HPCL

Investors' and Analysts' Meet

Mumbai

July 8, 2016

Disclaimer

The information contained in this material have been obtained from sources believed to be reliable, but no representation or warranty express or implied, is made that such information is accurate or complete and it should not be relied upon as such. The information contained in this material may not be perfect and some part of the information may be left out.

While the Company will use reasonable efforts to provide reliable information through this presentation, no representation or warranty (express or implied) of any nature is made nor is any responsibility or liability of any kind accepted by the Company or its directors or employees, with respect to the truthfulness, completeness, accuracy or reliability or otherwise whatsoever of any information, projection, representation or warranty (expressed or implied) or omissions in this presentation. Neither the Company nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from use or reliance on this presentation or its contents or otherwise arising in connection therewith.

This presentation may not be used, reproduced, copied, published, distributed, shared, transmitted or disseminated in any manner. This presentation is for information purposes only and does not constitute an offer, invitation, solicitation or advertisement in any jurisdiction with respect to the purchase or sale of any security of HPCL and no part or all of it shall form the basis of or be relied upon in connection with any contract, investment decision or commitment whatsoever.

All estimates and opinions included in this material constitute our judgment as of the date of this material and is subject to change without notice and its accuracy is not guaranteed, it may be incomplete or condensed and it may not contain all material information concerning the Company. We do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date of this presentation or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

Origin of HPCL

1952
Incorporation of Standard – Vacuum Oil Refining Company (StanVac)

1955
Incorporation of Caltex Oil Refining Co.

1962
StanVac operations taken over by ESSO

1969
Commissioning of Lube India Ltd.

1974
Amalgamation of ESSO and Lube India to form HPCL

1978
Merger of Caltex undertaking in India into HPCL

1979
Merger of Kosan Gas Company into HPCL

Origin in Private Sector

- **Blend of Private & Public Sector Expertise**

GLOBALLY RENOWNED FORTUNE 500 COMPANY

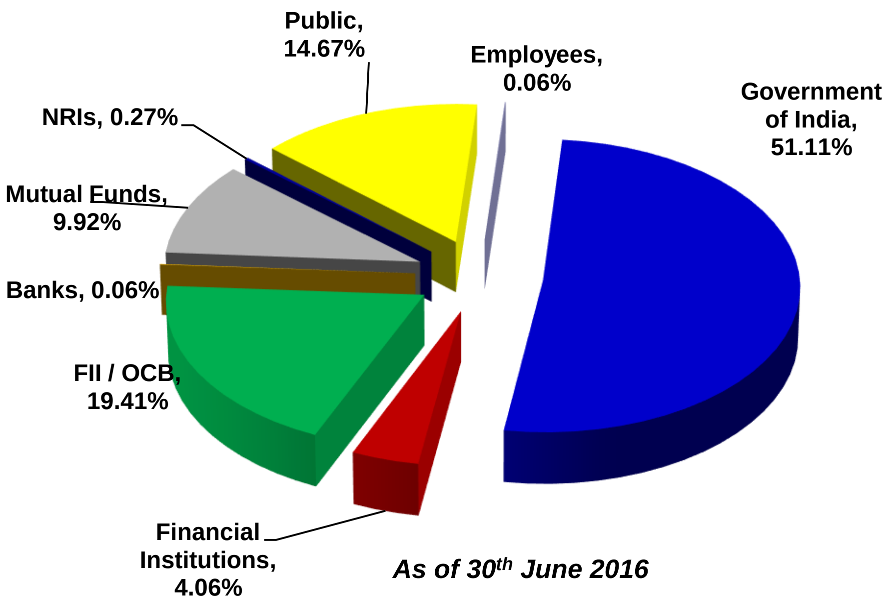
327

PLATTS TOP 250

133

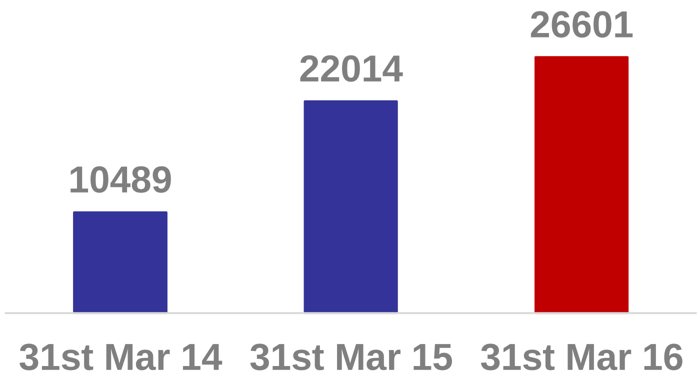
HPCL Fast facts : 2015-16

- **NOC - Govt. of India (GOI)** holding **51.11% equity**
- **Navratna PSU** Since January'1999
- India's **6th Largest** company by Turnover
- **Largest lube oil refinery** in India
- **Annual Gross sales** of **Rs 1,97,744 crore**
- **Net Profit** of **Rs 3,863 crore**
- **Market Capitalization** of **Rs. 26,601 crore**



As of 30th June 2016

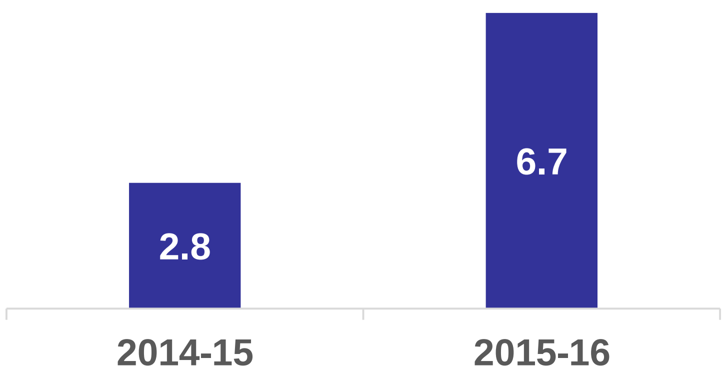
Market Cap (Rs crore)



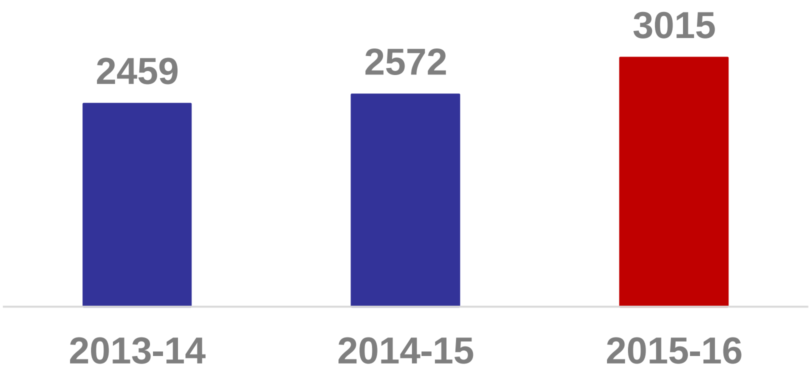
HPCL Fast facts : 2015-16

- **Highest combined GRM** of **$ 6.68/ bbl.** among PSUs
- **21% market share** in Petroleum Sales (PSU Category)
- **Highest Market Sales Growth** among Oil Marketing Companies (PSU)
- **No.1 Company in total lubricant sales** in India
- **2nd Largest** LPG marketer in India
- **2nd Largest** Retail Outlet Network
- **2nd Largest** Product Pipeline Network

HPCL GRM in $/bbl.



Pipeline Network (Km)



Ratings

Fitch Ratings

BBB-/Stable

Moody's Investors Service

Baa3/Positive

At par with the sovereign rating of India

Business Portfolio

- **Mumbai:** Fuels (6.5 MMTPA) & Lubes (428 TMTPA) Refinery
- **Visakh:** Fuels (8.3 MMTPA) Refinery
- **Green R&D Centre,** Bengaluru

Refining
14.8 MMTPA

Marketing
34.2 MMT *

Retail
LPG
Direct Sales
Aviation
Operations & Distribution
Natural Gas & Renewables

E & P
6 Blocks#

- Operation thru M/s Prize Petroleum, a wholly owned subsidiary

JVs & Subsidiaries

Partnerships in

- Refining, Marketing Infrastructure, Biofuels and Emulsions

Pipelines
3015 km

- 6 Cross country pipelines

* Annual Sales in 2015-16
\# Current Active blocks

Performance : 2015-16

Market Sales : 34.2 MMT

Market Growth : 9.3% (Domestic) Vs PSU 7.7%

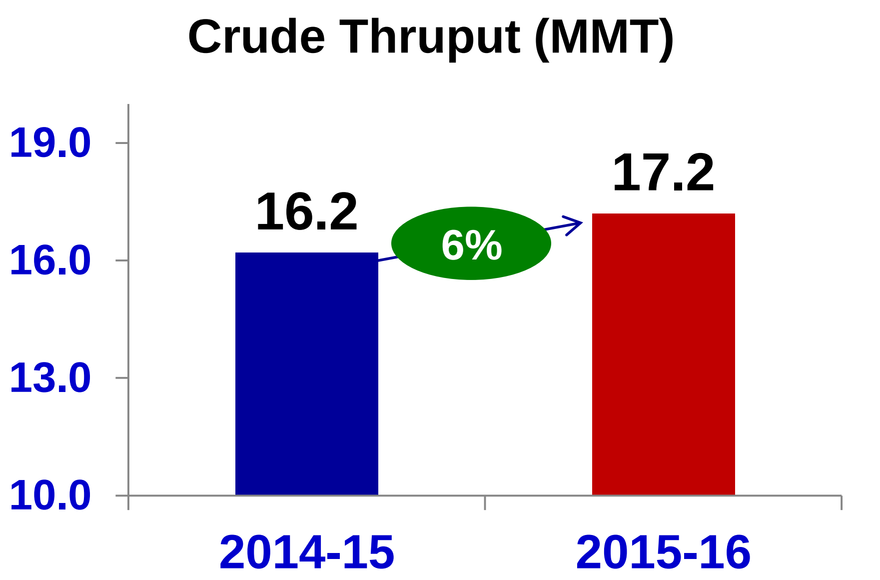
Refining Thruput : 17.2 MMT

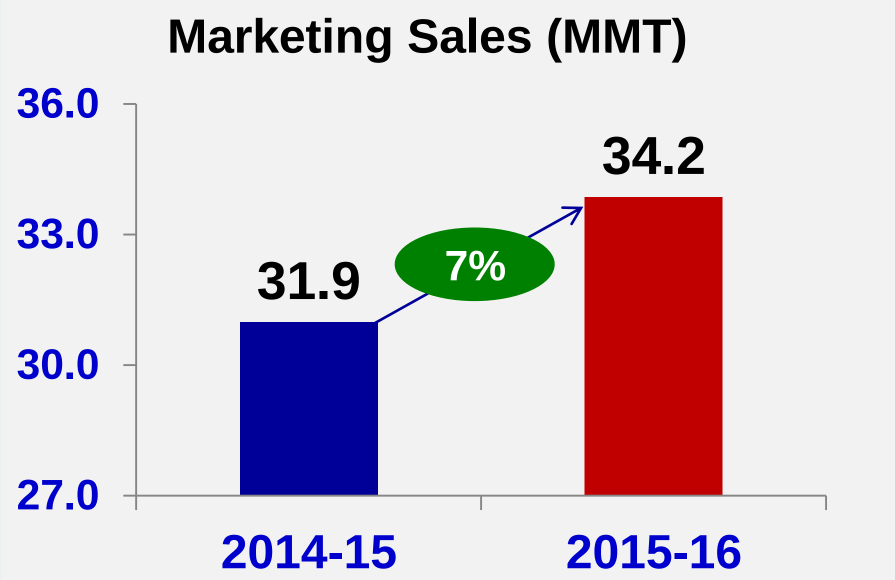
Pipeline Thruput : 17.6 MMT

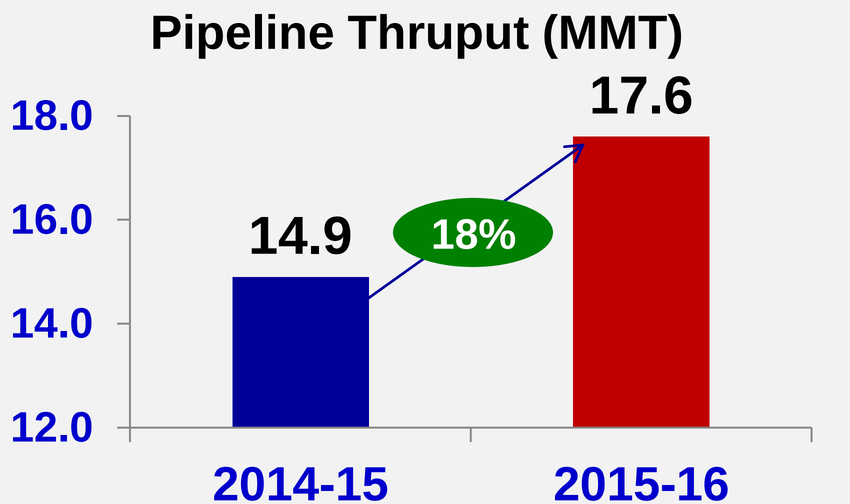
India's No.1 Lube Marketer : 536 TMT

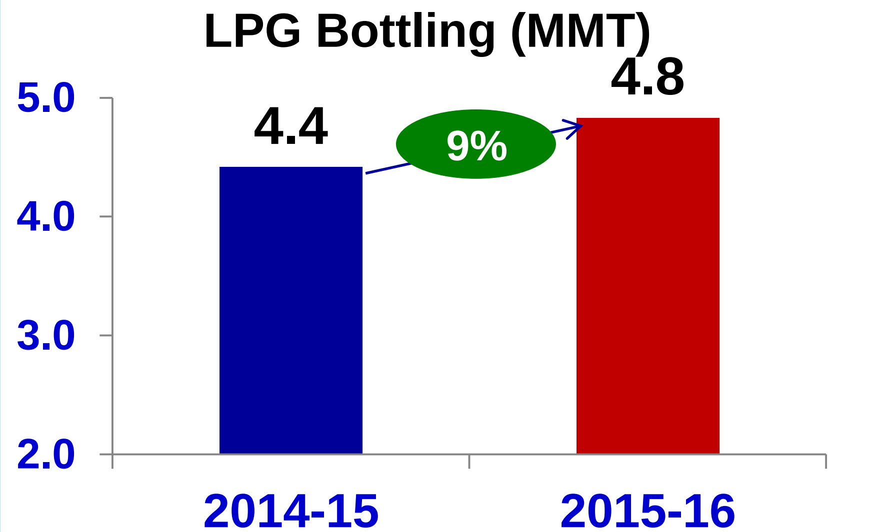
Highest ever PAT of Rs. 3,863 Crore during 2015-16

Snap shot of 2015-16 Performance

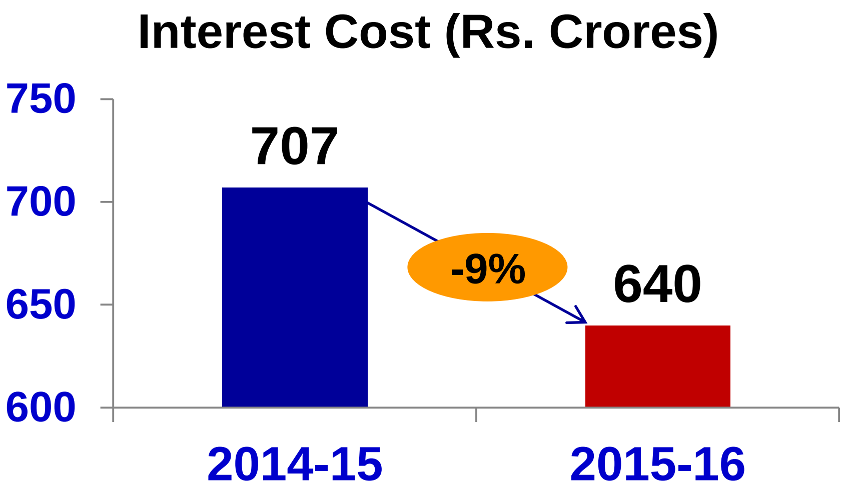


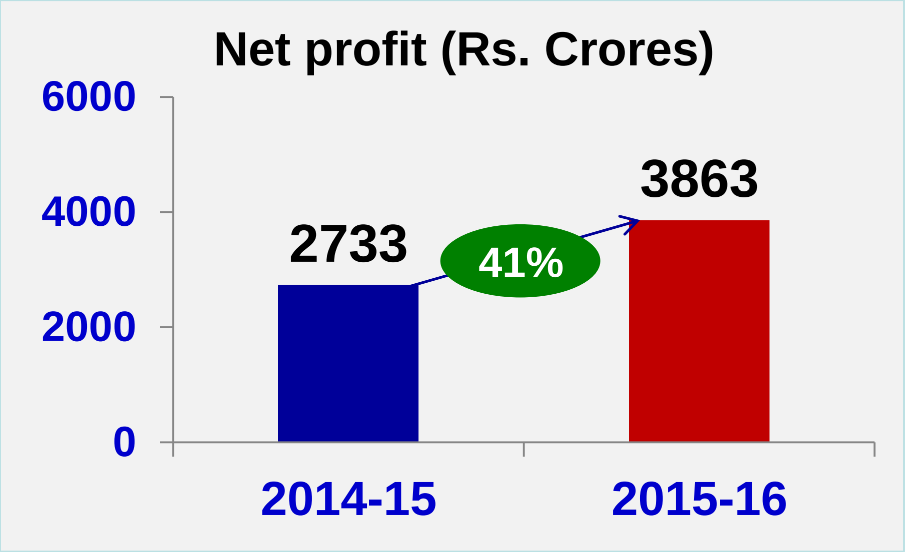


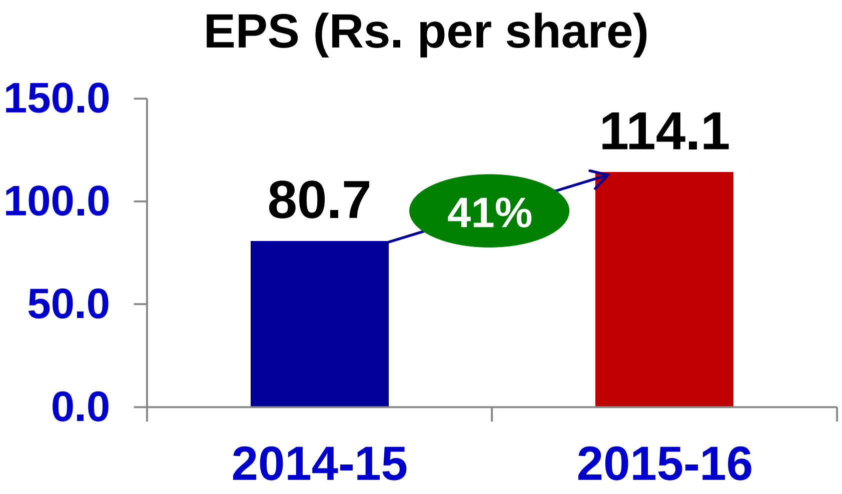




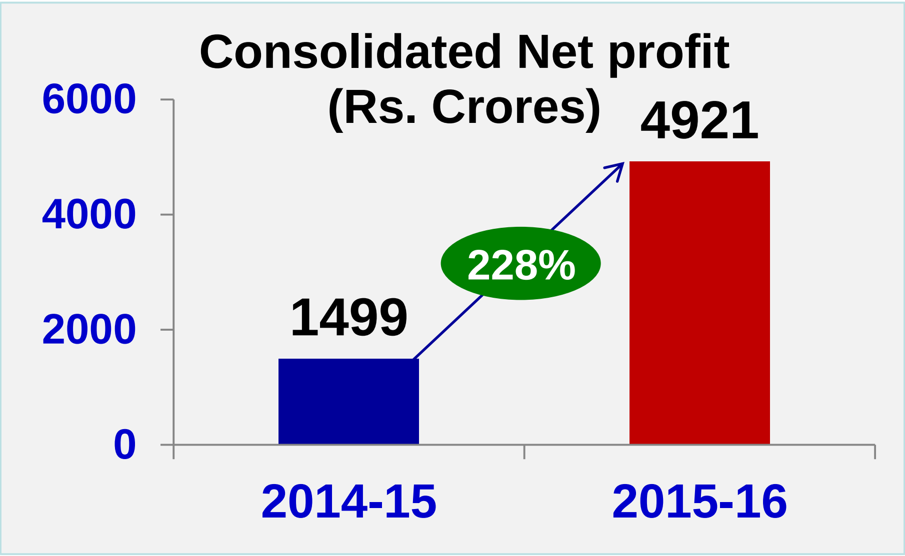
Snap shot of 2015-16 Performance

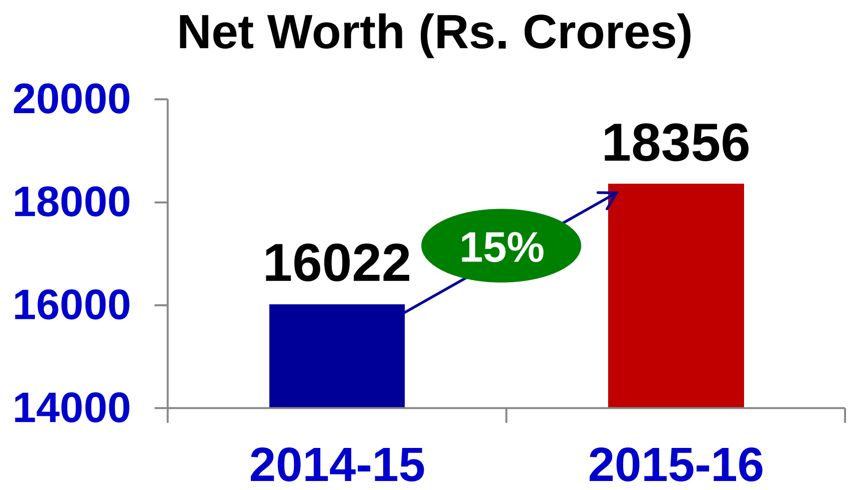


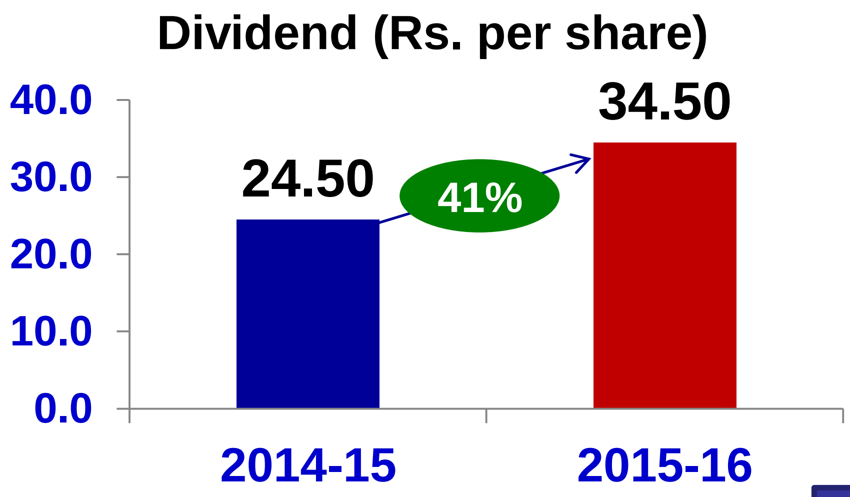




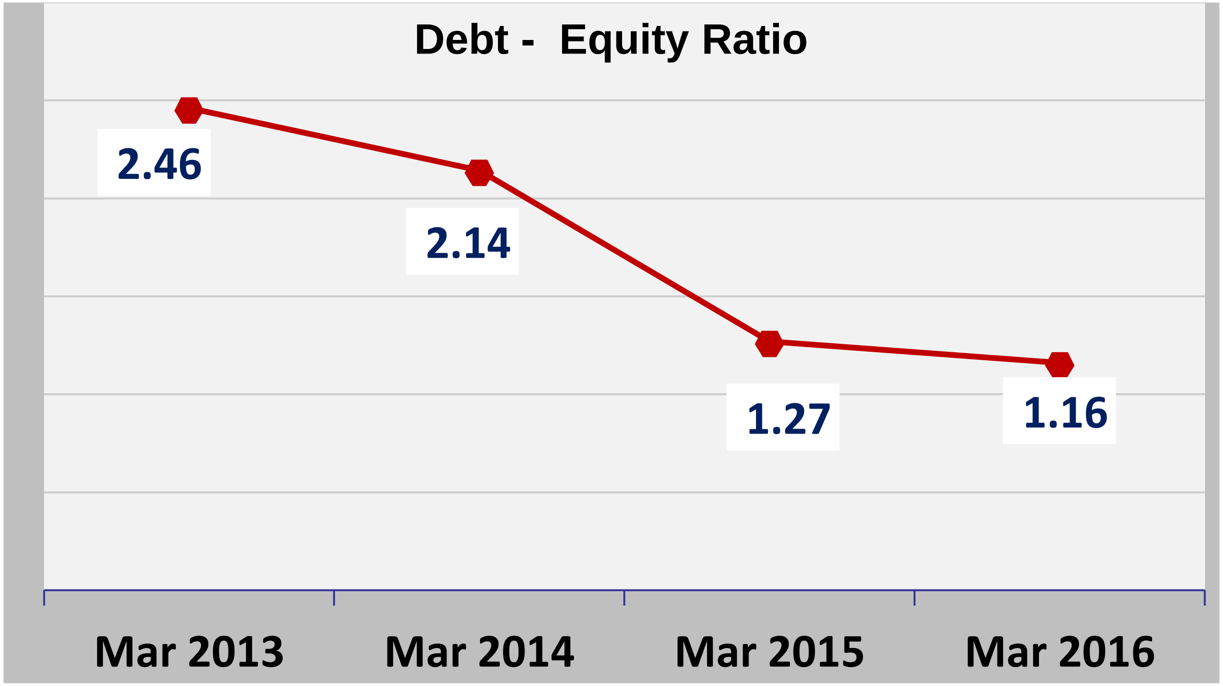
Snap shot of 2015-16 Performance







Debt - Equity Ratio

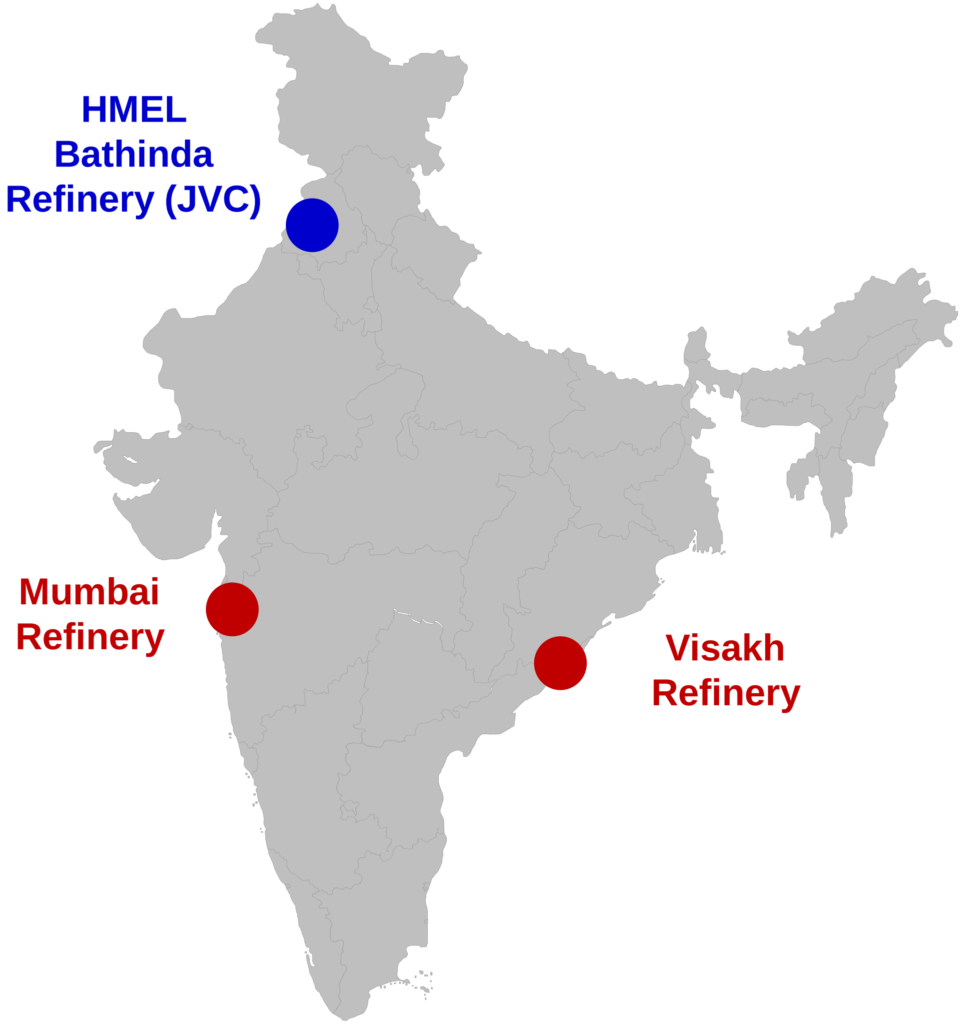


(Rs. crores)

Long Term Borrowing	10,278	15,789	18,136	17,448
Short Term Borrowing	23,511	16,377	2,200	3,889
Net Worth	13,726	15,012	16,022	18,356

Refining

Refining Capacity



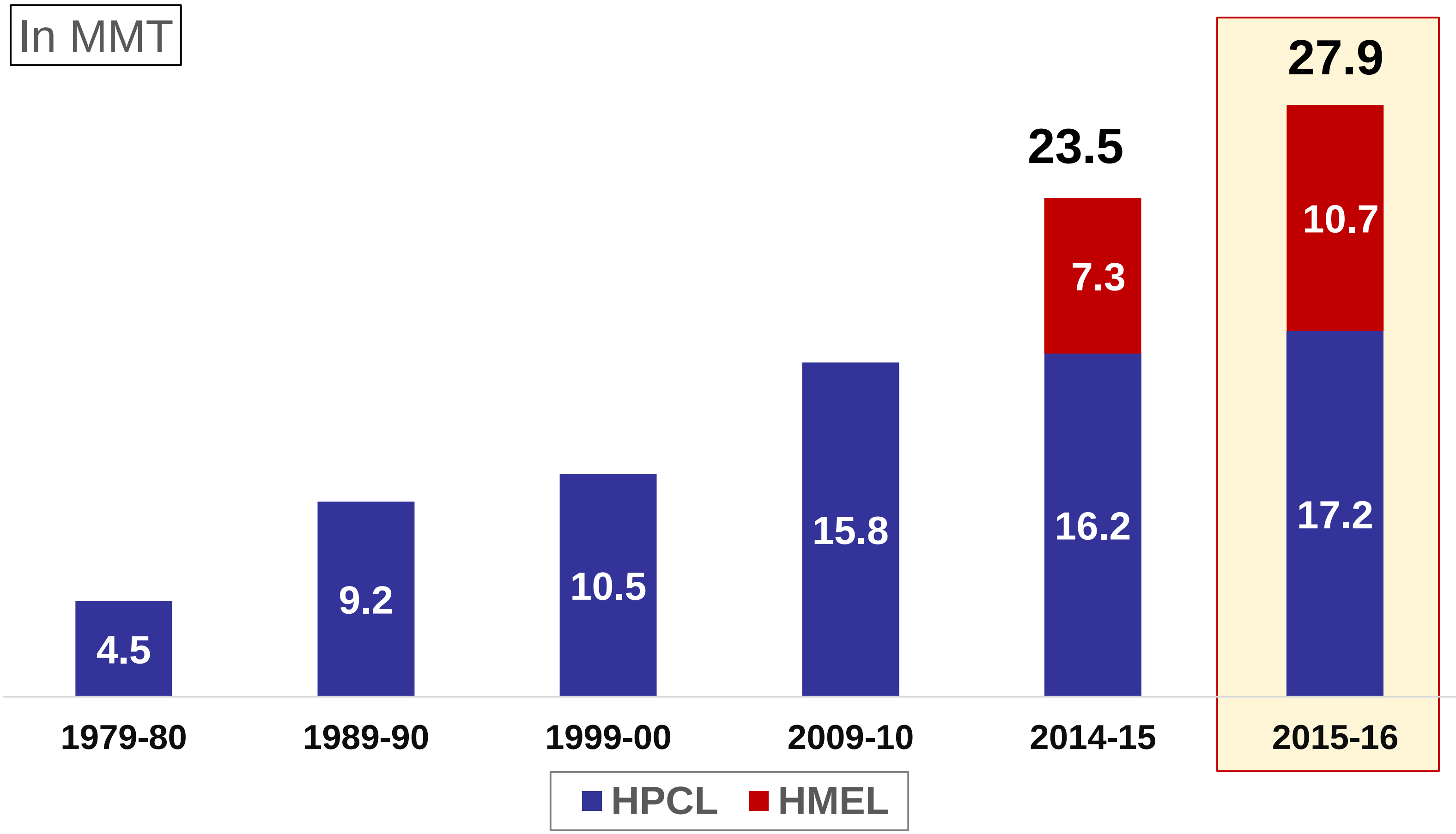
Refinery	Capacity (MMTPA)
Mumbai	6.5
Visakh	8.3
Total	14.8
Bathinda (JVC)	9.0
Total	23.8

Lube Refinery (Mumbai) 428 TMTPA

Stake in HMEL : 48.94% ; Stake in MRPL : 16.95%

Rights for Marketing of Petroleum Products from HMEL

Crude Throughput



Average GRM for HPCL during 2015-16 is US $ 6.68 per Barrel

Refineries

Mumbai Refinery

Visakh Refinery

- **Salient Features & Measures**
  - **Coastal Refineries – on East & West**
  - **Both Refineries are ISO 14001 Certified**
  - **Pipeline connectivity for Mumbai High Crude at Mumbai**
  - **SPM at Visakh Refinery for discharging VLCCs**
  - **Additional Crude Storage Capacity at Visakh Crude Cavern**
  - **Robust LP Model for Optimized crude selection**
  - **Product evacuation thru cross country pipelines (~85%)**
  - **BS III / IV Production facilities for MS & HSD**
  - **Integrated Effluent Treatment Plant & Rain water harvesting**

Refineries

(FY 2015-16)

Description	UoM	Mumbai Refinery	Visakh Refinery	HPCL
Crude Thruput	MMT	8.01	9.22	17.23
Capacity utilization	%	123	111	116
GRM	$/bbl.	8.09	5.46	6.68

Refinery Highlights : 2015-16

- **Highest ever refining throughput of 17.2 MMT** with a capacity utilization of 116%
- Recorded **highest ever production of MS** (3.03 MMT), **HSD** (6.5 MMT), **LOBS** (423 TMT) & **Bitumen** (1.2 MMT)
- Commissioned **underground crude cavern facility** with 0.3 MMT storage capacity at Indian Strategic Petroleum Reserve Ltd, Visakhapatnam

Visakh Refinery

- Commissioned **Tail Gas Treating Unit (TGTU)** in the Sulphur recovery Unit Trains at DHDS for reduction of SO_x content in the tail gases.

Mumbai Refinery

- Commissioned **Flue gas scrubber unit (FGSU)** at FCCU for reduction of SO_x emissions and Suspended Particulate Matter
- Implemented **Isotherming technology** for energy efficiency enhancement and improving HSD quality

Profitability Improvement Measures

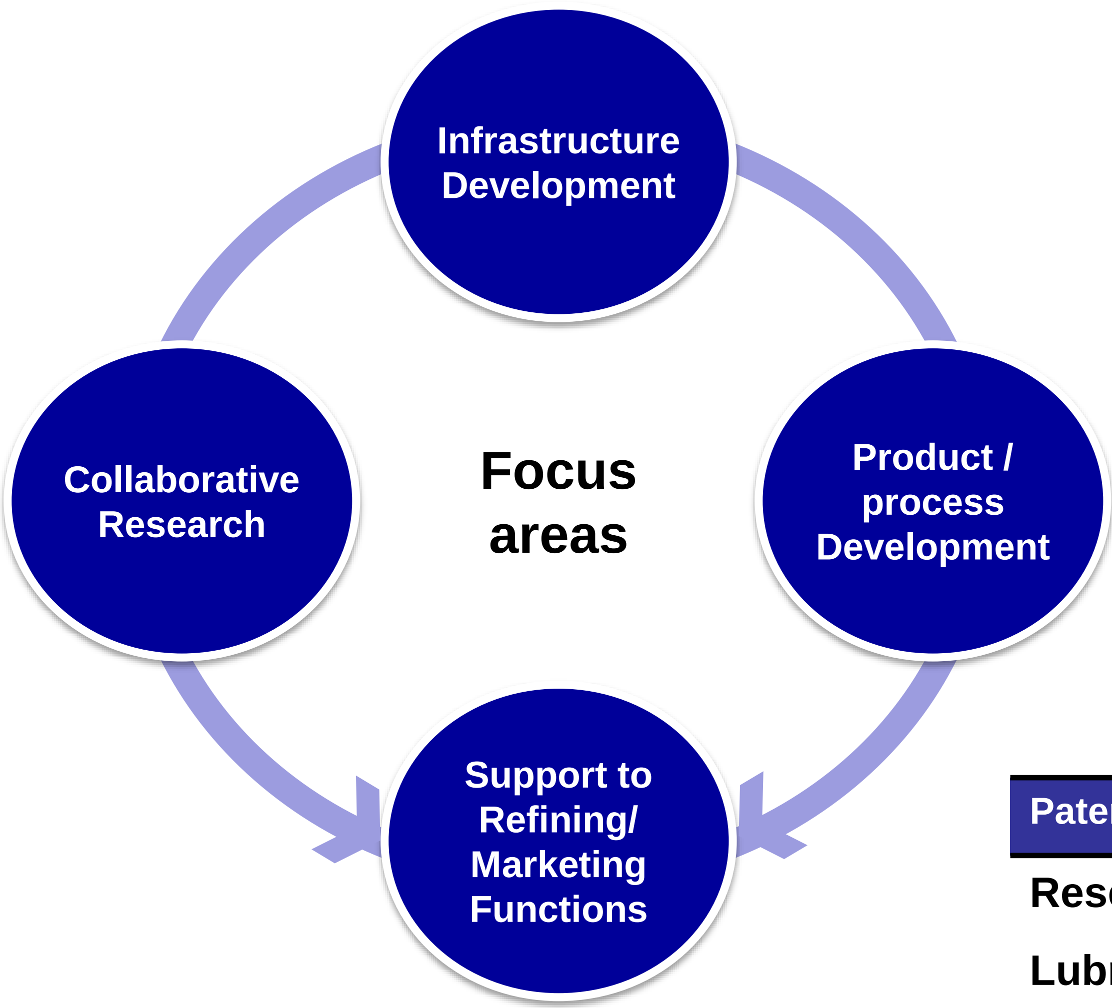
Initiative	Impact
Optimized MS block operations	Increased MS production in lieu of Naphtha
Lube Oil Upgradation Project at Mumbai Refinery	Increased production of valued added lubricants
SPM at Visakh Refinery	Discharging of Very Large Crude Carrier (VLCC)
Robust LP model	Optimizing Crude selection
FCC with Cat Cooler at Mumbai Refinery	Conversion of Fuel Oil to value added products
CDU II Revamp at Mumbai Refinery	Increased crude processing
Flare gas recovery systems	Hydrocarbon Recovery from Flare gases
Crude Cavern Storage at Visakh	Flexibility in Procurement & Processing of Crude Oil
Power Purchase thru Open Access	Reduced operating expenditure
Implementation of Isotherming technology	Improved energy efficiency

Green R&D centre : Bengaluru

- Land: 120 Acres
- Built up area: 3 lakh sq. ft.
- Phase 1 : Capex Rs. 395 crore

Research and Development

Green R&D Centres at Bengaluru & Vashi



R&D Thrust Areas

- Opportunity Crudes
- Residue Up-gradation
- New Process Developments
- Catalyst Development
- Alternative Energies

Patents	Applied	Obtained
Research Areas	36	-
Lubricants	6	2

R & D : 2015-16 Highlights

- ❖ Developed HP Next Gen transmission oil EP 80W for TATA motors
- ❖ Kayaba 17 – Replacement of imported KAYABA product at Gabriel for high end car segment
- ❖ Winter Diesel – Commercial supply started after 6 years of development
- ❖ Ch-4/CI-4 10w 40 for JCB exports models
- ❖ RR 813 as common oil for Indian Railways
- ❖ Lithium Complex grease for Visakh Steel Plant replacing imported product

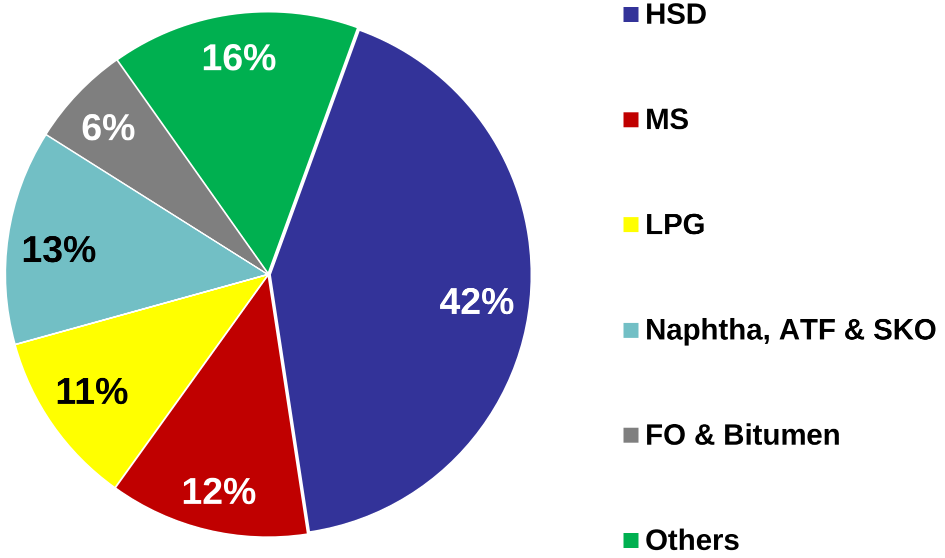
Marketing

2015-16 : Consumption of Petroleum Products

Product wise Industry volumes

Products	MMT	5 Y CAGR %
HSD	75	4.5
MS	22	9.0
LPG	19	6.8
Naphtha, ATF & SKO	24	0.5
FO & Bitumen	11	(8.8)
Others	28	13.1

2015-16 (%)



Total Volume = 177 MMT, 5 year CAGR = 4.4%

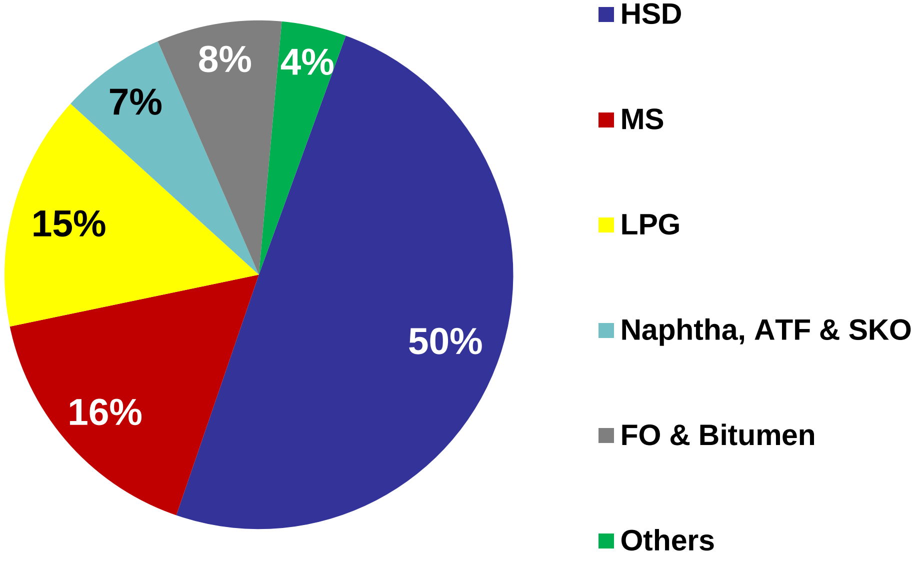
*Note: FY 2010-11 is base year for 5 Year CAGR

2015-16 : Sale of Petroleum Products by HPCL

Product wise HPCL volumes

Products	MMT	5 Y CAGR %
HSD	17	6.5
MS	6	9.3
LPG	5	6.8
Naphtha, ATF & SKO	2	(1.1)
FO & Bitumen	3	(4.3)
Others	1	26.6

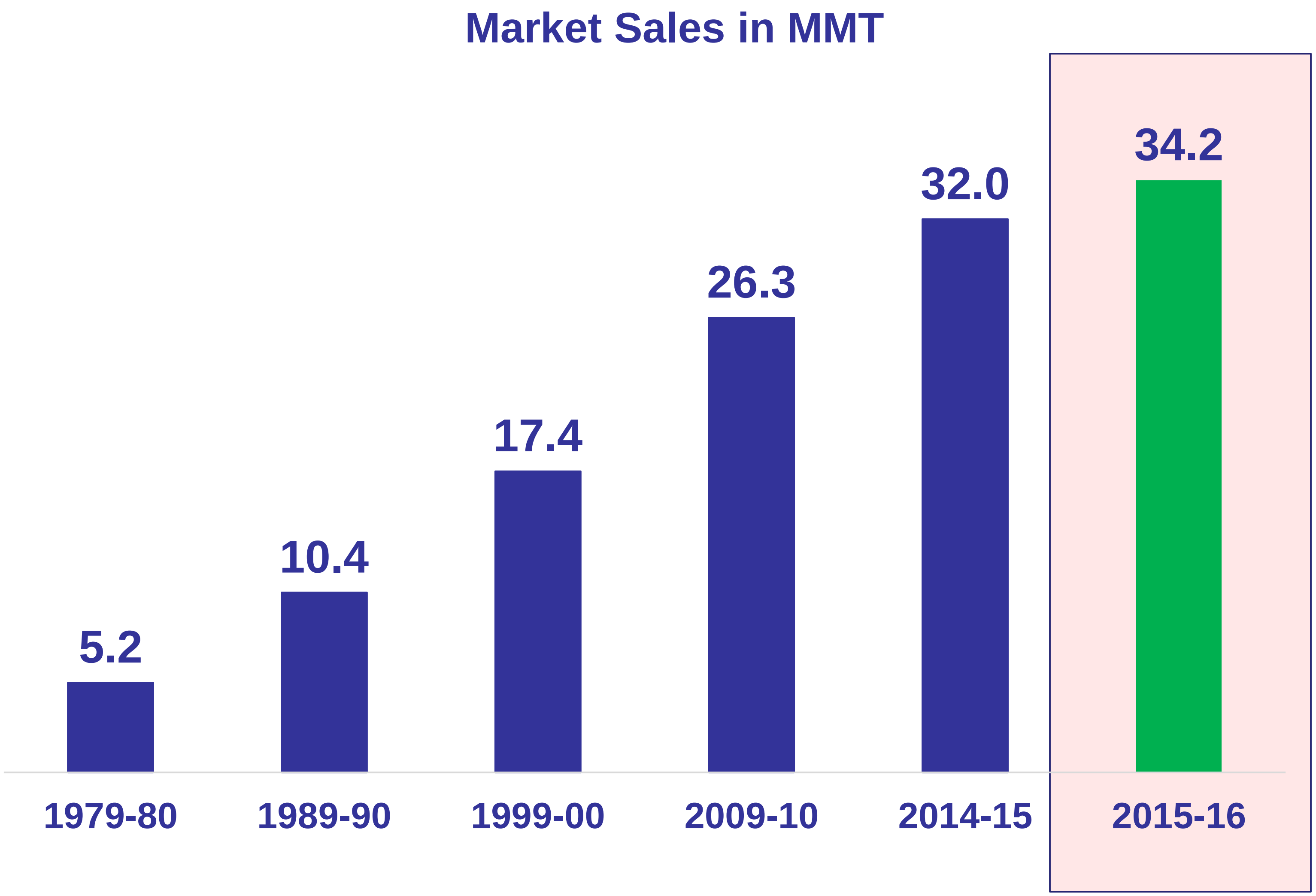
2015-16 (%)



Total Volume = 34.2 MMT, 5 year CAGR = 5.7%

*Note: FY 2010-11 is base year for 5 Year CAGR

HPCL Market Sales

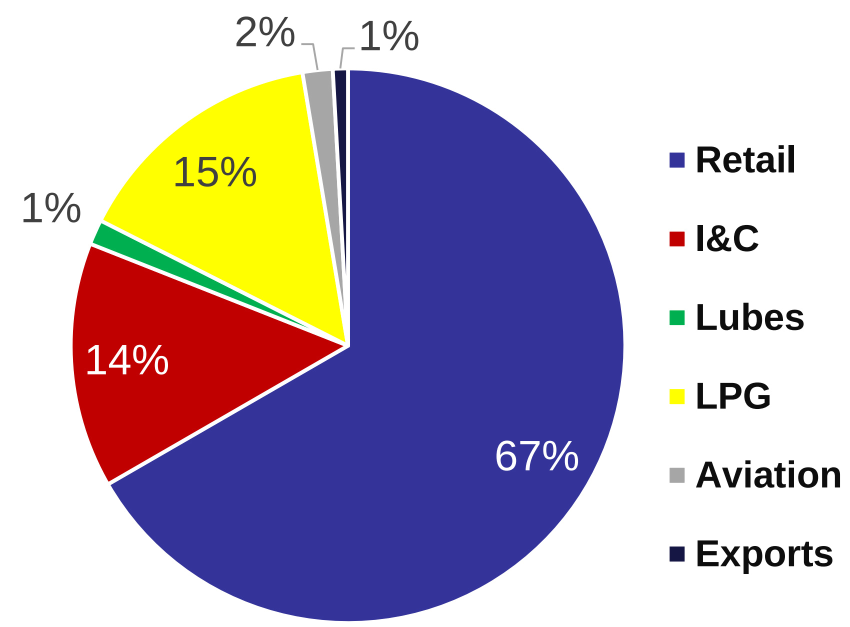


HPCL Sales : 2015-16

HPCL Business lines

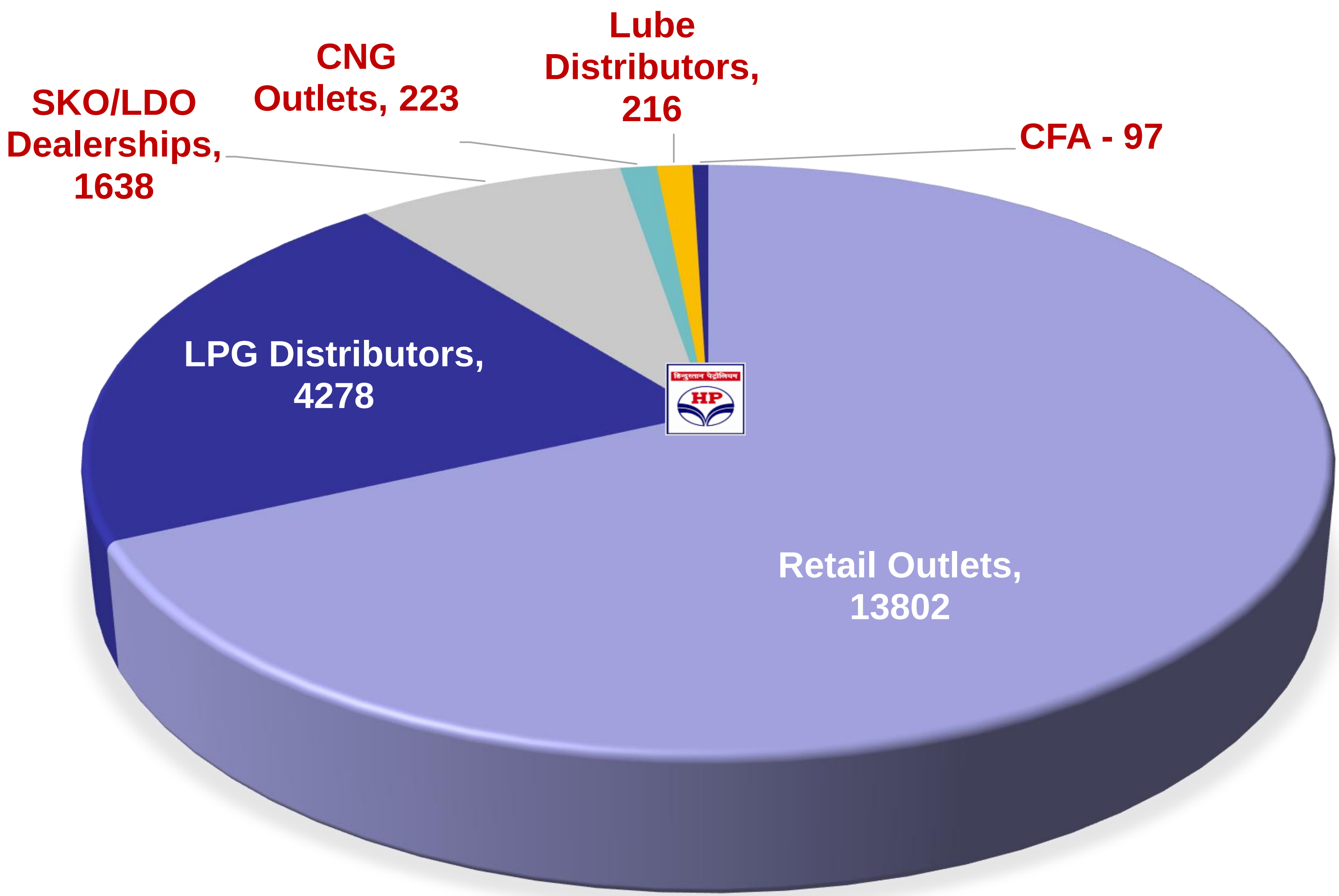
Retail	22.8 MMT
Aviation	0.6 MMT
LPG	5.1 MMT
Industrial and Consumer (I&C)	4.9 MMT
Lubes	0.5 MMT
Exports	0.3 MMT

Volumes by Business Lines (2015-16)



HPCL Total Sales = 34.2 MMT

Customer Touch Points



LPG customer base of 5.23 Crore Households

Marketing Highlights 2015-16

- **Recorded best ever physical performance**
  - **Market sales : 34.2 MMT**
  - **Domestic Growth : 9.3%**
  - **Market share gain : 0.31%**
  - **Sale of RLNG : 36 TMT**

Motor Fuels

- **Market share gain of 0.36%** (PSU category)
- Commissioned 590 new retail outlets

LPG

- Highest ever sales of 5.07 MMT
- **First Company to introduce** 450Kg SUMO cylinders for Forklift
- Online payment facility for LPG refill
- **Introduced new product -** Metal cutting gas under the brand name of HP Razor

Marketing Highlights 2015-16

Lubricants

- **No. 1 Lubricant Marketer** position for the third successive year
- **Market share gain of ~ 2.6%**
- **New products launched**
  - HP Milcy Turbo Ultra for diesel engines
  - HP Neo Synth 5W30 for passenger cars
  - HP Racer 4 Synth 10W30 for motorcycles
- Signed agreement with Snapdeal for online selling of HP lubes packs

B2B

- **Market share gain of 1.2%** (PSU category)
- Commenced supplies of Winter Grade Diesel to Indian Army
- Supplying Jet Fuel to all the eight scheduled domestic airlines of the country

Retail Sales

TMF Market Share (PSU) 25.80%

Sales 22.7 MMT

2015-16

Network 13802 Outlets

Site Control 90%

SKO 1638

CNG 223

ALPG 218

Focus on Customer Experience

Strong Customer Loyalty

- Segmentation
- Formats
- e-fuel stations
- Network Productivity

Segmentation

Customer Centric Formats

"Retail Outlet Formats" designed to address needs of "Target Customer Segments" in a 'Consistent' manner.

Highway

Urban

Rural

NHAI Award to COMCO Shoolagiri
"Best Amenities on Highways"

e-fuel stations

Retail Automation & NANO

Leveraging Technology

- **Automation** installed at 2731 outlets
- **NANO** Uptime : 98.5%

Benefits

- **Q&Q Assurance**
  - Capturing all transactions
  - e-Receipts to customers
  - Inspection through Automation system
- **Efficient operations**
  - System driven stock monitoring and price change
  - SMS Alerts to Customers
  - VID for Loyalty

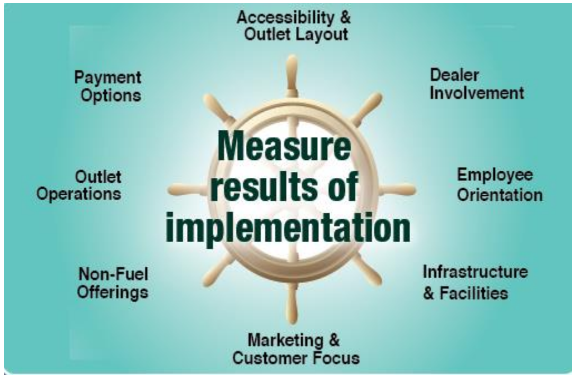
NANO : No Automation No Operation

Retail : Improving Network Productivity

Scientific approach through **Network Planning tool** for identifying

- Potential **new locations**
- **Sales potential** at existing outlets

Network Planning (NP) Tool



Implementing Outlet Diagnostics and Monitoring Tool (ODMT) as a **structured approach** for achieving outlet specific growth.

Branding & Loyalty

- **Branded Fuel Stations**
  - **2300 Club HP outlets and 250 Club HP Star outlets**
- **Branded Fuel (Power) marketed through 1500 outlets**

- **Allied Retail Business at over 4000 outlets with 1650+ ATMs at Retail outlets.**
  - **Largest Multiparty Coalition loyalty program - Partnership with Payback.**
  - **40 Million customers ~ 11.5% of Petrol Sales thru Loyalty card**

Fleet Card – DT Plus

Retail Cards

- **Fleet management solution**
- **Multiple recharge options & Accidental insurance for Vehicle Crew.**
- **Over 1 Lakh Fleet owners and 1.2 Million vehicles enrolled.**
- **HSD sales through DT Plus increased to 285 TKL PM ~ 16% of HSD Sales.**
- **Introduced Credit Pouch – tie up with HDFC & ICICI banks**

Presence in all Lubricant segments

OEM Partnerships

- JCB India
- Royal Enfield
- Bajaj Auto
- Komatsu
- Gabriel
- SKF
- Mahindra (Two Wheelers)

Sales Segment	% Volume Contribution
Automotive	32 %
Industrial	36 %
Transformer Oil	3 %
Greases	2 %
Process Oils	27 %

PAHAL

- **Percentage enrolled ~ 90.78%**

#GiveItUp

- **30 Lakh HPCL customers have given up LPG subsidy till 6th July 2016 (Total 103.77 Lakhs)**

PMUY

- **Pradhan Mantri Ujjwala Yojana (PMUY) - Scheme for Release of Free LPG Connections to BPL Women**
- **FY 2016-17,** GOI allotted Rs. 2,000 crore in Union Budget for 1.5 crore number of free LPG connections. **HPCL's share will be 0.38 crore connections.**
- **Scheme rolled out on 1st May 2016 by Hon'ble PM at Ballia in UP.**

Industrial & Consumer Segment

2nd largest Player

- Sales Volume ~ 4.9 MMT
- Market share gain amongst PSUs: 1.1%
- 1st in Industry to launch of VG 40 grade Bitumen

Fuels	▪ HSD, Naphtha, Bitumen and Fuel Oils
Bunkering	▪ MoU Signed for developing Bunkering Facility at Bucher Island, Mumbai
Specialties	▪ Hexane, MTO
Customers	▪ Army, DGBR, Railways, Govt. & Industrial Accounts and MSME segment

Aviation

Sales

- Sales Volume ~ 0.6 MMT
- Market share gain amongst PSUs: 1.3%

Wide Customer Base

- Supplying Jet Fuel to all scheduled airlines in India

Leveraging Open Access

- Operating JV MAFFFL (Mumbai Airport Fuel Farm Facilities Ltd.) with 25% stake

Leveraging Home market

- 20 km dedicated ATF P/L from Mumbai Refinery to Mumbai Airport

HPCL supply infrastructure

Terminals / TOPs

37

Depots

51

LPG Plants

46

ASFs

37

Lube Blending Plants

7

Description	As of 31.3.2016
POL Tankage	**3.1 MMT**
LPG bottling capacity	**4.1 MMTPA**
Lube blending Plant capacity	**250 TMTPA**
QC Labs	**46 Nos.**

Strategically located State of Art Infrastructure with robust technology-enabled processes

TOP = Tap off Point, POL = Petroleum Oil & Lubes

Operations & Distribution

- **Throughput : 47.5 MMT**
- **Sustainable Development:**
  - **258 Kwp Solar PV power project commissioned at Ennore Terminal, Tamil Nadu.**
  - **Efficient energy and water management**

IT Initiatives in Supply Chain

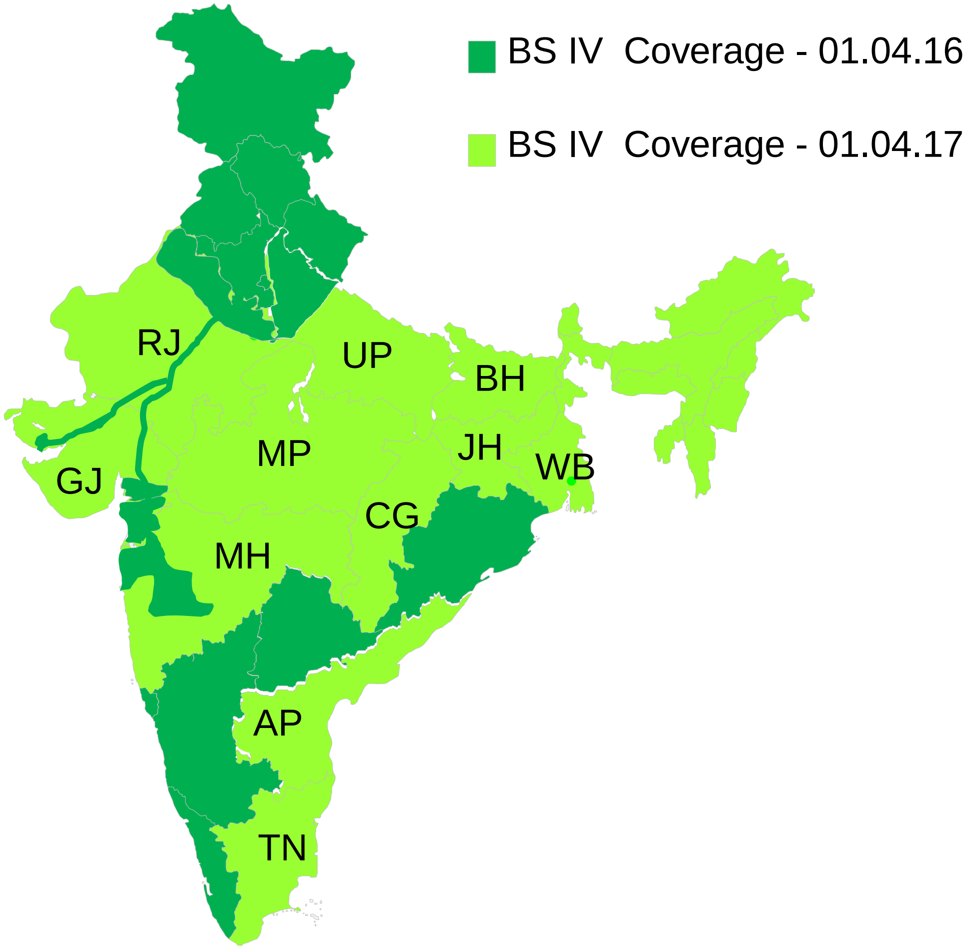
- Terminal Automation System
- Online Inventory Management System
- Electromechanical Locking
- O&D Dashboard- Parichalan Darpan
- Online Budgeting Tool and Infrastructure Portal

- Online HSE Index System
- Vehicle Tracking System
- Inspection Tool and Mock Drill Reporting
- Common Infrastructure Portal-Bandhan
- Online Work Permit System and Near Miss Portal

BS IV Fuels coverage

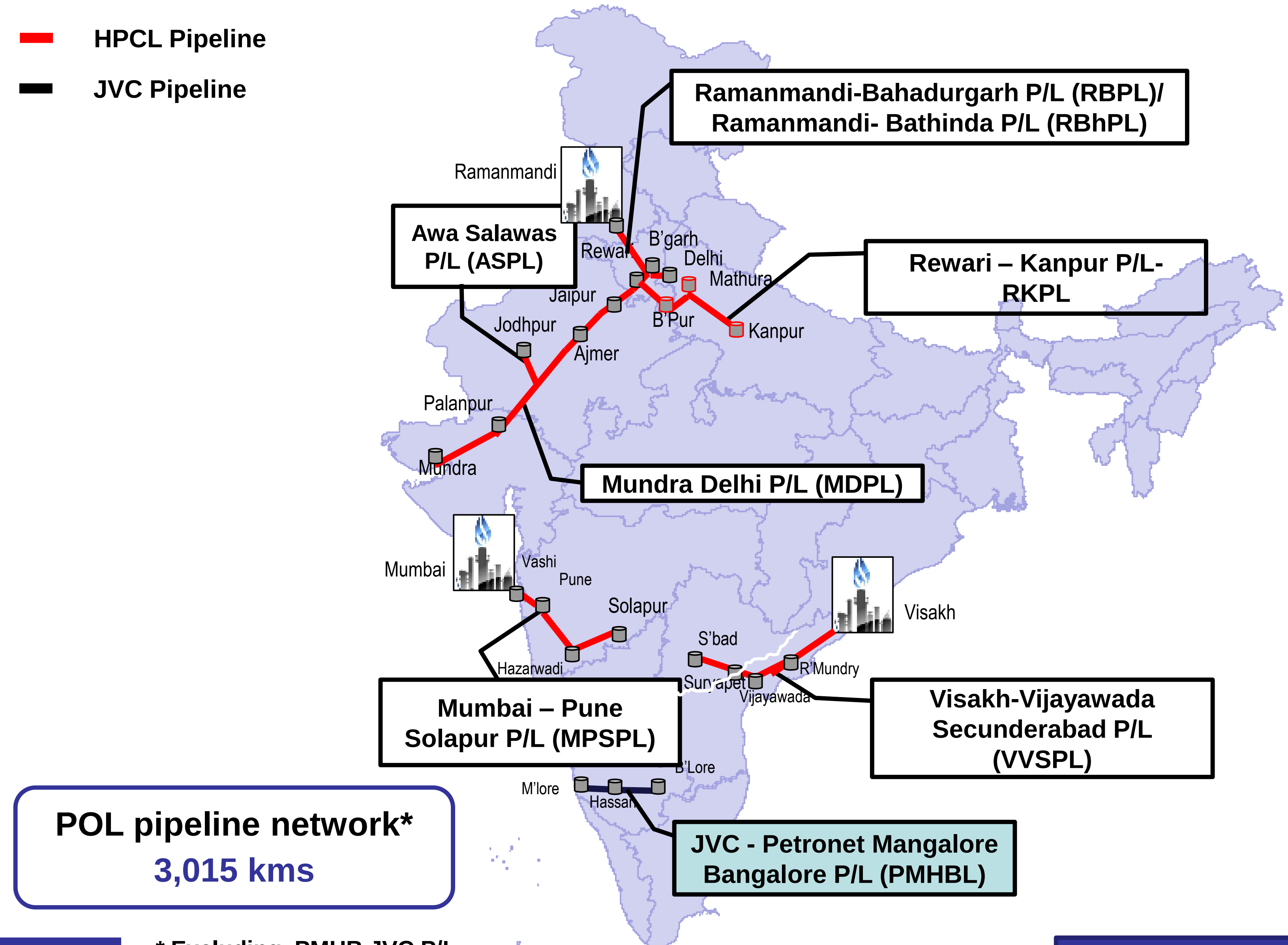
Coverage of BS IV:

- **Volume %**
  - **BS IV MS : 54%**
  - **BS IV HSD : 51%**
- **Geography**
  - **37% Area covered**



BS VI All India Coverage : Target by 1.4.2020

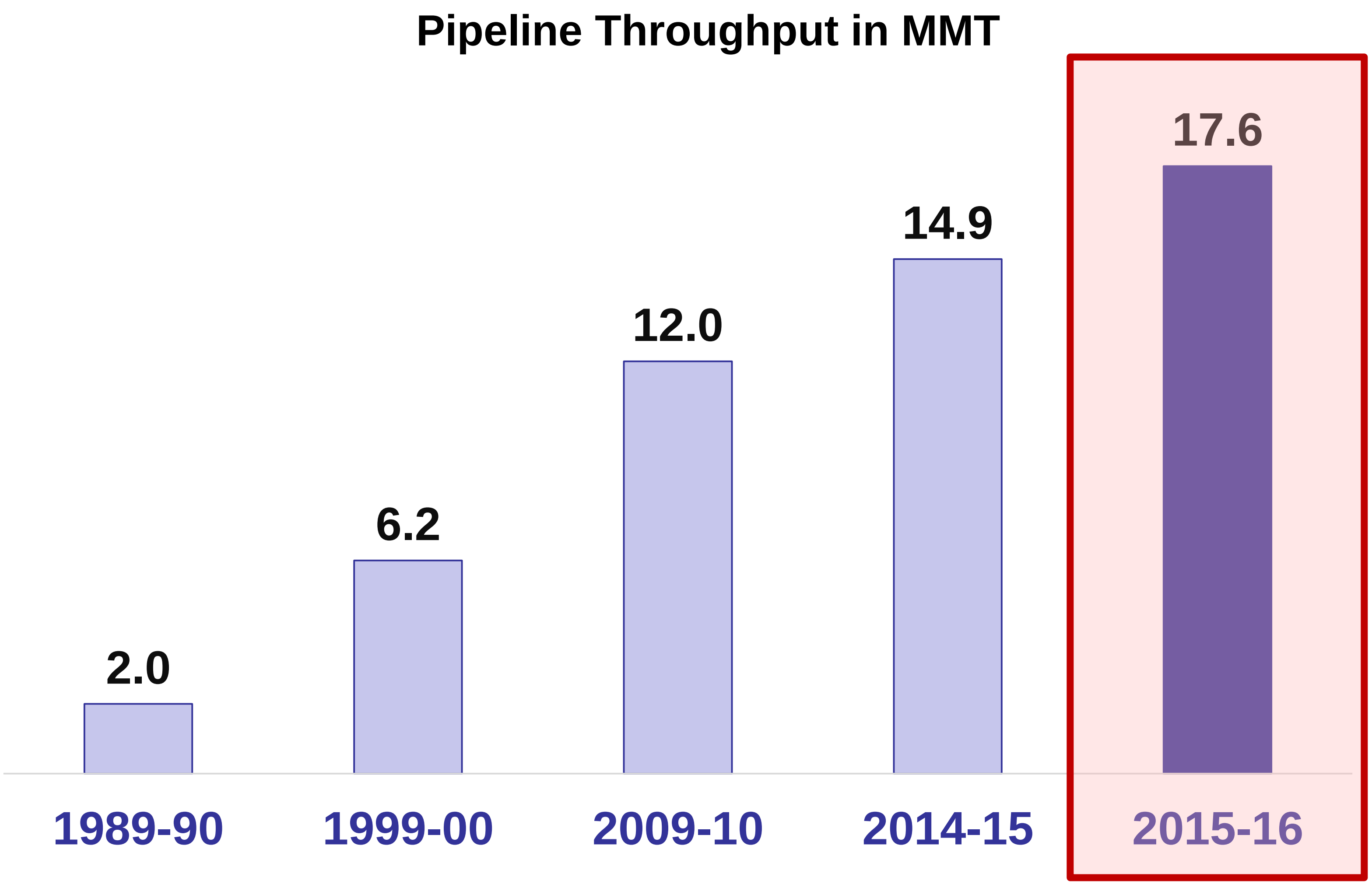
2nd largest product pipeline network



POL pipeline network*
3,015 kms

* Excluding PMHB JVC P/L

Pipeline Throughput



Natural Gas - Marketing

CNG Sales:

- **Ahmedabad**
  - **1 Mother station**
  - **21 Daughter Booster Stations**
  - **Sales : 11 TMT**

RLNG Sales:

Maiden entry into RLNG marketing during 2014-15

- **2015-16 RLNG Sales : 36 TMT**

CGD Network :

- **Consortium of HPCL and APGDC emerged as successful bidder in East Godavari & West Godavari districts in Andhra Pradesh**

Ethanol & Biodiesel

Ethanol

- All India EBP% of 3.3%
- 10% EBP in states like Haryana, Andhra Pradesh, Telangana
- Blended 264 TKL of Ethanol in MS during FY 15-16

Bio-Diesel

- Introduced Biodiesel blending in Diesel on “World Biofuels Day” i.e. 10th Aug’ 15
- Sold 86 TKL of B5 (5% Biodiesel blended Diesel) during FY 15-16
- Commenced Biodiesel blending at 9 Terminals (Delhi, Visakh, Vijayawada, Secunderabad, Chennai, Coimbatore, Haldia, Paradeep and Vadodara).

Projects Completed

New Projects Commissioned : 2015-16

Rewari – Kanpur Pipeline

- **Length : 443 Km**
- **Capacity : 7.98 MMTPA**
- **TOPs : Bharatpur, Mathura**
- **Capex : Rs. 1,447 crore**

Rewari pumping station

Kanpur Terminal

- **Tankage : 227 TKL**
- **2 x 8 Bay White oil TT Gantry**
- **State of Art Terminal**

New Projects Commissioned : 2015-16

Solapur LPG Plant

- **120 TMTPA LPG Bottling capacity**
- **3 x 500 MT Mounded Storage Vessels**
- **Two 24 Head Electronic Carousels**
- **8 bay TT Gantry**
- **Plant area ~43 acres**
- **Project Cost ~83 crore**
- **Commissioned during Feb’16**

Ongoing Projects

Projects under Implementation

LPG pipelines

- **356 km Mangalore – Hassan – Mysore – Bengaluru LPG Pipeline (3.1 MMTPA) .**
- **168 km Uran –Chakan LPG pipeline (1.0 MMTPA).**

POL Depots

- **Revamp at Jabalpur Depot (Madhya Pradesh) and Loni Terminal (Maharashtra), Nalagarh Depot (Himachal Pradesh).**

LPG Plants

- **New LPG Plants at Bhopal (Madhya Pradesh) Karimnagar (Telangana) and at Panagarh (West Bengal).**

Wind Farm Projects

Existing Capacity

- **Capacity in Operation : 50.5 MW.**
- **Wind Power Plants in Rajasthan (Jaisalmer, Akal) and Maharashtra (Dhule)**

Planned Addition

- **50.4 MW capacity in Jaisalmer (Tejuva).**
- **Project Cost : Rs. 370 Crore**

Projects Planned

Expansion of Refineries

Mumbai Refinery

- **Expansion of capacity from 6.5 MMTPA to 9.5 MMTPA**
- **Salient features:**
    - **Euro VI compliant Petrol & Diesel**
    - **Propylene Manufacturing facilities**
    - **Estimated Capex of Rs. 4,200 crore**

Visakh Refinery

- **Expansion of capacity from 8.3 MMTPA to 15 MMTPA**
- **Salient features:**
    - **Residue up-gradation**
    - **Euro VI compliant Petrol & Diesel**
    - **Estimated Capex of Rs. 20,800 crore.**

New POL Pipeline Projects

MDPL Phase II

- Extension from Palanpur to Vadodara with a new green field marketing terminal near Vadodara
- Approx. Cost : Rs.1900 Crore

VVSPL Phase II

- Capacity expansion from 5.38 MMTPA to 8 MMTPA for evacuation post Visakh Refinery Expansion
- Extension of VVSPL from Vijayawada to Dharmapuri in Tamilnadu (628 Km) with a new green field terminal at Dharmapuri
- Approx. Cost : Rs.3000 Crore

New Marketing Projects

LPG Plants

- New LPG Plants at Haldia (West Bengal) Varanasi (UP) and Sagauli (Bihar)

POL Depots

- New POL Depot at Bilaspur (Chhattisgarh), Leh (J&K) and Revamp at Meerut (UP)

Lube Blending Plants

- Lube Blending Plants at Mumbai (Maharashtra) & Kasna (UP)

Subsidiaries & JVs

Subsidiaries & JVs

Subsidiaries

Upstream

100% Prize Petroleum

Alternate Fuels

100% HPCL Biofuels Ltd

Refining

HMEL

Strategic Storage

SA LPG

Marketing

Hindustan Colas Ltd.

Infrastructure

Petronet MHB Limited

MAFFFL Mumbai Aviation Fuel Farm Facility Pvt Ltd

City Gas Distribution

BGL Bhagyanagar Gas Ltd.

Aavantika Gas Ltd.

Natural Gas

HSEPL HPCL Shapoorji Energy Pvt Ltd

GITL

GSPL

Introduction of new technology and value growth through Partnerships

Exploration & Production

Prize Petroleum, a wholly owned subsidiary

Overseas Operations (Australia)

1 - Producing Field
1 - Discovered Field

Domestic Operations

1- Producing Field (Sanganpur)
1- Discovered Field (Cambay)
1- Service contract (Hirapur)
1- Exploration Blocks (NELP IX)

2015-16 Production : 62 TMT

HMEL Expansion

Project Details:

- Capacity enhancement from 9 MMTPA to 11.3 MMTPA
- Estimated Project cost ~ Rs. 2425 Crore

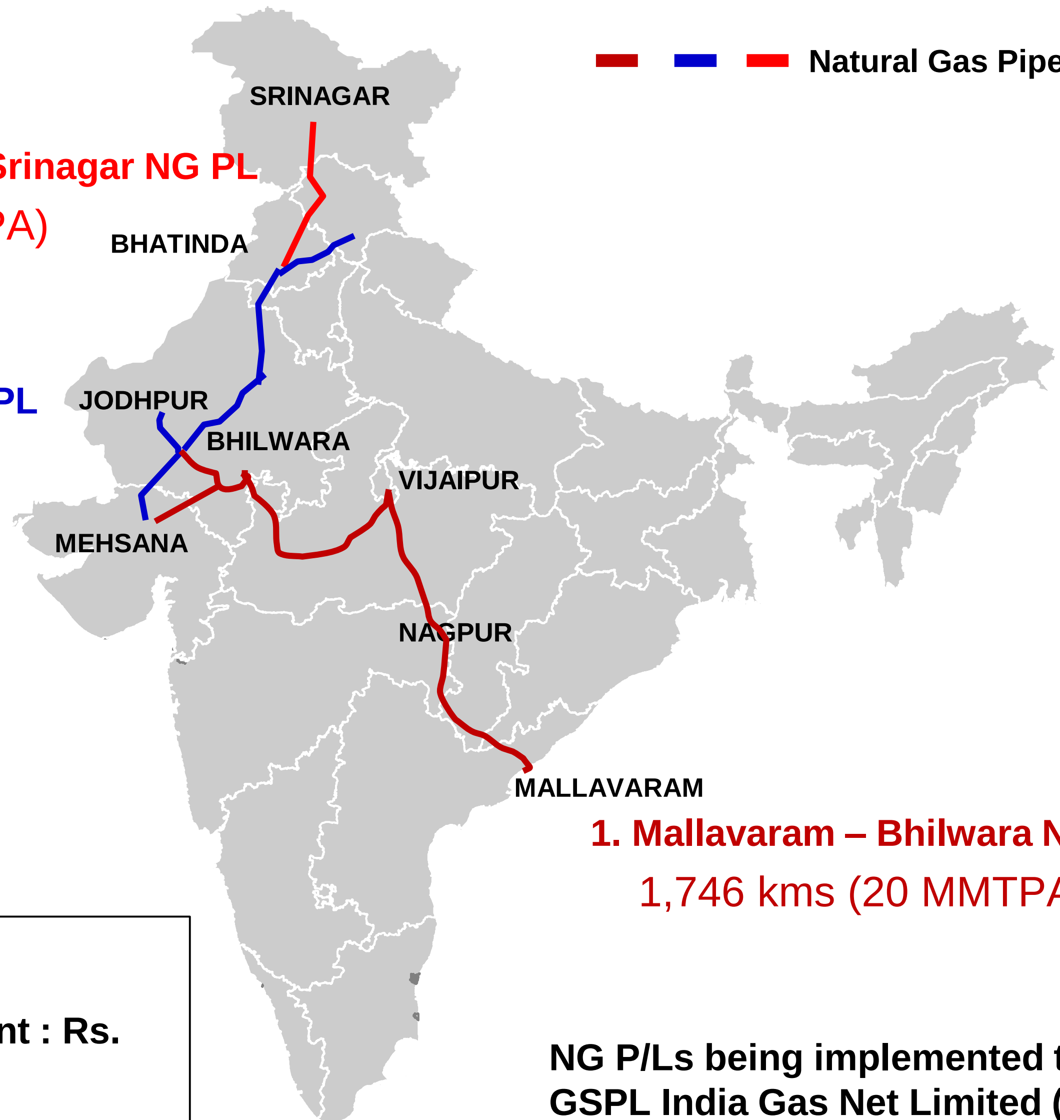
  Additional HPCL Equity ~ Rs. 490 Crore
- Estimated Completion: June 2017

LNG Terminal at Chhara, Gujarat

- **Being implemented thru JVC – HSEL. HPCL Equity : 50%**
- **5 MMTPA LNG Regasification terminal at Chhara Port**
- **Capacity : 5 MMTPA**
- **Est. Cost: Rs. 5411 Crore; HPCL Equity: Rs. 810 Crore**
- **Financial closure for the project has been completed**
- **Environmental clearance : Public hearing completed**

- **Estimated Completion: Oct 2019**

Natural Gas Pipelines under construction



3. Bathinda – Jammu –Srinagar NG PL
750 Kms (10 MMTPA)

2. Mehsana – Bhatinda NG PL
1611 kms (20 MMTPA)

1. Mallavaram – Bhilwara NG PL
1,746 kms (20 MMTPA)

- **HPCL Equity : 11%**
- **HPCL Share of investment : Rs. 452 Crore**
- **Estimated Completion: June 2019**

NG P/Ls being implemented through JVCs : GSPL India Gas Net Limited (GIGL) & GSPL India Transco Limited (GITL)

Mumbai Aviation Fuel Farm Facility Private Ltd (MAFFFL)

- Being implemented thru JVC – MAFFFL.
  - 25% Equity participation each by HPCL, BPCL, IOCL & Mumbai International Airport Pvt. Ltd. (MIAL)
- To maintain and operate Fuel Farm Facilities at Chhatrapathi Shivaji International Airport, Mumbai
- Estimated Cost: Rs. 689.13 Crore
  - HPCL Equity : Rs. 60 Crore.
- Integrated Fuel Farm Facility is being constructed for operation on open access basis

HPCL Capex

Planned CAPEX : 2016-21 (5 Years)

(Rs. Crores)

Capex Projection	2016–2021	2016-17
Refining	25,741	1,418
Marketing	26,160	4,563
Renewables	970	289
R & D	504	112
Joint Venture	2,440	480
Total	55,815	6,862

IT infrastructure & initiatives

e-Infrastructure

ISO 27001 Certified for Information Security Management

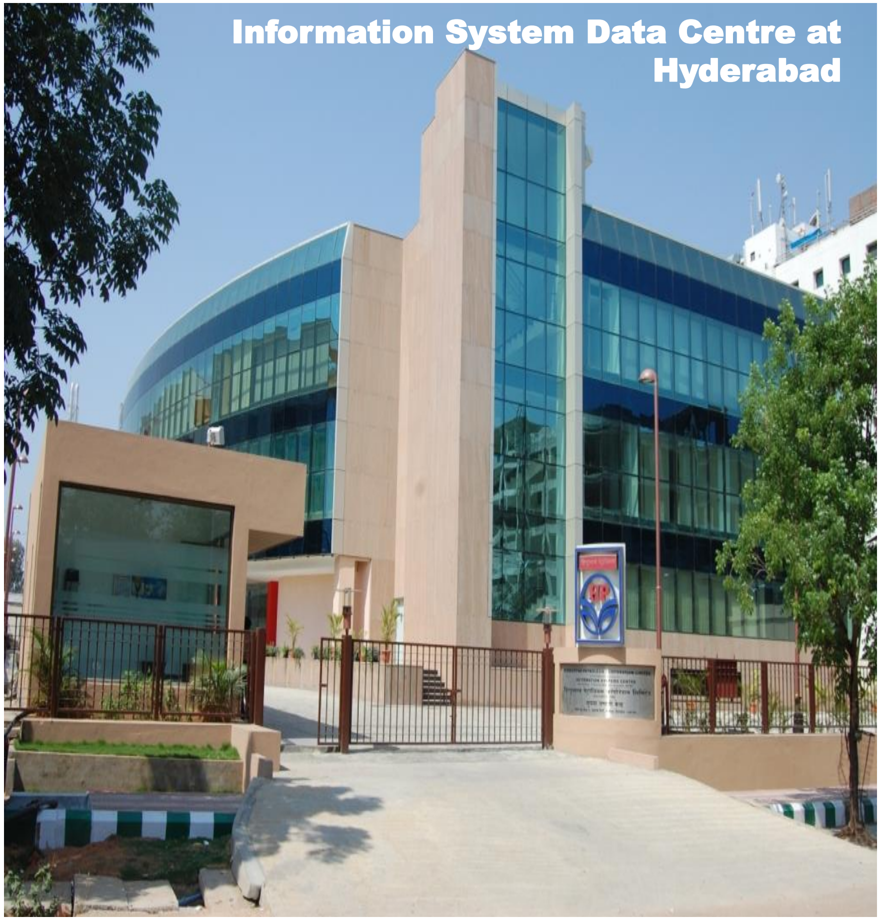
Countrywide Hybrid Network connecting 450 locations of HPCL

LPG dealers connected through available channels

Information Systems:
Enablers of business In HPCL

World Class State of Art ISC at Hyderabad

Control Room for monitoring operations at Automated Retail Outlets



Financial, HR and Procurement service delivery processes are e-enabled

Major e-initiatives

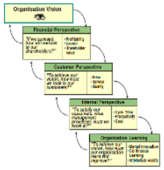
- State of the Art ERP System
- e-Banking, e-Procurement, e-Recruitment
- B2B for Oil Exchange
- Terminal, Retail Outlet and Tank Farm automation
- Vehicle Tracking system
- DBTL and related applications
- Portals for various stakeholders
- Mobile apps for LPG & retail consumers and employees
- E-mail and SMS Alerts and status updates
- Local language in MyLPG portal and SMS alerts

HR Initiatives

Talent Management

1. **Samavesh** – Structured Induction process to Learn, Grow and Lead.

2. **PACE** - Performance Appreciation and Capability Enhancement



3. **Capability Building** – Behavioural / Functional and Technical training.

4. **Project Akshay & Akshaypath** – Building Strong Leadership Pipeline.

5. **Recognition** – Rewarding Values for driving Performance

Touching over 1.1 Lakh lives since inception

Beyond Business …..

- Child Care
- Education
- Health Care
- Skill Development
- Sports
- Environment & Community Development

Major initiatives

Integrated Margin Management

Value creation levers

Crude & Shipping

Refineries

Supplies & Distribution

Operation

Marketing

Feed Stock Supply
- Optimisation of Crude & Long-term contracts

Refining
- Production optimisation

Distribution
- Optimization of distribution costs & higher infrastructure utilisation

Storage
- Inventory Optimization

Sales
- Optimization of *Make or Buy* decisions

Levers for value creation across supply chain

Central Procurement cell:

vivartan

- Economy of Scale
- Standardization of Processes
- Effective Vendor Management

Functional Directors

Shri M K Surana, Chairman & Managing Director

- He is a Mechanical Engineer with a Masters degree in Financial Management and has wide exposure in the Petroleum Industry spanning over 33 years. He handled a wide range of responsibilities including leadership positions in Refineries, Corporate, Information Systems, and Upstream business of HPCL. He was CEO of Prize Petroleum, upstream arm of HPCL before assuming responsibilities as C&MD of HPCL.
- He has been closely involved in Strategy Formulation, Business Process Re-engineering, Major Projects implementation, Refinery Operations, Corporation wide ERP Implementation, Acquisition and Management of upstream assets.

Shri Pushp Kumar Joshi, Director - Human Resources

- He is a Bachelor of Law and an MBA from XLRI, Jamshedpur with over 30 years of industry experience. He has held various key positions in Human Resources and Industrial Relations functions in Marketing and Refineries divisions of HPCL. He was responsible for spearheading HR practices with strong business focus and contemporary approaches at HPCL for leadership development, productivity enhancement , leveraging IT platform etc.
- He also holds the directorship on the boards of Prize Petroleum corporation Ltd, CREDA HPCL Biofuels Ltd, HPCL Biofuels Ltd, Hindustan Colas Ltd, HPCL Shapoorji Energy Pvt Ltd, HPCL Rajasthan Refinery Limited and SA LPG Co. Pvt. Ltd.

Shri B K Namdeo, Director - Refineries

- He is a Mechanical Engineer and a Master of Technology from IIT Mumbai with over 32 years of experience in various functions and has held key positions in Central Engineering (Refinery Projects), Operations, Projects and Maintenance Departments of the Refineries.
- He also holds the directorship on the boards of HPCL Mittal Energy Ltd, Prize Petroleum corporation Ltd, CREDA HPCL Biofuels Ltd , HPCL Biofuels Ltd , and Mangalore Refinery and Petrochemicals Ltd.

Shri Y K Gawali, Director - Marketing

- He is a graduate in Civil Engineering with over 32 years of experience in Operations, Engineering & Projects, Logistics, Terminals, and LPG functions of Marketing division. Prior to Director marketing he was the Executive Director - LPG of HPCL and was responsible for improving Marketing performance, customer focus and satisfaction and enhancing the brand image of HP Gas.
- He also holds the directorship on the Boards of Aavantika Gas Limited, GSPL India Gasnet Ltd (GIGL) and GSPL India Transco Ltd (GITL).

Shri J Ramaswamy, Director - Finance

- He is a member of the Institute of Chartered Accountants of India (ICAI), and brings with him rich experience of over 3 decades in the field of Corporate Finance, Marketing Finance, SBU Commercial, Internal Audit, Vigilance, System & Procedures, and Refinery Finance. He is credited with effective treasury management. He also holds the directorship on the Boards of Prize Petroleum, Creda HPCL Biofuels Limited, HPCL Rajasthan Refinery Limited, SA LPG Co. Pvt. Ltd, HPCL Mittal Energy Ltd, HPCL Shapoorji Energy Pvt Ltd and HPCL Mittal Pipelines Ltd.

Thank you