distribution Tax (DDT)	(294.43)	-	-	-	-	-	-	-	-	(294.43)
Transfers / Additions (Net of amortisation)	(513.46)	-	511.53	-	-	2.91	-	-	-	0.98
Balance as on 31st March, 2020	**27,485.23**	**1.56**	**720.13**	**1,827.75**	**0.71**	**-**	**(187.11)**	**(340.53)**	**(51.33)**	**29,456.41**
Profit / (Loss) for the year	10,662.89	-	-	-	-	-	-	-	-	10,662.89
Utilisation for Shares Buy-back (refer Note 19 H (ii))	(208.61)	-	-	(1,705.85)	-	-	-	-	-	(1,914.46)
Other Comprehensive income (OCI) for the year (net of tax)	(88.95)	-	-	-	-	-	120.74	106.89	14.75	153.43
Interim / Final Dividend	(1,485.72)	-	-	-	-	-	-	-	-	(1,485.72)
Transfer to Debenture Redemption Reserve	(33.84)	-	33.84	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	71.80	-	(71.80)	-	-	-	-	-	-
'Other Reserve' (refer Note 60)	(262.17)	-	-	-	-	-	-	-	-	(262.17)
Reclassification to Statement of Profit and Loss	-	-	-	-	-	-	18.04	-	-	18.04
Transfers / Additions (Net of amortisation)	-	-	-	-	0.03	-	-	-	-	0.03
Balance as on 31st March, 2021	**36,068.83**	**73.36**	**753.97**	**50.10**	**0.74**	**-**	**(48.33)**	**(233.64)**	**(36.58)**	**36,628.45**

Delivering Happiness

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2021

Notes:

General Reserve : Forms part of the Retained Earnings and available for distribution to shareholders.

Debenture Redemption Reserve : The reserve is created on Non-Convertible Debentures under Companies Act, 2013.

Foreign Currency Monetary Item Translation Difference Account (FCMITDA) : Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.

Retained Earnings : The balance represents accumulated retained profits and available for distribution to shareholders.

Cash flow Hedge Reserve : Represents the cumulative effective portion of gains or losses arising on changes in fair value of designated hedging instruments entered into for cash flow hedges. The cumulative gain or loss on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/affects statement of profit and loss or on termination, if any.

Equity Instruments through OCI : The Group has chosen to recognise the subsequent changes in the fair value of certain investments in equity instrument through other comprehensive income. These changes are accumulated within 'Equity instruments through OCI'

Capital Redemption Reserve : Pursuant to Buy-back of shares, this reserve is created under Companies Act, 2013 for an amount equivalent to nominal value of the shares bought back. Utilisation of this reserve is governed under the provisions of Companies Act, 2013. In earlier financial years it was created on redemption of preference share capital.

Capital Reserve : Created on account of consolidation.

Foreign Currency Translation Reserve : Created on account of translation of financial statements of foreign operations of PPIPL & HMEFZCO.

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(₹ / Crore)

		2020-21	2019-20
A.	**Cash Flow from Operating Activities**		
	Profit/(Loss) before Tax	14,197.00	1,374.29
	Adjustments for:		
	Depreciation and Amortization Expense	3,625.47	3,369.87
	(Gain) / Loss on sale / write off of property, plant and equipment, Capital work-in-progress, Assets classified held for sale/disposal	51.18	(19.41)
	Gain / (Loss) on Remeasurement of Defined benefit plans	(92.12)	(158.58)
	Fair value gain on Current Investments carried at FVTPL	(72.90)	(262.66)
	Finance Costs	963.28	1,138.85
	Foreign Currency Transaction and Translation	(565.37)	874.64
	Provision for Doubtful Debts, Loans & Receivables	696.10	82.76
	Bad Debts written off	0.74	0.21
	Interest Income on current Investments	(385.62)	(373.48)
	Dividend received	(13.64)	(28.76)
	Share of Profit from Associate and Joint Venture companies	(138.66)	458.17
	Fair Valuation gain on existing held equity interest (refer note no 1.3.3)	(158.99)	-
	Other Non-Cash items	13.56	(6.19)
	Operating Profit before Changes in Assets and Liabilities {Sub Total - (i)}	**18,120.03**	**6,449.71**
	Change in Assets and Liabilities :		
	Decrease / (Increase) in Trade Receivables	(2,935.81)	1,733.20
	Decrease / (Increase) in Loans and Other Assets	5,367.12	2,599.94
	Decrease / (Increase) in Inventories	(9,439.00)	1,115.11
	(Decrease) / Increase in Trade and Other Payables	9,902.08	(4,705.78)
	Sub Total - (ii)	**2,894.39**	**742.47**
	Cash generated from Operations (i) + (ii)	**21,014.42**	**7,192.18**
	Less : Direct Taxes paid (Net)	3,185.16	1,722.94
	Net Cash Flow generated from/ (used in) Operating Activities (A)	**17,829.26**	**5,469.24**
B.	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant & Equipment (including Capital Work in Progress / excluding interest capitalised)	(11,666.00)	(13,856.51)
	Sale of Property, Plant & Equipment	59.08	62.44
	Purchase of Investments (Including share application money pending allotment / Advance towards Equity)	(1,372.24)	(931.91)
	Interest received	385.62	374.50
	Dividend received from Associate and Joint Venture companies	301.31	154.83
	Dividend received - others	13.64	28.76
	Net Cash Flow generated from / (used in) Investing Activities (B)	**(12,278.59)**	**(14,167.89)**

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(₹ / Crore)

	2020-21	2019-20
C. Cash Flow from Financing Activities		
Proceeds from Long term borrowings	5,449.45	11,933.40
Repayment of Long term borrowings and leasing liabilities	(4,547.19)	(2,167.74)
Proceeds / (repayment) of Short term borrowings	(614.91)	1,697.54
Fresh Equity Infusion during the period	-	-
Finance Cost paid	(1,598.66)	(1,286.13)
Buy-back of equity shares (including tax)	(1,913.47)	-
Dividend paid (including dividend distribution tax, as applicable)	(1,484.41)	(1,725.11)
Net Cash Flow generated from / (used in) Financing Activities (C)	**(4,709.19)**	**8,451.96**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	**841.48**	**(246.69)**
Cash and cash equivalents at the beginning of the year	**(2,912.13)**	**(2,665.44)**
Cash and cash equivalents at the end of the year	**(2,070.65)**	**(2,912.13)**
Details of cash and cash equivalents at the end of the year:		
Cash and cash equivalents as on	**31.03.2021**	**31.03.2020**
Balances with Banks:		
on current accounts	365.43	109.54
on non-operative current accounts	0.01	0.01
Cheques awaiting deposit	-	-
Cash on hand	4.34	1.84
Balances with other banks	110.60	93.37
Less : Cash Credit	(2,551.03)	(3,116.89)
Cash and cash equivalents at the end of the year	**(2,070.65)**	**(2,912.13)**

FOR AND ON BEHALF OF THE BOARD

Sd-
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Chairman & Managing Director
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Sd-
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Sd-
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Place: Mumbai
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Sd-
Anagha Thatte
Partner
Membership No. 105525

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2021

CORPORATE OVERVIEW

Hindustan Petroleum Corporation Limited referred to as "HPCL" or "the Corporation" or 'the Parent Company' was incorporated on 5th July, 1952. HPCL is a Government of India Enterprise listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, with ONGC holding 51.11% of Equity Shares with effect from January 31, 2018, increased further to 53.64% as of March 31, 2021, pursuant to ongoing shares buy-back as on reporting date. The Corporation and its Subsidiaries are together referred to as "Group", mainly engaged in the business of refining of crude oil and marketing of petroleum products, production of hydrocarbons and providing services for management of E&P Blocks, manufacturing of ethanol, sugar and generation of power and operating Liquefied Natural Gas (LNG) regasification terminal (under construction phase).

Authorization of Consolidated Financial Statements

The Consolidated Financial Statements were authorized for issuance in accordance with a resolution of the directors on May 20, 2021 (refer Note 62).

1. Basis of preparation:

1.1 The Consolidated Financial Statements (CFS) relates to the parent company, Hindustan Petroleum Corporation Limited (HPCL), its subsidiary companies and its interest in Joint Ventures and Associates.

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules thereunder.

The Consolidated Financial Statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value.

The Group's presentation currency is INR, which is also the functional currency of the Corporation. All values are rounded to the nearest Crore (₹ Crore), except where otherwise indicated.

Use of Judgement and Estimates

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements are as below:

- Assessment of functional currency;
- Financial instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies; and
- Evaluation of recoverability of deferred tax assets

Revisions to accounting estimates are recognized prospectively in the Consolidated Financial Statements in the period in which the estimates are revised and in any future periods affected.

1.2 Principles of Consolidation

The Consolidated Financial Statements are prepared, as far as possible, using uniform significant accounting policies for the like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as HPCL's separate financial statements.

The Financial Statements of HPCL and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, the intra group balance and intra group transactions and unrealised profits or losses resulting from intra group transactions are eliminated.

The financial statements of Joint Ventures and Associates have been consolidated using equity method whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income after eliminating unrealized profits or losses.

Figures pertaining to the Subsidiary Companies/Joint Ventures/ Associates have been reclassified, wherever necessary, to conform to the parent company, HPCL's Financial Statements.

1.3 Companies included in Consolidation

The Consolidated Financial Statements comprise of the Audited Financial Statements (except as mentioned otherwise) of HPCL, its Subsidiaries, Joint ventures and Associates for the year ended 31st March 2021, which are as under;

	Name of the Company	Country of Incorporation	HPCL's Ownership Interest	
			31.03.2021	**31.03.2020**
(i)	**Subsidiaries (refer note no. 1.3.1)**			
	HPCL Biofuels Ltd. (HBL)	**India**	**100.00%**	100.00%
	Prize Petroleum Company Ltd. (PPCL) (refer note no 1.3.2)	**India**	**100.00%**	100.00%
	HPCL Middle East FZCO (HMEFZCO)	**Dubai**	**100.00%**	100.00%
	HPCL Shapoorji Energy Pvt Ltd. (HSEPL) (refer note no 1.3.3)	**India**	**100.00%**	50.00%
(ii)	**Joint Ventures**			
	HPCL Rajasthan Refinery Ltd. (HRRL)	**India**	**74.00%**	74.00%
	HPCL - Mittal Energy Ltd. (HMEL) (refer note no 1.3.2)	**India**	**48.99%**	48.99%
	Hindustan Colas Pvt. Ltd. (HINCOL) (refer note no 1.3.2)	**India**	**50.00%**	50.00%
	South Asia LPG Co. Pvt. Ltd. (SALPG)	**India**	**50.00%**	50.00%
	Bhagyanagar Gas Ltd. (BGL)(refer note no. 1.3.4)	**India**	**48.73%**	24.99%
	Godavari Gas Pvt Ltd. (GGPL)(refer note no 1.3.6)	**India**	**26.00%**	26.00%
	Petronet India Ltd. (PIL)	**India**	**16.00%**	16.00%
	Petronet MHB Ltd. (PMHBL)	**India**	**50.00%**	50.00%
	Aavantika Gas Ltd. (AGL)	**India**	**49.99%**	49.99%
	Mumbai Aviation Fuel Farm Facility Pvt. Ltd. (MAFFFL)	**India**	**25.00%**	25.00%
	Ratanagiri Refinery & Petrochemicals Ltd. (RRPL)	**India**	**25.00%**	25.00%
	HPOIL Gas Pvt Ltd. (HOGPL)	**India**	**50.00%**	50.00%
	IHB Pvt. Ltd. (IHBPL)	**India**	**25.00%**	25.00%
(iii)	**Associates**			
	Mangalore Refinery and Petrochemicals Ltd. (MRPL) (refer note no 1.3.2)	**India**	**16.96%**	16.96%
	GSPL India Gasnet Ltd. (GIGL) (refer note no 1.3.6)	**India**	**11.00%**	11.00%
	GSPL India Transco Ltd. (GITL) (refer note no 1.3.6)	**India**	**11.00%**	11.00%

1.3.1 The Corporation has four subsidiaries: Prize Petroleum Company Ltd. together with its subsidiary is engaged in the business of exploration & production of hydrocarbons and providing services for management of E&P Blocks. HPCL Biofuels Ltd is engaged in the business of manufacturing ethanol and sugar from crushing of sugarcane and generation of power from the bagasse generated in the process. HPCL Middle East FZCO, a Free Zone Company under Dubai Airport Free Zone is engaged in trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa. HPCL Shapoorji Energy Private Limited is engaged in the construction of facilities to operate and maintain a Liquefied Natural Gas (LNG) regasification terminal at Chhara Port in Gir Somnath, District of Gujarat.

1.3.2 In the preparation of Consolidated Financial Statements for the Group, the Consolidated Financial Statements of the following Companies have been considered.:

a) Mangalore Refinery and Petrochemical Limited (MRPL) having one subsidiary namely ONGC Mangalore Petrochemicals limited (MRPL's holding as on 31.03.2021: 100%, [31.03.2020: 51%]) and one joint venture namely Shell MRPL Aviation Fuels and Services Limited (MRPL's holding as on 31.03.2021:50%).

b) Prize Petroleum Company Limited having one wholly owned subsidiary, namely Prize Petroleum International PTE Limited.

c) HPCL – Mittal Energy Limited having one wholly owned subsidiary, namely HPCL – Mittal Pipelines Limited.

d) Hindustan Colas Private Limited(HINCOL) having one joint venture namely Dust-A-Side Hincol Limited (HINCOL's holding as on 31.03.2021: 50%).

1.3.3 HPCL Shapoorji Energy Private Limited (HSEPL), a joint venture company with 50:50 ownership with SP Ports Private Limited (SPPPL) was incorporated in October 2013 to set up and operate an Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On October 12, 2020, SPPPL has issued 'Right of First Offer Notice' for sale of their entire holding in HSEPL. On March 30, 2021, the Corporation acquired the entire shares held by SPPPL. Upon the acquisition, HSEPL has become a wholly owned subsidiary of HPCL. The business acquisition was conducted by way of entering into a share purchase agreement with SPPPL and a consideration of ₹ 397.07 Crore was paid in cash. The setting up of LNG Terminal through a wholly owned subsidiary is expected to be cost effective and provide marketing flexibility. The purchase price has been allocated based on the Management's estimates of fair values, as follows:

(₹ / Crore)

Component	Acquiree's carrying amount	Fair value adjustments
Non-Current Assets		
• Property, Plant and Equipment	103.75	-
• Capital Work-in-Progress	1074.24	-
• Other Intangible Assets	0.01	-
• Financial Assets	0.25	-
• Other Non-Current Assets[1]	294.46	-
Current Assets		
• Financial Assets[2]	14.97	-
• Current Tax Assets (Net)	0.10	-
• Other Current Assets	14.65	-
Non-Current Liabilities		
• Provisions	0.17	-
• Other Financial Liabilities[3]	109.83	-
Current Liabilities		
• Financial Liabilities[4]	859.16	-
• Other Current Liabilities	8.50	-
• Provisions	0.02	-
Fair Value of Assets acquired less Liability Assumed (A)	**524.75**	**-**

(₹ / Crore)

Component	Amount
Consideration Transferred (B)	**397.07**
Acquisition date fair value of existing equity interest (C)	**432.60**
Goodwill (B+C-A)	**304.92**

1. Includes ₹ 293.56 Crore towards Capital Advance & Balance with Government Authorities.
2. Includes ₹ 14.93 Crore towards Cash, Cash Equivalent & Other Bank Balances.
3. Includes ₹ 109.83 Crore towards Lease Obligations.
4. Includes ₹ 849.29 Crore payable towards Capital expense creditors.

a. In the Energy space, the thrust of Government is providing clean fuels. The share of Natural Gas in the Energy basket of the Nation, which is at 6% now, is proposed to be leapfrogged to 15%. The Corporation does not have stake in any of the 6 operational LNG Re-gasification terminals in the country. In an opportune moment such as now, when the Joint Venture Partner has issued 'Right of First Offer Notice' for sale of their holding, it is taken advantage of as setting up another Greenfield in this space involves considerable time and effort. The Corporation together with its group Companies have captive consumption of Natural Gas, there are LNG Retail Stations coming up, piloting of which is ongoing, setting up of LCNG Stations is under consideration, all of these would make LNG regasification terminal, a very attractive business proposition and long term value to the Corporation.

b. An amount of ₹ 0.07 Crore has been incurred towards acquisition related cost, which has been charged to the Statement of Profit and Loss under 'Note No. 37 Other Expenses'.

c. Fair value of equity interest in the HSEPL held by the Corporation, immediately before the acquisition date is ₹ 432.60 Crore and an amount of ₹ 158.99 Crore has been recognized as gain as a result of re-measuring to the fair value the equity interest in the HSEPL held by Corporation and is grouped under 'Note No. 32 Other Income'.

d. The Consolidated Net Profit before Tax includes an amount of ₹ 0.02 Crore of loss of the HSEPL as subsidiary. Had the business combination occurred as of 01.04.2020, Consolidated Net Profit before Tax would have been higher by ₹ 3.97 Crore.

1.3.4 As of 31st March 2014, Bhagyanagar Gas Ltd. (BGL) had a paid up equity capital of ₹ 5 lakhs, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 22.49 Crore each as Advance against Equity / Share application money (totaling to ₹ 44.98 Crore). On 20th August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14th September 2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, for the purpose of preparation of Consolidated Financial Statements (CFS), the shareholding was considered at 24.99% till 31st March 2020. At its AGM held on 29th September 2020, BGL declared maiden final dividend for FY 2019-20. Accordingly, HPCL received the same on its stake of 48.73% in the company which has been considered in the Standalone Financial Statements. Though KSPL's appeal is sub judice, taking all facts into consideration, HPCL's stake in BGL is now considered at the actual shareholding of 48.73% for the purpose of CFS which is consistent with the Articles of Association of BGL. Had BGL continued to be consolidated at 24.99%, share of consolidated net profit from BGL for the financial year 2020-21 would have been lower by ₹ 23.01 Crore.

1.3.5 Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) with fund contribution in the ratio 50%: 25%: 25%, respectively was incorporated on 21st July, 2017 as a not-for-profit Private Company Limited by Guarantee (without Share Capital) under Section 8 of the Companies Act 2013. Ujjwala Plus Foundation has not been considered for consolidation being a not-for-profit company.

1.3.6 Unaudited (Management Certified) Financial Statements have been considered.

2. Significant Accounting Policies

2.1. Property, Plant and Equipment

2.1.1. Freehold lands are carried at cost. All other items of Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

2.1.2. The initial cost of an asset comprises its purchase price or construction cost (including import duties and non-refundable taxes); any costs directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by management; initial estimated present value of any of any contractual decommissioning obligation; and borrowing cost for qualifying assets (i.e., assets that necessarily take a substantial period of time to get ready for their intended use).

2.1.3. Technical know-how / licence fee relating to plants / facilities are capitalized as part of cost of the underlying asset.

2.1.4. Expenditure during construction period: Direct expenses incurred during construction period on capital projects are capitalised.

2.1.5. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Corporation.

2.1.6. Spare parts which are meeting the requirement of Property, Plant and Equipment are capitalized as Property, Plant and Equipment in case the unit value of the spare part is above the threshold limit. In other cases, the spare parts are inventorised on procurement and charged to Statement of Profit and Loss on consumption.

2.1.7. An item of Property, Plant and Equipment and any significant part initially recognised separately as part of Property, Plant and Equipment is derecognised upon disposal; or when no future economic benefits are expected from its use or disposal; or when the Property, Plant Equipment has been re-classified as ready for disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is derecognised.

2.1.8. The residual values and useful lives of Property, Plant and Equipment are reviewed during each financial year and changes are accounted for as change in accounting estimates on a prospective basis.

2.1.9. The Corporation has chosen the carrying value of Property, Plant and Equipment existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April, 2015 as deemed cost.

2.2. Depreciation / amortization

2.2.1. Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Corporation has assessed the estimated useful lives of its Property, Plant & Equipment and has adopted the useful lives and residual value as prescribed in Schedule II except for the following:

Useful Life (Basis internal technical assessment):

Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment)	15 years
Cavern Structure	60 years
LPG cylinders & regulators (excluding cylinders held for sale)	15 years
CNG Compressors	10 years
CNG Cascades and SS tubing in CNG Stations	20 years

Residual Value (Basis historical data):

LPG cylinder and pressure regulator	15% of original cost
Catalyst with noble metal content	90% of original cost of noble metal content

2.2.2. The Corporation depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components is assessed by considering historical experience, internal technical inputs and any other relevant factor.

2.2.3. Items of Property, Plant and Equipment costing not more than the threshold limit are depreciated at 100 percent in the year of acquisition except LPG Cylinders and Pressure Regulators (excluding cylinders held for sale) which are depreciated over a useful life of 15 years based on the technical assessment.

2.2.4. Depreciation on spare parts specific to an item of Property, Plant and Equipment is based on life of the related Property, Plant and Equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.

2.2.5. Depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

2.3. Intangible assets

2.3.1. Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Corporation has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

2.3.2. Assets where entire output generated is committed to be sold to a public sector entity (including Government body) for almost entire useful life of the asset are classified as intangible assets as per the requirements of Ind AS and are amortised (after retaining the residual value, if applicable) over their useful life.

2.3.3. In cases where, the Corporation has constructed assets and the Corporation has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

2.3.4. The useful lives of intangible assets are assessed as either finite or indefinite.

2.3.5. Intangible assets with finite lives are amortised on straight line basis over their useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end. The amortisation expense on intangible assets with finite lives and impairment loss is recognised in the statement of Profit & Loss.

2.3.6. Intangible assets with indefinite useful lives, such as 'right of way' which is perpetual and absolute in nature, are not amortised, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment loss on intangible assets with indefinite life is recognised in the Statement of Profit and Loss.

2.3.7. Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets.

2.3.8. Estimated lives of intangible assets (acquired) are as follows:

- Software: 2 to 4 years
- Technical know-how/license fees: 2 to 10 years
- Right to use – wind mills: 22 years

2.3.9. The Corporation has chosen the carrying value of Intangible Assets existing as per previous GAAP as on date of transition to Ind AS i.e., 1st April 2015 as deemed cost.

2.4. Borrowing Cost

2.4.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange rate variation to the extent regarded as an adjustment to interest cost.

2.4.2. Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset till the month in which the asset is ready for intended use. All other borrowing costs are expensed in the period in which they are incurred.

2.5. Non-currents assets held for sale

2.5.1. Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met, only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

2.5.2. Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

2.5.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

2.6. Leases

Wherever a Contract conveys the right to control the Use of an identified Asset by either of the PARTIES for a period of time and in exchange for consideration, there arises a Lease Contract. At inception of every Contract, the Corporation examines the existence to the lease elements in a Contract and thereafter carries out appropriate accounting either as Lessor or Lessee.

2.6.1 Lessee:

At the commencement of the lease, the Corporation recognises right-of-use asset and lease liability, with an exception of short-term leases or lease of low-value underlying assets. The right-of-use asset is measured at cost, made up of the initial measurement of the lease liability, initial direct costs, an estimate of dismantling cost including removal of the asset at the end of the lease and any lease payments on or before commencement (net of any incentives received) of the lease.

The lease liability is measured at Present Value of the lease payments to be made during the course of the lease by using incremental borrowing rate that prevail at the beginning of each quarterly period for a similar tenure (such as AAA Corporate Bond rates for varying tenures of 5, 10 & 15 years) for all of the contracts executed in that period. The variable lease payments, which do not depend on an index or a rate, are excluded from the measurement of lease liability.

The Corporation has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard.

On re-measurement of lease liability, the right-of-use asset is suitably readjusted unless such readjustment lead to a restatement of carrying value below zero, in which case, the resultant amount is directly routed through Statement of Profit & Loss Account.

2.6.2 Lessor:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

2.7. Impairment of Non-Financial Assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of assets of cash generating unit (CGU) exceeds their recoverable amount.

2.8. Inventories

2.8.1. Valuation of inventories (including in transit) of different categories is as under:

a) Crude oil is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Crude oil is not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value.

b) Raw materials for lubricants are valued at weighted average cost or at net realisable value, whichever is lower.

c) Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower.

d) Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower.

e) Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.

f) Empty packages are valued at weighted average cost.

g) Stores and spares which do not meet the recognition criteria under Property, Plant and Equipment are valued at weighted average cost. Surplus, obsolete and slow moving stores and spares, if any, are valued at cost or net realizable value whichever is lower. Surplus items, when transferred from completed projects are valued at cost / estimated value, pending periodic assessment / ascertainment of condition. Stores and Spares in transit are valued at cost.

2.8.2. Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

2.8.3. Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

2.8.4. The net realisable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales to oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

2.9. Revenue recognition

2.9.1. Sale of goods

Revenue is recognised when:

a) The Corporation satisfies a performance obligation by transferring control of a promised goods / services to a customer;

b) Transaction price is allocated on each performance obligation and is recognised as and when the particular performance obligation is satisfied either at a point in time or over a period of time;

c) The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer including excise duties, as applicable and is measured at the fair value of the consideration received or receivable, net of returns, taxes or duties collected on behalf of the government and trade discounts or rebates, as applicable;

d) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is allocated between Loyalty Programs and other components of the sale. The amount allocated to the Loyalty Program is deferred, and is recognised as Revenue when the Corporation has fulfilled its obligation to supply the products under the terms of the Program or when it is no longer probable that the points under the Program will be redeemed.

Where the Corporation acts as an agent on behalf of a third party, the associated Revenue is recognised on a net basis.

Claims, including subsidy on Liquified Petroleum Gas (LPG) and Superior Kerosene Oil (SKO), from Government of India, are booked on in-principle acceptance thereof on the basis of available instructions / clarifications, subject to final adjustments as stipulated.

2.9.2 Interest income is recognised taking into account the amount outstanding and the applicable effective interest rate.

2.9.3 Dividend is recognised when right to receive the payment is established.

2.10. Accounting / classification of expenditure and income

2.10.1. Income / expenditure in aggregate pertaining to prior year(s) above the threshold limit are corrected retrospectively.

2.10.2. Prepaid expenses upto threshold limit in each case, are charged to revenue as and when incurred.

2.10.3. Insurance claims are accounted on acceptance basis.

2.10.4. All other claims / entitlements are accounted on the merits of each case.

2.10.5. Raw materials consumed are net of discount towards sharing of under-recoveries.

2.11. Employee benefits

2.11.1. Short-term employee benefit

Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

2.11.2. Post-employment benefits

Defined Contribution Plans:

Obligations for contributions to defined contribution plans are expensed in the Statement of Profit & Loss of the year in which the related services are rendered by the employees.

Defined Benefit Plans:

Post-employment benefits

Liability towards defined employee benefits (gratuity, pension, post – retirement medical benefits, ex-gratia and resettlement allowance) are determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method.

Re-measurements of the net defined benefit liability, which comprises of actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income.

Other long-term employee benefits

Liability towards other long term employee benefits (leave encashment, long service awards, provident fund contribution to trust and death benefits) are determined on actuarial valuation by independent actuaries using Projected Unit Credit method.

Re-measurements gains and losses are recognized in the Statement of Profit and Loss in the period in which they arise.

2.11.3. Termination benefits

Expenditure on account of Voluntary Retirement Schemes, are charged to Statement of Profit & Loss, as and when incurred.

2.12. Foreign currency transactions

2.12.1. Monetary items

Transactions in foreign currencies are initially recorded at the respective exchange rates prevailing at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items (except for long term foreign currency monetary items outstanding as of 31st March 2016) are recognised in Statement of Profit and Loss either as 'Exchange Rate Variation' or as 'finance costs' (to the extent regarded as an adjustment to borrowing costs), as the case maybe.

In case of long term foreign currency monetary items outstanding as of 31st March 2016, foreign exchange differences arising on settlement or translation of long term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the asset and in case of other long term foreign currency monetary items, if any, accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortised over the balance period of the asset / liability.

2.12.2. Non – Monetary items

Non-monetary items, other than those measured at fair value, denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.

2.13. Investment in Subsidiary, associates and joint ventures

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each reporting date.

The Corporation has chosen the carrying value of the investment in Subsidiaries, associates and joint ventures existing as per previous GAAP as on date of transition to Ind AS i.e. 1st April 2015 as deemed cost.

2.14. Government Grants

2.14.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

2.14.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

2.14.3. When the grant relates to property, plant and equipment, the cost of property, plant and equipment is shown at gross value and grant thereon is treated as liability (deferred income) and are credited to statement of profit and loss on a systematic basis over the useful life of the asset.

2.15. Exploration & production expenditure

"Successful Efforts Method" of accounting is followed for Oil & Gas exploration and production activities as stated below:

2.15.1. Cost of surveys, studies, carrying and retaining undeveloped properties are expensed out in the year of incurrence.

2.15.2. Cost of acquisition, drilling and development are treated as Capital Work-in-Progress when incurred and are capitalised when the well is ready to commence commercial production.

2.15.3. Accumulated costs on exploratory wells in progress are expensed out in the year in which they are determined to be dry.

2.15.4. The proportionate share in the assets, liabilities, income and expenditure of joint operations are accounted as per the participating interest in such joint operations.

2.16. Provisions and contingent liabilities

2.16.1. Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.16.2. If the effect of the time value of money is material, provisions are discounted using an appropriate discount rate. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.16.3. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Corporation, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

2.16.4. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

2.16.5. Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit.

2.16.6. Contingent Liabilities are considered only when show-cause notice is converted into demand.

2.17. Fair value measurement

2.17.1. Fair value is the price that would be received/ paid to sell an asset or to transfer a liability, as the case may be, in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Corporation has access at that date. The fair value of a liability also reflects its non-performance risk.

2.17.2. While measuring the fair value of an asset or liability, the Corporation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Financial Instruments

2.18. Financial Assets

2.18.1. Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

2.18.2. Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Corporation classifies financial assets (other than equity instruments) as under:

(a) subsequently measured at amortised cost;

(b) fair value through other comprehensive income; or

(c) fair value through profit or loss

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

The asset is held within a business model whose objective is:

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method and such amortization is recognised in the Statement of Profit and Loss.

Debt instruments at Fair value through profit and loss (FVTPL)

Fair value through profit and loss is a residual category for measurement of debt instruments.

After initial measurement, any fair value changes including any interest income, impairment loss and other net gains and losses are recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Corporation decides to classify the same either as at FVOCI or FVTPL. The Corporation makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes being recognized in the Statement of Profit and Loss.

2.18.3. Impairment of financial assets

In accordance with Ind-AS 109, the Corporation applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date.

2.19. Financial Liabilities

2.19.1. Initial recognition and measurement

All financial liabilities (not measured subsequently at fair value through profit or loss) are recognised initially at fair value net of transaction costs that are directly attributable to the respective financial liabilities.

2.19.2. Subsequent measurement

The Corporation classifies all financial liabilities as subsequently measured at amortised cost by using the Effective Interest Rate Method ("EIR") and such amortisation is recognised in the Statement of Profit and Loss.

2.20. Financial guarantees

Financial guarantee contracts are recognised initially at fair value. Subsequently on each reporting date, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

2.21. Derivative financial instruments

The Corporation uses derivative financial instruments, such as forward contracts, interest rate swaps to mitigate its foreign currency risk, interest risk and commodity price risk arising out of highly probable forecast transactions and are presented in Financial Statements, either as Financial Assets or Financial liabilities as the case may be.

2.21.1. Derivatives Contracts designated as hedging instruments:

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Corporation formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

2.21.2. Derivatives Contracts not designated as hedging instruments

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

2.22. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.23. Taxes on Income

2.23.1. Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

2.23.2. Deferred tax liability/asset on account of temporary difference is recognised using tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date.

2.23.3. Deferred tax assets are recognised and carried forward for all deductible temporary differences only to the extent that it is probable that taxable profit will be available in future against which the deductible temporary difference can be utilized.

2.23.4. The carrying amount of deferred tax assets/Liabilities is reviewed at each Balance Sheet date.

2.23.5. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, is considered as an asset when it is probable that the future economic benefits associated with it, will flow to the Corporation.

2.24. Earnings per share

2.24.1. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

2.24.2. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.25. Cash and Cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.26. Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. For the purpose of the Statement of Cash Flows, cash and cash equivalent consist of cash, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Corporation's cash management.

2.27. Business combination

The acquisition method of accounting is used to account for business combination by the Group. In this method, acquiree's identifiable assets, liabilities and contingent liabilities that meet condition for recognition are recognized at their fair values at the acquisition date. Non-controlling interest is measured at proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired. The transaction costs incurred in connection with business combination are recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed off.

3. Property, Plant and Equipments

The following are the carrying values of Property, Plant & Equipments:

(₹ / Crore)

Particulars	Land - Freehold	Right-of-Use Assets#	Buildings	Plant & Equipment	Furniture & Fixtures	Transport Equipment	Office Equipment	Roads and Culverts	Railway Siding & Rolling Stock	E&P Assets	Total
Gross Block											
As on 01.04.2020	**1,043.06**	**3,503.23**	**6,788.32**	**42,714.07**	**272.94**	**144.91**	**3,472.75**	**3,324.82**	**470.15**	**663.92**	**62,398.17**
Additions	60.46	634.58	618.86	2,878.08	35.74	21.50	446.41	360.66	46.43	17.30	5,120.02
Additions - Business Combination (refer Note 1.3.3)	-	103.47	0.09	-	0.05	-	0.13	-	-	-	103.74
Deductions/ Reclassifications	(8.13)	20.74	5.79	158.36	13.18	1.38	23.25	3.64	-	22.61	240.82
As on 31.03.2021	**1,111.65**	**4,220.54**	**7,401.48**	**45,433.79**	**295.55**	**165.03**	**3,896.04**	**3,681.84**	**516.58**	**658.61**	**67,381.11**
Depreciation/ Amortisation											
As on 01.04.2020	**-**	**173.36**	**755.48**	**8,938.40**	**102.68**	**61.78**	**1,632.50**	**1,670.85**	**121.37**	**550.18**	**14,006.60**
For the year	-	214.58	194.73	2,273.78	30.32	15.23	439.81	373.20	33.31	36.45	3,611.41
Deductions/ Reclassifications	-	12.55	2.05	123.92	5.43	0.76	20.64	2.75	-	19.38	187.48
As on 31.03.2021	**-**	**375.39**	**948.16**	**11,088.26**	**127.57**	**76.25**	**2,051.67**	**2,041.30**	**154.68**	**567.25**	**17,430.53**
Net Block as on 01.04.2020	**1,043.06**	**3,329.87**	**6,032.84**	**33,775.67**	**170.26**	**83.13**	**1,840.25**	**1,653.97**	**348.78**	**113.74**	**48,391.57**
Net Block as on 31.03.2021	**1,111.65**	**3,845.15**	**6,453.32**	**34,345.53**	**167.98**	**88.78**	**1,844.37**	**1,640.54**	**361.90**	**91.36**	**49,950.58**

refer note 42

Notes:

1. Includes assets costing ₹ 0.007 Crore /- (31.03.2020 : ₹ 0.007 Crore) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.

2. Includes ₹ 810.28 Crore (31.03.2020: ₹ 799.55 Crore) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Company's Share of Assets, jointly owned with other Companies.

3. Includes ₹ 32.25 Crore (31.03.2020 : ₹ 32.35 Crore) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Company, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.

4. a) Includes following assets used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance had been provided by Oil Industry Development Board:

Description	Original Cost (₹ / Crore)	
	31.03.2021	**31.03.2020**
Roads & culverts	0.13	0.13
Buildings	1.58	1.62
Plant & Equipment	2.07	2.09
Total	**3.78**	**3.84**

   b) Includes following assets held under PAHAL (DBTL) scheme against which financial assistance had been provided by Ministry of Petroleum & Natural Gas, Government of India:

Description	Original Cost (₹ / Crore)	
	31.03.2021	**31.03.2020**
Computer Software	7.49	7.49
Computers/ End use devices	5.65	5.65
Office Equipment	0.01	0.01
Automation, Servers & Networks	1.55	1.55
Total	**14.70**	**14.70**

5. Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as 'Asset held for sale', an loss of ₹ 13.92 Crore during the year (2019-20: ₹ 17.97 Crore) has been recognised in the statement of profit and loss.

6. Includes Right of Use Assets having Gross value ₹ 19.38 Crore (31.03.2020: ₹ 27.57 Crore) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.

7. Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 are capitalized and depreciated over the balance useful life of the assets.

8. The Group has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.

9. Includes assets of ₹ 1.03 Crore (31.03.2020: ₹ 1.20 Crore) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.

10. Assets of ₹ 0.02 Crore (31.03.2020 : ₹ 0.03 Crore) comprising 3 number of properties (31.03.2020 : 4) towards which title deeds for freehold/leasehold are not available and further for assets of ₹ 2.25 Crore (31.03.2020 : ₹ 2.27 Crore) comprising of 13 number of properties (31.03.2020 : 14) for which property tax receipts are available. Further in case of land taken on lease from Vishakhapatnam Port Trust (VPT) Legal formalities of registration of lease deed is pending in 36 cases having Gross block as at 31.03.2021 ₹ 593.45 Crore and Net Block as at 31.03.2021 ₹ 543.09 Crore.

11. The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

4. Capital Work-in-Progress

(₹ / Crore)

		31.03.2021	31.03.2020
Unallocated Capital Expenditure and Materials at Site		22,186.53	15,314.38
Capital Stores lying with Contractors		954.45	494.25
Capital goods in transit		0.13	17.34
	A	**23,141.11**	**15,825.97**
Construction period expenses pending apportionment (Net of recovery):			
Opening balance		1,220.54	618.67
Add: Expenditure during the year			
Establishment charges including Salaries & Wages		149.75	227.70
Interest		717.21	758.90
Loss / (gain) on foreign currency transactions and translations		(70.21)	206.79
Others		3.95	0.11
		2,021.24	**1,812.17**
Less: Allocated to assets capitalised / charged off during the year		33.72	590.80
Closing balance pending allocation	**B**	**1,987.52**	**1,221.37**
	A + B	**25,128.63**	**17,047.34**

5. Goodwill on Consolidation

(₹ / Crore)

		31.03.2021	31.03.2020
Cost or deemed cost			
Opening Balance		16.69	16.69
Additions during the year (refer Note 1.3.3)		304.92	-
Effect of exchange difference		-	-
Total	**A**	**321.61**	**16.69**
Less: Accumulated Impairment			
Opening Balance		-	-
Additions during the year		-	-
Effect of exchange difference		-	-
Total	**B**	**-**	**-**
Carrying amount of goodwill on consolidation	**A - B**	**321.61**	**16.69**

5A. Intangible Assets

The following are the carrying values of Intangible Assets:

(₹ / Crore)

Particulars	Right of Way	Technical / Process Licenses	Software	Wind Energy	Total
Gross Block					
As on 01.04.2020	**347.99**	**67.37**	**117.67**	**188.56**	**721.59**
Additions	123.07	-	6.63	0.29	129.99
Additions - Business Combination (refer Note 1.3.3)	-	-	0.01	-	0.01
Deductions / Reclassifications	-	-	-	-	-
As on 31.03.2021	**471.06**	**67.37**	**124.31**	**188.85**	**851.59**
Depreciation/ Amortisation					-
As on 01.04.2020	0.05	44.07	82.55	51.40	178.07
For the year	0.28	5.05	18.06	10.42	33.81
Deductions/ Reclassifications	-	-	-	-	-
As on 31.03.2021	**0.33**	**49.12**	**100.61**	**61.82**	**211.88**
Net Block as on 01.04.2020	**347.94**	**23.30**	**35.12**	**137.16**	**543.52**
Net Block as on 31.03.2021	**470.73**	**18.25**	**23.70**	**127.03**	**639.71**

Note: Includes ₹ 77.14 Crore (31.03.2020: ₹ 77.14 Crore) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

5B. Intangible Assets under development

(₹ / Crore)

	31.03.2021	31.03.2020
Opening balance	122.42	71.22
Add: Expenditure during the year		
Expenditure on Intangible asset	69.61	42.62
Establishment charges including Salaries and Wages	13.94	10.48
Interest	2.25	1.26
Others	(0.82)	2.02
	207.40	127.60
Less: Capitalised during the year	-	5.18
Closing balance	**207.40**	**122.42**

Delivering Happiness

6. Investment in Subsidiaries, Joint Ventures and Associates

(₹ / Crore)

	31.03.2021	31.03.2020
Investments in Equity Instruments		
Associates		
Quoted		
Mangalore Refinery and Petrochemicals Ltd.		
29,71,53,518 (31.03.2020 : 29,71,53,518) Equity Shares of ₹ 10 each fully paid up	662.04	1,078.57
Un - Quoted		
GSPL India Transco Ltd		
6,40,20,000 (31.03.2020 : 5,41,20,000) Equity Shares of ₹ 10 each fully paid up	52.94	50.19
GSPL India Gasnet Ltd		
17,51,22,128 (31.03.2020 : 10,36,22,128) Equity Shares of ₹ 10 each fully paid up	170.60	97.29
Joint Ventures		
Un - Quoted		
HPCL Rajasthan Refinery Ltd (refer Note 6.1)		
179,82,37,000 (31.03.2020 : 129,87,37,000) Equity Shares of ₹ 10 each fully paid-up	1,727.25	1,289.72
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 1.3.3)		
117,20,00,000 (31.03.2020 : 17,50,00,000) Equity Shares of ₹ 10 each fully paid up	-	172.93
HPCL-Mittal Energy Ltd. (refer Note 6.1)		
3,93,95,55,200 (31.03.2020 : 3,93,95,55,200) Equity Shares of ₹ 10 each fully paid up	5,129.42	4,849.16
Hindustan Colas Pvt. Ltd.		
47,25,000 (31.03.2020 : 47,25,000) Equity Shares of ₹ 10 each fully paid up	212.50	194.81
Petronet India Ltd. (refer Note 6.2)		
1,60,00,000 (31.03.2020 : 1,60,00,000) Equity Shares of ₹ 0.10 each fully paid up	0.43	0.42
Petronet MHB Ltd.		
27,43,33,672 (31.03.2020 : 27,43,33,672) Equity Shares of ₹ 10 each fully paid up	338.87	477.57
South Asia LPG Company Pvt. Ltd.		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity Shares of ₹ 10 each fully paid up	110.34	120.74
Bhagyanagar Gas Ltd.		
4,36,50,000 (31.03.2020 : 4,36,50,000) Equity Shares of ₹ 10 each fully paid up	174.62	150.34
Aavantika Gas Ltd		
2,95,57,038 (31.03.2020 : 2,95,57,038) Equity Shares of ₹ 10 each fully paid up	137.13	117.50
Mumbai Aviation Fuel Farm Facility Pvt. Ltd.		
4,82,88,750 (31.03.2020 : 4,82,88,750) Equity Shares of ₹ 10 each fully paid up	87.44	87.05
Godavari Gas Pvt Ltd.		
1,60,74,643 (31.03.2020 : 1,60,74,643) Equity Shares of ₹ 10 each fully paid up	13.70	14.93
Ratnagiri Refinery & Petrochemical Limited		
5,00,00,000 (31.03.2020 : 5,00,00,000) Equity shares of ₹ 10 each fully paid up	31.91	36.28
HPOIL Gas Pvt. Ltd.		
7,25,00,000 (31.03.2020 : 6,00,00,000) Equity shares of ₹ 10 each fully paid up	69.94	58.37
IHB Pvt Ltd		
41,45,00,000 (31.03.2020 : 2,62,50,000) Equity shares of ₹ 10 each fully paid up	414.75	24.95
	9,333.88	**8,820.82**

(₹ / Crore)

	31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment		
a Aggregate amount of Quoted Investments (Market Value)	1,152.96	686.42
b Aggregate amount of Quoted Investments (Cost)	471.68	471.68
c Aggregate amount of Unquoted Investments (Cost)	7,180.77	6,374.12

6.1. As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Ltd (HMEL) and HPCL Rajasthan Refinery Limited (HRRL)) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on 31st March 2021, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

6.2. Petronet India Ltd. is in the process of Voluntary winding up w.e.f. August 30, 2018.

7. Other Investments

(₹ / Crore)

	31.03.2021	31.03.2020
Investment in equity instruments carried at fair value through other comprehensive income		
Quoted		
Oil India Ltd. (refer Note 7.1)		
2,67,50,550 (31.03.2020 : 2,67,50,550) Equity Shares of ₹ 10 each fully paid up	328.10	221.23
Scooters India Ltd.(refer Note 7.1)		
10,000 (31.03.2020 : 10,000) Equity Shares of ₹ 10 each fully paid up	0.04	0.02
Investment in equity instruments carried at fair value through Profit or Loss		
Un - Quoted		
Woodlands Multispecialty Hospital Limited of face value of ₹ 0.21 lakhs		
2,110 (31.03.2020 : 2,110) Equity shares of ₹ 10 each fully paid	0.00	0.00
Shushrusha Citizen Co-operative Hospital Limited of the face value of ₹ 0.10 lakhs		
100 (31.03.2020 : 100) Equity Shares of ₹ 100/- each fully paid	0.00	0.00
Total Investments in Equity Instruments	**328.14**	**221.25**
Investments in Preference Shares carried at fair value through profit or Loss		
Others		
Un - Quoted		
Compulsorily Convertible Preference shares in Start-Up Companies (refer Note 7.2)	13.82	8.68
Total Investments in Preference Shares	**13.82**	**8.68**
	341.96	**229.93**

7.1. The Group intends to hold these Investments for long term strategic purposes and accordingly designated them at fair value through Other Comprehensive Income. No strategic investments were disposed off during the financial year.

7.2. In view that these start-up (20 start ups)are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximation of their fair value.

(₹ / Crore)

		31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment			
a	Aggregate amount of Quoted Investments (Market Value)	328.14	221.25
b	Aggregate amount of Quoted Investments (Cost)	561.77	561.77
c	Aggregate amount of Unquoted Investments (Cost)	13.82	8.68
d	Aggregate amount of Provision for impairment	-	-

8. Loans

(₹ / Crore)

	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	368.03	346.32
Unsecured		
Deposits, considered good	132.97	146.95
Other Loans, considered good (refer Note 8.1)	776.86	911.76
Loan Receivables which have significant increase in credit risk (refer Note 8.1)	161.37	153.54
Loan Receivables – credit impaired (refer Note 8.1)	90.69	13.34
Less: Provision for Impairment (refer Note 8.2)	550.71	162.43
	979.21	**1,409.48**

8.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 963.05 Crore before impairment (31.03.2020: ₹ 1,027.10 Crore).

8.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 550.71 Crore (31.03.2020 : ₹ 162.43 Crore)

9. Other Financial Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Share application money pending allotment	8.33	0.35
Bank Deposit with more than 12 months maturity (refer Note 9.1)	7.09	4.97
Lease Receivables	0.97	0.97
	16.39	**6.29**

9.1. Earmarked with various authorities.

10. Other Non-Current Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Balances with Excise, Customs etc. (refer Note 10.1)	613.40	480.01
Less: Provision for doubtful receivables	22.30	-
Deposits	84.90	131.87
Advance tax (net of provisions)	1,260.72	1,385.70
Capital advances	400.08	207.61
Advance to Employee's PF Trust (net of provisions) (refer Note 10.2)	72.90	
Prepaid Employee Cost	168.60	176.28
Prepaid Lease Rental	0.30	0.30
Others Prepaid Expenses (Including advance)	494.65	320.30
	3,073.25	**2,702.07**

10.1. Includes an amount of ₹ 80.56 Crore has been carried in the books as receivable towards Custom Duty refund claims filed relating to the period 1992-1997. As per the assessment made by the management, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

10.2. During the year, Trust has been provided with reimbursable advance of ₹ 243 Crore by the Corporation. (refer Note 66)

11. Inventories

(₹ / Crore)

	31.03.2021	31.03.2020
Raw materials (Including in transit 31.03.2021: ₹ 993.50 Crore;31.03.2020 : ₹ 1,020.42 Crore)	3,906.20	2,950.06
Work-in-progress	1,026.65	922.39
Finished goods (Including in transit 31.03.2021 : ₹ 200.87 Crore ; 31.03.2020 : ₹ 88.76 Crore)	8,817.05	6,164.24
Stock-in-trade (Including in transit 31.03.2021: ₹ 1,547.00 Crore ; 31.03.2020 : ₹ 1,251.37 Crore)	14,517.01	8,755.55
Stores and spares (Including in transit 31.03.2021 : ₹ 24.06 Crore; 31.03.2020 : ₹ 32.02 Crore)	455.38	506.88
Less : Provision for Stores and Spares	6.78	7.68
Packages	48.39	34.55
	28,763.90	**19,325.99**

11.1. The write-down including reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 122.24 Crore (31.03.2020 : ₹ 1,002.93 Crore) for the Corporation. The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress. (refer Note 61)

12. Investments

(₹ / Crore)

	31.03.2021	31.03.2020
Investments carried at fair value through Profit or Loss		
Quoted - Government Securities		
6.90% Oil Marketing Companies' GOI Special Bonds, 2026 17,36,36,000 (31.03.2020 : 17, 36,36,000) Bonds of ₹ 100 each face value	1,794.07	1,767.79
8.00% Oil Marketing Companies' GOI Special Bonds, 2026 24,41,000 (31.03.2020 : 24,41,000) Bonds of ₹ 100 each face value	26.37	26.18
8.20% Oil Marketing Companies' GOI Special Bonds, 2024 1,23,49,000 (31.03.2020 : 1,23,49,000) Bonds of ₹ 100 each face value	133.47	132.76
6.35% Oil Marketing Companies' GOI Special Bonds, 2024 18,32,33,000 (31.03.2020 : 18,32,33,000) Bonds of ₹ 100 each face value	1,870.31	1,834.06
7.59% Government of India, G - Sec Bonds, 2026 1,85,00,000 (31,03.2020 : 1,85,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	197.47	196.19
7.72% Government of India, G - Sec Bonds, 2025 8,36,00,000 (31,03.2020 : 8,36,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	897.03	892.01
8.33% Government of India, G - Sec Bonds, 2026 1,80,00,000 (31,03.2020 : 1,80,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	197.46	196.92
8.15% Government of India, G - Sec Bonds, 2026 2,75,00,000 (31,03.2020 : 2,75,00,000) Bonds of ₹ 100 each face value (refer Note 12.1)	301.40	298.95
	5,417.58	**5,344.86**

12.1. Bonds valuing ₹ 1,476 Crore (31.03.2020: ₹ 1,476 Crore) comprising 7.59% G - Sec Bonds of ₹ 185 Crore (31.03.2020: ₹ 185 Crore), 7.72% G - Sec Bonds of ₹ 836 Crore (31.03.2020:₹ 836 Crore), 8.33% G - Sec Bonds of ₹ 180 Crore (31.03.2020:₹ 180 Crore) and 8.15% G - Sec Bonds of ₹ 275 Crore (31.03.2020:₹ 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

(₹ / Crore)

		31.03.2021	31.03.2020
Disclosures towards Cost / Market Value / Impairment			
a	Aggregate amount of Quoted Investments (Market Value)	5,417.58	5,344.86
b	Aggregate amount of Quoted Investments (Cost)	5,267.26	5,267.26
c	Aggregate amount of Unquoted Investments (Cost)	-	-
d	Aggregate amount of Provision for impairment	-	-

13. Trade Receivables

(₹ / Crore)

	31.03.2021	31.03.2020
Unsecured		
Considered good	6,221.00	3,954.78
Significant increase in credit risk	809.77	-
Credit impaired	159.36	159.33
Less: Allowances for Bad and Doubtful Debts (refer Note 13.1)	320.14	179.92
	6,869.99	**3,934.19**

13.1. Includes loss allowance of ₹ 302.62 Crore (31.03.2020 : ₹ 159.33 Crore) on trade receivables of ₹ 969.13 Crore (31.03.2020 : ₹ 159.33 Crore) for which the credit risk has been assessed on an individual basis.

14. Cash and Cash Equivalents

(₹ / Crore)

	31.03.2021	31.03.2020
Balances with Scheduled Banks:		
- on Current Accounts	365.43	109.54
- on Non-Operative Current Accounts	0.01	0.01
Cash on Hand	4.34	1.84
Fixed Deposits with original maturity less than 3 months	110.60	93.37
	480.38	**204.76**

15. Bank Balances other than cash and cash equivalents

(₹ / Crore)

	31.03.2021	31.03.2020
Earmarked balances with banks	31.64	17.95
Earmarked balances with banks for Shares Buy-back	62.50	-
Fixed Deposits with 3 - 12 months maturity (refer Note 15.1)	0.40	0.41
	94.54	**18.36**

15.1. Earmarked with various authorities.

16. Loans

(₹ / Crore)

	31.03.2021	31.03.2020
Secured		
Employee loans and advances and Interest thereon, considered good	52.75	45.18
Unsecured		
Deposits	0.03	0.03
Other Loans, considered good (refer Note 16.1)	116.89	362.86
Loan Receivables which have significant increase in credit risk (refer Note 16.1)	15.38	61.42
Loan Receivables – credit impaired (refer Note 16.1)	20.64	17.34
Less: Provision for Impairment (refer Note 16.2)	79.36	76.97
	126.33	**409.86**

16.1. Includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 117.80 Crore before impairment (31.03.2020: ₹ 410.84 Crore).

16.2. Includes Provision towards Loan given to Pradhan Mantri Ujjwala Yojana(PMUY) consumers of ₹ 67.36 Crore (31.03.2020: ₹ 64.97 Crore)

17. Other Financial Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Amounts recoverable under subsidy schemes	35.72	464.65
Less: Provision for doubtful receivables	10.47	-
Interest accrued on Investments	112.48	93.98
Derivative Assets	5.20	16.04
Delayed payment charges receivable from customers	313.12	282.93
Less : Loss allowance	153.07	121.87
Receivables from Govt of India towards Pradhan Mantri Ujjwala Yojana (PMUY)	7.19	290.48
Receivables from Govt of India towards Direct Benefit Transfer of LPG (DBTL)	279.63	5,576.35
Balance with Life Insurance Corporation of India	975.04	1,041.76
Other Receivables	545.07	337.49
Less : Provision for doubtful other receivables (refer Note 17.1)	134.14	11.38
	1,975.77	**7,970.43**

17.1. Includes an amount of ₹ 91.58 Crore (2019-20: ₹ NIL) on which a provision of ₹ 91.58 Crore (2019-20 :Nil) made (refer Note 59)

18. Other Current Assets

(₹ / Crore)

	31.03.2021	31.03.2020
Advance recoverable other than cash	28.42	7.05
Balances with Excise, Customs etc.	55.01	42.59
Deposits	-	5.81
Prepaid employee cost	15.08	15.56
Prepaid Lease Rental	20.43	10.96
Other Prepaid Expenses	260.65	295.86
Gold Coins in Hand	-	7.40
Other Current Assets	46.33	16.01
	425.92	**401.24**

19. Equity Share capital

(₹ / Crore)

		31.03.2021	31.03.2020
A.	**Authorised:**		
	2,49,92,50,000 (31.03.2020 : 2,49,92,50,000) Equity Shares of ₹ 10/- each	2,499.25	2,499.25
	75,000 (31.03.2020: 75,000) Cumulative Redeemable Preference Shares of ₹ 100/- each	0.75	0.75
		2,500.00	**2,500.00**
B.	**Issued & Subscribed:**		
	1,45,27,23,884 (31.03.2020: 1,52,45,25,375) Equity Shares of ₹ 10/- each	1,452.72	1,524.53
C.	**Fully Paid up:**		
	1,45,20,21,134 (31.03.2020: 1,52,38,22,625) Equity Shares of ₹ 10/- each	1,452.02	1,523.82
D.	**Shares Forfeited:**		
	7,02,750 (31.03.2020: 7,02,750) Shares Forfeited (money received)	0.39	0.39
		1,452.41	**1,524.21**

(₹ / Crore)

		31.03.2021	31.03.2020
E.	**Reconciliation of number of equity shares:**		
	Outstanding at the beginning of the year	1,523,822,625	1,523,822,625
	Equity shares allotted as fully paid bonus shares	-	-
	Equity shares extinguished including pending extinguishment as on 31.03.2021 bought under shares buy-back program (refer Note 19 H (ii))	71,801,491	-
	Outstanding at the end of the year	**1,452,021,134**	**1,523,822,625**

F. Rights and Restrictions on Equity / preference Shares:

The Company has only one class of Equity Shares having a face value of ₹ 10/- per share which are issued and subscribed. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of the winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders and the amount paid up thereon.

The Company also has 75,000 6% cumulative Redeemable Non-convertible Preference Shares of ₹ 100 /- each as a part of the Authorised Capital, which were issued earlier by the erstwhile ESSO Standard Refining Co. of India Ltd. (ESRC). Presently the said Preference Shares stand redeemed.

G. Details of shares held by each shareholder, holding more than 5% shares in the company:

	31.03.2021	
Name of shareholders	**% Holding***	**No. of Shares**
Oil and Natural Gas Corporation Limited	53.64	778,845,375

	31.03.2020	
Name of shareholders	**% Holding***	**No. of Shares**
Oil and Natural Gas Corporation Limited	51.11	778,845,375

* Calculated considering both shares extinguished and pending extinguishment (refer Note 19 H (ii))

H. In the period of five years immediately preceding 31st March, 2021:

(i) The Corporation had issued Bonus Shares during Financial Years 2017-18 and 2016-17 in the ratio of 1:2 and 2:1 respectively by capitalization of Reserves. The total number of Bonus Shares issued during Financial Years 2017-18 and 2016-17 are 50,79,40,875 and 67,72,54,500 equity shares respectively, having face value of ₹ 10 each.

(ii) The Board, at its meeting held on 04.11.2020 approved the buyback of fully paid-up equity shares of the face value of ₹ 10/- from the open market through stock exchange mechanism for an aggregate amount not exceeding ₹ 2,500 Crore ("Maximum Buyback Size") and at a price not exceeding ₹ 250 per Equity Share, payable in cash. This do not include any transaction costs such as brokerage, fees, turnover charges, taxes such as buyback tax and securities transaction tax, stamp duty, advisor fees, filing fees etc. Pursuant to relevant SEBI regulations, a public announcement was made on 06.11.2020, buy-back opened on 17.11.2020 and it closed on 14.05.2021. As on 31.03.2021, equity shares numbering 7,18,01,491, representing 4.71% of Share Capital (prior to commencement of buy-back), having a face value of ₹ 71,80,14,910/- have been bought back. Of this, in line with SEBI Regulations, 6,79,77,038 shares have been extinguished as on reporting date and the rest of it on 20.04.2021. The effect of subsequent extinguishment, being adjusting event, under Ind-AS, has been duly recognized as on 31.03.2021 itself.

20. Other Equity

(₹ / Crore)

		31.03.2021	31.03.2020
Capital Redemption Reserve	(i)	73.36	1.56
Debenture Redemption Reserve	(ii)	753.97	720.13
Capital Reserve	(iii)	0.74	0.71
Foreign Currency Monetary Item Translation Difference Account	(iv)	-	-
General Reserve	(v)	50.10	1,827.75
Retained Earnings	(vi)	36,068.83	27,485.23
Equity Instruments through Other Comprehensive Income	(vii)	(233.64)	(340.53)
Foreign Currency Translation Reserve	(viii)	(36.58)	(51.33)
Cash Flow Hedge Reserve	(ix)	(48.33)	(187.11)
		36,628.45	**29,456.41**
(i) Capital Redemption Reserve			
As per last Balance Sheet		1.56	1.56
Add: Transfer from General Reserve		71.80	-
		73.36	**1.56**
(ii) Debenture Redemption Reserve			
As per last Balance Sheet		720.13	208.60
Add: Transfer from Retained Earnings (refer Note 20.1)		33.84	625.00
Less: Transfer to Retained Earnings		-	113.47
		753.97	**720.13**
20.1. The reserve is created consequent on Non-Convertible Debentures, issued under Companies Act, 2013.			
(iii) Capital Reserve			
As per last Balance Sheet		0.71	0.71
Add: Transfer during the year		0.03	-
		0.74	**0.71**
(iv) Foreign Currency Monetary Item Translation Difference Account (refer Note 20.2)			
As per last Balance Sheet		-	(2.91)
Add: Additions during the year		-	(0.79)
Less: Amortised during the year		-	(3.70)
		-	**-**
20.2. Represents exchange rate variation on loan taken for acquisition of non-depreciable assets, amortized over loan period.			
(v) General Reserve			
As per last Balance Sheet		1,827.75	1,827.75
Less: Utilisation for Shares Buy-back		1,705.85	-
Less: Transfer to Capital Redemption Reserve		71.80	-
		50.10	**1,827.75**
(vi) Retained Earnings			
As per last Balance Sheet		27,485.23	26,923.39
Add: Profit/(Loss) for the year		10,662.89	2,638.73

(₹ / Crore)

	31.03.2021	31.03.2020
Add : Reversal of Tax Expense on exercising option under section 115BAA of Income-tax Act, 1961 (refer Note 40)	-	324.89
Add : Transfer from Debenture Redemption Reserve	-	111.54
Less : 'Other Reserve' (refer Note 60)	262.17	-
Less : Transfer to Debenture Redemption Reserve	33.84	625.00
Less : Utilisation for Shares Buy-back	208.61	-
Less : Profit appropriated to Interim / Final Dividend	1,485.72	1,432.39
Less : Profit appropriated to Tax on Distributed Profits	-	294.43
Add : Share in Other comprehensive Income of equity accounted investees	3.17	(2.93)
Less : Remeasurment (Gain)/Loss on Defined Benefit Plans	92.12	158.57
	36,068.83	**27,485.23**
(vii) Equity Instruments through Other Comprehensive Income		
As per last Balance Sheet	(340.53)	(65.92)
Add : Additions during the year	106.89	(274.61)
	(233.64)	**(340.53)**
(viii) Foreign Currency Translation Reserve		
As per last Balance Sheet	(51.33)	(16.74)
Add : Additions during the year	14.75	(34.59)
	(36.58)	**(51.33)**
(ix) Cash Flow Hedge Reserve		
As per last Balance Sheet	(187.11)	-
Add : Effective Portion of Gains/(loss) in a Cash Flow Hedge	120.74	(187.11)
Less : Reclassification to Statement of Profit and Loss	(18.04)	-
	(48.33)	**(187.1)**
	36,628.45	**29,456.41**

21. Borrowings

(₹ / Crore)

	31.03.2021	31.03.2020
Bonds and Debentures (refer note 21.1)		
Un - secured		
Foreign Currency Bonds	3,646.17	3,771.95
8.00% Non-Convertible Debentures	499.81	499.75
7.00% Non-Convertible Debentures	1,999.81	1,999.76
6.80% Non-Convertible Debentures	2,999.85	2,999.77
6.38% Non-Convertible Debentures	599.83	599.75
7.03% Non-Convertible Debentures	1,399.76	1,399.76
5.36% Non-Convertible Debentures	1,199.92	-
4.79% Non-convertible debentures	1,999.89	-

(₹ / Crore)

	31.03.2021	31.03.2020
Term loans		
Secured		
Oil Industry Development Board (refer Note 21.2)	2,850.00	2,931.19
Other Loans (refer Note 21.4)	-	246.49
Un - secured		
Syndicated Loans from Foreign Banks (repayable in foreign currency) (refer Note 21.3)	8,579.15	10,783.50
Others		
Un - secured		
Lease Liabilities (under Ind AS 116)	3,024.89	2,493.45
	28,799.08	**27,725.37**
Less: Current maturities of Long Term Borrowings	725.00	4,359.02
Less: Current maturities of Lease Liabilities	309.66	256.72
	27,764.42	**23,109.63**

21.1. Bonds and Debentures

Particulars of Bond/Debenture	Coupon Rate of Interest	Date of Maturity/Redemption
7.03% Non-Convertible Debentures	7.03% p.a. payable Annually	12th April 2030
USD 500 million bonds	4.00% p.a. payable Half Yearly	12th July 2027
5.36% Non-Convertible Debentures	5.36% p.a. payable Annually	11th April 2025
7.00% Non-Convertible Debentures	7.00% p.a. payable Annually	14th August 2024
8.00% Non-Convertible Debentures	8.00% p.a. payable Annually	25th April 2024
4.79% Non-Convertible Debentures	4.79% p.a. payable Annually	23th October 2023
6.38% Non-Convertible Debentures	6.38% p.a. payable Annually	12th April 2023
6.80% Non-Convertible Debentures	6.80% p.a. payable Annually	15th December 2022

21.2. Term Loans from Oil Industry Development Board

Repayable during	₹ in Crore		Range of Interest Rate as on	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
2020-21	-	181.19	-	7.72%-8.28%
2021-22	725.00	725.00	6.53%-8.28%	6.53%-8.28%
2022-23	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2023-24	750.00	725.00	5.68%-8.28%	6.53%-8.28%
2024-25	600.00	575.00	5.68%-7.96%	6.53%-7.96%
2025-26	25.00	-	5.68%-5.68%	-
Total	**2,850.00**	**2,931.19**		

The loan has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project, Mumbai Refinery Expansion Project, Awa Salawas Pipeline, Manglore Hassan Mysore LPG Pipeline, Uran-Chakan / Shikarpur LPG Pipeline & Rewari Mathura Kanpur Pipeline for a value of ₹ 17,437.85 Crore (31.03.2020: ₹ 15,815.87 Crore). Of the loan amount ₹ 725 Crore (31.03.2020: ₹ 181.19 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

21.3. Syndicated Loans from Foreign Banks (repayable in foreign currency)

With respect to Loan taken by Hindustan Petroleum Corporation Ltd.

The Group has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR plus spread (spread range: 100 to 155 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount ₹ NIL Crore (31.03.2020: ₹ 4,150.07 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26.

With respect to Loan taken by Prize Petroleum International Pte Ltd. (PPIPL)

The secured bank loan bears interest at 1.2% + 6-month LIBOR per annum (2019-20 : 1.2% + 6-month LIBOR per annum), which ranged from 1.45% to 3.13% p.a. (2019-20 : 3.13% to 3.82% p.a.).The bank loan is repayable on the 7th anniversary of the utilization date on 28th October 2023. Shares of the Group in PPIPL have been pledged in favour of the lender.

21.4. Other Loans

With respect to Loan taken by HPCL Biofuels Ltd. (HBL)

Government of Bihar (GOB) Soft Loan of ₹16.48 Crore availed through SBI during F.Y.15-16 with interest subvention to the extent of 10%. Four Installments amounting to ₹ 3.06 Crore was paid during F.Y. 2020-21 (2019-2020 : ₹ 3.52 Crore). The Balance of GoB Soft Loan as on 31.03.2021 was Nil (31.03.2020 : ₹ 3.06 Crore). Term Loan of ₹308.80 Crore was availed through SBI during F.Y. 2014-15.During the year 2020-21 the Term loan was paid in full in Two Installments by Rs 243.95 Crore (2019-20: ₹22.39 Crore) in September 2020. The Balance of Term loan as on 31.03.2021 was Nil (31.03.2020: ₹ 243. 43 Crore).

Of the loan amount ₹ NIL Crore (31.03.2020: ₹ 27.76 Crore) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' under Note # 26).

22. Other Financial Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Other Liabilities	32.63	0.70
	32.63	**0.70**

23. Provisions

(₹ / Crore)

	31.03.2021	31.03.2020
Provision for employee benefits	56.70	54.54
Others	0.08	0.08
	56.78	**54.62**

24. Other Non-Current Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Capital Grant	13.18	14.36
Other liabilities	369.30	210.47
	382.48	**224.83**

25. Borrowings

(₹ / Crore)

	31.03.2021	31.03.2020
Loans repayable on demand		
Secured		
from banks		
Cash Credit (Secured by hypothecation of Inventories in favour of Banks on pari passu basis)	2,551.03	3,116.89
from other parties		
Triparty Repo Dealing System Loan (refer note 25.1)	1,449.62	1,399.94
Un - Secured		
from banks		
Clean Loans	4,800.31	3,056.02
Short term loans	2,120.57	6,261.11
from other parties		
Commercial papers	3,988.12	2,442.16
	14,909.65	**16,276.12**

25.1. Bonds valuing ₹ 1,476 Crore (31.03.2020: ₹ 1476 Crore) comprising 7.59% G - Sec Bonds of ₹ 185 Crore (31.03.2020: ₹ 185 Crore), 7.72% G - Sec Bonds of ₹ 836 Crore (31.03.2020: ₹ 836 Crore), 8.33% G - Sec Bonds of ₹ 180 Crore (31.03.2020: ₹ 180 Crore) and 8.15% G - Sec Bonds of ₹ 275 Crore (31.03.2020: ₹ 275 Crore), have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

26. Other Financial Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Current maturities of Long Term Borrowings (refer Note 26.1)	725.00	4,359.02
Current maturities of Lease Liabilities	309.66	256.72
Interest accrued but not due on loans	325.44	262.47
Unpaid Dividend (refer Note 26.2)	19.01	17.70
Derivative Liability	1.84	79.51
Deposits from Dealers /Consumers/Suppliers (refer Note 26.3)	16,130.95	15,436.10
Liability towards Capital Expenditures:		
Outstanding dues of micro enterprises and small enterprises (refer Note 47)	492.09	339.55
Outstanding dues of creditor other than micro and small enterprises	1,898.11	1,643.81
Other Financial Deposits	12.41	11.91
Other Liabilities	863.51	979.12
	20,778.02	**23,385.91**

26.1. Includes loans repayable within one year: Syndicated Loans from Foreign Banks (repayable in foreign currency) ₹ Nil Crore (31.03.2020: ₹ 4,150.07 Crore); Loan from Oil Industry and Development Board ₹ 725 Crore (31.03.2020 : ₹ 181.19 Crore) and Other Loans ₹ NIL Crore (31.03.2020 : ₹ 27.76 Crore).

26.2. Dues as at the end of the year for credit to Investors' Education and Protection Fund is ₹ NIL (31.03.2020: NIL).

26.3. Includes deposits received towards Rajiv Gandhi Gramin LPG Vitrak Yojana ₹ 241.89 Crore (31.03.2020: ₹ 241.89 Crore) and Prime Minister Ujjavala Yojana of ₹ 3,015.69 Crore (31.03.2020: ₹ 3,020.91 Crore).These deposits have been either made by Government of India or created out of CSR fund.

27. Other Current Liabilities

(₹ / Crore)

	31.03.2021	31.03.2020
Revenue received in advance	1,044.78	1,046.95
Capital Grant	1.14	1.82
Statutory Payables	4,559.19	1,708.82
Other Liabilities	110.09	158.35
	5,715.20	**2,915.94**

28. Provisions

(₹ / Crore)

	31.03.2021	31.03.2020
Provision for employee benefits	1,722.63	1,903.43
Provisions for probable obligations (refer Note 56)	1,104.46	727.13
	2,827.09	**2,630.56**

29. Current Tax Liabilities (Net)

(₹ / Crore)

	31.03.2021	31.03.2020
Provision for tax (net of advance tax) (refer Note 40)	351.72	366.97
	351.72	**366.97**

30. Gross Sale of Products

(₹ / Crore)

	2020-21	2019-20
Sale of Products	269,470.78	286,199.40
Recovery under Subsidy Schemes	22.91	374.87
	269,493.69	**286,574.27**

30.1. Net of discount of ₹ 2,199.63 Crore (2019-20 : ₹ 2,348.47 Crore).

30.2. Includes Subsidy on PDS Kerosene and Domestic Subsidized LPG from State Governments amounting to ₹ 31.30 Crore (2019-20 : ₹ 63.95 Crore) and Subsidy on Sugar (pertaining to HPCL Biofuels Ltd.) from GOI of ₹ 14.08 Crore (2019-20 : ₹ 29.51 Crore).

30.3. Includes Budgetary Support amounting to ₹ (9.80 Crore) (2019-20 : ₹ 281.41 Crore) under 'Recovery under Subsidy Schemes' towards under-recovery on sale of PDS SKO.

30.4. Disaggregation of revenue as required under Ind AS 115:

(₹ / Crore)

	2020-21	2019-20
Exports	3,060.96	6,203.38
Other than export	266,432.73	280,370.89
	269,493.69	**286,574.27**

31. Other Operating Revenues

(₹ / Crore)

	2020-21	2019-20
Rent Recoveries	757.28	828.13
Net Recovery for LPG Filling Charges	1.63	0.63
Miscellaneous Operating Income	325.36	339.02
	1,084.27	**1,167.78**

32. Other Income

(₹ / Crore)

	2020-21	2019-20
Interest Income on Financial Assets carried at amortized cost:		
On Deposits	13.19	0.40
On Staff Loans	38.12	41.72
On Customers' Accounts	292.58	272.62
Interest On Current Investments carried at fair value through Profit or Loss	385.62	373.11
Interest on Others Financial Assets carried at amortized cost	371.17	303.41
	1,100.68	**991.26**
Dividend Income from non-current equity instruments at FVOCI	13.64	28.76
Fair value gain on Derivative instruments carried at FVTPL	15.08	-
Fair value gain on re-measurement of previously held equity interest (refer Note 1.3.3)	158.99	-
Gain on foreign currency transaction and translation	1,014.89	-
Fair value gain on Current Investments carried at FVTPL	72.90	262.66
Profit on Sale of Current Investment	-	0.55
Profit on Sale / write off of Property Plant & Equipments / Capital Work in Progress / Assets classified as held for Sale/Disposal (net)	-	19.41
Share of Profit / (Loss) from Petroleum India International (AOP)	-	0.34
Miscellaneous Income	267.55	378.64
	1,543.05	**690.36**
	2,643.73	**1,681.62**

33. Cost of Materials Consumed

(₹ / Crore)

	2020-21	2019-20
Cost of Raw Materials Consumed	40,897.90	59,583.73
Packages Consumed	314.43	322.76
	41,212.33	**59,906.49**

34. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress (Increase)/ Decrease

(₹ / Crore)

	2020-21	2019-20
(A) Closing Stock:		
Work-in-progress	1,026.65	922.39
Finished Goods	8,817.05	6,164.24
Stock-in-trade	14,517.01	8,755.55
	24,360.71	**15,842.18**
(B) Opening Stock:		
Work-in-Progress	922.39	781.79
Finished Goods	6,164.24	6,995.33
Stock-in-Trade	8,755.55	8,713.48
	15,842.18	**16,490.60**
(C) Write down of inventories considered under Exceptional Items (refer Note 61)	-	1,002.93
(B-A-C)	**(8,518.53)**	**(354.51)**

35. Employee Benefits Expense

(₹ / Crore)

	2020-21	2019-20
Salaries, Wages, Bonus, etc.	2,470.89	2,276.29
Contribution to Provident Fund (refer note 66)	176.62	334.13
Pension, Gratuity and Other Employee Benefits	221.75	267.50
Employee Welfare Expenses	350.16	346.14
	3,219.42	**3,224.06**

36. Finance costs

(₹ / Crore)

	2020-21	2019-20
Interest (refer Note 36.1)	939.65	772.61
Exchange differences regarded as an adjustment to borrowing costs	7.38	345.32
Other borrowing costs	16.25	20.92
	963.28	**1,138.85**

36.1. Includes interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ₹ 57.03 Crore (2019-20 : ₹ NIL).

37. Other Expenses

(₹ / Crore)

	2020-21	2019-20
Transportation Expenses	6,401.92	6,141.13
Consumption of Stores, Spares and Chemicals	250.97	290.02
Power and Fuel	2,273.63	2,722.42
Less : Consumption of fuel out of own production	1,863.78	2,223.37
Power and fuel consumed (net)	409.85	499.05
Repairs and Maintenance - Buildings	41.26	60.06
Repairs and Maintenance - Plant and Machinery	1,092.68	1,189.75
Repairs and Maintenance - Other Assets	397.56	487.41
Insurance	132.52	75.47
Rates and Taxes	224.22	93.17
Irrecoverable Taxes and Other Levies	584.74	416.38
Equipment Hire Charges	1.85	2.32
Rent	276.08	291.81
Travelling and Conveyance	141.54	236.71
Printing and Stationery	15.36	19.71
Electricity and Water	821.91	831.34
Corporate Social Responsibility (CSR) Expenses	129.97	182.24
Stores and spares written off	1.11	2.42
Provision for Doubtful Receivables / Loans	555.89	69.98
Provision for Doubtful Debts (After adjusting provision no longer required written back ₹ 1.36 Crore, 2019-20: ₹ NIL Crore)	140.21	12.78
Bad Debts written off	0.74	0.21
Loss on Sale/ write off of Property Plant & Equipments / Capital Work In Progress / Assets classified as held for Sale / Disposal (net)	51.17	-
Security Charges	282.64	282.73
Advertisement and Publicity	127.32	155.66
Sundry Expenses and Charges (Not otherwise classified) (refer Note 57)	1,316.02	1,064.67
Consultancy and Technical Services	71.43	61.50
Loss on Foreign Currency Transaction and Translation (net)	-	875.44
Fair value Loss on Derivative instruments carried at FVTPL (net)	-	44.75
Exploration Cost	0.42	30.75
Payments to the auditor for:		
- Audit Fees	0.72	0.74
- Other Services	0.38	0.39
- Reimbursement of expenses	0.19	0.28
	13,470.67	**13,418.87**

38. Fair Value Measurements

38.A. Classification of Financial Assets and Financial Liabilities

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as at Fair value through Profit or Loss (FVTPL), Fair value through other comprehensive Income (FVTOCI) and Amortized Cost:

(₹ / Crore)

	31.03.2021			31.03.2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
- Investment in Equity Instruments	0.00	328.14	-	0.00	221.25	-
- Investment in Preference Shares	13.82	-	-	8.68	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans & Advances						
- Employee Loans	-	-	420.78	-	-	391.50
- Other loans	-	-	684.76	-	-	1,427.84
Trade receivables	-	-	6,869.99	-	-	3,934.19
Cash and cash equivalents	-	-	480.38	-	-	204.76
Other Bank Balances	-	-	94.54	-	-	18.36
Derivative Assets	5.20	-	-	16.04	-	-
Amounts recoverable under subsidy schemes	-	-	35.72	-	-	464.65
Others	-	-	1,951.24	-	-	7,496.03
Total	**5,436.60**	**328.14**	**10,537.41**	**5,369.58**	**221.25**	**13,937.33**
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	-	3,646.17	-	-	3,771.95
- Non Convertible Debentures	-	-	10,698.87	-	-	7,498.79
- Oil Industry Development Board	-	-	2,850.00	-	-	2,931.19
- Syndicated Loans from Foreign Banks	-	-	8,579.15	-	-	10,783.50
- Long term loans from banks	-	-	-	-	-	246.49
- Cash Credit	-	-	2,551.03	-	-	3,116.89
- Short term loans from banks	-	-	2,120.57	-	-	6,261.11
- Clean Loans	-	-	4,800.31	-	-	3,056.02
- Triparty Repo Dealing System Loan	-	-	1,449.62	-	-	1,399.94
- Commercial papers	-	-	3,988.12	-	-	2,442.16
Lease Liabilities	-	-	3,024.89	-	-	2,493.45
Trade Payables	-	-	17,798.65	-	-	11,472.55
Deposits from Consumers	-	-	16,130.95	-	-	15,436.10
Derivative Liability	1.84	-	-	79.51	-	-
Others	-	-	3,643.20	-	-	3,255.26
Total	**1.84**	**-**	**81,281.53**	**79.51**	**-**	**74,165.40**

38.B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policies.

(₹ / Crore)

	31.03.2021			31.03.2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments						
- Investment in Equity Instruments	328.14	-	-	221.25	-	-
- Investment in Debt Instruments	5,417.58	-	-	5,344.86	-	-
- Others	-	-	-	-	-	-
Loans						
- Employee Loans	-	420.78	-	-	391.50	-
- Other Loans	-	1,080.85	-	-	1,437.94	-
Derivative Assets	-	5.20	-	-	16.04	-
Total	**5,745.72**	**1,506.83**	**-**	**5,566.11**	**1,845.48**	**-**
Financial liabilities						
Borrowings						
- Foreign Currency Bonds	-	3,883.37	-	-	3,435.78	-
- Non Convertible Debentures	-	11,033.26	-	-	7,640.55	-
- Oil Industry Development Board Loan	-	2,942.15	-	-	3,011.98	-
Derivative Liabilities	-	1.84	-	-	79.51	-
Total	**-**	**17,860.62**	**-**	**-**	**14,167.82**	**-**

38.C. Valuation techniques used to determine Fair Value:

Type	Valuation technique
Derivative instruments - forward exchange contracts	Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract.
Derivative instruments - Commodity derivatives	Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract.
Derivative instruments - interest rate swap	Discounted cash flows i.e. Present value of expected receipt/payment.
Non-current financial assets and liabilities measured at amortised cost	Discounted cash flows. The valuation model considers the present value of expected receipt/ payment discounted using appropriate discounting rates.

39. Financial risk management

39.A. Risk management framework

The Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The outbreak of the Coronavirus Disease (COVID-19) has stricken communities across the globe. The virus' rapid geographical spread has caught the world off-guard, with major implications for personal health, business continuity and the world economic order. The Corporation had immediately reviewed the Risks arising out of the COVID-19 and suitably included the new risks as well as amended the existing Risks for suitably mitigating same.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

39.B. Group has identified financial risk and categorised them in three parts viz. (i) Credit Risk, (ii) Liquidity Risk & (iii) Market Risk. Details regarding sources of risk in each such category and how Group manages the risk is explained in following notes:

39.B.1. **Credit risk:**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Group's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Group extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Note: Refer Note 57 regarding loans given to consumers under Pradhan Mantri Ujjwala Yojna (PMUY).

Trade receivables:

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Group assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogeneously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

(₹ / Crore)

Past due	31.03.2021			31.03.2020		
	Gross carrying amount	Weighed average loss rate	Loss allowance	Gross carrying amount	Weighed average loss rate	Loss allowance
0-90 days	6,350.34	0.05%	3.29	3,611.32	0.03%	1.25
91–360 days	352.21	1.73%	6.10	292.03	1.17%	3.42
More than 360 days	487.58	63.73%	310.75	210.76	83.15%	175.25
	7,190.13		**320.14**	**4,114.11**		**179.92**

The movement in loss allowance on trade receivables is as follows:

(₹ / Crore)

Balance as at 01.04.2019	**167.14**
Add : Loss allowance recognised	12.99
Less : Amounts written off	0.21
Balance as at 31.03.2020	**179.92**
Add : Loss allowance recognised	140.59
Less : Amounts written off	0.37
Balance as at 31.03.2021	**320.14**

The amounts written off relate to customers who have defaulted payments and are not expected to be expected to pay their outstanding balances, mainly due to economic circumstances.

Cash and cash equivalents:

The Group held cash and cash equivalents of ₹ 480.38 Crore as at 31.03.2021 (31.03.2020: ₹ 204.76 Crore).The cash and cash equivalents (other than cash on hand) are held with Scheduled banks. The Group invests its surplus funds for short duration in fixed deposit with banks, Govt of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Group is exposed only to low credit risk.

Derivatives:

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

Investment in debt securities:

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

39.B.2. **Liquidity risk:**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Group has a strong focus on effective management of its liquidity to ensure that all business and financial commitments are met on time. The Group has adequate borrowing limits in place duly approved by its Shareholders and Board. Group's sources of liquidity includes operating cash flows, cash and cash equivalents, fund and non-fund based lines from banks and liquid investment portfolio. Group ensures that there is minimal concentration risk by diversifying its portfolio across instruments and counterparties. Cash and fund flow management is monitored daily in order to have smooth and continuous business operations.

(i) Financing arrangements:

The Group has an adequate fund and non-fund based lines from various banks. The Group has sufficient borrowing limits in place duly, approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Group's diversified source of funds and strong operating cash flow enables it to maintain requisite capital structure discipline. Group diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, TREPS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Group taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification of geographies.

(ii) Maturities of financial liabilities

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	Contractual cash flows					
	31.03.2021			31.03.2020		
	Upto 1 year	1-3 years	more than 3 years	Upto 1 year	1-3 years	more than 3 years
Non-derivative financial liabilities						
Borrowings and interest thereon	16,759.60	12,596.12	15835.12	21,911.15	6,595.60	18,441.59
Trade payables	17,798.65	-	-	11,489.23	-	-
Other financial liabilities	3,607.15	-	16,131.84	3,246.59	-	15,436.80
Total	**38,165.40**	**12,596.12**	**31,966.96**	**36,646.97**	**6,595.60**	**33,878.39**
Derivative financial liabilities						
Interest rate swaps	-	-	-	(4.35)	-	-
Commodity contracts (net settled)	3.36	-	-	60.44	-	-
Forward exchange contracts (Gross settled)	-	-	-	-	-	-
- Inflows	-	-	-	-	-	-
- Outflows	-	-	-	-	-	-
Total	**3.36**	**-**	**-**	**56.09**	**-**	**-**

39.B.3. **Market Risk - Market Risk is further categorised in (i) Currency risk , (ii) Interest rate risk & (iii) Commodity risk:**

39.B.3.1. **Currency risk:**

The Group is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S. Dollar. The Group has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Group uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk - The currency profile of financial assets and financial liabilities is as below:

(₹ / Crore)

	31.03.2021		31.03.2020	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial assets				
Non-current investments	341.96	-	229.93	-
Current investments	5,417.58	-	5,344.86	-
Long-term loans	979.21	-	1,409.48	-
Short-term loans	126.33	-	409.86	-
Trade receivables	6,334.70	535.29	3,759.91	174.28
Cash and Cash Equivalents	480.38	-	204.76	-
Other Bank Balances	94.54	-	18.36	-
Others Non Current Financial Assets	16.39	-	6.29	-
Others Current Financial Assets	1,970.57	5.20	7,954.39	16.04
Exposure for assets - A	**15,761.66**	**540.49**	**19,337.84**	**190.32**

(₹ / Crore)

	31.03.2021		31.03.2020	
	INR	Exposure in USD (INR terms)	INR	Exposure in USD (INR terms)
Financial liabilities				
Long term borrowings & Lease Liabilities	16,573.76	12,225.32	13,169.92	14,555.45
Short term borrowings	12,789.08	2,120.57	10,030.01	6,246.11
Trade Payables	12,174.09	5,624.56	7,331.75	4,140.80
Other Financial Liabilities	19,765.23	10.76	18,674.60	96.27
	61,302.16	**19,981.21**	**49,206.28**	**25,038.63**
Less: Foreign currency forward exchange contracts	-	-	-	-
Exposure for liabilities - B	**61,302.16**	**19,981.21**	**49,206.28**	**25,038.63**
Net exposure (Assets - Liabilities)(A - B)	**(45,540.50)**	**(19,440.72)**	**(29,868.44)**	**(24,848.31)**

The following exchange rates have been applied during the year:

INR	31.03.2021	31.03.2020
USD 1	73.12	75.67

Sensitivity analysis:

The table below shows sensitivity of open forex exposure of the Group to USD/INR currency movement. The impact of exposure to a currency movement in the range of 1% (+/-) change, increase denoting appreciation in USD Vs. INR & vice versa is explained through the said Table. The indicative 1% movement is not directional and does not reflect management's forecast on currency movement.

Effect in INR	Impact on profit or (loss) due to 1% increase / decrease in currency (₹ / Crore)			
	Increase	Decrease	Increase	Decrease
	31.03.2021		31.03.2020	
1% movement	1%		1%	
USD	(194.41)	194.41	(248.48)	248.48

39.B.3.2. **Interest rate risk**

The Group has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Group to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Group agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Group monitors the interest rate movement and manages the interest rate risk, based on the Group's Forex Risk Management Policy. The Group also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Group does not use derivative financial instruments for trading or speculative purposes.

The Group's borrowings, contracted at fixed rate are carried at amortised cost. These are not impacted to interest rate risk as defined in Ind AS 107 as neither the carrying amount nor the future cash flows will fluctuate in the event of a change in market interest rates.

The derivative financial instrument used in hedging the interest rate risk is as under:

(₹ / Crore)

Category	Instrument	Currency	Cross Currency	31.03.2021	31.03.2020
Hedges of floating rate foreign currency loans($ 0 mn (31.03.2020: $ 250 mn)	Interest rate swaps	USD	INR	-	1,891.63

Interest rate risk exposure:

The Group's interest rate risk arises mainly from borrowings. The profile of the Group's interest-bearing financial instruments at period end is as follows:

(₹ / Crore)

	Carrying amount	
	31.03.2021	31.03.2020
Fixed-rate instruments		
Financial assets	5,626.81	5,514.08
Financial liabilities	29,984.12	24,216.94
Variable-rate instruments		
Financial assets	1,870.26	2,652.33
Financial liabilities	10,699.72	17,291.10

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased/(decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

	Impact on Profit or (loss) (In ₹ Crore)			
	25 bp increase	25 bp decrease	25 bp increase	25 bp decrease
	31.03.2021		31.03.2020	
Floating rate borrowings	(17.88)	17.88	(29.47)	29.47
Interest rate swaps (notional principal amount)	-	-	4.14	(4.14)
Cash flow sensitivity (net)	**(17.88)**	**17.88**	**(25.33)**	**25.33**

39.B.3.3. **Commodity Risk**

The Group's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. Group monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market.

The Group also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Group which are Outstanding as at Balance Sheet date is given below:

	Quantity (in million Barrels)	
	31.03.2021	31.03.2020
Crude/Product Swaps	1.11	4.23

The sensitivity to a reasonable possible change of 10% in the price of crude/product swaps on the outstanding Commodity derivative/ paper contracts as on Balance Sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement:

	Effect on Profit before Tax (In ₹ Crore)			
	10% Increase	10% Decrease	10% Increase	10% Decrease
	31.03.2021		31.03.2020	
Crude/Product Swaps	(14.01)	11.56	2.80	(2.80)

Derivatives & Hedging

The Group enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. The Group has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market debit amounting to ₹ 1.14 Crore (2019-20 : ₹ 24.11 Crore) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

Hedge Effectiveness:

The Group has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged Item (in absolute amounts).

Source of Hedge Effectiveness:

The Group has identified the following sources of hedge ineffectiveness which are not expected to be material:

a. Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
b. Difference in the timing of the cash flows of the hedged items and the hedge instruments
c. Different indexes used to hedge risk of the hedged item.
d. Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

Disclosures of effects of Cash Flow Hedge Accounting:

The Group has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The Corporation is holding the following derivative contracts:

(₹ / Crore)

As at March 31, 2021	Maturities					
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	Total
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.50	0.30	-	-	0.80
Nominal amount (₹ / Crore)	-	97.26	18.30	-	-	115.55

(₹ / Crore)

As at March 31, 2020	Maturities					
	Less than 1 Month	1-3 Months	3-6 Months	6-12 Months	More than 12 Months	Total
Commodity Forward Contracts						
Nominal Volume (Quantity in Mn Barrels)	-	0.45	0.38	0.15	-	0.98
Nominal amount (₹ / Crore)	-	24.06	15.85	10.47	-	50.38

The Impact of Hedging Instruments in Balance sheet is as under:

(₹ / Crore)

	Commodity forward contract- Margin Hedging	
	31.03.2021	31.03.2020
Nominal Amount	115.55	50.38
Carrying Amount	(1.14)	(24.11)
Line item in Balance sheet that include Hedge Instrument	Other Financial Assets/Other Financial Liabilities	Other Financial Assets/Other Financial Liabilities

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

(₹ / Crore)

	Highly Probable Forecast Transaction	
	2020-21	2019-20
Hedging Gain / (Loss) recognised in OCI*	(1.14)	(24.11)
Income tax on Above	0.29	6.07
Net amount recognised in Cash flow Hedge Reserve	**(0.85)**	**(18.04)**
Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss	(24.11)	-
Income tax on above	6.07	-
Line item in the Statement of Profit and Loss that includes the reclassification adjustment	Revenue/ Purchases	Revenue/ Purchases

* The Group expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

39.B.3.4. **Price risk**

The Group's exposure to equity investment has price risk. Such investments are designated at fair value through Other Comprehensive Income, as these investments are held for long-term strategic purposes.

Sensitivity

The table below summarises the impact of increase/decrease in price:

	Equity Instruments through OCI (In ₹ Crore)			
	1% Increase	1% Decrease	1% Increase	1% Decrease
	31.03.2021		31.03.2020	
Equity Investment in Oil India Ltd.	3.28	(3.28)	2.21	(2.21)

39.C.1. **Offsetting**

The financial instruments that are otherwise eligible for offset and other similar arrangements but are not offset, as at period end. The column 'net amount' shows the impact on the Group's balance sheet if all set-off rights are exercised.

(₹ / Crore)

	Effect of offsetting on the Balance Sheet			Related amounts not offset	
	Gross amounts (A)	Gross amounts set off in the Balance Sheet (B)	Net amounts presented in the Balance Sheet(C) (A-B)	Amounts not Offset(D)(Other than (B))	Net Amount (E) (C-D)
31st March, 2021					
Financial assets					
Trade Receivables	8,060.56	(1,190.57)	6,869.99	-	6,869.99
Financial liabilities					
Trade Payables	18,989.22	(1,190.57)	17,798.65	-	17,798.65
Other Current Financial Liabilities	20,778.02	-	20,778.02	-	20,778.02
31st March, 2020					
Financial assets					
Trade Receivables	7,731.91	(3,797.71)	3,934.20	(138.22)	3,795.98
Financial liabilities					
Trade Payables	15,270.26	(3,797.71)	11,472.55	-	11,472.55
Other Current Financial Liabilities	23,385.91	-	23,385.91	(138.22)	23,247.69

40. Tax expense

(a) Amount recognised in Statement of Profit and Loss

(₹ / Crore)

	2020-21	2019-20
Current tax expense		
Current year	3,569.56	166.95
Changes in estimates relating to prior years (refer Note 40(e))	(0.42)	103.92
Deferred tax expense		
Origination and reversal of temporary differences	(52.08)	116.73
Changes in estimates relating to prior years (refer Note 40(e))	17.05	(1,652.04)
Tax expense recognised	**3,534.11**	**(1,264.44)**

(b) Amount recognised in Other Comprehensive Income:

(₹ / Crore)

	2020-21			2019-20		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Items that will not be reclassified to profit or loss:						
Remeasurements of the defined benefit plans	(123.14)	31.02	(92.12)	(211.73)	53.15	(158.58)
Items that will be reclassified to profit or loss:						
Effective Portion of Gains/(loss) in a Cash Flow Hedge	(1.14)	0.29	(0.85)	(24.11)	6.07	(18.04)

(c) Reconciliation of effective tax rate

	2020-21		2019-20	
	%	(₹ / Crore)	%	(₹ / Crore)
Profit before tax		**14,197.00**		**1,374.29**
Tax as per Corporate Tax Rate	**25.168%**	**3,573.10**	**25.168%**	**345.88**
Tax effect of:				
Non-deductible tax expenses	0.336%	47.70	(0.236%)	(3.25)
Tax-exempt income	(0.555%)	(78.73)	0.466%	6.41
Interest expense u/s 234B/C not deductible for tax purposes	0.078%	11.01	0.000%	-
Deduction for research and development expenditure	0.000%	-	0.000%	-
Share in profit/ loss of equity accounted investees	(0.246%)	(34.90)	8.379%	115.15
Losses of Subsidiary not available for set-off in Group profit	0.192%	27.30	2.237%	30.74
Deferred tax assets on Unrealised profits	0.190%	27.04	0.619%	8.51
Deferred tax Liability on Undistributed earnings	0.000%	-	(15.155%)	(208.28)
Adjustments recognised in current year in relation to the current tax of prior years	0.117%	16.63	(112.648%)	(1,548.11)
Others	(0.388%)	(55.04)	(0.836%)	(11.49)
Income Tax Expense	**24.893%**	**3,534.11**	**(92.007%)**	**(1,264.44)**

(d) Movement in deferred tax balances

(₹ / Crore)

	Net balance 01.04.2020	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2021
Deferred Tax Asset				
Provision for Employee Benefits	134.76	10.42	-	145.18
Current investments	(15.55)	(18.30)	-	(33.85)
Provision for Doubtful Debts & Receivables	175.04	197.74	-	372.78
Disallowance u/s 43B	16.14	0.20	-	16.34
Others	137.50	85.71	(5.78)	217.43
	447.89	**275.77**	**(5.78)**	**717.88**
Deferred Tax Liabilities				
Property, plant and equipment	5,909.13	270.96	-	6,180.09
Undistributed earnings	(0.00)	-	-	(0.00)
Others	30.20	(30.20)	-	0.00
	5,939.33	**240.76**	**-**	**6,180.09**
Deferred Tax (Assets) / Liabilities	**5,491.44**	**(35.01)**	**5.78**	**5,462.21**

(₹ / Crore)

	Net balance 01.04.2019	Recognised in profit or loss	Recognised in OCI	Net balance 31.03.2020
Deferred Tax Asset				
Provision for Employee Benefits	159.73	(23.99)	(0.98)	134.76
Current investments	70.37	(85.92)	-	(15.55)
Provision for Doubtful Debts & Receivables	166.98	8.06	-	175.04
Disallowance u/s 43B	89.65	(73.51)	-	16.14
Others	109.78	21.65	6.07	137.50
	596.51	**(153.71)**	**5.09**	**447.89**
Deferred Tax Liabilities				
Property, plant and equipment	7,736.71	(1,827.58)	-	5,909.13
Undistributed earnings	240.10	(240.10)	-	(0.00)
Others	15.95	14.25	-	30.20
	7,992.76	**(2,053.43)**	**-**	**5,939.33**
Deferred Tax (Assets) / Liabilities	**7,396.25**	**(1,899.72)**	**(5.09)**	**5,491.44**

(e) Provision for tax for earlier years ₹ 16.63 Crore (2019-20: ₹ (1,548.11) Crore) comprising of additional provision towards current tax of ₹ 7.18 Crore (2019-20 : ₹ 172.33 Crore), additional provision towards deferred Tax of ₹ 17.05 Crore (2019-20: ₹ (1,652.03) Crore) and recognition of MAT credit Entitlements of ₹ 7.60 Crore (2019-20: ₹ 68.41 Crore).

The Provision for Tax for earlier years includes an additional amount of ₹ 11.79 Crore (2019-20: ₹ 623.01 Crore) provided during year, pursuant to filing of declaration and acceptance by Income tax department under Vivad Se Vishwas Scheme, 2020 (opted in FY 2019-20), leading to revised tax liability of ₹ 776.66 Crore vis.a.vis. earlier determination of ₹ 764.87 Crore, accounted till previous financial years. The proceedings have not been concluded.

41. Revenue from Contracts with Customers

The revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the IND-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

(₹ / Crore)

	2020-21	2019-20
Trade Receivables	6,869.99	3,934.19
Liabilities under contractual obligation	1,044.78	1,046.95

During the financial year, the Group recognized revenue of ₹ 801.78 Crore (2019-20:₹ 836.60 Crore) arising from opening unearned revenue.

42. Disclosures as per Ind AS 116 'Leases' are as follows

The Group enters into lease arrangements for underlying assets such as land, office premises, staff quarters. Upon 1st time adoption of Ind AS 116 in financial year 2019-20, the Group had chosen modified retrospective approach with exercising of options to use certain practical expedients. 'Lease Liability' and 'Right-of-use Assets', wherever the term of lease is in excess of 12 months have been appropriately disclosed, unless the underlying Asset is of low value.

A. Maturity analysis of lease liabilities:

The amounts disclosed in the table below are the contractual undiscounted cash flow:

(₹ / Crore)

	31.03.2021	31.03.2020
Less than one year	322.38	269.54
Between one and three years	632.97	512.92
More than three years	5,682.52	5,092.23
	6,637.87	**5,874.69**

B. Other Disclosures:

(₹ / Crore)

Particulars	31.03.2021	31.03.2020
a) Expense relating to short-term leases	846.16	781.06
b) Expense relating to leases of low-value assets*	5.21	4.89
c) Expense relating to variable lease payments not included in the measurement of lease liabilities	4,826.02	4,512.62
d) Income from sub-leasing of 'right-of-use'	45.46	60.95
e) Interest expense on lease liabilities	245.46	203.69
f) Total cash outflow for leases	310.55	267.78

* Lease of items such as Personal Computers, Laptops, Printers, Photocopiers, Scanners etc., small items of furniture & fixtures and Other Office Equipment including Digital devises and Point of Sales Machines provided at customer touch points are treated as low-value leases under Ind-AS 116, Leases.

C. The following are the carrying values of Right-of-use (ROU) assets:

(₹ / Crore)

Particulars	Class of Underlying Asset			
	Land	Buildings	Plant & Equipment	Total
Gross Block				
As on 01.04.2020	3,448.90	54.33	-	3,503.23
Additions	537.78	71.55	25.25	634.58
Additions - Business Combination (Refer Note 1.3.3)	103.47	-	-	103.47
Deductions/ Reclassifications	13.31	7.43	-	20.74
As on 31.03.2021	**4,076.84**	**118.45**	**25.25**	**4,220.54**
Depreciation/ Amortisation				
As on 01.04.2020	159.27	14.09	-	173.36
For the year	190.88	20.76	2.95	214.58
Deductions/ Reclassifications	5.12	7.43	-	12.55
As on 31.03.2021	**345.03**	**27.42**	**2.95**	**375.39**
Net Block as on 31.03.2021	**3,731.82**	**91.03**	**22.30**	**3,845.15**

43. Earnings per share (EPS)

Basic EPS is derived by way of dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year, whereas Diluted EPS factors the effects of all dilutive potential ordinary shares.

(₹ / Crore)

	2020-21	2019-20
Profit attributable to equity holders for basic and diluted earnings per share (A)	10,662.89	2,638.73
Weighted average number of shares for basic and diluted earnings per shares (B) (refer Note 19 H(ii))	1,511,057,676	1,523,822,625
Basic and Diluted Earnings per Equity Share (₹) (A/B)	**70.57**	**17.32**

44. Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's debt to equity ratio, used for monitoring capital management is as follows:

(₹ / Crore)

	31.03.2021	31.03.2020
Long Term Borrowings (excluding Lease Liabilities) (refer note # 21)	25,774.19	25,231.92
Total Equity (refer Note # 19 and 20)	38,080.86	30,980.62
Debt to Equity ratio	**0.68**	**0.81**

45. Dividends

(₹ / Crore)

	31.03.2021	31.03.2020
(i) Dividends paid during the year		
Final dividend per fully paid share for the year ended 31.03.2020: ₹ 9.75 (31.03.2019: ₹ 9.40) This amount includes Dividend distribution tax of ₹ NIL (31.03.2019: ₹ 294.43 Crore).	1,485.73	1,726.82
(ii) Dividends to be paid, not recognised at the end of the reporting period		
The Board have recommended a final dividend of ₹ 22.75 per fully paid equity share (31.03.2020 : ₹ 9.75), subject to the approval of shareholders in the ensuing annual general meeting.	3,227.20	1,485.73

46. (a) Inter-Oil Company transactions are reconciled on a continuous basis. However, year end balances are subject to confirmation/ reconciliation which is not likely to have a material impact.

(b) Customer's accounts are reconciled on an ongoing basis and such reconciliation is not likely to have a material impact on the outstanding or classification of the accounts.

47. To the extent Micro and Small Enterprises have been identified, the outstanding balance, including interest thereon, if any, as at balance sheet date is disclosed on which Auditors have relied upon

(₹ / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:				
- Principal	492.09	131.99	339.55	113.75
- Interest	-	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:				
- Principal	-	-	-	-
- Interest	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-

(₹ / Crore)

Particulars	31.03.2021		31.03.2020	
	Liability towards Capital Expenditure	Trade Payables	Liability towards Capital Expenditure	Trade Payables
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

48. Related Party Disclosure

A. Name of the Related Party and the nature of the relationship:

1. Holding Company, Subsidiaries, Jointly controlled entities and Associates (Govt related entities, except otherwise mentioned):

(a) Holding Company

i. Oil & Natural Gas Corporation Ltd.

(b) Subsidiaries

i. HPCL Biofuels Ltd.
ii. Prize Petroleum Company Ltd. (PPCL)
iii. Prize Petroleum International Pte. Ltd. (a wholly owned subsidiary of PPCL)
iv. HPCL Middle East FZCO
v. HPCL Shapoorji Energy Pvt. Ltd. (refer Note 1.3.3)

(c) Jointly controlled entities

i. HPCL Rajasthan Refinery Ltd.
ii. Bhagyanagar Gas Ltd.
iii. Petronet MHB Ltd.
iv. Mumbai Aviation Fuel Farm Facility Pvt. Ltd.
v. Godavari Gas Pvt. Ltd.
vi. Aavantika Gas Ltd.
vii. Ratnagiri Refinery & Petrochemicals Ltd.
viii. Ujjwala plus foundation
ix. HPOIL Gas Pvt. Ltd.
x. IHB Pvt. Ltd.

(d) Jointly controlled entities (Other than Govt. related entities)

i. HPCL-Mittal Energy Ltd.
ii. Hindustan Colas Pvt. Ltd.
iii. South Asia LPG Company Pvt. Ltd.
iv. Petronet India Ltd. (in process of voluntary winding up w.e.f. 30th August 2018)

(e) **Associates**
  i. GSPL India Gasnet Ltd.
  ii. GSPL India Transco Ltd.
  iii. Mangalore Refinery and Petrochemicals Ltd.

(f) **Fellow Subsidiaries**
  i. ONGC Mangalore Petrochemicals Ltd.

2. Key Management Personnel

i. Shri Mukesh Kumar Surana, Chairman and Managing Director
ii. Shri Pushp Kumar Joshi, Director - Human Resources
iii. Shri Vinod S. Shenoy, Director - Refineries
iv. Shri R. Kesavan, Director - Finance & CFO
v. Shri Rakesh Misri, Director - Marketing
vi. Shri V. Murali, Company Secretary (CS)

4. Independent Directors

i. Shri G. Rajendran Pillai
ii. Shri Amar Sinha (Upto 20th September 2020)
iii. Shri Siraj Hussain (Upto 20th September 2020)

5. Government Nominee Directors

i. Shri Sunil Kumar
ii. Shri Subhash Kumar

Note: The disclosure requirements in respect of transactions with 'Govt. related entities', being exempted under Ind AS 24, the rest of Related Party Disclosures (i.e. Parties named in '1(d)' above & '1(b)v') are furnished as under:

B. Details of transactions with related parties:

(₹ / Crore)

	2020-21	2019-20
(i) Sale of goods		
HPCL-Mittal Energy Ltd.	35.73	132.63
Hindustan Colas Pvt. Ltd.	691.50	482.38
South Asia LPG Company Pvt. Ltd.	0.22	0.20
	727.45	**615.21**
(ii) Purchase of goods		
HPCL-Mittal Energy Ltd.	22,544.93	38,168.16
Hindustan Colas Pvt. Ltd.	240.85	82.58
	22,785.78	**38,250.74**
(iii) Dividend income		
HPCL-Mittal Energy Ltd.	-	50.03
Hindustan Colas Pvt. Ltd.	59.06	18.90
South Asia LPG Company Pvt. Ltd.	75.00	55.00
	134.06	**123.93**

(₹ / Crore)

	2020-21	2019-20
(iv) Services provided (Manpower Supply Service)		
HPCL-Mittal Energy Ltd.	0.36	0.67
Hindustan Colas Pvt. Ltd.	2.53	2.73
South Asia LPG Company Pvt. Ltd.	0.64	0.66
HPCL Shapoorji Energy Pvt. Ltd.	0.72	0.30
	4.25	**4.36**
(v) Lease rental income		
HPCL-Mittal Energy Ltd.	1.20	1.20
Hindustan Colas Pvt. Ltd.	0.51	0.26
South Asia LPG Company Pvt. Ltd.	1.71	1.16
	3.42	**2.62**
(vi) Other Income (Services provided)		
HPCL-Mittal Energy Ltd.	16.65	18.91
Hindustan Colas Pvt. Ltd.	3.96	3.61
	20.61	**22.52**
(vii) Others Expenses (Services availed)		
HPCL-Mittal Energy Ltd.	16.06	16.16
Hindustan Colas Pvt. Ltd.	1.01	4.23
South Asia LPG Company Pvt. Ltd.	92.27	91.03
	109.34	**111.42**
(viii)Investment in equity shares		
HPCL Shapoorji Energy Pvt. Ltd.	740.00	151.00
	740.00	**151.00**
	31.03.2021	**31.03.2020**
(ix) Receivables		
HPCL-Mittal Energy Ltd.	5.10	6.72
South Asia LPG Company Pvt. Ltd.	0.06	0.11
HPCL Shapoorji Energy Pvt. Ltd.	0.79	0.13
	5.95	**6.96**
(x) Payables		
HPCL-Mittal Energy Ltd.	2,528.52	1,363.04
Hindustan Colas Pvt. Ltd.	29.97	29.37
South Asia LPG Company Pvt. Ltd.	9.97	8.47
	2,568.46	**1,400.88**

C. Transactions with other Government-Controlled Entities

The Group is a Government related entity mainly engaged in the business of refining of crude oil and marketing of petroleum products. The Group also deals on regular basis with entities directly or indirectly controlled by the Central / State Governments through its Government authorities, agencies, affiliations and other organizations (collectively referred as "Government related entities").

Apart from transactions with Corporations' group companies, the Group has transactions with other Government related entities, including but not limited to the followings:

- sale and purchase of products;
- rendering and receiving services;
- leasing of assets;
- depositing and borrowing money; and
- use of public utilities

These transactions are conducted in the ordinary course of the Group's business on terms comparable to those with other entities that are not Government related.

D. Remuneration paid to Key Management Personnel (KMP)*

(₹ / Crore)

No	Description	2020-21	2019-20
(i)	Short-term Employee Benefits	3.70	4.28
(ii)	Post-Employment Benefits	-	0.46
		3.70	**4.74**

* Remuneration to KMP has been considered from / to the date from which they became / ceased to be KMP.

E. Amount due from Key Management Personnel

(₹ / Crore)

No	Description	31.03.2021	31.03.2020
(i)	Shri Mukesh Kumar Surana	0.09	0.08
(ii)	Shri Pushp Kumar Joshi	-	0.16
(iii)	Shri Vinod S Shenoy	0.05	0.06
(iv)	Shri Rakesh Misri	0.07	0.07
(v)	Shri V. Murali	0.19	0.11
		0.40	**0.48**

F. Sitting Fee paid to Non-Executive Directors

(₹ / Crore)

Details of Meeting	Shri Amar Sinha	Shri Siraj Hussain	Shri G. Rajendran Pillai
Board	0.02	0.02	0.04
Audit Committee	0.02	0.02	0.01
Stakeholders Relationship Committee	-	-	0.00
Nomination & Remuneration Committee	-	-	0.00
CSR & SD Committee	0.00	-	0.01
Investment Committee	0.01	0.01	-
Independent Directors Meeting	-	-	0.00
Total Sitting Fees	**0.05**	**0.05**	**0.06**

49. The Group has entered into production sharing Oil & Gas exploration contracts in India in consortium with other body corporates. The details are as under:

Name of the Block	Participating Interest of Group in%	
	31.03.2021	31.03.2020
In respect of HPCL		
In India		
Under NELP IV		
KK-DWN-2002/2	20.00	20.00
KK-DWN-2002/3	20.00	20.00
CB-ONN-2002/3	15.00	15.00
Under NELP V		
AA-ONN-2003/3	15.00	15.00
Under NELP VI		
CY-DWN-2004/1	10.00	10.00
CY-DWN-2004/2	10.00	10.00
CY-DWN-2004/3	10.00	10.00
CY-DWN-2004/4	10.00	10.00
CY-PR-DWN-2004/1	10.00	10.00
CY-PR-DWN-2004/2	10.00	10.00
KG-DWN-2004/1	10.00	10.00
KG-DWN-2004/2	10.00	10.00
KG-DWN-2004/3	10.00	10.00
KG-DWN-2004/5	10.00	10.00
KG-DWN-2004/6	10.00	10.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
RJ-ONN-2004/1	22.22	22.22
RJ-ONN-2004/3	15.00	15.00
Under NELP IX		
MB-OSN-2010/2	30.00	30.00
Cluster - 7	60.00	60.00
In respect of PPCL		
In India		
South Rewa – PSC	10.00	10.00
Sanganpur – PSC	50.00	50.00
Hirapur – SC	50.00	50.00
Outside India		
Yolla Field (Australia) Licence T/L-1	11.25	11.25
Trefoil Field (Australia) Permit T/18P	9.75	9.75

a) In Respect of HPCL

(i) The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2020-21.

(ii) In respect of Cluster – 7, the matter is under litigation (refer Note No. 52.1). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2020-21.

(iii) Other than (i) & (ii) above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.

b) In Respect of PPCL

1.1. ONGC Onshore Marginal Fields

The Company was awarded Service Contracts dated 28th April, 2004, for development of ONGC's Hirapur, Khambel and West Bechraji onshore marginal oil fields.

The Company executed Agreements for development of Hirapur, Khambel and West Bechraji onshore marginal fields with Valdel Oil and Gas Private Limited (VALDEL) with equal share in the Service Contracts. The Service Contracts in respect of Khambel and West Bechraji had been terminated in February, 2009 by ONGC and the Service Contract with respect to Hirapur field is operating currently. The Company's share of assets and liabilities as at 31st March 2021 and the Income and expenditure for the year in respect of above joint venture is as follows:

(₹ / Crore)

Particulars	2020-21	2019-20
A. Property, Plant & Equipment (Gross)	9.99	9.99
B. Intangible asset under development	1.36	1.36
C. Other Net Non-Current Assets	0.29	0.19
D. Net Current Assets (*)	4.11	3.45
E. Income	0.65	0.83
F. Expenditure	1.82	1.61

(*) Includes receivable from joint venture amounting to ₹ 3.92 Crore (2019-20: ₹ 2.74 Crore.).

1.2. Sanganpur Field

The Company acquired 50% participating interest in Sanganpur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1st September, 2004. Accumulated amount prior to acquisition of Sanganpur field amounting ₹1.18 Crore have been included in Sanganpur field Assets. The Company has accounted its proportionate share in the Sanganpur field based on estimated un-Audited accounts as at 31st March, 2017.

In FY 2014-15 , the operator of the block M/s HDCPL has committed default in the payment to its contractor. The petition was filed by contractor ETA Star Golding limited for non-payment of its invoices by M/s HDCPL in their another asset wherein Bombay High Court vide order dated 14th Nov, 2014 in Company Petition 550 of 2013 had passed order for appointment of liquidator for assets and business of Company M/s HDCPL. However, as per Production Sharing contract (PSC), the ownership of underlying hydrocarbon lies with GoI, hence Sanganpur field was not attached and operations in the field were continued. Further, MoP&NG vide its letter dated June 2, 2017 has terminated the PSC and all operations in the field were called off. Since the appointment of official liquidator, the bank account of HDCPL were seized, HDCPL has neither raised any invoice to IOCL for transfer of crude nor raised any cash call to PPCL for operation in the field. The payment of Royalty and Cess to concerned authorities are also pending since then.

Said order of Bombay High Court was challenged by HDCPL before its Division Bench and is still pending before the Court. In the meantime, HDCPL had initiated an arbitration proceeding against MoPNG for termination of PSC. However, PPCL is not a part of it. Under Section 9 of Arbitration and Conciliation Act, Directorate General of hydrocarbon (DGH) on behalf of MoP&NG has initiated proceeding for possession of the field.

MoP&NG vide its letter dated June 2, 2017 has terminated the PSC. Accordingly, Company had created a 'Provision for Write-off of Sanganpur Assets' of ₹ 6.65 Crore in FY 2017-18 (FY 20-21 – NIL).

The Company's share of assets and liabilities as at 31st March 2021 and the Income, expenditure for the year in respect of above joint venture is as follows:

(₹ / Crore)

Particulars	2020-21	2019-20
A. Property, Plant & Equipment (Gross)	-	-
B. Other Net Non-Current Assets	(0.02)	(0.02)
C. Net Current Assets (*)	(0.10)	(0.10)
D. Income	-	-
E. Expenditure	-	-

(*) Includes payable to joint venture amounting to ₹ 0.04 Crore (2019-20: ₹ 0.04 Crore)

1.3. ONGC Offshore Marginal Fields (Cluster-7)

The Company along with Consortium member, M/s Hindustan Petroleum Corporation Limited (HPCL) (PI - 60%) and M/s M3nergy (PI – 30%) was awarded a Contract vide letter of award dated 31st March, 2006 for the development of ONGC's offshore marginal Oilfields viz. B -192, B - 45 and WO – 24. The Service Contract for Cluster-7 was signed on 27th September, 2006 between ONGC and Consortium members. The Company is the Executing Contractor and its participating interest (PI) is 10%.

The said Service Contract was terminated by ONGC. Subsequently, Group started arbitration proceedings against M3nergy which are still in progress, hence the joint bank account has not been closed.

1.4. SR – ONN – 2004 / 1 (South Rewa Block):

The Company along with Consortium member M/s Jaiprakash Associates Limited (PI - 90%) was awarded PSC for the SR-ONN-2004/1 block vide letter dated 12th February, 2007 of Ministry of Petroleum & Natural Gas (MOP & NG) under NELP – VI round. The Company is the executing contractor and its PI is 10%. The PSC was signed on 2nd March, 2007.

Consortium has proposed to relinquish the block effective from 23rd October, 2014 and Operating Committee Resolution (OCR) for relinquishment of the block has been submitted to Directorate General of Hydrocarbon (DGH). DGH vide its letter dated Feb. 5, 2018 has communicated that the Block stands relinquished with effect from 23.10.2014 subject to the compliance of PSC and the P&NG rules.

The South Rewa Block has standing inventory of ₹ 3.76 Crore in which the company has share of 10%. The company is in the process of carrying out elaborate valuation of the inventory for further disposal. The same has been recorded at cost.

The Company's share of assets and liabilities as at 31st March, 2021 in respect of above joint venture is as follows:

(₹ / Crore)

Particulars	2020-21	2019-20
A. Property, Plant & Equipment (Gross)	0.00	0.00
B. Intangible asset under development	-	-
C. Other Net Non-Current Assets	0.01	0.01
D. Net Current Assets (*)	3.06	3.08
E. Expenditure	0.01	0.00

(*) Includes receivables from joint venture amounting to ₹ 2.68 Crore (2019-20: ₹ 2.70 Crore)

2. Estimated Hydrocarbon Proven Reserves as on 31st March, 2021 in the Oil fields as follows:

a) Domestic Operations (Hirapur - On-shore Marginal Fields)

Particulars	2020-21		2019-20	
	MM BBLS	MMT	MM BBLS	MMT
Recoverable Reserves (*)	2.344	0.315	2.368	0.318

(*) The Company Share is 50% of total.

b) International Operations (Yolla Field, Australia – License T/L 1 – Offshore Field)

Particulars	2020-21	2019-20
	MM BoE	MM BoE
Recoverable Reserves (*)	1.036	1.237

(*) For respective share of the Company

3. Quantitative Particulars of Petroleum:

Total Dry Crude Production	2020-21	2019-20
	BoE	BoE
Hirapur Field (*)	11,823	14,101
Yolla Field (T/L1) Australia	283,149	287,559
Total Dry Crude Production	**294,972**	**301,660**

(*) For total share in Field.

50. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Since there is no indication of impairment of assets as at Balance Sheet date as per the assessment carried out, no impairment has been considered. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

51. During the financial year 2020-21, Group has spent ₹ 156.35 Crore (2019-20: ₹ 182.24 Crore) towards Corporate Social Responsibility (CSR) as against the budget of ₹ 129.97 Crore (2019-20: ₹ 182.13 Crore)

(₹ / Crore)

No	Head of Expenses	2020-21	2019-20
1	Promoting Education	10.10	39.58
2	Promoting Health Care	130.51	25.03
3	Empowerment of Socially and Economically Backward groups	6.56	6.64
4	Promotion of Nationally recognized and Para-Olympic Sports	-	0.88
5	Imparting Employment by Enhancing Vocation Skills	2.50	41.27
6	Swachh Bharat Abhiyaan	3.77	27.22
7	Environment Sustainability	-	36.80
8	Others	2.91	4.82
		156.35	**182.24**

Amount spent during the Financial year 2020-21 on:

(₹ / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisitioin of assets controlled by the Group	-	-	-
(ii)	On purpose other than (i) above	155.02	1.33	156.35

Amount spent during the Financial year 2019-20 on:

(₹ / Crore)

No	Details	In cash	Yet to be paid in cash	Total
(i)	Construction/Acquisition of assets controlled by the Group	-	-	-
(ii)	On purpose other than (i) above	162.69	19.55	182.24

Excess amount spent during the financial year 2020-21:

(₹ / Crore)

	Opening balance	Amount required to be spent during the year	Amount spent during the year	Closing balance
	-	129.97	156.35	26.38

52. Contingent Liabilities and Commitments*

(₹ / Crore)

I.	Contingent Liabilities	31.03.2021	31.03.2020
A.	**Disputed demands / claims subject to appeals / representations filed by the Group**		
	i. Income Tax	4.18	2.17
	ii. Sales Tax/Octroi	1,677.90	1,887.20
	iii. Excise/Customs	411.98	519.01
	iv. Land Rentals & Licence Fees	238.92	224.97
	v. Others	94.52	87.37
		2,427.50	**2,720.72**
B.	**Disputed demands / claims subject to appeals / representations filed against the Group**		
	i. Income Tax	1.42	3.11
	ii. Sales Tax/Octroi	8.19	11.36
	iii. Excise / customs	395.74	328.36
	iv. Employee Benefits/Demands (to the extent quantifiable)	338.84	212.88
	v. Claims against the Group not acknowledged as Debts (refer Note 52.1)	533.84	559.78
	vi. Others	360.52	293.68
		1,638.55	**1,409.17**

* Contingent Liabilities considered as 'remote' as per Ind AS 37 are not included.

(₹ /Crore)

	31.03.2021	31.03.2020
II. Guarantees given to others:	1,730.37	1,761.03

(Includes ₹ 901.30 (31.03.20 : ₹ 791.51 Crore) towards share of jointly controlled entities and associates)

(Includes ₹ 266.94 Crore (31.03.20 : ₹ 276.25 Crore) towards share of jointly controlled operations)

52.1. The Group with a Participating Interest (PI) of 70% along with M/s M3nergy Sdn. Bhd (M/s M3nergy) (PI-30%) were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. The Group demanded the refund of the monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of 42.60 Million USD was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards. The 1st Partial Award, the 2nd Partial Award and the Final Award. All three were in favour of the Group. The 1st partial arbitration award dated 09.01.2014 held that M3nergy has committed breach of the contract and hence their claims were disallowed and the Arbitral Tribunal held that Group is entitled for damages, which will be quantified later. The 2nd Partial Award dated 27.09.2017 allowed 2 claims of the Group, viz., (1) A claim of USD 91.3 million towards loss of profit (by a majority Award) and (2) a claim of recovery of damages by way of money lost due to encashment of Bank Guarantees of ₹ 41.60 Crore (by a unanimous Award). Both amounts were allowed with interest. Arbitral Tribunal passed final award as to cost vide Award dated 15.06.2018 thereby directing M3nergy to pay ₹ 4.82 Crore to the Group towards cost of arbitration.

All three Awards were challenged by M3nergy before the Bombay High Court. However, there was no stay granted by Bombay High Court, Hence, Group filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia.

By Orders dated 10th January, 2019 the Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if Group succeed later. Meanwhile, Group have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16th of October, 2019 the Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the Bombay High Court, to decide the matter afresh on merits. This Order was challenged by M3nergy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M3nergy) on 31st January 2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits.

As a result, Group's share of the awarded amount which is approximately ₹ 490.87 Crore (91.30 Million USD @ exchange rate of ₹ 48.68/ US Dollar prevailing on January 6, 2009 plus ₹ 46.42 Crore towards loss of profit/damages/costs) and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M3Energy to the extent of Group's share i.e. approximately ₹ 266.94 Crore (@ Exchange rate of 1 USD = ₹ 73.115), being considered remote is also not recognised.

52.2. **In respect of PPCL**

Company was awarded an Exploration block AA ONN 2010/1 in Tripura under NELP IX in consortium with ABG Energy Ltd (ABG). The Product Sharing Contract (PSC) was signed with Government of India (GOI) by the consortium on August 30, 2012. Company has 20% PI (Participating Interest) and ABG 80% PI. As per the Joint Bidding agreement, ABG will carry Company during the exploration phase i.e. Company's share of 20% expenditure during exploration phase shall be borne by ABG. In case of any discovery, 10% of Company's share paid by ABG will be recovered by them out of profit and 10% will be paid by them anyway. As per discussions before signing of PSC and written confirmation, ABG was to submit back up guarantee to Company to enable Company to submit bank guarantee to GOI for their share of 20%. The value of bank guarantee to be submitted by ABG to Company is USD 1.801 Million. ABG did not submit bank guarantee of their 80% share by due date to GOI. Also since back up guarantee was not submitted by ABG to Company, Company also could not submit the bank guarantee for their 20% share to GOI.

In view of non-submission, GOI terminated the PSC dated 30th August 2012 vide letter dated 15th October 2013 and has imposed liquidated damages of USD 9.143 Million vide letter dated 6thFeb 2015 as per Article 5.6 of PSC. Company has kept ABG on notice that it is their responsibility to pay the entire quantum of liquidated damages, including the share of Company, if Company is compelled to pay its share of liquidated damages by the GOI, and if such payment is made, then company will have to claim this money from ABG.

Company had invoked arbitration against ABG in the matter on 10th October 2016. After appointment of arbitrator on behalf of ABG by Delhi High Court Order dated 22nd September 2017, three-member tribunal has been constituted. The first preliminary sitting of the Arbitral Tribunal was held at New Delhi on 06.04.2018. On 30.10.2019 Arbitral Tribunal has passed award for an amount of USD 1.801 Million with interest in favor of PPCL along with costs of proceedings subject to the condition that on receipt of the amount by PPCL from ABG, the said amount shall be passed on by PPCL to GOI within a period of three months from the date of receipt of the amount.

52.3. **In respect of HBL:**

EPCC Vendors – NCLT case: In the month of Oct 2018, one of the EPCC vendor has filed petition against HBL in NCLT, Kolkata Bench under IBC Code 2016 in which party has raised a claim of ₹19.90 Crore in lieu of unpaid operational debt, interest on alleged debt and legal expenses. On 12.02.2020, order against HBL was passed by NCLT, Kolkata accepting application/petition of our Vendor and thereby NCLT appointed Insolvency resolution Professional (IRP). However, being aggrieved, against the NCLT Kolkata Order, Group sought stay against execution of NCLT Kolkata order and Hon'ble Supreme court granted interim stay against the impugned order on 06.03.2020. The matter was heard on 26.02.2021 in Hon'ble Supreme Court and the court has allowed our appeal and remanded the matter to NCLAT, to decide the issue on merit.

(₹ / Crore)

III. Commitments	**31.03.2021**	**31.03.2020**
Estimated amount of contracts remaining to be executed on Capital Account not provided for	43,545.84	37,647.90

(Includes ₹ 23,442.61 Crore (31.03.20 : ₹ 15,281.67 Crore) towards share of jointly controlled entities and associates)

Note: The above are made based on estimates and expected timing of outflows is not ascertainable at this stage.

53. Expenditure incurred on Research and Development

(₹ / Crore)

	2020-21	**2019-20**
- Capital	145.60	127.27
- Revenue	150.06	130.65

(₹ / Crore)

	2020-21	**2019-20**
54. Interest on borrowings capitalized (weighted average cost of borrowing rate used for capitalization of general borrowing is 1.53% (2019-20 : 5.96%).	719.46	760.16

(₹ / Crore)

	2020-21	**2019-20**
55. Exchange Differences adjusted in the carrying amount of Assets during the accounting period	(70.21)	206.79

56. In compliance of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', the requisite information with respect to movement in balance is as under:

(₹ / Crore)

Particulars	**Opening Balance as on 01.04.2020**	**Additions**	**Utilization**	**Reversals**	**Closing Balance as on 31.03.2021**
Excise	-	4.43	0.67	0.29	3.47
Sales Tax/Octroi/Entry Tax	200.62	194.93	1.47	17.09	376.99
Others	526.59	376.64	131.81	47.34	724.08
Net	**727.21**	**576.00**	**133.95**	**64.72**	**1,104.54**

(₹ / Crore)

Particulars	Opening Balance as on 01.04.2019	Additions	Utilization	Reversals	Closing Balance as on 31.03.2020
Excise	0.59		0.50	0.09	-
Sales Tax/Octroi/Entry Tax	428.31	1.40	95.27	133.82	200.62
Service Tax	13.50	0.26	6.28	7.48	-
Others	428.75	157.56	0.88	58.84	526.59
Net	**871.15**	**159.22**	**102.93**	**200.23**	**727.21**

The above provisions are made based on estimates and expected timing of outflows is not ascertainable at this stage.

57. The Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from BPL households. Under the scheme, no charges towards the deposit of equipment and cost of Suraksha hose were to be collected from the beneficiary. An amount of ₹ 1,600 per connection is paid by the Oil Marketing Companies (OMC) to the Distributor and the Government reimburses OMC's an amount of ₹ 1,600 per connection towards the same. For the purchase of the stove (cost ₹ 990/-) as well as for cost of the first fill (prevailing rate at the time of installation), the beneficiary is given an option to avail loan from OMC. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinder. The total loan disbursed to Consumers under (PMUY), since inception is ₹ 2,963.01 Crore (31.03.2020: ₹ 2,963.75 Crore) and of this ₹ 1,882.25 Crore (31.03.2020: ₹ 1,966.21 Crore) is outstanding at period end. This is to be repaid out of the subsidy accruing to the consumer from the subsequent refill of cylinders. The overall consumer base is at 2.15 Crore(net of termination) and the consumption pattern of LPG is still evolving. Considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, an aggregate provision of ₹ 618.07 Crore (31.03.2020: ₹ 227.40 Crore) is estimated and recognized as on 31.03.2021, which includes a provision of ₹ 390.67 Crore (2019-20: ₹ 131.69 Crore) made during the financial year 2020-21. The expected credit loss estimate is reasonable. The Loan is considered as 'subsequently measured at amortized cost' in the financial statements. Considering the steep decline in the average subsidy of LPG during the year at ₹ 42/- (2019-20: ₹ 200/-.) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date requires re-measurement based on revised estimates of future cash flows. Such re-measurement resulted in reduction in gross carrying amount of outstanding loan by a ₹ 450.62 Crore (2019-20: ₹ NIL). Further, considering the recognition of Interest Income of ₹ 177.51 Crore during the year on this Loan, both having been recognized in the Statement of Profit and Loss during the year, the net impact is a reduction in fair-valuation of loan by ₹ 273.11 Crore. The carrying amount of outstanding loan at period end after considering loans disbursed/recovered during the year is ₹ 1,080.85 Crore (2019-20:₹ 1,437.95 Crore).

58. The Corporation implements various Government of India schemes such as PMUY, Direct Benefit Transfer scheme wherein the amount is either received in advance or reimbursed subsequently. As of 31.03.2021, reimbursements amounting to ₹ 215.92 Crore (31.03.2020: ₹ 2,518.00 Crore) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.

59. During the financial year, Pradhan Mantri Garib Kalyan Yojana (PMGKY) was rolled out by Government of India (GOI) as a COVID relief measure. The scheme entailed PMUY Consumers to avail a sequential advance towards purchase of three free refill cylinders. A total of 3.81 Crore refills were delivered under the scheme towards which an advance amount of ₹ 2,601.86 Crore (2019-20: NIL) was disbursed. The scheme ended on 31.12.2020. The scheme mechanism enabled filing of claim with GOI towards reimbursement. Claims amounting to ₹ 2,510.28 Crore were settled leaving an amount of ₹ 91.58 Crore unsettled till date. This unsettled amount represents advance towards which either, the Consumers after availing advance, had not taken the refills, or claims by the Corporation, which were not settled fully pursuant to price variance between date of advance and date of sale of refill cylinders. Considering that the mechanism towards settlement of such amounts is not explicit, notwithstanding the persuasion for its full and final settlement with GOI, considering the principles of prudence and conservatism, a loss allowance has been recognized amounting to ₹ 91.58 Crore (2019-20: NIL).

60. 'Other reserve' represents non-controlling interest reserve created by Mangalore Refinery Petrochemicals Limited (MRPL) pursuant to acquisition of additional shares of 48.9981% from non-controlling share holder Oil and Natural Gas Corporation Ltd. in ONGC Mangalore Petrochemicals Limited as on January 1, 2021.

61. The COVID-19 pandemic is continuing to inflict high economic and human costs causing slowdown of economic activity, locally and globally. Specific to the Corporation, the pandemic did have an impact in the sales volume, more pronounced in April 2020/Q1FY'21 which had gradually tapered down by end of December 2020. Project construction sites which were required to be closed down after announcement of nationwide lockdown had restarted gradually and by September 2020, resumption to pre-COVID level could be achieved. Despite pandemic, being in the business of essential commodity, all critical supply locations have continued operating even during the lockdown period with health, hygiene and safety measures in place. Both our Refineries and all the supply distribution locations including bulk storage terminals and depots, LPG bottling plants, aviation fuel stations, lube blending plants etc., functioned all through the year with optimized manpower during the lockdown period.

The impact assessment of pandemic is a continuing process given the uncertainties associated with its nature and duration. Being in the business of essential commodity, using the principles of prudence in applying judgements and estimates, the Corporation expects no significant impact on the continuity of operations of the business on long term basis and expects to recover carrying amount of assets, investments, loans, trade receivable etc. On the Capex front, the Corporation expects to go ahead with its capex plans and ensure execution of the same. The Corporation has adequate fund based limits with consortium as well as non-consortium banks for meeting its working capital requirements. There are adequate foreign and domestic resources that could be readily tapped for raising funds required for meeting any of its Capex or working capital needs and therefore there are no liquidity concerns. Unlike previous financial year, the current situation did not call for any significant write down of inventories at period end resorting to reporting of exceptional item in the financial statement (FY 2019-20: ₹ 1,002.93 Crore, net of Tax: ₹ 750.51 Crore).

62. During the financial year, pursuant to completion of tenure in Office & consequential cessation of 2 of the Independent Directors combined with Government of India not having appointed further Independent Directors to the Board, the number of Independent Director in the Board has got reduced to 1 only, which is less than the minimum number of Independent Directors required in terms of the provisions of the Listing Agreement and the Companies Act, 2013. This is also not in line with the requirement under the relevant SEBI Regulations for the Board to have independent Women Director. The Company has approached the administrative ministry for appointment of requisite number of Directors for compliance of the provisions of the Listing Agreement and the Companies Act, 2013 and the same is awaited. This position has been continuing even as on the date of approval of Financial Statements for the financial year 2020-21. Pending such appointment, the financial statements have been reviewed and recommended to the Board by the reconstituted Audit Committee consisting of one Independent Director and further, these have been approved by the Board consisting of one Independent Director, who is also not an Independent Women Director.

63. Threshold limits adopted in respect of financial statements is given below:

Threshold item	Unit of Measurement	Threshold Limit
Capitalization of spare parts meeting the definition of property plant and equipment.	₹ Lakhs	15.00 (2019-20: 10.00)
Deprecation at 100% in the year of acquisition except LPG cylinders and pressure regulators.	₹	10,000.00 (2019-20: 5,000.00)
Income / expenditure pertaining to prior year(s)	₹ Crore	175.00 (2019-20: 175.00)
Prepaid expenses	₹ Lakhs	7.50 (2019-20: 5.00)
Disclosure of contingent liabilities	₹ Lakhs	5.00 (2019-20: 5.00)
Disclosure of capital commitments	₹ Lakhs	5.00 (2019-20: 5.00)
Refundable Non-current Financial Deposits not yielding Interest excluded from fair-valuation.	₹ Lakhs	50.00 (2019-20: Nil)
Deposits such as those placed with Utility Entities are charged to revenue in the year of payment except in the year of inception of this threshold, wherein it would cover deposits made till previous years.	₹	10,000.00 (2019-20: Nil)

64. Segment reporting

A. Basis for segmentation

There are no reportable segments other than downstream petroleum, as per para 13 of Ind AS 108, Operating Segments. Accordingly, basis of segmentation by the Group is as under:

(i) Downstream Petroleum, engaged in Refining and Marketing of Petroleum products.

(ii) All other segments, engaged in Exploration & Production of hydrocarbons, manufacturing sugar and ethanol.

The Company's Chairman, the Chief Operating Decision Maker for the Group , periodically reviews the internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segments referred to above.

B. Information about reportable segments:

(₹ / Crore)

For the year ended 31.03.2021	Reportable segments				
Particulars	**Downstream Petroleum**	**All other**	**Total Segments**	**Adjustments & Eliminations**	**Consolidated**
Revenue					
External Customers	270,333.36	244.60	270,577.96	-	270,577.96
Inter-segment	2.15	24.26	26.41	(26.41)	-
Total Revenue	**270,335.51**	**268.86**	**270,604.37**	**(26.41)**	**270,577.96**
Segment profit / (loss) [EBIT]	**14,057.24**	**(46.23)**	**14,011.01**	**(90.07)**	**13,920.94**
Interest Income / (expenses) :					
Interest Income					1,100.68
Interest expense					(963.28)
Profit before tax and share of Profit in equity accounted investees					**14,058.34**
Share of profit of equity accounted investees					138.66
Profit before tax (PBT)					**14,197.00**
Income tax expense					(3,534.11)
Profit after Tax (PAT)					**10,662.89**
Other Comprehensive Income (Net of Tax)					**153.43**
Total Comprehensive Income					**10,816.32**
Segment assets	**131,434.99**	**2,724.72**	**134,159.71**		**134,159.71**
Segment liabilities	**94,689.58**	**1,389.27**	**96,078.85**		**96,078.85**
Other disclosures:					
Depreciation and amortization	3,552.66	73.08	3,625.74	(0.27)	3,625.47
Investment in equity accounted investees					9,333.88
Material non-cash items other than depreciation and amortisation					183.74
Capital expenditure					13,712.50

(₹ / Crore)

For the year ended 31.03.2020	Reportable segments				
Particulars	Downstream Petroleum	All other	Total Segments	Adjustments & Eliminations	Consolidated
Revenue					
External Customers	287,417.20	324.85	287,742.05	-	287,742.05
Inter-segment	1.20	42.64	43.84	(43.84)	-
Total Revenue	**287,418.40**	**367.49**	**287,785.89**	**(43.84)**	**287,742.05**
Segment profit / (loss) [EBIT]	**1,689.31**	**(88.26)**	**1,601.05**	**379.00**	**1,980.05**
Interest Income / (expenses) :					
Interest Income					991.26
Interest expense					(1,138.85)
Profit before tax and share of Profit in equity accounted investees					**1,832.46**
Share of profit of equity accounted investees					(458.17)
Profit before tax (PBT)					**1,374.29**
Income tax expense					1,264.44
Profit after Tax (PAT)					**2,638.73**
Other Comprehensive Income (Net of Tax)					**(657.82)**
Total Comprehensive Income					**1,980.91**
Segment assets	**115,843.45**	**1,066.44**	**116,909.89**		**116,909.89**
Segment liabilities	**84,734.33**	**1,194.94**	**85,929.27**		**85,929.27**
Other disclosures:					
Depreciation and amortization	3,304.40	65.74	3,370.14	(0.27)	3,369.87
Investment in equity accounted investees					8,820.82
Material non-cash items other than depreciation and amortisation					960.04
Capital expenditure					15,468.16

C. Geographical information

The geographical information analyses the Group's revenue and non-current assets by the country of domicile and other countries. In presenting the geographical information, segment revenue has been based on the geographic selling location and segment assets were based on the geographical location of the respective non-current assets.

(₹ / Crore)

Geography	For the year ended 31.03.2021	For the year ended 31.03.2020
(i) Revenue		
India	267,517.00	281,538.67
Other Countries	3,060.96	6,203.38
Total Revenue	**270,577.96**	**287,742.05**
(ii) Non-Current Assets*		
India	88,519.03	77,478.17
Other Countries	136.04	166.26
Total Non-Current Assets	**88,655.07**	**77,644.43**

*non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts

D. Information about major customers

In case of the Group, approximately 12% of the revenues are derived from customers under common control.

65. Summarised financial information for Joint Ventures and Associates

I. Summarised financial information for Joint Ventures and Associates that are material to the reporting entity as per Ind AS 112*

(₹ / Crore)

Particulars	HMEL		MRPL	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Assets:				
Non-Current Assets	44,752.18	39,790.88	24,499.47	23,956.47
Current Assets				
Cash and Cash equivalents	902.10	1,681.30	25.83	1.80
Other Current Assets (excluding cash and cash equivalents)	8,168.69	7,329.93	9,860.73	5,961.25
Total (A)	**53,822.97**	**48,802.11**	**34,386.03**	**29,919.52**
Liabilities:				
Non-Current Liabilities				
Non-Current Financial Liabilities (excluding Trade / Other Payables and Provisions)	32,150.60	27,990.70	15,906.50	12,590.82
Other Non-Current Liabilities	3,558.98	2,911.87	480.88	471.50
Current Liabilities				
Current Financial Liabilities (excluding Trade / Other Payables and Provisions)	2,049.00	2,292.10	9,135.98	6,158.13
Other Current Liabilities	5,594.60	5,709.66	4,957.96	4,337.70
Total (B)	**43,353.18**	**38,904.33**	**30,481.32**	**23,558.15**
Net Assets included in Financial Statement of Joint Venture / Associate	**10,469.79**	**9,897.77**	**3,904.71**	**6,361.37**
Ownership Interest	48.99%	48.99%	16.96%	16.96%
Carrying amount of Interest in Joint Venture/Associate	**5,129.42**	**4,849.16**	**662.04**	**1,078.57**
Quoted Market Value of Shares	N.A.	N.A.	1,152.96	686.42

* The information provided above is after considering adjustment due to alignment of accounting policies and inter-company eliminations.

(₹ / Crore)

Other Information:	HMEL		MRPL	
	2020-21	2019-20	2020-21	2019-20
Revenue	51,730.48	58,005.29	50,895.23	59,980.00
Interest Income	51.55	54.00	18.03	27.58
Interest Expenses	918.26	1,305.10	554.47	1,241.15
Depreciation	1,027.17	1,131.67	1,158.04	1,085.79
Income tax expenses	(61.27)	(361.90)	(153.96)	(1,359.28)
Profit / (Loss) for the year	318.29	(148.29)	(912.56)	(3,337.69)
Other Comprehensive Income (Net of Tax)	253.83	(347.81)	2.05	(8.73)
Total Comprehensive Income for the year	572.12	(496.10)	(910.51)	(3,346.42)
Dividend Received from the material Joint Venture / Associate	-	50.03	-	29.72

II. Details of all individually immaterial equity accounted investees :

(₹ / Crore)

	Joint Ventures		Associates	
	2020-21	2019-20	2020-21	2019-20
Carrying amount of Investment in equity accounted investees	3318.88	2745.61	223.54	147.48
Group's Share of Profit or Loss from Continuing Operations	142.83	189.11	(5.38)	(8.72)
Group's share in other comprehensive income	0.01	(0.07)	0.04	(0.05)
Group's share in Total Comprehensive Income	142.84	189.04	(5.34)	(8.77)

66. Employee benefit obligations

A. Provident Fund:

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Group's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Group has recognized ₹ 167.65 Crore (2019-20: ₹ 146.30 Crore) as Employer's contribution to Provident Fund in the Statement of Profit and Loss. Under the Statute, the shortfall, if any, in the interest obligation, in comparison to minimum rate of return, declared by Government of India will have to be made good by the Employer. There did not arise any shortfall in interest obligation in the current financial year though the previous year's shortfall, provisionally accounted in 2019-20 as ₹ 10.04 Crore got revised to ₹ 10.43 Crore and therefore an amount of ₹ 0.39 Crore (2019-20: ₹ 10.04 Crore) has been provided and charged to Statement of Profit and Loss during the current financial year.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ₹ 243 Crore (31.03.2020: ₹ 243 Crore) which have witnessed default in meeting interest obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. Thus, no additional provision (2019-20: ₹ 170.10 Crore) is warranted during this financial year.

The present value of benefit obligation at period end is ₹ 4,678.45 Crore (31.03.2020: ₹ 4,373.13 Crore). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

B. Superannuation Fund

The Group has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2020-21, the Corporation has made an overall contribution of ₹ 192.51 Crore (2019 - 20 : ₹ 162.89 Crore) towards Superannuation - DCS [including ₹ 59.70 Crore (2019-20 : ₹ 50.76 Crore) to NPS] by charging it to the statement of Profit and Loss.

Further, for the financial year 2020-21, Corporation has made a provision of ₹ 23.41 Crore (2019-20: ₹ 52.15 Crore) by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation – Defined Benefit Scheme (DBS) determined based on actuarial valuation.

C. The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
1	**Present value of projected benefit obligation**						
	Present value of Benefit Obligation at the beginning of the period	869.27	907.54	18.78	21.92	11.67	3.31
		828.66	*773.83*	*21.32*	*24.31*	*11.51*	*2.28*
	Interest Cost	59.72	61.80	1.28	1.44	0.80	0.23
		64.30	*60.20*	*1.59*	*1.82*	*0.89*	*0.18*
	Current Service Cost	14.07	58.93			2.66	0.45
		13.36	*58.79*	-	-	*2.65*	*0.36*
	Past Service Cost	-	-	-	9.92	-	-
		-	-	-	-	-	-
	Benefit paid	(100.71)	(58.27)	(3.03)	(6.52)	(0.50)	(0.04)
		(106.41)	*(52.73)*	*(3.46)*	*(4.88)*	*(3.42)*	*(0.02)*
	Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	95.17	0.15	(0.78)	-	-
		-	-	-	-	-	-
	Actuarial (gains)/losses on obligations - due to change in financial assumptions	3.58	48.70	0.26	0.08	0.05	(0.09)
		42.90	*106.82*	*0.45*	*0.58*	*0.68*	*0.46*
	Actuarial (gains)/losses on obligations - due to experience	25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
		26.46	*(39.37)*	*(1.12)*	*0.09*	*(0.64)*	*0.07*
	Additions - Business Combination (refer note no 1.3.3)	-	-	-	-	-	0.10
		-	-	-	-	-	-
	Present value of Benefit Obligation at the end of the period	870.99	1,085.07	17.09	28.12	11.07	3.94
		869.27	*907.54*	*18.78*	*21.92*	*11.67*	*3.32*
2	**Changes in fair value of plan assets**						
	Fair value of Plan Assets at the beginning of the period	783.39	749.17	NA	NA	NA	NA
		818.26	*768.30*	*NA*	*NA*	*NA*	*NA*
	Interest income	53.82	51.02	NA	NA	NA	NA
		63.50	*59.77*	*NA*	*NA*	*NA*	*NA*
	Contributions by the employer	85.88	158.37	NA	NA	NA	NA
		10.40	*5.53*	*NA*	*NA*	*NA*	*NA*
	Contributions by the employee	-	4.50	NA	NA	NA	NA
		-	*0.81*	*NA*	*NA*	*NA*	*NA*
	Benefit paid	(100.71)	-	NA	NA	NA	NA
		(106.41)	-	*NA*	*NA*	*NA*	*NA*
	Return on plan assets, excluding interest income	(1.89)	14.32	NA	NA	NA	NA
		(2.36)	*(85.24)*	*NA*	*NA*	*NA*	*NA*
	Fair value of Plan Assets at the end of the period	820.49	977.38	NA	NA	NA	NA
		783.39	*749.17*	*NA*	*NA*	*NA*	*NA*
3	**Included in Statement of Profit and Loss**						
	Current Service Cost	14.07	58.93	-	-	2.66	0.45
		13.36	*58.79*	-	-	*2.65*	*0.36*
	Past Service Cost	-	-	-	9.92	-	-
		-	-	-	-	-	-
	Net interest cost	5.90	10.78	1.28	1.44	0.80	0.23
		0.80	*0.43*	*1.59*	*1.82*	*0.89*	*0.18*

(₹ / Crore)

Sr. No	Particulars	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
	Contributions by the employee	-	(4.50)	-	-	-	-
		-	*(0.81)*	-	-	-	-
	Total amount recognised in Statement of Profit and Loss	19.97	65.21	1.28	11.36	3.46	0.67
		14.16	*58.41*	*1.59*	*1.82*	*3.54*	*0.54*
4	**Remeasurements**						
	Return on plan assets, excluding interest income	1.89	(14.32)	-	-	-	-
		2.36	*85.24*	-	-	-	-
	(Gain)/loss from change in demographic assumptions	-	95.17	0.15	(0.78)	-	-
		-	-	-	-	-	-
	(Gain)/loss from change in financial assumptions	3.58	48.70	0.26	0.08	0.05	(0.09)
		42.90	*106.82*	*0.45*	*0.58*	*0.68*	*0.46*
	Experience (gains)/losses	25.06	(28.80)	(0.35)	2.06	(3.61)	(0.02)
		26.46	*(39.37)*	*(1.12)*	*0.09*	*(0.64)*	*0.07*
	Change in asset ceiling, excluding amounts included in interest expense	-	-	-	-	-	-
		-	-	-	-	-	-
	Total amount recognised in other comprehensive income	30.53	100.75	0.06	1.36	(3.56)	(0.11)
		71.72	*152.69*	*(0.67)*	*0.67*	*0.04*	*0.53*

D. Amount recognised in the Balance Sheet

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
Present value of benefit obligation as on 31.03.2021	870.99	1,085.07	17.09	28.12	11.07	3.94
Fair value of plan assets as on 31.03.2021	820.49	977.38	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	**50.50**	**107.69**	**17.09**	**28.12**	**11.07**	**3.94**

(₹ / Crore)

	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance	Gratuity Unfunded
Present value of benefit obligation as on 31.03.2020	869.27	907.54	18.78	21.92	11.67	3.32
Fair value of plan assets as on 31.03.2020	783.39	749.17	-	-	-	-
Net Liability / (Asset) recognised in Balance Sheet	**85.88**	**158.37**	**18.78**	**21.92**	**11.67**	**3.32**

E. Plan assets

(₹ / Crore)

	31.03.2021		31.03.2020	
	Gratuity	PRMBS	Gratuity	PRMBS
Plan assets comprise the following:				
Insurance fund	820.49	977.38	783.39	749.17
	820.49	**977.38**	**783.39**	**749.17**

F. Significant estimates (actuarial assumptions and sensitivity):

(i). The significant actuarial assumptions were as follows:

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.80%	6.91%	NA	NA	NA
Rate of Discounting	6.80%	6.91%	6.44%	6.49%	6.80%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Individual AMT (2012-15)				

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Expected Return on Plan Assets	6.87%	6.81%	NA	NA	NA
Rate of Discounting	6.87%	6.81%	6.82%	6.59%	6.87%
Rate of Salary Increase	7.00%	7.00%	NA	NA	7.00%
Medical Cost Inflation	NA	3.00%	NA	NA	NA
Rate of Employee Turnover	2.00%	2.00%	NA	NA	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)				
Mortality Rate After Employment	Indian Assured Lives Mortality (2006-08)				

(ii). Sensitivity analysis

(₹ / Crore)

31.03.2021	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.87)	(133.06)	(0.66)	(0.79)	(0.73)
Delta effect of -1% Change in Rate of Discounting	55.36	170.13	0.73	0.85	0.86
Delta effect of +1% Change in Future Benefit cost inflation	-	170.71	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(134.07)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	9.92	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(12.18)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	15.44	-	-	-	(0.80)
Delta effect of -1% Change in Rate of Employee Turnover	(17.46)	-	-	-	0.94

(₹ / Crore)

31.03.2020	Gratuity	PRMBS	Pension	Ex - Gratia	Resettlement Allowance
Delta effect of +1% Change in Rate of Discounting	(47.85)	(109.81)	(0.69)	(0.65)	(0.76)
Delta effect of -1% Change in Rate of Discounting	55.06	139.91	0.75	0.70	0.88
Delta effect of +1% Change in Future Benefit cost inflation	-	140.35	-	-	-
Delta effect of -1% Change in Future Benefit cost inflation	-	(110.68)	-	-	-
Delta effect of +1% Change in Rate of Salary Increase	12.88	-	-	-	-
Delta effect of -1% Change in Rate of Salary Increase	(15.16)	-	-	-	-
Delta effect of +1% Change in Rate of Employee Turnover	14.11	-	-	-	(0.83)
Delta effect of -1% Change in Rate of Employee Turnover	(15.93)	-	-	-	0.97

G: The expected maturity analysis of undiscounted benefits is as follows:

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2021				
Gratuity	131.76	84.00	326.43	989.37
PRMBS	50.70	55.05	194.30	323.63
Pension	2.45	2.41	7.02	10.51
Ex - Gratia	5.30	5.19	14.78	21.41
Resettlement Allowance	1.36	0.81	3.91	15.59
Total	**191.57**	**147.46**	**546.44**	**1,360.51**

(₹ / Crore)

	Less than 1 year	1 - 2 year	3 - 5 year	6 - 10 year
31.03.2020				
Gratuity	120.48	75.22	328.27	1,002.22
PRMBS	42.00	45.89	163.86	276.71
Pension	2.79	2.76	8.10	12.66
Ex - Gratia	4.05	3.99	11.61	17.76
Resettlement Allowance	1.31	0.72	4.18	16.29
Total	**170.63**	**128.58**	**516.02**	**1,325.64**

H: Notes:

I. **Gratuity :** Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ₹ 0.20 Crore at the time of separation from the Corporation. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC).

II. **Pension :** The employees covered by the Pension Plan of the Group are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Corporation.

III. **Post Retirement Medical Benefit (PRMBS):** Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.

On reporting date, the Trust Investments included few Non-convertible Debentures of certain Companies, amounting to ₹ 99.50 Crore (31.03.2020: ₹ 99.50 Crore) which have witnessed default in meeting interest & or principal obligations in 2019-20, which continued in 2020-21. In anticipation of probable default in principal repayment, these investments were marked down by 70% in Books in 2019-20, which continues to be the true and fair valuation as of 31.03.2021 as per management assessment. The diminution in Trust Investments are factored in the actuarial valuation while ascertaining the liability for the Corporation. Thus, no additional provision (2019-20: ₹ 69.65 Crore) is warranted during this financial year, to be charged to Statement of Profit and Loss in compliance with Ind AS 19.

IV. **Ex-gratia :** The ex-employees of Corporation are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.

V. **Resettlement Allowance :** Upon superannuation from the services of the Group, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the Group.

VI. **Interest rate on funds retained in LIC:** The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).

VII. **Others:** The expected return on plan assets is based on market expectation over the entire life of the related obligation. The actuarial assumption with regard to future salary escalation takes into consideration, the factors such as inflation, seniority, promotion, demand & supply in the employment market.

VIII. Figures in italics represent last year figures.

67. Additional Information on Joint Ventures/Associates

In addition to the figures contained in the Notes numbering 3,4, 5A, 5B & 10, that represents Groups' consolidated Property, Plant and Equipments(PPE) / Capital Work-in-Progress / Intangible Assets / Intangible Assets Under Development/ Investment Property / Capital Advance(under Other Non-Current Assets) for the financial year 2020-21, the Holding Company's consolidated proportionate share in respect of these Items held in its Joint Ventures and Associates is given as under:

Property, Plant and Equipments:

(₹ / Crore)

Gross Block				Depreciation/Amortisation				Net Block	Net Block
As of 01.04.2020	Additions	Deduction/ Reclassifications	As of 31.03.2021	As of 01.04.2020	For the year	Deduction/ Reclassification	As of 31.03.2021	As on 31.03.2021	As on 01.04.2020
18,774.24	1,059.18	401.80	19,431.62	3,490.46	710.81	329.04	3,872.23	15,559.38	15,283.77

Intangible Assets:

(₹ / Crore)

Gross Block				Depreciation/Amortisation				Net Block	Net Block
As of 01.04.2020	Additions	Deduction/ Reclassifications	As of 31.03.2021	As of 01.04.2020	For the year	Deduction/ Reclassification	As of 31.03.2021	As on 31.03.2021	As on 01.04.2020
91.39	22.34	0.51	113.22	55.83	5.06	0.51	60.38	52.84	35.56

Investment Property:

(₹ / Crore)

Gross Block				Depreciation/Amortisation				Net Block	Net Block
As of 01.04.2020	Additions	Deduction/ Reclassifications	As of 31.03.2021	As of 01.04.2020	For the year	Deduction/ Reclassification	As of 31.03.2021	As on 31.03.2021	As on 01.04.2020
1.36	-	-	1.36	0.00	0.00	-	0.00	1.36	1.36

(₹ / Crore)

Particulars	31.03.2021	31.03.2020
Intangible Assets Under Development:	0.09	0.07
Capital Work-in-Progress:	15,198.01	9,612.32
Capital Advances disclosed under Other Non-Current Assets:	585.64	397.76

This disclosure is made in a specific context of a reporting requirement conveyed by Department of Public Enterprises (DPE) for facilitating evaluation of one of the Memorandum of Understanding(MOU) parameter on performance of the Corporation, entered into with Oil & Natural Gas Corporation Ltd., namely, Capital Expenditure Target of HPCL together with its Subsidiaries/Joint Ventures/Associate Companies for the financial year 2020-21. Considering that the definition of Group under Ind-AS 110 for the purpose of consolidation is limited to Holding Company and its Subsidiary Companies only, this additional disclosure is intended to provide the requisite information extracted from the audited financial statements of these Companies, to the extent of Holding Company's actual shareholding at period end.

68. As on 31.03.2021, the Group has an inventory of Non-Solar Renewable Energy Certificates numbering 35,041 Units (31.03.2020: 69,256), available for Sale after earmarking a requisite quantity already for captive consumption. The revenue from Certificates is recognized as and when the same are sold. The Central Electricity Regulatory Commission has fixed a floor price of ₹ NIL and a ceiling price of ₹ 1,000/- per certificate in which range, it could be sold in Indian Energy Exchange Ltd., wherein it is traded. Aggrieved by the decision of NIL floor price, Green Energy Association has filed a petition in the Appellate Tribunal for Electricity (APTEL) and Tribunal has halted trading of these Certificates, until final disposal of the petition.

69. Schedule III - Additional Disclosure on Consolidated Financial Statements as on 31.03.2021 is as under

Name of the Entity	Net Assets, i.e., Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount (₹ / Crore)	As a % of Consolidated profit or loss	Amount (₹ / Crore)	As a % of Consolidated Other Comprehensive Income	Amount (₹ / Crore)	As a % of Consolidated Total comprehensive Income	Amount (₹ / Crore)
Hindustan petroleum Corporation Limited	72.26%	27,518.81	98.77%	10,531.62	9.00%	13.81	97.50%	10,545.42
Subsidiaries								
Prize Petroleum Company Ltd.	(0.84%)	(321.26)	(0.26%)	(27.82)	9.72%	14.91	(0.12%)	(12.91)
HPCL Biofuels Ltd.	0.70%	265.86	(0.75%)	(80.07)	0.05%	0.08	(0.74%)	(79.99)
HPCL Middle East FZCO	0.01%	4.51	(0.01%)	(0.57)	(0.08%)	(0.13)	(0.01%)	(0.70)
HPCL Shapoorji Energy Pvt. Ltd. (refer Note 1.3.3)	3.05%	1,159.69	(0.04%)	(4.02)	0.00%	0.00	(0.04%)	(4.02)
Joint Ventures								
Hindustan Colas Pvt. Ltd.	0.56%	213.41	0.73%	77.49	(0.03%)	(0.04)	0.72%	77.45
HPOIL Gas Pvt. Ltd.	0.18%	69.94	(0.01%)	(0.93)	0.00%	-	(0.01%)	(0.93)
HPCL Rajasthan Refinery Ltd.	4.54%	1,727.25	(0.58%)	(61.97)	0.00%	-	(0.57%)	(61.97)
South Asia LPG Co. Pvt. Ltd.	0.29%	110.34	0.61%	64.52	0.05%	0.07	0.60%	64.59
HPCL - Mittal Energy Ltd.	13.73%	5,227.86	1.85%	197.71	81.06%	124.37	2.98%	322.08
Petronet MHB Ltd.	0.80%	303.50	0.24%	25.90	(0.01%)	(0.01)	0.24%	25.89
Godavari Gas Pvt Ltd.	0.04%	13.70	(0.01%)	(1.23)	0.00%	-	(0.01%)	(1.23)
Petronet India Ltd.	0.00%	0.43	0.00%	0.01	0.00%	-	0.00%	0.01
Mumbai Aviation Fuel Farm Facilities Pvt. Ltd.	0.23%	87.24	0.00%	0.39	0.00%	-	0.00%	0.39
Aavantika Gas Ltd.	0.36%	136.57	0.20%	21.40	0.00%	-	0.20%	21.40
Bhagyanagar Gas Ltd.	0.45%	172.51	0.24%	25.16	(0.01%)	(0.01)	0.23%	25.14
Ratnagiri Refinery & Petrochemical Ltd.	0.08%	31.91	(0.04%)	(4.36)	0.00%	-	(0.04%)	(4.36)
IHB Pvt. Ltd.	1.09%	414.75	0.01%	1.56	0.00%	-	0.01%	1.56
Associates								
Mangalore Refinery and Petrochemicals Ltd.	1.89%	720.26	(0.91%)	(96.52)	0.23%	0.35	(0.89%)	(96.16)
GSPL India Gasnet Ltd.	0.45%	170.61	0.02%	1.78	0.01%	0.02	0.02%	1.80
GSPL India Transco Ltd.	0.14%	52.97	(0.07%)	(7.16)	0.01%	0.01	(0.07%)	(7.15)
Total	**100.00%**	**38,080.86**	**100.00%**	**10,662.89**	**100.00%**	**153.43**	**100.00%**	**10,816.31**

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

For R. Devendra Kumar & Associates
Chartered Accountants
FRN - 114207W

Sd-
Neeraj Golas
Partner
Membership No. 074392

For M. P. Chitale & Co.
Chartered Accountants
FRN - 101851W

Sd-
Anagha Thatte
Partner
Membership No. 105525

70. Previous periods figures are reclassified / regrouped wherever necessary.

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "A": Subsidiaries

(₹ / Crore)

Sl. No.	Particulars	HPCL Biofuels Ltd.	Prize Petroleum Company Ltd.#	HPCL Middle East FZCO	HPCL Rajasthan Refinery Ltd.*	HPCL Shapoorji Energy Private Limited.
		1	2	3	4	5
1	Date since when subsidiary was acquired	16.10.2009	28.10.1998	11.02.2018	18.09.2013	30.03.2021
2	Reporting currency	Rupees (₹)	Rupees (₹)	Arab Emirates Dirham	Rupees (₹)	Rupees (₹)
3	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-	-	19.904	-	-
4	Share capital	978.95	245.00	5.92	1,798.24	1,172.00
5	Reserves & surplus	(713.09)	(566.26)	(3.83)	(70.99)	(12.31)
6	Total assets	682.66	310.98	10.26	5,634.94	1,714.46
7	Total Liabilities	416.81	632.24	5.76	3,907.69	554.76
8	Investments	-	-	-	-	-
9	Turnover	181.45	86.60	9.19	-	-
10	Profit before taxation	(80.07)	(27.82)	(0.57)	(61.97)	(0.02)
11	Provision for taxation	-	-	-	-	-
12	Profit after taxation	(80.07)	(27.82)	(0.57)	(61.97)	(0.02)
13	Proposed Dividend	-	-	-	-	
14	% of shareholding	100.00%	100.00%	100.00%	74.00%	100.00%

Figures based on Consolidated Financial Statements of the Company

* This figure represent share of HPCL in the company

Notes:-

1 Names of subsidiaries which are yet to commence operations:
   a) HPCL Rajasthan Refinery Ltd.
   b) HPCL Shapoorji Energy Private Limited (Acquired as of 30.03.2021, Profits are mentioned accordingly)

2 HPCL Rajasthan Refinery Ltd. is considered as subsidiary as per Sec 2(87) of Companies Act, 2013

3 Names of subsidiaries which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part ''A''

(₹ / Crore)

	Name of Joint Ventures	Hindustan Colas Pvt. Ltd.	HPCL-Mittal Energy Ltd.#	South Asia LPG Co. Pvt. Ltd.	Petronet MHB Ltd.	Bhagyanagar Gas Ltd.	Petronet India Ltd. ^	HPOIL Gas Pvt Ltd.	Godavari Gas Pvt Ltd.
1	Latest audited Balance Sheet date	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2020
2	Date on which the Associates or Joint Ventures was associated or acquired	17.07.1995	13.12.2000	16.11.1999	26.05.1997	22.08.2003	26.05.1997	30.11.2018	27.09.2016
3	Shares of Joint Ventures / Associate held by the Company on the year end								
	Nos.	4,725,000	3,939,555,200	50,000,000	274,333,672	43,650,000	16,000,000	72,500,000	16,074,643
	Amount of Investment in Joint Venture / Associate	4.73	3,939.56	50.00	369.31	128.25	0.16	72.50	16.07
	Extent of Holding %	50.00%	48.99%	50.00%	50.00%	48.73%	16.00%	50.00%	26.00%
4	Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
5	Reason why the Joint Venture / Associate is not consolidated	-	-	-	-	-	The Company is in the process of winding up.	-	-
6	Networth attributable to Shareholding as per latest audited Balance Sheet*	213.41	5,227.86	110.34	303.50	172.51	0.43	69.94	13.70
7	Profit / Loss for the year 2020-21*								
	i. Considered in Consolidation	77.50	197.71	64.52	25.90	4.18	0.01	(0.93)	(1.23)
	i. Not Considered in Consolidation	-	-	-	-	-	-	-	-

Figures based on Consolidated Financial Statements of the Company

* Represents share of HPCL in Joint Venture / Associates

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

Delivering Happiness

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Part ''B"

(₹ / Crore)

	Name of Joint Ventures	Aavantika Gas Ltd.	Mangalore Refinery and Petrochemicals Ltd.#	HPCL Shaaporji Energy Pvt. Ltd.^ ^	Mumbai Aviation Fuel Farm Facilities Pvt. Ltd.	GSPL India Gasnet Ltd.	GSPL India Transco Ltd.	Ratnagiri Refinery & Petrochemical Ltd.	IHB Pvt. Ltd.
1	Latest audited Balance Sheet date	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2020	31.03.2020	31.03.2021	31.03.2021
2	Date on which the Associates or Joint Ventures was associated or acquired	07.06.2006	07.03.1988	15.10.2013	06.03.2014	13.10.2011	13.10.2011	22.09.2017	09.07.2019
3	Shares of Joint Ventures / Associate held by the Company on the year end								
	Nos.	29,557,038	297,153,518	-	48,288,750	175,122,128	64,020,000	50,000,000	414,500,000
	Amount of Investment in Joint Venture / Associate	50.02	471.68	-	48.29	175.12	64.02	50.00	414.50
	Extent of Holding %	49.99%	16.96%	100.00%	25.00%	11.00%	11.00%	25.00%	25.00%
4	Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
5	Reason why the Joint Venture / Associate is not consolidated	-	-	-	-	-	-	-	-
6	Networth attributable to Shareholding as per latest audited Balance Sheet*	136.57	720.27	-	87.24	170.61	52.97	31.91	414.75
7	Profit / Loss for the year 2020-21*								
	i. Considered in Consolidation	21.40	(96.51)	(4.00)	0.39	1.78	(7.16)	(4.36)	1.56
	i. Not Considered in Consolidation	-	-	-	-	-	-	-	-

Figures based on Consolidated Financial Statements of the Company

* Represents share of HPCL in Joint Venture / Associates

^ Petronet India Ltd. is in the process of voluntary winding up w.e.f. August 30,2018. Networth presented above is as per management accounts as of August 30, 2018.

^ ^ HPCL Shaaporji Energy Pvt. Ltd has become a subsidiary effective 30.03.2021.

Ujjwala Plus Foundation was incorporated as not-for-profit joint venture company under Sec. 8 of Companies Act 2013 during 2017-18

1 Names of joint ventures or associates which are yet to commence operations.
   a) HPCL Shapoorji Energy Pvt Ltd
   b) Ratnagiri Refinery & Petrochemicals Ltd
   c) IHB Pvt Ltd.

2 Names of joint ventures or associates which have been liquidated or sold during the year - Nil

FOR AND ON BEHALF OF THE BOARD

Sd-
Mukesh Kumar Surana
Chairman & Managing Director
DIN - 07464675

Sd-
R Kesavan
Director Finance
DIN - 08202118

Sd-
V Murali
Company Secretary

Place: Mumbai
Date: May 20, 2021

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HINDUSTAN PETROLEUM CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 20 May 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Hindustan Petroleum Corporation Limited for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of (Annexure I), but did not conduct supplementary audit of the financial statements of (Annexure II) for the year ended on that date. **Further, section 139(5) and 143 (6) (a) of the Act are not applicable to (Annexure III) being private entities/entities incorporated in Foreign countries under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies.** This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6) (b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Sd/-
C.M. Sane
Director General of Commercial Audit, Mumbai

Place: Mumbai
Date: 26 July 2021

Annexure I

Audit Conducted:

(A) Subsidiaries:

1. HPCL Biofuels Ltd. (HBL)

(B) Joint Ventures

1. Bhagyanagar Gas Ltd. (BGL)
2. Petronet MHB Ltd. (PMHBL)
3. Mumbai Aviation Fuel Farming Facility Pvt. Ltd. (MAFFFL)
4. HPCL Rajasthan Refinery Ltd. (HRRL)
5. HPOIL Gas Pvt. Ltd. (HOGPL)
6. IHB Private Ltd. (IHBPL)

(C) Associates

1. Mangalore Refinery and Petrochemicals Ltd. (MRPL)
2. GSPL India Gasnet Ltd. (GIGL)
3. GSPL India Transco Ltd. (GITL)

Annexure II

Audit not conducted:

(A) Subsidiaries:

1. Prize Petroleum Company Ltd. (PPCL)
2. HPCL Shapoorji Energy Pvt. Ltd. (HSEL)

(B) Joint Ventures

1. Godavari Gas Pvt. Ltd. (GGPL)
2. Aavantika Gas Ltd. (AGL) (Non-review certificate issued)
3. Ratnagiri Refinery Petrochemicals Limited (RRPCL) (Non-review certificate issued)

(C) Associates:

NIL

Annexure III

Audit not applicable

(A) Subsidiaries:

1. HPCL Middle East FZCO (HMEFZCO)

(B) Joint Ventures

1. HPCL Mittal Energy Ltd. (HMEL)
2. Hindustan Colas Pvt. Ltd. (HINCOL)
3. South Asia LPG Co. Pvt. Ltd. (SALPG)

(C) Associates:

NIL

Note: Ujjwala Plus Foundation (not for profit organization formed by IOCL, HPCL and BPCL) has not been considered for consolidation of the HPCL accounts, hence not indicated above.

Human Resource Accounting

The Human Resource is by far the best of the available resource to any Company. The Corporation considers Human dimension as the key to Organization's success. Several initiatives for development of Human Resource to meet new challenges in the competitive business environment have gained momentum. HPCL recognizes the value of Human Resource, as its employees are committed to achieve excellence in all spheres. The Corporation has a mix of energetic youth and experienced seniors who harmonize the efforts to achieve the Corporation's goals.

Over the years, the Corporation has been using 'Lev & Schwartz' model to compute the value of Human Resource. Basis this model, the value of Human Resource, which is immense, is measured at ₹ 38,219 Crore (2019-20: ₹ 38,318 Crore). The following assumptions have been factored in this computation:–

1. Employees' compensation is represented by direct & indirect benefits earned by them on Cost to Company basis.
2. Earnings up to the age of superannuation are considered on incremental basis taking the Corporation's policies into consideration. Such future earnings are discounted @ 6.86% (2019-20: 6.87%).

Tables showing the Value of Human Resource as of 31/03/2021 by using 'Lev & Schwartz' model

- **Age-bucket Matrix**

Particulars	Age-buckets				Total
	18-30	31-40	41-50	Above 50	
No. of Employees	2,233	2,012	1,302	3,901	9,448
Management	1,900*	1,749	788	1,483	5,920
Non-Management	333**	263	514	2,418	3,528
Average Age	27	35	46	56	43

* Includes 1 employee between the age of 18-20 years.

** Includes 2 employees between the age of 18-20 years.

- **Accounting Human Resource**

(₹ / Crore)

Particulars	2020-21	2019-20#
Value of Human Resource		
Management Employees	31,115	31,535
Non-Management Employees	7,104	6,783
Total Human Resource	**38,219**	**38,318**
Human Resource vis-à-vis Total Resources		
Value of Human Resource	38,219	38,318
Net Operating Assets	40,863	39,375
Investments	14,993	12,512
Total Resources	**94,075**	**90,205**
Employee Cost	**3,188**	**3,193**
Profit before Tax (PBT)	**14,247**	**1,573**
Ratios (in %)		
Employee Cost to Human Resource	8.34	8.33
Human Resource to Total Resources	40.63	42.48
PBT to Human Resource	37.28	4.11

Previous year's figures are regrouped / reclassified, wherever necessary.

Joint Venture Companies as per Ind AS

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31st March 2021		Nature of Operations
1.	HPCL-Mittal Energy Ltd.	13.12.2000	HPCL	48.993%	Refining of crude oil and manufacturing of petroleum products.
			Mittal Investments S.A.R.L.	48.993%	
			Indian Financial Institutions	2.014%	
2.	Hindustan Colas Pvt. Ltd.	17.07.1995	HPCL	50.000%	Manufacture and marketing of Bitumen Emulsions & Modified Bitumen.
			Colasie SA	50.000%	
3.	South Asia LPG Company Pvt. Ltd.	16.11.1999	HPCL	50.000%	Storage of LPG in underground cavern and associated receiving and dispatch facilities at Visakhapatnam.
			Total Holding India	50.000%	
4.	Petronet India Ltd.	26.05.1997	HPCL	16.000%	To act as nodal agency for developing identified and prioritized petroleum product pipelines in the country.
			BPCL	16.000%	
			IOCL	18.000%	The company has commenced voluntary winding up on 30.08.2018.
			Financial / Strategic Investors	50.000%	
5.	Petronet MHB Ltd.	31.07.1998	HPCL	49.996%	Operation and maintenance of petroleum product pipeline between Mangalore-Hassan-Bengaluru.
			ONGC	49.996%	
			Others	00.008%	
6.	Bhagyanagar Gas Ltd.	22.08.2003	HPCL	48.728%	City Gas Distribution network in Hyderabad, Vijayawada and Kakinada in the state of Andhra Pradesh/ Telangana.
			GAIL	48.728%	
			Andhra Pradesh Industrial Infrastructure Corporation Ltd.	2.490%	
			Kakinada Seaports Limited	0.054%	
7.	Aavantika Gas Ltd.	07.06.2006	HPCL	49.993%	City Gas Distribution network in Indore, Ujjain and Gwalior in the state of Madhya Pradesh.
			GAIL	49.993%	
			Financial Institutions	0.014%	
8.	Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	26.02.2010	HPCL	25.000%	To design, develop, construct and operate the aviation fuel facility at Chhatrapati Shivaji International Airport, Mumbai
			IOCL	25.000%	
			BPCL	25.000%	
			Mumbai International Airport Pvt Limited	25.000%	
9.	Godavari Gas Pvt. Ltd.	27.09.2016	APGDC	74.000%	City Gas Distribution network in East Godavari and West Godavari Districts of Andhra Pradesh.
			HPCL	26.000%	

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31st March 2021		Nature of Operations
10.	Ratnagiri Refinery and Petrochemicals Ltd.	22.09.2017	IOCL	50.000%	To set up a refinery and petrochemical complex of 60 MMTPA (Approx.) along the west coast of India in the State of Maharashtra.
			BPCL	25.000%	
			HPCL	25.000%	
11.	HPCL Rajasthan Refinery Ltd.	18.09.2013	HPCL	74.000%	To set up a 9 MMTPA capacity Greenfield refinery cum petrochemical complex in the State of Rajasthan.
			Govt. of Rajasthan	26.000%	
12.	HPOIL Gas Pvt Ltd.	30.11.2018	HPCL	50.000%	City Gas Distribution network in Ambala and Kurukshetra in the state of Haryana and Kolhapur in the state of Maharashtra.
			OIL	50.000%	
13.	IHB Pvt Ltd.*	09.07.2019	IOCL	50.00%	To set up and corporate cross country Kandla-Gorakhpur LPG Pipeline.
			BPCL	25.00%	
			HPCL	25.00%	

*Has obtained new certificate of incorporation on 06.04.2021 with name as IHB Ltd. upon conversion to public company.

Associate Companies as per Ind AS

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31st March 2021		Nature of Operations
1.	Mangalore Refinery & Petrochemicals Ltd.	07.03.1988	ONGC	71.628%	Refining of crude oil and manufacturing and marketing of petroleum products.
			HPCL	16.955%	
			PUBLIC	11.417%	
2.	GSPL India Gasnet Ltd.	13.10.2011	GSPL	52.000%	To design, construct, develop, operate and maintain cross country Natural Gas Pipelines from Mehsana (Gujarat) to Bhatinda (Punjab) and Bhatinda (Punjab) to Srinagar (Jammu & Kashmir).
			HPCL	11.000%	
			IOCL	26.000%	
			BPCL	11.000%	
3.	GSPL India Transco Ltd.	13.10.2011	GSPL	52.000%	To design, construct, develop, operate and maintain cross country Natural Gas Pipelines from Mallavarm (Andhra Pradesh) to Bhilwara (Rajasthan).
			HPCL	11.000%	
			IOCL	26.000%	
			BPCL	11.000%	

Subsidiary Companies as per Ind AS

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31st March 2021		Nature of Operations
1.	Prize Petroleum Co Ltd.	28.10.1998	HPCL	100.000%	Exploration and Production (E&P) of Hydrocarbons and services for management of E&P blocks.
2.	HPCL Biofuels Ltd.	16.10.2009	HPCL	100.000%	Operates two integrated sugar-ethanol-cogen plants at Sugauli and Lauriya in East Champaran and West Champaran Districts respectively in the State of Bihar.
3.	HPCL Middle East FZCO	11.02.2018	HPCL	100.000%	Trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa.
4	HPCL Shapoorji Energy Pvt Ltd. ^	15.10.2013	HPCL	100.000%	To set up and operate an LNG Re-gasification Terminal at the greenfield port at Chhara (Gujarat)

^ HPCL Shapoorji Energy Pvt Ltd became a 100% subsidiary on 30.03.2021.

Not for Profit Private Company Limited by Guarantee without Share Capital

Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31st March 2021		Nature of Operations
1.	Ujjwala Plus Foundation (Not for profit, Section 8 Company)	21.07.2017	IOCL BPCL HPCL (Company Limited by Guarantee without share capital- Represents Fund Contribution Ratio)	50.000% 25.000% 25.000%	To provide Liquid Petroleum Gas (LPG) connections to the women from the poor households and economically weaker section of the Society not covered under "Pradhan Mantri Ujwala Yojana" ("PMUY") of the Govt. of India.

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हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

Hindustan Petroleum Corporation Limited

पेट्रोलियम हाउस, 17, जमशेदजी टाटा मार्ग, चर्चगेट, मुंबई - 400020

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