



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड

(भारत सरकार उपक्रम) रजिस्टर्ड ऑफिस : 17, जमशेदजी टाटा रोड, मुंबई - 400 020.

**HINDUSTAN PETROLEUM CORPORATION LIMITED**

(A GOVERNMENT OF INDIA ENTERPRISE) REGISTERED OFFICE : 17, JAMSHEDJI TATA ROAD, MUMBAI - 400 020.

17, जमशेदजी टाटा रोड, पोस्ट बॉक्स नं. - 11041, मुंबई - 400 020. दूरभाष - 2286 3900 • फॅक्स - 2287 2992 • तार : हिन्दपेटकॉर, • टेलीक्स - 82414, 85096  
17, Jamshedji Tata Road, P. O. Box No. - 11041, Mumbai - 400 020. Tel. : 2286 3900 • Fax : 2287 2992 • Telegram : Hindpetcor • Telex : 82414, 85096  
e-mail : corphqo@hpcl.co.in

March 12, 2013

## Communication on Progress

**Year: 2011-12**

Statement of Director -Human Resource of Hindustan Petroleum Corporation Ltd.  
pledging continued support to Global Compact Programme of United Nations.

*Being a good corporate citizen is an ambition enthusiastically embraced at all levels within our company. As a member of the Global Compact, we believe that our business policies incorporate the ten principles. Our board fully supports our actions in working towards sustainability goals – in particular those contained in the UN Global Compact – and endorses the future priorities and specific targets we set out in our report. Through our support of the United Nations Global Compact, we also aim to move the agenda forward on performance related to human rights, labour rights, the environment and the fight against bribery and corruption. Here we summarised the progress we have made against these principles and we will continue to follow them up in future.*



Pushp. K. Joshi  
Director - HR

Contact: Sonal Desai

Email: sonaldesai@hpcl.co.in

Phone: 022 22871325

Fax: 022 22821986

Commitment to Global Compact: Communication on Progress at  
Hindustan Petroleum Corporation Ltd.

Hindustan Petroleum Corporation Limited is committed to the principles of Global

Compact. This is evident from the various policies pursued by the Corporation. In fact, our **VISION** Statement encompasses Principle 7, 8 & 9 of the Global Compact.

**Hindustan Petroleum Corporation Limited's**

**VISION**

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

Global Compact Principles addressed in our **MISSION** statement:

**HPCL, along with its joint ventures, will be a fully integrated company in the hydrocarbons sector of exploration and production, refining and marketing; focusing on enhancement of productivity, quality and profitability; caring for customers and employees; caring for environment protection and cultural heritage. It will also attain scale dimensions by diversifying into other energy related fields and by taking up transnational operations.**

- To foster a culture of participation and innovation for employee growth as an employee caring Organisation
- To cultivate high standards of business ethics and Total Quality Management
- To protect customer interest as a customer caring organisation
- To take all steps for enriching quality of life of the community and protect the environment
- To preserve ecological balance.

The Corporation initiated the following actions in support of our commitment to the Principles of Global Compact:

**1. Support and respect the protection of internationally proclaimed human rights:**

The Organization continues and supports, respects and ensures no violation of internationally proclaimed human rights.

**2. Ensure that the organization is not complicit in human rights abuses**

Hindustan Petroleum Corporation Limited conforms to human rights principles and ensures that no violation of the same occurs:

- The organization has an approved policy for handling grievances of employees, shareholders and customers. Issues raised by other stakeholders such as Contractors, Dealers, Vendors and society are also attended promptly.
- Our Conduct, Discipline & Appeal Rules applicable to Management employees and Standing Orders applicable to Non-Management employees are designed in such a manner that they take care of Human rights compliance across the Corporation.

**3. Upholding the freedom of association and effective recognition of the right to collective Bargaining**

Freedom of association is available to all the employees. The Corporation has established policies and practices through which the employees exercise the freedom of collective bargaining on issues of common interest. The issues are resolved through bilateral discussions with the Unions representing the **Non-Management** employees by way of signing the Long Term Settlements for salaries, wages and perks, and settlements for career progression of employees, etc.

During 2011-12 Management had signed **Long Term Settlement** with the Representatives of the unions representing the employees across the Organization including Marketing Division, Mumbai and Visakh Refinery.

Apart from the above, various spot settlements regarding issues on **Productivity improvement** and other working conditions have been signed with the respective unions.

Corporation strongly believes and recognizes the right of the employees to know about their organization, keeping this in mind senior management, from time to time share the details of the prevailing business environment, Organization performance, growth strategies and future business plans with the employees through various meetings with the Office Bearers of the Unions and also through various communications in the form of circulars thru Corporate HP Portal for employees, etc.

In fact the Corporation has co-created a vision for the Corporation, where the Representatives of the employees were also involved in the entire process.

#### **4. Organization supports the elimination of all forms of forced and compulsory labour**

Corporation does not support forced or compulsory labour in any form and adheres to all labour laws in this respect. During the year no instance of forced or compulsory labour has come to light. The Corporation has systems & procedure in place, for ensuring the payment of minimum wages and other benefits provided under various Laws to the Contract Labour.

#### **5. The Organization supports effective abolition of child labour**

As per the Corporation's Recruitment Policy, no person below the age of 18 years is engaged as direct employee or even as a Contract Labour. We adhere to Government laws in this regard i.e., "Child Labour (Prohibition and Regulation) Act, 1986.

#### **6. Organization promotes elimination of discrimination in respect of employment**

Hindustan Petroleum Corporation Ltd., is an equal opportunity employer.

Corporation policies are aimed at ensuring equal opportunities to all Indian citizens in its Employment and avoid discrimination on any ground. Corporation gives equal opportunities of employment to all citizens of India.



Being a Central Govt. of India Undertaking (PSU), it follows the Presidential Directives and Govt. Instructions with regard to its Recruitment Policies with regard to reservation for Scheduled Castes/Scheduled Tribes/Other Backward Classes and physically handicapped, scrupulously.

**7. The organization adopts a precautionary approach to Environmental Challenges.**

- HPCL is committed to environment protection, as a responsible corporate citizen, and constantly endeavors to ensure its increasing scale of operations does not lead to environment degradation and emissions are within the prescribed limits of central and State Pollution Boards. HPCL, in line with the "Environment Policy" adopted, is committed to conduct all its operations in such a manner as to be compatible with the Environment.
- As a responsible corporate citizen, HPCL is committed to Safety and Health of all employees and public living in the vicinity of our installations and constantly endeavor to ensure that the highest safety standards maintained in all its operations. In line with the "Safety, Health & Environment Policy" adopted by it, HPCL is committed to conduct all its operations in a sustainable manner.
- HPCL is committed to environment protection and constantly endeavor to ensure that its increasing scale of operations does not lead to environment degradation. In line with its "Environment Policy", HPCL is committed to conduct all its operations in such a manner so as to be compatible with the environment protection.
- **Sustainable Development:** HPCL has embarked on regularizing its socio - economic activities under 'Sustained Development' category and has formulated an SD policy and disseminated to all the employees for inclusive action towards achieving the goal during the current financial year. Various SD initiatives have been identified such as Electrical Energy Audits & Rain Water Harvesting at POL Locations; Rain Water Harvesting at Visakh Refinery; Improving treated water output at Mumbai Refinery; Power generation thru' Wind Mills and Carbon Foot Print Assessment of POL locations and were given the priority for implementation during 2012-13. These SD initiatives progress is monitored by a Board Sub Committee periodically. An SD report for the financial year 2011-12 has been prepared and released along with the Annual Financial Report. This SD report highlights the various SD initiatives undertaken by the Corporation, the awareness of the employees and the senior management of SD goals and targets. This

report has been prepared as per the guidelines of GRI and has been assessed by a third party as per the norms.

- **Carbon Foot Printing:** As a way forward to 'Climate Change Policy', a benchmark assessment study of 'Carbon foot print' has been carried out at both Visakh and Mumbai refineries in May 2010 and since then yearly assessments are being carried out. Carbon foot print study has also been carried out at 32 POL locations and is planned to be carried out at another 20 locations during the current year.
- **Environmental Audits as per OISD GDN 212:** HSE (Corporate) has initiated to carry out environmental surveillance with regards to the revised Environment norms that have been made stringent by the MOE&F in all SBUs as per OISD GDN - 212, Annexure-1. Hence, Environmental Audits were commenced during 2011-12 onwards to identify the base line compliance and scope for improvements in a structured manner, in marketing locations as well as in Refineries.
- Drastic reduction in SO<sub>2</sub> emissions have been achieved in both Refineries in spite of significant increase in crude throughput. SO<sub>2</sub> emissions have reduced from 60 TPD in 1984 to less than 25 TPD now, in spite of capacity increase from 4.5 to 13 MMTPA and addition of various secondary processing facilities.
- Liquid fuel firing has been replaced with the natural gas firing at our Mumbai refinery which has again resulted in significant SO<sub>2</sub> emission reduction. These significant reductions have been achieved essentially by firing low sulphur fuels in the furnaces, putting up Sulphur Recovery Units and installing gas desulphurization facilities.
- Dependence on road transport for evacuation of products has been reduced drastically resulting in considerable reduction in auto emissions to atmosphere. Over 75% of products are being evacuated through pipelines from our petroleum refineries.
- Both our Refineries at Mumbai & Vizag and many of our marketing installations have implemented the Environment Management system and have been certified by M/s. SGS India Pvt. Ltd. for ISO 14001:2006 (Environment Management System Certified)

HPCL has always been striving for environment protection and has established necessary hardware infrastructure as well as organizational structure for achieving the following objectives:

1. Commitment to environmental protection and preservation.
2. Identification, monitoring and control of pollution parameters.
3. Compliance of the stipulated statutory pollution norms.
4. Adaptation of eco-friendly state of the art technologies.

- HPCL has implemented various environmental and energy conservation projects to control and minimize the detrimental effects of pollutants on the environment.
- HPCL complies with prescribed Environmental Norms of Minimal National Standards (MINAS) and other environmental standards.
- HPCL ensures safety during transportation/storage/use of products as precautionary and preventive measures.

**Effluent Treatment Plants:** To comply with the MOE&F/Central Pollution Control Board revised effluent norms for petroleum refineries, State of the art Effluent Treatment Plants were set up at HPCL Refineries for continuous monitoring and treatment of effluent quality. A new Integrated Effluent Treatment Plant with latest technology like Cyclic Activated Sludge treatment followed by Membrane Bio-Reactor & reverse Osmosis commissioned at Mumbai Refinery. All LPG plants and major oil marketing terminals are having Effluent Treatment Plants for treating the effluent water before it is released to environment. All 44 LPG plants and major Terminals have been provided with ETP. All other POL locations have Oil water separators.

**Mechanical Oil Recovery from Oily Sludge:** To meet the applicable stringent statutory stipulations of "Hazardous Waste Rules 1989" (including recent amendments to Hazardous Waste Management Rules.) on Oil Industry, the oily sludge needed to be processed by evolving a sustainable management practice. The de-oiling of the available sludge by the oily sludge processing contractor was carried out at both the HPCL refineries and the entire oily sludge was processed in a time bound manner. The recovered oil from the sludge processing plant after meeting the desired BS&W is pumped out to the refinery system oil system for processing along with the Crude oil.

**Bio-Remediation:** After the mechanical recovery of oil from sludge processing plant the left over sludge cake containing oil content less than 10% is stored at a designated area to carry out the bio-remediation. Bio remediation is the process by which the oily sludge is bio degraded. The environmental friendly, bio degradable water soluble bio enzyme is used which assists in breaking the long chains of the HC in the oily sludge by the process of encapsulation at the molecular level. The HC molecule which is encapsulated by the aqueous bio enzyme solution then becomes a food source for the naturally occurring microbes present in the solid. The microbes' bacteria consume the encapsulated HC as food, consequentially the end product



generated by them being CO, H<sub>2</sub>O cell mass and biological waste products. The process of Bioremediation of sludge is widely used at both refineries and marketing locations for disposal of sludge. HPCL has provided funds to TERI for development of Bio Reactor for manufacturing "OIL ZAPER", the bio enzyme.

**Hazardous waste disposal:** In order to comply with the "Hazardous Wastes Mgmt. & Handling Rules, spent catalysts/ old chemicals/ discarded chemicals/ Paint and oil sludge/ insulation waste etc. are being disposed to the registered "Common Hazardous Wastes Treatment Storage Disposal Facility" (TSDF) as well as to the SPCB/CPCB approved Recyclers. Our Refineries & Marketing Locations have entered into agreement with such approved TSDF facilities.

**VOC Study/ Vapour extraction systems:** Volatile Organic Compounds study has been completed at both the refineries to address the revised environmental norms. Leak Detection & repair program has been put in place to quantify the VOC emissions and take preventive measures. Vapour extraction system pilot projects for retail outlets and tank truck loading gantries are under implementation. Vapour extraction system has been implemented at 418 retail outlets. New pilot project of Vapour extraction system for tank truck loading gantry is under implementation at new Terminal project at Tikri Kalan

**Groundwater monitoring:** Both at refineries and marketing locations bore well water samples are tested regularly for assessing the ground water quality.

- HPCL undertakes regular energy and environment audits by the private and Govt. Agencies.
- Various Govt. as well as non-Govt. organisations has recognized HPCL's efforts towards Environment Protection and awarded prestigious awards instituted by them which are listed below:

**Genentech Environment Excellence Gold Award-2010** for Outstanding Achievement in Environment Management in Petroleum sector for Mumbai as well as Vizag Refineries. The award was constituted by Genentech Foundation and was presented on 13th December 2010 at Hyderabad.

**Greentech Environment Excellence Gold Award-2009** for Outstanding Achievement in Environment Management in Petroleum sector for Mumbai Refinery. The award was constituted by Greentech Foundation and was presented on 6th September 2008 at Goa.

HPCL, MR Bagged **Golden peacock Award for Environment Management -2009** instituted by IOD Delhi



**"CSIR (Council of Scientific & Industrial Research) Technology Award"** for the year 2001 for developing a technology for production of food grade hexane using environment friendly Normal Methyl Pyrolidone (NMP) as solvent.

**"Golden Peacock Award"** for the year 2002 innovative product service for using environment friendly Normal Methyl Pyrolidone (NMP solvent) treating technology to produce food grade hexane, instituted by IOD & WEF, New Delhi.

**Green tech Gold Award"** for the year 2003, 2004, 2005, 2006, and 2007 for 'Environmental Excellence' by Green tech Foundation, New Delhi.

**"Golden Peacock Award"** for the year 2006, 2007 and 2008 for excellence in Environmental Management Systems, for the third consecutive year, under the category of Refinery Sector instituted by IOD & WEF, New Delhi.

**Prize for Energy conservation in Petroleum Sector** for the year 2007 to our Visakh Refinery.

#### **8. The organization initiates promotion of greater environmental responsibility**

The following initiatives highlight HPCL's greater environmental responsibility:

**HPCL has started Sustainability reporting from year 2011-12.** Through this we shall be able to benchmark our performance on various Sustainability related parameters so that programs can be developed for resource reduction, energy efficiency and optimization of water. A soft copy of Sustainability report 2011-12 is attached. We are pleased to report that our **1<sup>st</sup> report was GRI A+ level certified based on GRI 3.0 Principles.** Our next report shall be based on GRI3.1 Level with OGSS indicators incorporated.

HPCL has been the first to implement & commission its green fuels project in its Refineries for debottlenecking and process up gradation and to produce Euro III/IV diesel and petrol, to be in line with the national fuel policy to implement Euro III and Euro IV norms for fuel quality. As part of Green Fuels & Emission Control Project, Flue Gas Desulphurization Unit (Wet Gas Scrubber) has been envisaged in FCCU Unit & commissioning in 2011 for reducing the SO<sub>2</sub> emission and Particulate Matter

Continuous Ambient Air Monitoring Stations and on line stack monitoring stations have been installed at refineries which help in monitoring gaseous emissions at source. Ambient Air Quality Monitoring Station's (AAMS) has been upgraded to measure Respirable Suspended Particle Matter (less than 10 micron particulate size).

HPCL was one of the first to adopt Eco-friendly technologies such as changeover from Phenol to NMP solvent in three lube extraction units and changeover from Oleum to NMP in the Hexane Treating Plant. These initiatives have been widely appreciated and have won for HPCL some national and international awards/citations.

Adherence to stringent norms for liquid effluents, air emissions and hazardous waste management as stipulated by statutory agencies

**Renewable Energy Initiatives:** As a promoter of clean energy & technology, HPCL has embarked on a Wind Power project of 100MW. During phase I of this project, 25 MW capacities have already been installed at Dhule in Maharashtra & Jaisalmer in Rajasthan. Phase I Project has been commissioned and electricity is fed to state electricity grid. Phase II project is under implementation. Solar energy panels have been installed at many retail outlets to tap the solar energy. 91 retail outlets have been provided with solar panels, many LPG plants are using solar panels for streetlights.

**Energy saving initiatives:** Reduced energy consumption results in reduced pollution which otherwise would have been caused by production of such energy. As a part of initiatives taken by HPCL for reducing energy consumption, marketing locations have been provided with "Variable Frequency Drives" (VFDs) for motor load and Energy Saving Devices for lighting load. Most of about 100 POL locations have been provided with VFDs for Tank truck loading pumps.

**Promoting eco-friendly products:** Auto LPG and CNG are considered to reduce the pollution levels of densely populated cities significantly. HPCL has been contributing in promoting ecofriendly fuels by marketing of Auto LPG and CNG. HPCL has developed Racer 2, a low smoke 2 stroke engine oil for use in 2/3 wheelers. The smoke Index of this oil is 85 against Smoke Index of 45 for earlier products, available in the market. This has helped reduce exhaust smoke from 2/3 wheeler automobiles by over 50%.

**Climate Change Policy:** HPCL has evolved 'Climate Change Policy', highlighting the vision statement and formation of Steering committee with objectives to reduce Carbon Foot Print and incorporate a Green Perspective in all the key organizational initiatives and processes. The 'Climate Change Policy' has been released on 15th July 2010, 'Foundation day' by C&MD.

**Carbon Foot Printing:** As a way forward to climate change policy, a benchmark assessment study of 'Carbon foot print' has been carried out at both Visakh and Mumbai refineries in May 2010.

**Rain water harvesting:** Rainwater harvesting dam at BARC hills has been constructed in HPCL-Mumbai Refinery and is operational. The water from the dam is being used in the refinery for various purposes. Rainwater harvesting projects have been implemented at many marketing locations. As a part of SD projects, rainwater harvesting projects have been implemented at 40 POL locations. Rainwater harvesting project at administration building in Vizag is underway. Programs have been developed to undertake many such initiatives in this year.

**Tree Plantation:** Tree plantation initiatives have been implemented at refineries, marketing locations and housing colonies. Our locations have been receiving awards for "Garden maintenance and Tree plantation "from local Municipal Authorities.

**Transportation** through extensive, environment friendly network of pipelines

Minimizing environmental impacts arising out of use of our products/services by adopting state of the art technologies in our storage areas as well as during transfer of products is through pipelines.

During the year 2011-12 HPCL has undertaken the following CSR activities:

As a responsible corporate citizen, HPCL has taken up Child Care, Education, Health Care, Livelihood and Community Development as themes of CSR to make a difference to the underprivileged

**CHILD CARE** - When you look into child's eyes you expect to see hope, trust, and innocence but when you see these signs of childhood are replaced by betrayal, hunger, fear and suspicion, we need to take serious action from our side to make the society a better place to live. HPCL has initiated the process of being a part of this change thru the projects *Bal Haq, Muskan & Childline*

The Specific purpose of the Project **BAL HAQ** is improving the plight of children through a holistic development by way of working on Child Rights. By this, we can create a just, self-reliant, dignified society where there is no exploitation based on gender and children have an opportunity for growth and Development.

Street children are most vulnerable and need to be protected from falling into bad company or from getting involved in antisocial or criminal activities. They also need shelter, a caring hand and proper training to make a good career. Project **MUSKAN** aims at providing basic needs like food, clothes, shelter, health care, education and vocational training.



To provide a quick and reliable mode of transport in the form of a Childline Rescue Van that will transport a child from a risk ridden situation to a safer space is the aim of Project **CHILDLINE**. It will also create access to children in those places which are difficult to reach without a vehicle. The Childline Van will also act as a tool for outreach programs.

**EDUCATION** - “Education is the pond of knowledge”, every country of the world is trying to be developed in every possible way. Education forms the foundation of a modern secular society and there is a strong correlation between the existing societal ills in India such as spiralling population rate, dowry deaths, caste system, no education of the girl child, etc., our projects *Nanhi Kali, Akshaya Patra, Unnati, and CWSN* focus on this activity.

Creating an enabling environment for the girl child to pursue her studies and get quality education and even discover her talents in other performing arts and fields is done thru project **NANHI KALI**.

Increasing the attendance in school going children of government schools and tackling the malnutrition among these children thru unlimited nutritional mid-day meals is carried out by out project **AKSHAYA PATRA**.

Our Project **UNNATI** provides time bound computer training programs to students in rural and semi urban areas. The students are trained in computer basics including MS Office, Internet, etc. To maintain continuity, teachers are also trained and computers are provided to these schools.

The Project on “**Children with Special Needs**” (ADAPT) is to enhance the lives of children with disabilities through provision of education, training and proper therapeutic treatment so that they can recognize their fullest potential in future, and to provide a safe environment for these children where they get accepted and they can develop themselves into strong individuals. Also to create an awareness in society and understanding among the parents regarding the potentials of disabled children.

**HEALTH CARE** - The potential of science to relieve human illness and suffering has long captured people’s hearts and imaginations. To ease the burden of the people by providing health care facility as well as health awareness to make these people sensitive towards health as well as to make the citizens of the country healthy and strong is the goal of Projects *Navjyot, Suraksha and Rural Health Care*

To improve the health status of children in the urban slums by providing health care services and referral services, remedial education, health education sensitization and awareness building of the parents is done by our project NAVJYOT.

The Project **Suraksha** aims at Prevention of HIV+ and creating awareness amongst the truckers who are always on the Highways, and are considered to be high risk population. HIV+ clinics are opened for the truck drivers to diagnose STI and treatment through the network of Khushi clinics free of cost. An effort is made to avoid the life threat to the large population of truckers.

The Project on **Health Care at Rural Areas** (Wockhardt) is implemented with specific purpose of providing free rural health care services by operating One Mobile Medical Unit (Van) to reach the underprivileged areas of the rural community. The van is fully equipped in accordance with the prescribed Medical standards, to attend to the needs of the patients. The cases, which require further treatment, are referred to higher hospitals in the vicinity.

**COMMUNITY DEVELOPMENT & LIVELIHOOD** - Community development is a skilled process and part of its approach is the belief that communities cannot be helped unless they themselves agree to this process. Projects **Swavalamban**, **STeP** and **Jaltarang** are projects that help Communities to realize that development is not only at how the community is working at the grass roots, but also at how responsive key institutions are to the needs of local communities and also to strengthen the communities through creating resources to reach out to the sections of society by enabling people to act together and to foster social inclusion and equality.

In project **SWAVALAMBAN** it is our endeavor to reach out to the less privileged to provide vocational training and capacity building / skills development to the needy potential youth to enable them to earn their livelihood and to ensure that the skills of our youth match the industry requirements.

The project on **Employability for youth in Urban Slums** (STeP) is a national level initiative and an effort towards creating a pool of independent youth living with dignity from the underprivileged section through skill enhancement in tandem with market requirement. The project aims at preparing urban underprivileged (adolescent youths) with skills in English Proficiency, basic computer education and soft skills for enhancing their prospects of employment in fast expanding sector like hospitality , retail outlets and BPO sectors.

In order to ensure water and food security and to overcome drought in drought prone areas and to achieve poverty reduction and sustainable development, the rain water harvesting projects are initiated thru project **JALTARANG**

Corporate Social Responsibility has never been on the global agenda as it is now and it is being increasingly recognized that CSR is the way to build trust in business. Giving back to the society at large from where we are earning and at the same time ensuring that we do not degenerate the environment around us has been our basic philosophy. It is a legacy which we must conserve and leave behind for our future generations.

HPCL's CSR model has been based on "Creating Shared Value". The shared value model is based on the concept that corporate success and social welfare are interdependent. HPCL's approach has been the triple bottom line approach of "People, Planet and Profit".

### ***Policy on CSR***

*The policy has certain distinctive features, and is geared to help the company in smooth decision making on investment at board level, selection of projects based on need assessment, implementation in partnership with specialized NGOs, monitoring through Project Leaders volunteered from Senior Management, conducting impact assessment by independent agencies etc., so that HPCL can provide utmost and sustained value for the investment made, and contribute effectively to the various causes.*

### ***CSR Statement of Purpose***

- *Serving the community is the purpose of our business.*
- *Ensuring sustainable business process financially, environmentally and socially, is our effort.*
- *Using core competence, expertise and technology of our business to reach the common people, especially the underprivileged, is our aim.*
- *Developing capacity in the community is our strategy.*
- *Enhancing human excellence and improving quality of life is our endeavor.*

### ***Awards and Recognition in 2011-12***

1. The prestigious SCOPE Meritorious Award for Corporate Social Responsibility & Responsiveness Commendation Certificate for the year 2010-11 was conferred on HPCL on the occasion of "Public Sector Day" celebrations, jointly by DPE and SCOPE was received by our C&MD, Shri S. Roy Choudhury from Her Excellency, President of India, Smt. Pratibha Devisingh Patil.



2. HPCL bagged the Star News "Blue Dart World CSR Day Global CSR Awards powered by Star News" for Best Overall Corporate Social Responsibility Performance and Corporate Social Responsibility award in the sector of Education.
3. Subir Raha for Corporate Governance presented the CSR award to HPCL for the Support and Improvement in Quality of Education, Concern for Health, Community Development and Best Environmental Excellence.
4. ASIA's Best CSR Practices Awards 2011 at Singapore was bagged by HPCL in the category "The Best Corporate Social Responsibility Practice (Overall)".

The CSR programs which focus on the backward communities are completely employee driven. The field personnel in the periphery of their function identify the needs of the community there. Plans are then drawn in consultation with the local district authorities, in coordination with the Collector, Tehsildar, etc. and the projects and schemes are implemented to bridge the gap of the community needs and within their area of business. It has been our experience that these projects create a very strong bond between the community and the company where we have our business operations. The broad categories of the projects undertaken under this methodology during the year are: *Primary Education, Scholarships for Students, Health Care, Drinking Water Facilities, Vocational Training, Rehabilitation of Persons with Disabilities and others*

#### **9. Organization should encourage development and diffusion of environment friendly Technologies**

Following initiatives highlights HPCL's efforts in encouraging development and diffusion of environment friendly technologies:

- Adoption of upgraded Fluidized Catalytic Cracking Technology consisting of Flue Gas desulphurization
- Adoption of Diesel Hydro De-sulphurization at our petroleum refineries to produce ultra-low sulphur bearing fuels known as Euro-II/III/IV High Speed Diesel
- **TGT study is going on at vizag refinery for reducing Sulphur Dioxide emissions.** It is proposed to implement Tail Gas Treating (TGT) technology in the SRU trains. With the implementation of this TGT Technology, the recovery efficiency can be increased to 99.9% and the SO<sub>2</sub> emissions from the trains will be reduced from 1.5-2.0 TPD to 0.2-0.3 TPD

- Adoption of latest state of the art technologies to produce ultra-low sulphur bearing Euro-II/III/IV gasoline from our petroleum refineries
- Online chemical cleaning of Atmospheric & Vacuum Furnaces was carried out by GTC, Korea using liquid spray effectively
- Periodic steam leak surveys were carried out by Mis Forbes Marshall. About 1.2 T/ Hr reductions in steam leak were achieved by arresting the leaks
- Focusing on Research & Development activities for upgrading our products & technologies
- Adoption of latest state of the art technologies like membrane technologies for our Effluent Treatment plants to ensure compliance of liquid effluent norms at our petroleum refineries as well as to ensure the recycling of the treated effluent to process.
- Adoption of Mechanical Oil Recovery Technology by M/s. Singaport Cleanseas, Singapore to recover Oil from Oily Sludge to meet the applicable stringent statutory stipulations of "Hazardous Waste Rules 1989" (including recent amendments to Hazardous Waste Management Rules.) on Oil Industry. The de-oiling of the available sludge by the oily sludge processing contractor was carried out at both the HPCL refineries and the entire oily sludge was processed in a time bound manner.
- Employed Bio-Remediation Technology by M/s. TERI, India to treat the left over sludge cake containing oil content less than 10%, after the mechanical recovery of oil from sludge processing plant the is stored at a designated area to carry out the bio-remediation. HPCL has provided funds to TERI for development of Bio Reactor for manufacturing "OIL ZAPER", the bio enzyme.
- Sponsoring and financing private and government research enterprises for development of eco-friendly technologies. Entered into agreement with TERI for financing Bioreactor for development of microorganism for oily sludge treatment at our petroleum refineries.

**10. The organization should work against corruption in all its forms, including extortion and bribery.**

- As per the provisions of Conduct, Discipline and Appeal rules for Management employees and certified Standing Orders for Non-management employees giving or acceptance of bribes is misconduct.
- An employee violating the code of conduct and ethics is subjected to investigation and appropriate action is initiated against him based on result of investigation.

- Checks and measures are in-built in the organizational system that helps in preventing corruption.
- Numerous training programs and workshops are held for disseminating knowledge about organizational system, as also for checking corruption.
- Corporation has an independent Vigilance Department which is under the jurisdiction of the Chief Vigilance Commissioner and is empowered to initiate investigations on its own. Apart from the above, intensive investigation on major works and contracts are also being carried out by Chief Technical Examiner (CTE), a wing under Central Vigilance Commission.
- Integrity Pact is executed in all major contracts by the bidders and the Corporation to safeguard public procurement from corruption. The sanctity of the process is being ensured through appointing Independent Monitors.
- Corporation has a 'Whistle Blower Policy' wherein employees who report corruption are provided safeguards against victimization.