इंडियनऑयल

IndianOil

Sustainability Report
2016-17

**Leveraging Innovation and Technology
for Inclusive Offerings**

Contents

Let's
LEAD with
INNOVATION &
TECHNOLOGY

IndianOil

2017
Year of
INNOVATION
& TECHNOLOGY

VISION

Ethics
Setting high standards for ethics and values

Customers
Fostering relationships for a lifetime

People
Leading with passion to excel

Technology
Harnessing frontier technology

Innovation
Pioneering the spirit of creativity and research

IndianOil

The Energy of India

A Globally Admired Company

Environment
Caring for the environment and community

VALUES

Care • Innovation • Passion • Trust

About IndianOil

IndianOil is an integrated energy major and top-ranked Indian company in prestigious Fortune 'Global 500' list. Being India's largest commercial enterprise, IndianOil has registered a turnover of Rs. 4,38,710 Crore and highest ever profit after tax of Rs. 19,106 Crore during the year 2016-17.

With a corporate vision to be the "Energy of India", IndianOil continues to meet country's energy demands over last five decades and uphold the economic growth. Our business interests straddle the entire hydrocarbon value chain from exploration and production of crude oil and gas to refining, pipeline transportation and marketing of petroleum products, natural gas and petrochemicals besides foraying into alternate energy and globalization of downstream operations. IndianOil distinguishes itself with its operational excellence across functions; owns state-of-the-art technologies and cutting-edge R&D; implemented global best practices; ensured energy tapped in most responsible manner and continues to meet the country's energy demand most affordably.

The conglomerate is headquartered in New Delhi, operating its subsidiaries in Mauritius, Sri Lanka, United Arab Emirates, Sweden, Netherlands, Singapore and the United States of America. IndianOil group owns and operates 11 out of country's 23 refineries with a combined refining capacity 80.7 million metric tonnes per annum (MMTPA), which is 35% of the total refining capacity in India. With Paradip refinery in its first year of operation, our refineries achieved their highest ever throughput of 65.19 MMT in 2016-17.

IndianOil has reached every nook and corner of the country through its network of over 46,500 customer touch-points. With a strong workforce of more than 33,000, we ensure energy accessibility for the country. Currently, we operate 26,212 fuel stations including 7,051 Kisan Seva Kendras in the rural market. During the year, IndianOil has sold 78.641 million tones of finished products including POL, Gas, Petrochemicals and Explosives with which IndianOil has maintained its leading market position, with an overall market share of 42.9%. The year 2016-17 is a landmark year as we have successfully completed the transition from BS-III to BS-IV auto fuels supply across the country.

IndianOil owns 12,848 km cross-country pipelines network which facilitates the transportation of crude oil and finished products in an efficient, economical and environment-friendly manner. With pipeline throughput capacity of 93.7 MMTPA for crude oil and petroleum products and 9.5 MMSCMD for gas, IndianOil owns 71% downstream sector pipelines throughput capacity.

IndianOil has taken a great leap forward in exploration and production by acquiring stakes in two oil fields of Rosneft, the national oil company of

Russia, as part of an Indian Consortium. Our Oil & Gas assets include 17 blocks with participating interest ranging from 3.5% to 50%. Having entered petrochemical business in 2004, IndianOil is currently the second largest domestic market player and has its overseas presence in 73 countries. Expanding the natural gas customer base through its distribution networks and innovative initiatives like "LNG at the doorstep", IndianOil has sold 1.920 million tonnes of natural gas during the year.

IndianOil's R&D centre at Faridabad is one of the finest R&D centre which helps the company staying ahead of its competitors with numerous technology breakthroughs. Our R&D has filed a record 105 patents in 2016-17, pioneering in various research areas viz. lubricants, refinery processes, pipeline transportation, alternative fuels, fuel additives, engine testing, materials sciences and environmental sciences. As on 31st March 2017, IndianOil holds over 550 number of active patents, out of which over 360 are international patents.

IndianOil's Indane LPG is served to 11 Crore households in over 6,250 markets through a network of 9,570 distributors. During 2016-17, IndianOil pioneered the "Pradhan Mantri Ujjawal Yojana Scheme" by providing 93.25 lakh LPG connections besides making 464 villages smokeless.

Report Boundary, Scope & Limitations

IndianOil is publishing its annual sustainability report for the past 11 years, since 2005-06. The reporting period for this year's sustainability report is 1st April 2016 to 31st March 2017. We remain committed to report our triple bottom line performance on an annual basis as reporting is the strong focal point for us to share our growth on ESG (Environment, Social and Governance) indices.

For this report, we are following the Global Reporting Initiative (GRI) Sustainability Reporting G4 Guidelines in accordance with 'comprehensive' reporting option. The most widely adopted non-financial reporting framework in the world, the GRI Guidelines are used to help communicate sustainability performance and encourage transparency & accountability. It is also an international reference for all those interested in the disclosure of our approach towards environmental, social and economic performance. The report is also in conformity with the Oil and Gas Sector Supplement (OGSS).

This year too, the Report is aligned with the nine principles of United Nations Global Compact (UNGC) on social, environmental and economic responsibilities of business. Further, we have identified SDGs that are relevant to our business strategy and sustainability approach, and linked the same with Sustainability Report headings. The Paradip Refinery, which was commissioned and began operations in March 2016 in a phased manner, has been included in Sustainability Report disclosures. There are no restatements from the previous year's report.

Boundary

- Refineries Division
- Marketing Division
- Pipelines Division
- Business Development Division
- Corporate Office

Limitations

- Joint Ventures & Subsidiaries
- International Operations
- Businesses acquired or commenced operations in FY 2016-17

Corporate
Governance

Sustainability
in IndianOil

Economic
Performance

Environmental
Performance

Social
Performance

GRI Linkages

Chairman's Message

Dear Stakeholders,

I have great pleasure in presenting Indian Oil Corporation's 12th Sustainability Report corresponding to the financial year 2016-17.

The theme of the Report is 'Leveraging Innovation and Technology for Inclusive Offerings.'

It is through the support and patronage of our myriad stakeholders that IndianOil has grown over the past nearly six decades, from humble beginnings to its present status as India's largest commercial enterprise and a respected Maharatna PSU. We are proud to be India's top-ranked Fortune 'Global 500' company and a trusted pan-India energy conglomerate serving diverse customer segments with a bouquet of leading brands, and a wide spectrum of products and services through over 46,500 customer touch-points.

India is the world's third largest consumer of energy, albeit with very low per capita energy consumption of 521 kgoe (kilogram oil equivalent). This is projected to rise to 1,100 kgoe by the year 2040, as per the projections of NITI Aayog, the premier policy 'think tank' of the Government of India.

India has also ratified the Paris Agreement on 2nd October 2016, which means that we will have to reduce emission intensity by 33-35% by the year 2030.

Our most pressing challenge, therefore, is to meet the growing energy demand of the nation with least impact on environment. At this juncture, we have to approach this judiciously, by using all forms of energy sources so that we can fulfill our short-term and mid-term commitments. However, our long-term strategy should be to progressively introduce cleaner and greener sources in the energy mix.

India is on its way to becoming a regional refining hub and, having already moved to BS-IV grade fuels in April 2017, the Indian refining industry is now in project mode for a quantum jump to world-class BS-VI grade fuels by April 2020. We at IndianOil are catalysing both these industry initiatives.

IndianOil is fully committed to the objectives of sustainability and

the triple bottom-line of People, Planet and Profit. Our approach to Sustainability is in sync with the national goal of reducing energy poverty and preparing for a low-carbon future.

IndianOil's current alternative energy portfolio is 188 MW. This includes 168 MW of wind-power projects in Gujarat, Andhra Pradesh and Rajasthan and 20 MW of solar energy that comprises 9.5 MW grid-connected solar plants in Tamil Nadu, Rajasthan and 10.5 MW off-grid projects at our various locations. We plan to scale up this capacity to 260 MW by the year 2020.

We are also committed to reducing our specific carbon and water footprint by 18% and 20% respectively, by the year 2020. Rain-water harvesting systems at our 558 locations, with 950 hectares of catchment area, harvest over 3 billion litres of water annually.

Other initiatives include conversion of fuel stations to run on solar energy, bio-fuels and waste-to-energy projects. As part of this, 2G-ethanol and waste-to-energy plants are being set up and over 6,600 fuel stations have already been solarised till 31st March, 2017.

IndianOil is enhancing its refining capacity through brownfield expansions at its existing refineries and it is our endeavour to double our refining capacity by the year 2030. Now, as the lead partner of the world's largest green field 60 MMTPA West Coast refinery, we shall be leveraging our strength as the country's most experienced refiner to establish India as a regional refining hub and to boost the nation's energy security in refined products.

The mantra behind India's continuing success is the pursuit of excellence by IndianOilPeople, catalysed by the core values of Care, Innovation, Passion and Trust. Generations of IOCians have reinvented themselves and the organisation to manage change and to stay ahead of competition. And today, the Corporation is leveraging Innovation & Technology across its functions and operations to emerge as a future-ready organisation.

Our state-of-the art R&D Centre is where we are shaping a low-carbon future. Besides lubricants technology we are also engaged in cutting-edge research in clean fuels, refinery technologies, catalysts, bio-energy, solar energy, Hydrogen energy, H-CNG blends, synthetic fuels, nano-technology, battery technology, multi-feed (coal, pet-coke, biomass, etc.) gasification/liquefaction, and gas-to-liquid technologies.

We have also launched the IndianOil StartUp Fund to promote collaborative research, develop a vibrant & innovative eco-system, and nurture entrepreneurship fields such as fuel efficiency, renewables, waste-to-energy, water efficiency, business process re-engineering, etc.

Supporting infrastructure for renewables is another key focus area for us. With the evolving nature of road transport, we are also setting-up bio-CNG plants and exploring opportunities for fast charging stations and battery replacement facilities at our fuel stations.

We understand that renewables cannot be the complete solution for today's energy challenges, while at the same time coal and oil are under increasing scrutiny as polluting sources of energy. Thus, to augment the shift towards less emission-intensive fuels, we are building import facilities, cross-country pipelines and distribution infrastructure to promote liquefied natural gas as a clean & green fuel for domestic, transport and industrial sectors.

I feel that the immediate solution lies in cleaner fuels and higher engine efficiencies as also 'horizon technologies' like advanced biofuels, coal gasification, fuel cells, methanol, E-mobility and Bio-CNG.

The oil & gas sector must help catalyse a sustainable evolution. Its own longevity and profitability depends on its adaptability and flexibility to integrate other energy forms as complementary and not adversaries.

IndianOil is evolving into an integrated energy and petrochemicals group that is in a state of readiness to take the optimal route to a low-carbon, high-efficiency sustainable future.

Your valuable suggestions are always welcome at sustainability@indianoil.in.

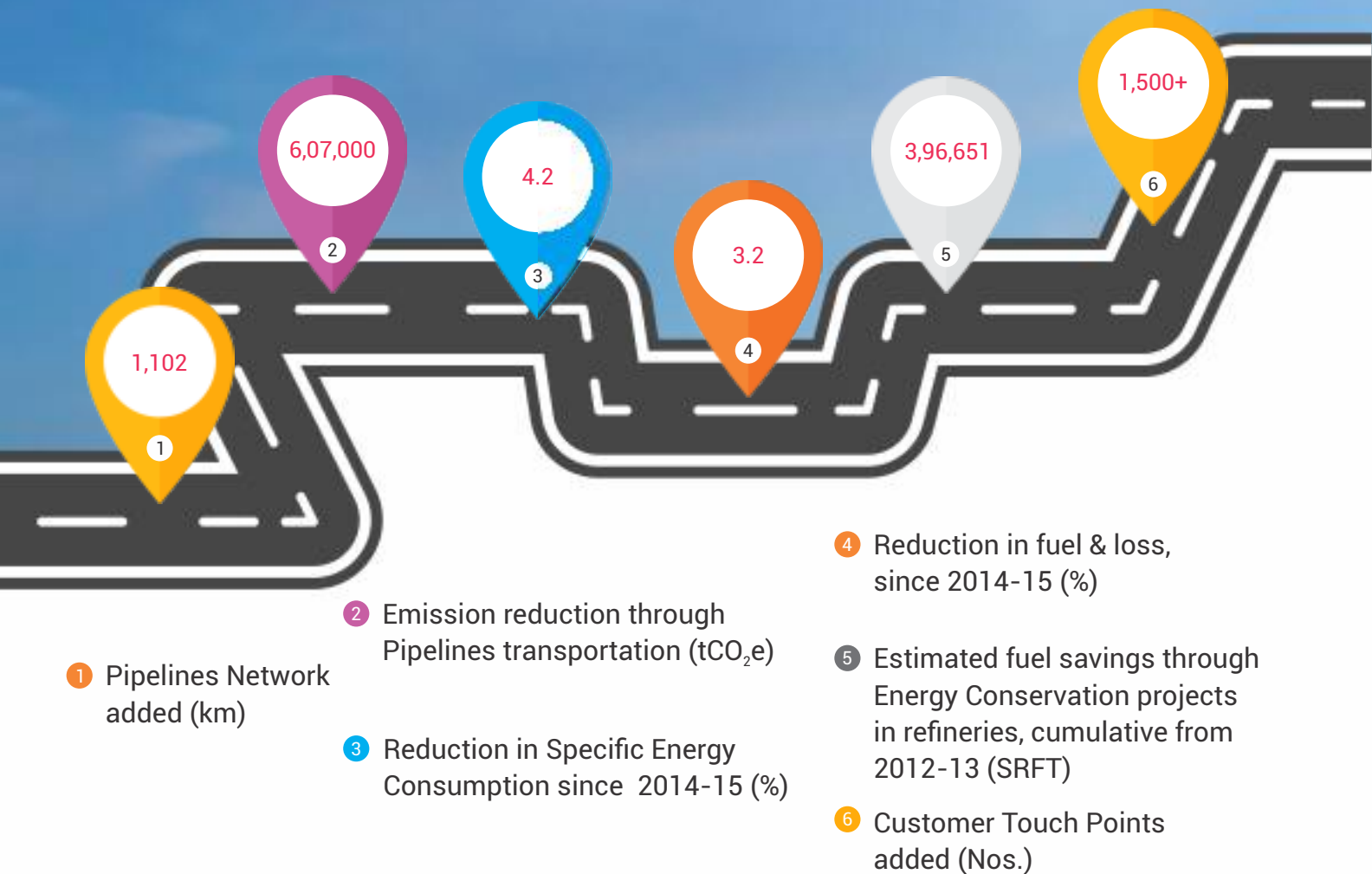I look forward to your continued support and best wishes!

Sanjiv Singh
(Chairman)

Our Sustainability Accomplishments in 2016-17

1,102

6,07,000

4.2

3.2

3,96,651

1,500+

1 2 3 4 5 6

1 Pipelines Network
   added (km)

2 Emission reduction through
   Pipelines transportation (tCO$_2$e)

3 Reduction in Specific Energy
   Consumption since 2014-15 (%)

4 Reduction in fuel & loss,
   since 2014-15 (%)

5 Estimated fuel savings through
   Energy Conservation projects
   in refineries, cumulative from
   2012-13 (SRFT)

6 Customer Touch Points
   added (Nos.)

93.25

2,441

2,378

112

2.96

38,335

213.99

4,86,418

7 — LPG connections distributed under Pradhan Mantri Ujjwala Yojana (lakhs)

8 — Solarised Retail Outlets (Nos.)

9 — Employees recruited (Nos.)

10 — Renewable Energy Capacity added (MW)

11 — Rain Water harvested (billion litres)

12 — Solar Lanterns sold (Nos.)

13 — CSR Expenditure (₹ Crore)

14 — Ethanol blended in MS (Kilolitres)

Supply Chain

Exploration & Production
To meet the growing energy demand in long term, we discover and develop oil and gas fields in India and overseas.

Marketing
We deliver finished products to our customers through our 46,500+ touch points.

Transportation
We transport crude and finished oil & gas products through various modes such as ship, road, rail and pipelines.

Refining
We refine and process crude oil to produce petroleum products such as petrol, diesel, LPG, lubricants and petrochemicals, etc.

Energy of India

Operating Refineries	9
Lube Blending Plants	10
Small Can Filling Plants	2
Oil Depots & Terminals	131
Aviation Fuelling Stations	104
LPG Bottling Plants	91
Pipelines Terminals	87
R&D Centre	1
Retail Outlets (i.e. fuel stations including Kisan Seva Kendra ROs)	26,212
Kisan Seva Kendra (Rural Fuel Stations)	7,051
LPG Distributors (including distributorship under Rajiv Gandhi Gramin LPG Vitaran Yojana)	9,570
SKO/LDO Dealers	3,904
Consumer Pumps	6,520
On-grid Solar Power Plants (9.5 MW)	2
Off-grid Solar Power Systems (10.5 MW)	180
Wind Power Projects (168 MW)	6
Petrochemical Plants	2
Explosives Plants	12
Cryogenics Plant	1

Exploration & Production Sites

1. Libya
2. Gabon
3. Nigeria
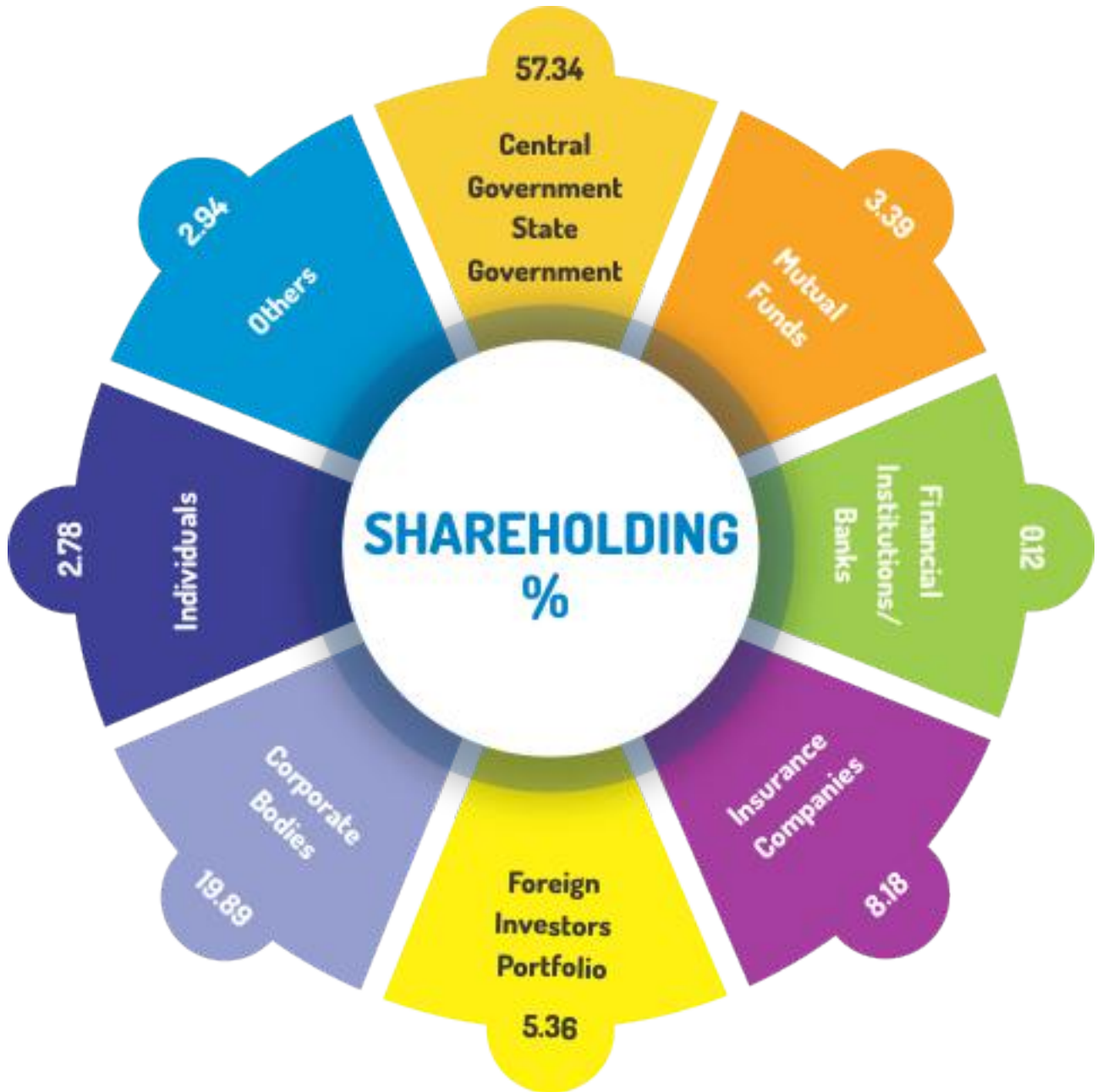4. Iran
5. Venezuela
6. Canada
7. USA
8. Russia
9. Yemen

Foreign Subsidiaries

1. Mauritius
2. Sri Lanka
3. UAE
4. Sweden
5. USA
6. Netherlands
7. Singapore

Shareholding Pattern

SHAREHOLDING %

- 57.34 — Central Government State Government
- 3.39 — Mutual Funds
- 0.12 — Financial Institutions/ Banks
- 8.18 — Insurance Companies
- 5.36 — Foreign Investors Portfolio
- 19.89 — Corporate Bodies
- 2.78 — Individuals
- 2.94 — Others

Shaping the Future

Operational Excellence
- Make safety an attitude
- Improve operational efficiency, safety and reliability
- Focus on safety and reliability of infrastructure.
- Keep the workforce motivated.

Enhancing our reputation & brand value
- Build brand value through actions
- Let our actions imbibe and reflect the core values of Care, Innovation, Passion and Trust

Sustaining leadership in core business
- Excel in customer service delivery
- Be ahead of the competition
- Aim to be the 'Company of Choice'
- Design processes for the sole benefit of customers

Financial Prudence
- Minimise costs and maximise speed
- Optimise crude and product throughout
- Simplify our processes and procedures
- Seek out technology that enhances simplicity & sustainability
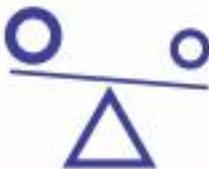
Leveraging our assets
- Find better ways of execution that ensures quality, time and cost effective implementation
- Keep reviewing strategies periodically
- Stay relevant for the future
- Be open to opportunities

Investing in our people
- Shape aspirations for common goals
- Invest in building competencies and capabilities
- Develop the next generation of leaders
- Encourage people to take definitive, bolder decisions

Our Group Companies and Foreign Subsidiaries

Expanding Horizons

IndianOil, having proved its mettle as a downstream energy behemoth, is taking firm steps in establishing its supremacy in the upstream sector of the oil & gas industry. We are the dominant player in the domestic Petroleum market with 42.9% market share and is also making progress by leaps and bounds in Exploration & Production, Oil & Gas import and marketing ventures in India and abroad. IndianOil is entering into new partnerships with overseas players and looking for opportunities for marketing and export of petroleum products to new energy markets in Asia & Africa.

Group Companies

Indian Subsidiaries 🇮🇳

Name	Business
Chennai Petroleum Corporation Limited	
IndianOil – CREDA Biofuels Limited	Plantation of Jatropha and extraction of oil for Bio-diesels
Indian Catalyst Private Limited	Manufacturing and marketing of FCC catalyst/additive

Foreign Subsidiaries 🌐

Name	Business
IndianOil (Mauritius) Ltd., Mauritius	Terminalling, retailing & aviation refuelling
Lanka IOC PLC, Sri Lanka	Retailing, terminalling & bunkering
IOC Middle East FZE, UAE	Lube blending & marketing of lubricants & base oil
IOC Sweden AB, Sweden	Investment company for E&P Project in Venezuela
IOCL (USA) Inc., USA	Participation in shale gas asset project
IndOil Global B.V., The Netherlands	Investment company for integrated LNG project in Canada
IOCL Singapore Pte Ltd.	Investment company for E&P Assets in Russia.
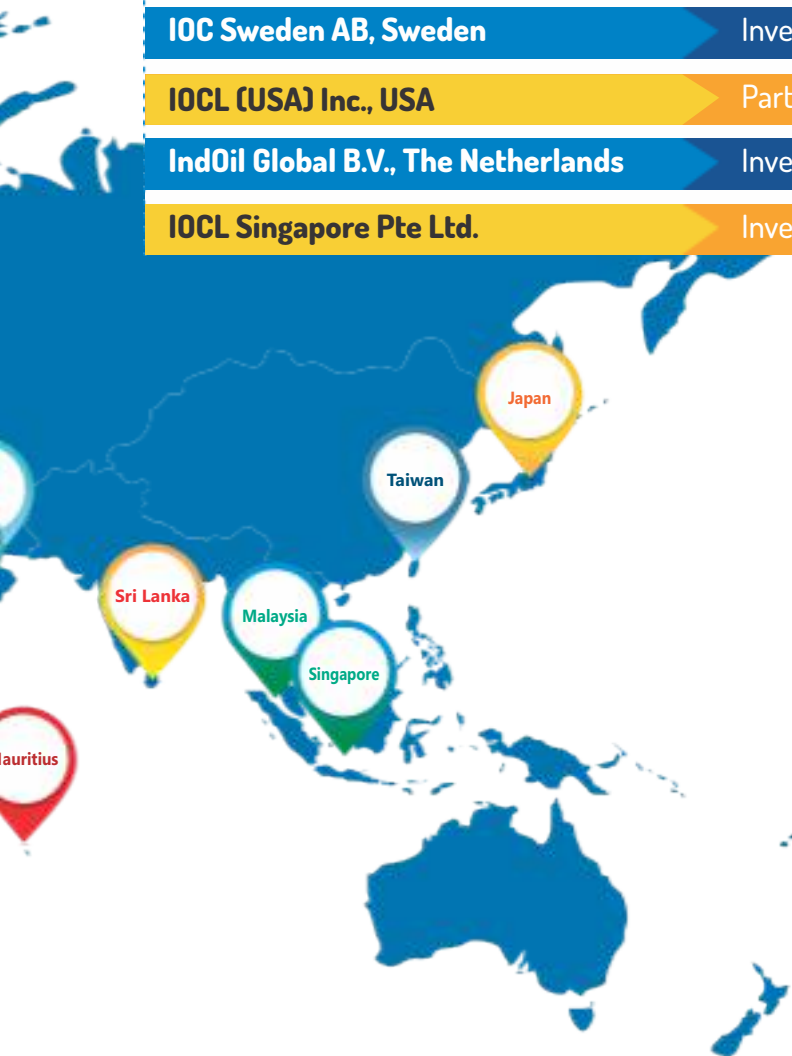
Joint Ventures

Avi-Oil India Pvt. Ltd.
NYCO SA, France & Balmer Lawrie & Co. Ltd.
Speciality lubricants

Delhi Aviation Fuel Facility Private Limited
DIAL & BPCL
Setting up and operation of Aviation Fuel Facility at Delhi Airport.

Green Gas Limited
GAIL (India) Limited
City Gas Distribution

GSPL India Transco Ltd.
GSPL, HPCL, BPCL
Setting up of Natural Gas Pipelines

GSPL India Gasnet Ltd.
GSPL, HPCL, BPCL
Setting up of Natural Gas Pipelines

Hindustan Urvarak and Rasayan Limited (HURL)
FCI, HFCL
Revival of three Fertilizer plants at Gorakhpur, Sindri of FCI and Barauni of HFCL

IOT Infrastructure & Energy Services Ltd.
Oiltanking GmbH, Germany
Terminalling services

IndianOil Adani Gas Pvt. Ltd.
Adani Gas Ltd.
City Gas Distribution

IndianOil Petronas Pvt. Ltd.
Petronas, Malaysia.
Terminalling services and parallel marketing of LPG

BPCL Bharat Petroleum Corporation Ltd. | HPCL Hindustan Petroleum Corporation Ltd. | ONGC Oil and Natural Gas Corporation Ltd. | GAIL GAIL (India) Ltd. | RIL Reliance Industries Ltd. | IL&FS Infrastructure Leasing & Financial Services Ltd. | ICICI ICICI Bank | SBI State Bank of India | EOL Essar Oil Ltd. | PIL Petronet India Ltd. | KPT Kandla Port Trust | GIIC Gujarat Industrial Investment Corporation Ltd. | CB Canara Bank.

Indian Synthetic Rubber Pvt. Limited

Trimurti Holding Corporation & Marubeni Petrochemical Investment BV Netherlands

Speciality lubricants

IndianOil Skytanking Pvt. Ltd.

Skytanking GmbH, Germany.

Aviation fuel facility projects

Lubrizol India Pvt. Ltd.

Lubrizol Inc., USA

Lube Additives

Kochi Salem Pipelines Private Limited

BPCL

Laying pipeline for transport of LPG from Kochi to Salem

NPCIL – IndianOil Nuclear Energy Corporation Limited

Nuclear Power Corporation of India limited

For setting up Nuclear Power Plant

Mumbai Aviation Fuel Farm Facility Pvt. Ltd.

BPCL, HPCL & MIAL

Setting up common user integrated aviation fuel infrastructure.

Suntera Nigeria 205 Limited

Oil India Ltd. & Suntera Resources Ltd., Cyprus

Oil exploration activities.

Petronet LNG Ltd.

BPCL, ONGC, GAIL and GDFI

LNG Imports/ distribution

IndianOil LNG Private Limited

IDFC Alternatives Limited & ICICI Bank Ltd.

LNG terminalling Services

DIAL Delhi International Airport Pvt. Ltd. | TSRC TSRC Corporation, Taiwan | ADB Asian Development Bank | GSPL Gujarat State Petronet Ltd. | GDFI Gaz de France | MIAL Mumbai International Airport Limited | FCI Fertilizer Corporation of India | HFCL Hindustan Fertilizer Corporation Limited

Our Associations, Charters & Membership

International

International Air Transport
Association (IATA)

Transparency
International India (TII)

United Nations Global
Compact (UNGC)

World LP Gas
Association Paris

India International collaborations
(U21 Global Universitas
Singapore, IFP France, etc.)

National

Indian Institution
of Industrial Engineering

Council of Indian
Employers (CIE)

All India Management
Association (AIMA)

National HRD Network
(NHRD)

Associated Chambers of Commerce and Industry of India (ASSOCHAM)

Indian LP Gas Industry Association (ILPGIA)

Standing Conference of Public Enterprises (SCOPE)

Advertising Standards Council of India (ASCI)

International Advertising Association (IAA)

TERI-Business Council for Sustainable Development

Federation of Indian Chambers of Commerce and Industry (FICCI)

Confederation of Indian Industry (CII)

Association of Business Communicators of India

Petroleum Federation of India (PetroFed)

Indian Society of Advertisers (ISA)

Indian Auto LPG Coalition (IAC)

All India Industrial Gas Manufacturers Association (AGMA)

Indian Dairy Association (IDA)

Brands

IndianOil
इंडियनऑयल

IndianOil Indane
SAFE.RELIABLE.CONVENIENT

IndianOil PROPEL
100% TRUST. 100% VALUE.

IndianOil SERVO
100% PERFORMANCE. EVERYTIME

Swagat
Comforts & Vehicle care

IndianOil autogas
EXPERIENCE THE ECO-DRIVE

KISAN
SEVA
KENDRA

Awards & Recognitions

IndianOil retained its position as the top-ranked Indian company among the world's largest corporates in the prestigious Fortune 'Global 500' listing for 2017. The Company has also retained its top position in the annual rankings of Business Today (BT- 500), Business World (BW-500), Business Standard (BS-1000), The Economic Times (ET-500) and Financial Express (FE-1000) by net revenue.

IndianOil bagged the PetroFed Oil & Gas Pipeline Transportation Company of the Year Award in recognition of its leadership in transportation of crude oil, petroleum products and natural gas through pipelines in India during 2014-15.

IndianOil's Refineries Headquarters at New Delhi became the first stand-alone office set-up in the world to win TPM Excellence Award-2016. The award was presented at an exclusive function held in Kyoto, Japan, on 23rd March, 2017.

IndianOil bagged the Reader's Digest Most Trusted Brand Award in the Petrol Station category for the 10th consecutive year.

Brand IndianOil was conferred Superbrand status for the fourth two-year term in a row by M/s. Superbrand India Pvt. Ltd., a leading global consumer survey brand.

IndianOil's Pipelines Division was felicitated with CSR Excellence Award-2017 under the category 'Clean Water and Sanitation' at the Rajasthan CSR Summit-2017 organised by the Department of Industries, Government of Rajasthan.

Shri Sanjiv Singh, as Director (Refineries), was presented an award 'in recognition of his outstanding contribution in the field of fuel science' by Dr. Harsh Vardhan, Union Minister of Science & Technology and Earth Sciences, at the International Conference on 'NexGen Technologies for Mining and Fuel Industries' organised by CSIR-Central Institute of Mining and Fuel Research.

IndianOil's Rural Cards initiative at KSK outlets bagged the Flame Awards Silver Trophy, instituted by the Rural Marketing Association of India (RMAI), under the category "Channel Marketing/Retail Incentive Initiative."

IndianOil bagged the Silver Award for "Outstanding Performance in Citizen-Centric Service Delivery" for the year 2016-17, a national award on e-Governance.

IndianOil has been adjudged as 1st among public sector companies in the 2017 listing of the Top 50 Best Companies to Work For' in India.

IndianOil also received Governance Now PSU Award 2016 (Jury's Choice) for its overall CSR activities.

IndianOil won the National Talent Management Leadership Award-2016 at the fifth edition of the National Awards for Best in-Class Learning and Development, instituted by World HRD Congress.

IndianOil bagged the 'HR Innovation Awards 2016' in the category of 'Best HR Team of the Year" at a ceremony organised by The Guild, HT Mint Connect, CNBC TV18 and Talent Vouch.

IndianOil's Marketing Division bagged the '25th Global HR Excellence Awards 2017' in Times Ascent World HRD Congress in the category of 'Talent Management' from among 150 competitors.

IndianOil was adjudged as the 'Best Enterprise' at the 27th National Meet of Forum of Women in Public Sector (WIPS).

Corporate Governance

# Corporate Governance

Board of Directors

Working under the administrative control of the Ministry of Petroleum and Natural Gas, IndianOil is one of the country's largest Central Public Sector Enterprises. The IndianOil Board is the apex body which is responsible for providing navigation to the entire organization. The Board comprises of various whole-time Functional & Executive Directors, and Non-Executive Independent & Government Nominated Directors. Whole-time Functional & Executive Directors are also nominated by the Government whereas Non-Executive Directors are persons from varied backgrounds viz, academics, administration, energy, law, marketing, etc. nominated to the Board on the basis of merit. Various policy-related decisions and policy formulations are taken at the Board level which drives the employees and the organization towards collective goals of economic, social and environmental concern. As on 31.03.2017, the Board comprised of 13 Directors, eight Functional and Executive Directors, including the Chairman and five Non-Executive Directors. Of the Non-Executive

Directors, three are Independent Directors and two are Government Nominated Director.

During the year 2016-17, IndianOil wasn't able to comply with the norms of having 50% Independent Directors and also at least 10% Women Directors on its Board as per the provisions of the Companies Act 2013 and requirements as per the Corporate Governance issued by the Department of Public Enterprises. The company is pursuing the matter with the Ministry of Petroleum and Natural Gas to accelerate their nomination. All the mandatory disclosures with respect to the positions held by each of the Directors in other companies/committees have been suitably made in the Annual Report.

IndianOil signs a Memorandum of Understanding with the Government of India at the beginning of each financial year, which monitors our performance targets. MoU targets are based on the long-term targets of the organization and critical performances under economic, social and environment categories.

Our Governance Structure
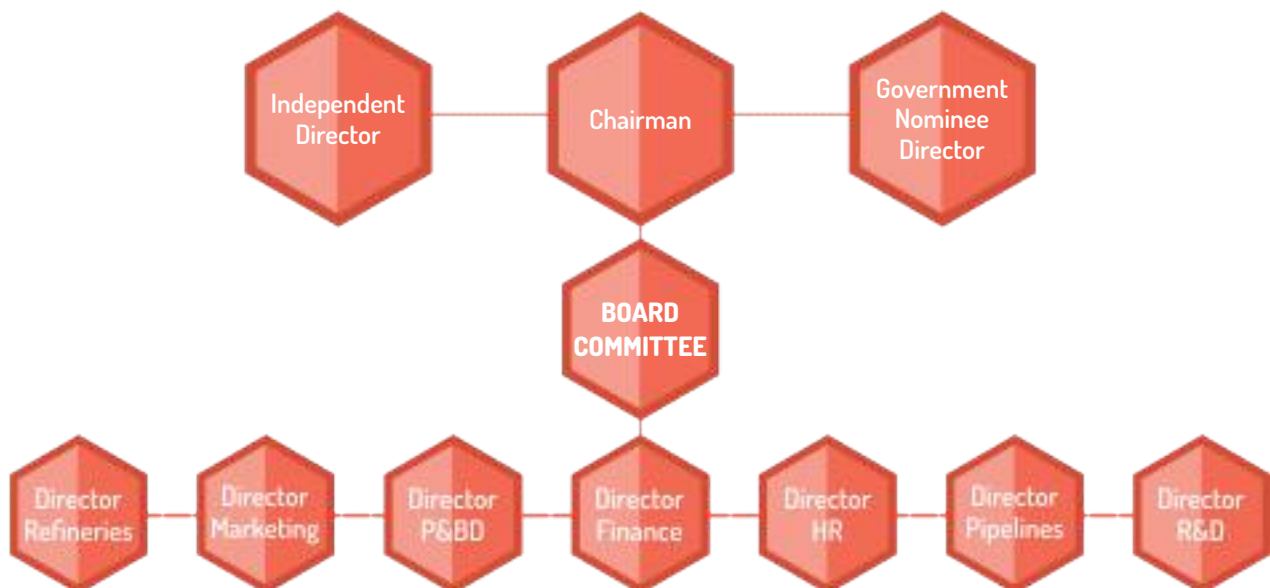
Board Committees

The powers of the Board are conferred upon the various Board Committees which ensure an efficient and smooth flow of the decision-making process. 13 Board committees, as listed below, pertaining to various functions and having distinct responsibilities have been formed:

Planning & Projects Commitee

Considers and approves all Project Proposals above Rs. 100 Crore and upto Rs. 250 Crore.

Audit Committee

Examines, decides and deals with issues relating to Ethics in the Corporation.

Nomination and Remuneration Committee

a. Approves certain perquisites for whole-time Directors and below Board level Executives as well as approves the Performance Related Pay (PRP) with respect to the Executives of the Corporation as per the DPE guidelines.
b. Creates and sanctions posts as well as considers and approves motions to Senior Management Personnel.

Shareholders Relationship Committee

Examines and redresses the grievances of shareholders, investors and approves issuance of share certificates.

Project Evaluation Committee

Appraises projects costing Rs. 250 Crore and above before the Projects are submitted to the Board for approval.

Corporate Social Responsibility and Sustainable Development Committee

Recommends, monitors and administers activities under Sustainability and CSR Policy and oversees its performance / implementation.

Marketing Strategies Committee

Evolves the strategies, policies, guidelines and takes decisions on all matters relating to marketing activities including a revival of dealerships/ distributorships.

De-leasing of Immovable Properties Committee

Considers de-leasing of company leased flats/ accommodation/ immovable properties

Spot LNG Purchase Committee

a. Approves execution of Master Sales & Purchase Agreement (MSPA) with suppliers on bilateral basis
b. Approves deviation to standard MSPA
c. Reviews and approves LNG price formula/ gas pricing/ SPA terms
d. Approves bids for purchase of LNG
e. Accepts offer on single tender basis from domestic R-LNG suppliers.

LNG Sourcing Committee

Reviews the terms and conditions of LNG Sales & Purchase Agreement and recommend the same to the Board for approval for purchase of LNG on long-term basis.

Contracts Committee

Approves contracts beyond certain limit as provided in the Delegation of Authority of the corporation.

Dispute Settlement Committee

Examines and gives recommendations on the settlement proposals having financial implication of more than Rs. 25 Crore for approval of the Board as per the Conciliation Policy of IndianOil.

Risk Management Committee

Quarterly reviews the Risk Management Process involving risk assessment.

Board Meetings

Since IndianOil is a Central Public Sector Undertaking, it is bound by the rules and regulations set by the Government of India from time to time. However, various policy frameworks in tandem with these rules and regulations are defined by the Board after due deliberation. Board meetings are held at monthly intervals all-around the year to deliberate

on issues of stakeholder interest. Policy decisions are taken to ensure that short, medium and long-term goals of the organization are met. During the year 2016-17, a total of 11 Board meetings were held. The Board meetings are convened at a maximum gap of 47 days while the Audit Committee meets at least once in every 95 days.

Remuneration of Directors

Since the nomination and remuneration fixation of Directors is decided by the Government of India for Central Public Sector Enterprises, the same procedures are followed for Directors' nomination and remuneration at Indian Oil. The perquisites and performance related pay for the Directors are, however, approved by the Board empowered Remuneration Committee. The remuneration is not inclusive of the actuarial valuation of retirement benefits schemes or any provision made during the year towards post-retirement benefits as these are

not ascertainable individually for Directors. No stock options were issued to Whole-time Functional Directors during the year 2016-17. As per the terms and conditions laid down by the Government of India, the Whole-time Functional Directors have to provide a 3-month notice or salary on lieu of release from service.

During the year 2016-17, a ratio of 10.4:1 was observed for the ratio of the organization's highest paid individual to the median annual total compensation.

Ethics and Integrity

Compliance

Being a CPSE, under the administrative control of the MoP&NG, Government of India, IndianOil complies with all the provisions of Corporate Law, guidelines and rules, as mandated by the ministry from time to time. A Secretarial Audit of the records and documents of the company are carried out every year as a good corporate governance practice. The report prepared is published as an annexure to the Annual Report after a due verification by the Company Secretary. An external safety audit of all operating pipelines installations was carried out as per MSIHC rules 1989 by third-party agency. Liaison officers appointed at various locations ensure proper implementation of government directives. During the year, 1963 Investor complaints were received by the Stakeholders' Relationship Committee which were subsequently resolved.

Whistle blower policy

There is a well-defined Whistle Blower Policy in place at IndianOil. All the employees have an access to the policy and can report any misconduct concerning the law, rules, regulations or code of conduct by an employee to the concerned authority or the Chairman of the Audit Committee. As per the rules of the whistle blower policy, anonymity and confidentiality of the individuals are maintained at all levels to protect any discrimination, whatsoever, at the workplace. Whistle Blower Policy can be accessed from the corporate website at the following link: https://www.iocl.com/InvestorCenter/Whistle_Blower_policy.pdf

Anti-corruption and anti-competitive behaviour

All the employees of the organization are governed by the "Conduct, Disciplines and Appeal Rules (the CDA Rules)" which outline the approach to ascertain and assess the risks related to frauds and reporting, investigating and responding to incidents suspected of corruption. Various measures are in place to check issues pertaining to ethics, bribery and corruption in line with the policies and guidelines issued by the Government of India from time to time. All employees have to comply with anti-corruption policies. An in-house mechanism has been developed as per the government's guidelines to check anti-competitive behaviour. A grievance redressal mechanism is also in place to encourage disclosures related to any misconduct. While the policies cover all employees as well as suppliers and vendors; a routine check of all installations is undertaken for corruption and related risks.

Zero incidents related to corruption reported during 2016-17. About 100 vigilance awareness programs conducted covering 2,700 employees. There are four cases pending before the Hon'ble Delhi High Court and Supreme Court pertaining to anti-competitive behavior. Briefs of the said cases are as under:

◆ Reliance Industries Limited filed a complaint against 3 Oil Marketing Companies (OMCs) & National Aviation Company India Limited (NACIL) before the Competition Commission of India (CCI), wherein allegations were made about cartelization etc. of tender floated by NACIL for a supply of ATF for 2010-11. OMCs had raised preliminary objection relating to the jurisdiction CCI. By Order dated 30.09.2010, CCI held that the preliminary objection was legally not tenable and accordingly dismissed the Case. Against this Order, an appeal was filed in Delhi HighCourt. The High Court has passed interim orders in favour of the OMCs, permitting them to operate till the next date of hearing.

◆ North-East Dealers Association had filed a complaint before CCI, alleging that OMCs are using unfair terms and conditions in the Dealership

Agreement and misusing their dominant position. CCI, vide order dated 11.02.14, dismissed the said application for want of merit and substance. Against the said order, North-East Dealers Association filed an appeal before COMPAT. COMPAT, vide order dated 26.11.15, set aside the order of CCI, against which CCI has filed SLP before the Hon'ble Supreme Court. The Hon'ble Supreme Court admitted the appeal and passed stay orders on operation of judgment dated 26.11.2015 of COMPAT. The matter is pending before the Supreme Court.

◆ OMCs received notice dated 22.04.2013 from Director General of CCI requesting information on various modalities of Petrol pricing as CCI had suo-moto started an investigation into the prices of Petrol and asked why OMCs increased and decreased prices simultaneously and by similar amounts. OMCs defended by submitting that

Petroleum and Natural Gas Regulatory Board had jurisdiction and not CCI, which was rejected by CCI vide order dated 23.10.2013. IndianOil has filed a writ petition before Delhi High Court against CCI's order dated 23.10.13. The matter is pending in the Delhi High Court.

◆ In another case, a party has alleged non-competitive price due to cartelization by Sugar Manufacturers and joint tendering by OMCs for the supply of ethanol. The party had appealed before Competition Appellate Tribunal (COMPAT) against CCI's interim order and also filed an application for interim relief of stay of the tender process. The COMPAT dismissed both Appeal and Application for stay. The party thereafter filed Civil Appeal before the Supreme Court against COMPAT's order. The matter is pending in the Supreme Court.

Public Procurement Policy for MSE

In line with the Public Procurement Policy for Micro and Small Enterprises (MSEs) order, 2012, IndianOil ensures that it takes necessary steps to procure a minimum of 20% of total Annual Value of goods and services from Micro and Small Enterprises. To encourage MSEs to take part in various tenders floated by the corporation, all participating MSEs are exempted from paying the Earnest Money Deposit (EMD)/ Tender Fees. In pursuant to the same, we procured 38.65 % of our goods and services from MSEs during the year 2016-17.

External Commitments and Public Policy Participation

IndianOil works with professional bodies, both national and international, and participates in various policy formation and other industry related issues. Being a public sector enterprise, run under the aegis of the Government of India, all the meetings of related ministries are attended to and an in-depth analysis is carried out to decide the course of action. IndianOil is also a member of different committees of the Government of India and contributes to advancement and improvement of public good by actively participating in discussions related to Energy Security, Sustainable Business Principles, Sustainable Business Principles and Economic Reforms, etc.

Human Rights

IndianOil is an equal opportunity employer and there is no discrimination among the employees on the basis of caste, tribe, religion or region in extending the various welfare facilities to take care of employees' health, efficiency, economic betterment, social status, satisfaction, employment, growth, remuneration or development, etc. All our contracts have terms and conditions laid down (in the General Conditions of Contract) for our vendors and suppliers instructing them to comply with the human rights aspects including separate toilets, washing places for men and women, compulsory canteen facilities and medical services for all workers. All the vendors and suppliers are also made to submit a written declaration stating that no party has engaged child labour at his/her facilities and any industry deploying child labour is discouraged from doing so. No forms of forced or compulsory labour are supported by IndianOil. All our installations are monitored and reviewed periodically to minimize human rights violations and a robust redressal mechanism, accessible to all employees, has been structured to ensure grievance handling. Abiding by the provisions of the Minimum Wages Act 1971, the minimum wages paid to the employees and contractors are revised periodically and salary paid to employees of all categories fulfills all norms of the act as prescribed by the Government of India. There is a Zero tolerance policy towards prevention of sexual harassment at workplace and a stringent policy in this regard has been implemented across all locations and installations. Cases of sexual harassment reported, if any, are inquired into by a Complaint Committee and a disciplinary action in accordance with the Conduct, Discipline and Appeal Rules (CDA Rules) is taken against the delinquent employees.

There were no incidents of human rights violations reported during the year. No incidents involving rights of indigenous people and discriminated practices or significant disputes involving local communities and indigenous people were reported during the year 2016-17. No instances of forced, compulsory or bonded labour were reported during the year. No child labour is employed at any of our establishments and a minimum age limit of 18 years for permanent and contract labour is maintained. No complaints, whatsoever, were reported during the year pertaining to child labour. No political contributions – financial or in-kind – were made directly or indirectly to any recipient or beneficiary by IndianOil.

Category	No. of complaints received (2016-17)	No. of complaints pending as on end of the financial year
Child labour/forced labour/ involuntary labour	Nil	Nil
Sexual harassment	7	6
Discrimination	Nil	Nil

Sustainable Sourcing

The geo-political movements, turbulent oil prices and exposure to foreign exchange fluctuations make the Oil & Gas sector susceptible to uncertainties. Impact on inventory due to crude prices is one of the major risks faced by the organization. IndianOil, taking cognizance of the risks, manages its supply contracts accordingly. In addition to ensuring that we enter into both, short and long-term contracts, we also ensure that the supply is being sourced from a diversified basket, with various varieties of crude. We also source LNG, gas and other raw materials under long as well as short-term purchase contracts from national and global sources. IndianOil has also acquired participating interests ranging from 3.5% to 50% in 8 domestic and 9 international blocks thereby strengthening its position in the upstream market as well. All our contracts have terms and conditions laid down (in the General Conditions of Contract) for our vendors and suppliers instructing them to comply with the ESG parameters.

We transport crude and finished product through our vast pipeline network of 12,848 km, by which we reduced the GHG emissions equivalent to 6,07,000 tCO_2e compared to transportation through rail network.

Inclusiveness

All guidelines and directives issued by the Government of India regarding reservation for SC/ST/ OBC/ PWD (Persons with Disabilities)/ Ex-servicemen are adhered to promote inclusiveness. Every effort is made to take prompt action on any complaint raised by our employees. Proper mechanisms are in place at the Divisional, Regional and Unit levels to address the grievances. Various facilities like a ramp, Braille machines etc. are also provided across our installations and offices to aid the differently-abled employees.

We empower marginalized, vulnerable and disadvantaged stakeholders through various CSR initiatives and by providing dealership/ distributorship, petty contracts etc. For eg., while handing out Kisan Seva Kendra (KSK) distributorships, there is a 33% reservation for female entrepreneurs. Our flagship program "Smokeless Village", which aims to provide LPG connection to women, belonging to BPL families has reached 24,774 families during the year.

Accountability

Integrity and Accountability are the key pillars of IndianOil which drives its performance, as they help in creating an atmosphere of trust and confidence between the employees and the workplace. At IndianOil, we deal with customers and suppliers for an array of goods and services and hence, it is inevitable that we maintain our relationships with utmost transparency and diligence besides maintaining highest levels of ethical standards.

IndianOil signed a MoU with Transparency International India (TII) in 2008 to implement Integrity Pact (IP) which governs all the major procurement and work contract activities, since then. The pact ensures that transparency, probity, equity and competitiveness is maintained in all our procurement processes. Presently, three independent external monitors (IEMs), nominated in consultation with The Central Vigilance Commission (CVC) and TII, monitor all tenders exceeding the value of Rs. 10 Crore across the organization. During the year, 12 meetings of IEMs were conducted to monitor the tenders. 429 tenders were scanned for the integrity pact as per the conditions of the threshold value and 12 complaints were received against the same which were duly resolved/ deliberated upon.

During the year, 7,115 complaints were received related to services, tenders and through public grievance redressal system, and 7,216 complaints were resolved. Further, 3,19,207 customer complaints were received and 99.63% stood resolved as on 31.03.2017.
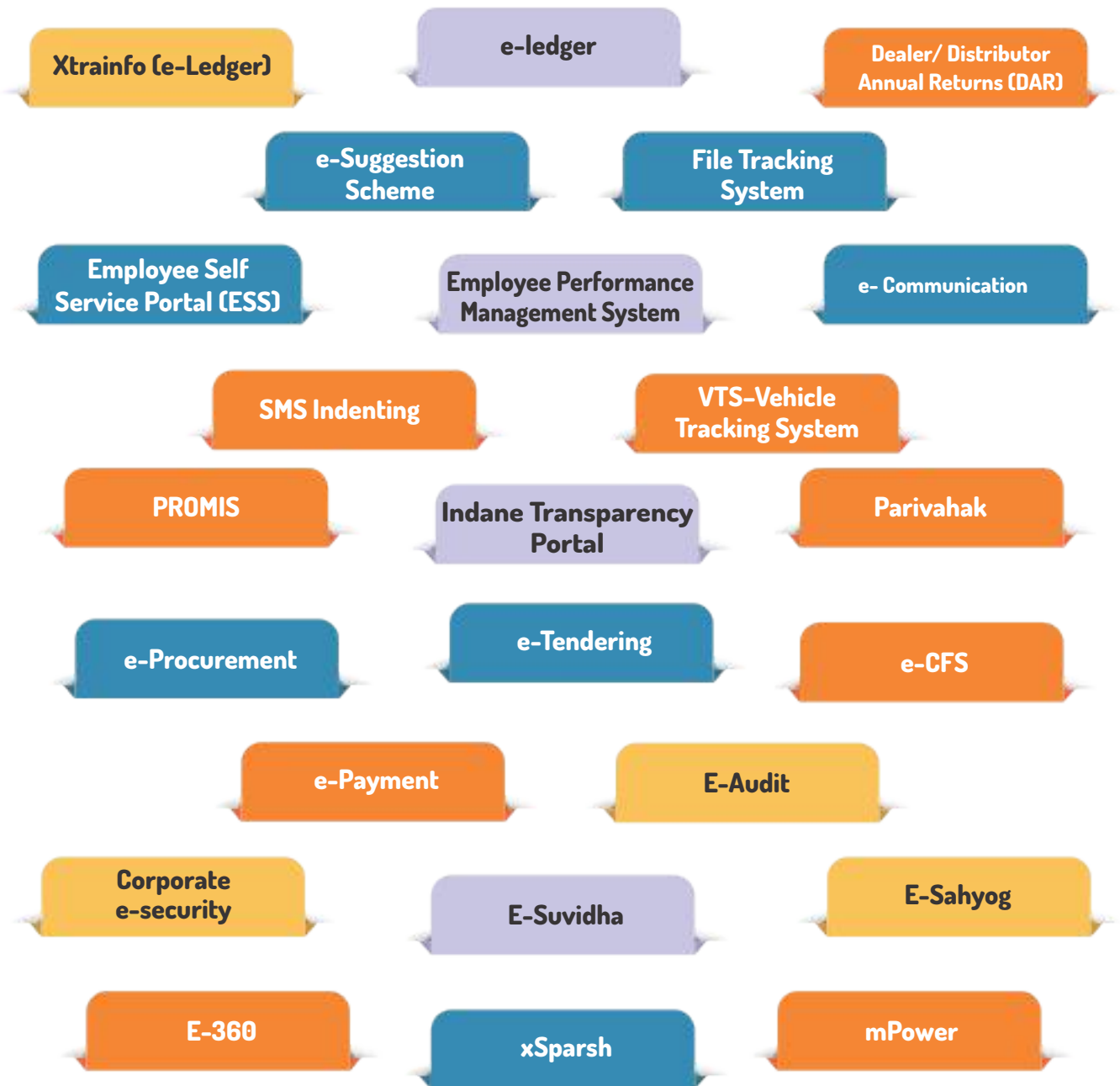
E-initiatives

The year 2017 has been declared as the year of innovation and technology at IndianOil. Various initiatives have been taken and web-based applications and portals developed to make the processes more effective and efficient. Also, the recent emphasis on increasing the role of technology and internet-based services by the Government of India, has provided the much-needed thrust.

- Xtrainfo (e-Ledger)
- e-ledger
- Dealer/ Distributor Annual Returns (DAR)
- e-Suggestion Scheme
- File Tracking System
- Employee Self Service Portal (ESS)
- Employee Performance Management System
- e- Communication
- SMS Indenting
- VTS–Vehicle Tracking System
- PROMIS
- Indane Transparency Portal
- Parivahak
- e-Procurement
- e-Tendering
- e-CFS
- e-Payment
- E-Audit
- Corporate e-security
- E-Suvidha
- E-Sahyog
- E-360
- xSparsh
- mPower

ESS-Employee Self Seva

Enables employees to check their pay-related information, make various claims and track the application status.

E-360

Portal for employees in Manager's grade and above, where employees are assessed by their peers, subordinates and seniors on their overall performance.

E-Suvidha

Covers claims and information not covered under ESS.

E-Audit

Application used by the Internal Audit team to speed up the audit process.

E-Sahyog

Centralized portal for the CSR department to update & share information pertaining to various initiatives across the organization.

E-PMS

System to increase transparency in performance measurement, performance ratings.

E-Drive

An intranet based facility that helps employees share upto 1GB data by uploading it at one location and sending the link generated thereafter to the intended recipient of the data, who can download the information from the same.

E-Tender

An internet based website where all tenders are floated in an e-format. The system has increased transparency in the process of tendering, and has reduced costs to the company in terms of time, paper and costs for floating physical tender.

HR –A&W services

All information related to various administration & welfare related formats and contact persons is mentioned on the link for various users.

File tracking system

A system that helps to route a file, which is being sent out of the respective department, through the proper channel and track its status.

Hello IOCian

An online directory of all employees, both executive and non-executive, of all divisions has been prepared, with information pertaining to their contact details and designation is also provided.

PF Management System

A portal has been developed to help employees access details related to their Provident Fund (PF) balance and apply for refundable or non-refundable loans against PF, if required.

Applications for Customers, Vendors and Suppliers

Fuel@IOC

This application has been developed for the end users of our petroleum products from our Retail Outlets. Salient features of the application are given below:

- Retail Outlet locator based on the user's geographical position
- Retail Outlet search by services.
- Easy availability of the customers' fuel transactions
- Easy lodging of the feedback and rating of retail outlets.
- Saftey tips, Lube and air pressure reckoner
- Loyalty program integration
- Tracking of the grievances filed by the user
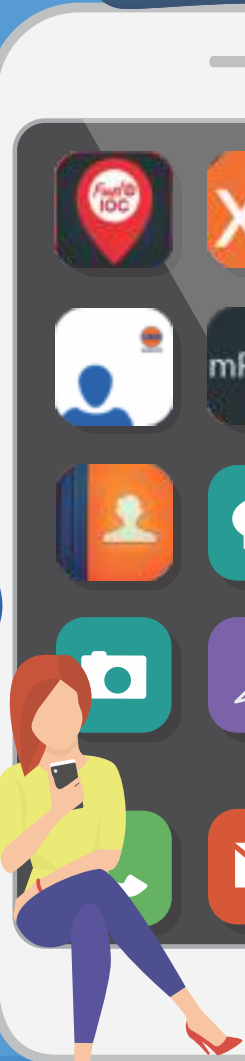- Swachh Bharat integration

Parivahak

This application has been made for the transporters who help us in making our product available across the country. The main features of this application are:

- Real time payment information of the transporter's bills.
- Real time position of the transporter's truck.
- Details of the transporter's fleet of trucks (No. of trucks and the details of each truck)

PROMIS

This application has been developed to provide assistance to the channel partners for products manufactured by the Business Development group. It caters to all the types of customers. Main features of this application are as under :

- Balance enquiry
- Sales enquiry
- Stock inventory listing
- Payment details
- Integration with Microsoft CRM for user access

xSparsh

This application has been developed to help the various channel partners of IndianOil keep an update on the sales and other related information. Main features of the application are:

- Customer balance
- Indent / Order Management
- Payment Details
- Sales
- Consumption statistics
- RDB reports integration
- Customer Acquisitions

Applications for Employees

mPower

This mobile application has been designed keeping in view the needs of our sales officers. Following are the features of this application:

- Customer Payments
- Customer Balances
- Pending Orders
- Sales Analytics
- Revamped mPower on new platform

myESS

This mobile application has been developed for our internal employees. It allows the workforce of Indian Oil to access employee data on the go. Following data is made available in the mobile application:

- Payslip
- Holiday Listing
- Employee Search
- Off cycle payment details
- Know your pending claims
- Leave Balance
- Leave apply/approve

IOCL Phonebook

The B2E application for both existing and retired employees to get instant access to contact details of IOCL employee. The app has both offline and online capabilities.

- Employee search based on name, mobile and employee no.
- Offline storage based on directory
- Contact sharing via SMS, email, Whatsapp.
- Ex–employee login

Corporate E-Security

Cyberspace is a complex environment consisting of interactions between people, software and services, supported by the worldwide distribution of information and communication technology (ICT) devices and networks. IndianOil has one of the largest data networks in India and justifiably, the top management is deeply committed to fortifying the same. We have implemented a defense-in-depth cyber security architecture to face today's growing cyber threats to its infrastructure. An updated Corporate Information Technology (IT) Policy in 2017 based on latest technological advancements and to address the latest challenges in IT world was also released during the year. Cyber security requirements of National Cyber Security Policy (NCSP) 2013 have been incorporated in the new Corporate IT policy. The policy ensures that all information technology users within the domain of the IndianOil or its networks comply with rules and guidelines related to the security of the information stored digitally at any point in the network or within the organization's boundaries of authority. Regulatory requirements and guidelines issued by GoI from time to time for securing public sector undertaking's critical IT infrastructure for business critical applications are also followed and complied by Indian Oil. IndianOil has been certified by ISO 27001 for its Corporate Data Centre, Near Recovery Site at Gurgaon and Remote Business Continuity Service Centre at Bengaluru from STQC, MIETY. The Near Recovery Site and Remote Business Continuity Service Centre are also certified for Business Continuity (BS 25999) and IT Service Management (ISO 20000). The corporation now has 24 certified lead auditor capable to carry out ISO 27001 audits. COIS has conducted many training sessions for implementation of ISO 27001, Business Continuity

For excellent contribution in the field of information security, Mr. Deepak Agarwal, ED (IS), COIS received the prestigious DSCI Excellence Award 2016.

Plan and Crisis Management Plan across the divisions. Availability of data being a very important part of Information Security, the whole Data Centre setup of IndianOil has been deployed in high availability and redundant mode. A 24/7/365 Security Operation Centre (SOC) is maintained at Corporate Data Centre which is manned by highly skilled IT security professionals. The processes at SOC have been designed to meet the stringent requirements of a critical data center and are in compliance with the industry best practices.

During the year 2016-17, Corporate E-security has integrated the security devices of all the Divisions with the central SIEM (Security Information and Event Management). This provides real-time analysis of security alerts generated by network hardware and applications across the corporation. SIEM has become a core requirement for the information security management team. Coupled with a robust security operation centers (SOC), SIEM delivers greater intelligence and automation into the collection, correlation and analysis of log and

alert data. Third party Vulnerability Assessment and Penetration Testing with Web Application Security Audits of organization's public facing websites are conducted to ensure timely mitigation of potential risks and also for compliance as per Govt. guidelines. Various training sessions have also been conducted by Corporate Information Systems (COIS) E-Security team for the employees on cyber security awareness. E-Security team has also ensured standardization of Endpoint Security policy across the organization and conducted knowledge sharing session for the same.

E-PMS

An online system, Employee Performance Management System, for monitoring the performance of employees was devised, covering all the employees of the organization. In addition to improving the clarity in the Key Result Areas (KRAs) as well as the Key Performance Indices (KPIs), the e-PMS system also helped in bringing about transparency in the performance measurement. An annual exercise is undertaken at the beginning of each year, wherein each employee fills in the details pertaining to their respective KRA's and demarks the parameters on which their individual performance would be assessed at the end of the year, weighing each parameter separately. At the end of the year, the performance is measured against the weightage given and the degree of achievement of the target. A reflection of the e-PMS score can be seen on the performance related pay, individual ratings and departmental promotions. The Performance Related Pay of whole-time functional directors, who are considered as regular employees for this purpose, is also decided under the same scheme.

Right to Information Act (RTI)

In accordance with the Right to Information Act (RTI) which came into force in 2005, a feedback mechanism has been implemented whereby various stakeholders and shareholders can seek information from the organization, if it isn't available in the Annual report or the corporate website. Specific information pertaining to the name, designation and addresses of the Chief Public Information Officers, Assistant Public Information Officers and Appellate Authority are readily available on the company's website for everyone's reference. Additionally, an RTI manual detailing the process to apply for an RTI is also given on the website and can be accessed from the following link: https://www.iocl.com/Talktous/RTI.aspx

Business Responsibility Report (BRR)

As per the guidelines laid down by SEBI in 2012, it is mandatory for top 100 companies by market capitalization listed at NSE and BSE, to publish the Business Responsibility Report (BRR) as a part of their Annual Report. The indices on which various organizations are required to disclose information have been listed down by SEBI.

IndianOil, being one of the top 100 companies listed in NSE and BSE, prepares the BRR and publishes it in line with the requirements laid down by SEBI. The first BRR was published in 2012-13 and is a regular section in the Annual Report since then.

Vigilance

IndianOil has a government nominated Chief Vigilance Officer (CVO) who inspects the various cases pertaining to vigilance across the organization. The vigilance function promotes a culture of discipline, compliance, trust and care. It is important that vigilance functions are proactive to ensure that the performance of the organization is not detracted from, impaired or inhibited from commercial decision making. Vigilance functions are gaining importance since the Public Sector Enterprises are expected to maintain the highest level of transparency and accountability in their functions. In view of the same, initiatives like e-tendering, e-collections, e-payments, file tracking system have been implemented in the organization. Various vigilance awareness workshops are conducted round the year to help officers discharge their duties with integrity. These workshops also act as preventive measures by spreading awareness about CVC guidelines & rules, and ensuring quality and quantity of products in transit as well as sales points across the country. Various studies are undertaken to bring out irregularities/inconsistencies, in awarding as well as the execution of contracts. During the year 2016-17, 2,700 employees attended 100 training program organized on vigilance awareness.

Sustainability in IndianOil

Sustainability in IndianOil

IndianOil's Sustainability & CSR Policy

IndianOil strives to conduct its business responsibly and sustainably, which is the key for building a framework that would lead to economic growth, social equity, and efficient management of resources and environment. In line with DPEs "Guidelines on Corporate Social Responsibility and Sustainability for CPSEs" dated 21.10.2014, proposing a single policy for CSR and Sustainability, IndianOil merged its CSR policy with the Sustainability Policy. IndianOil's new policy on Sustainability and CSR delineates the vision, mission, thrust areas and key requirements as per Companies Act 2013, Companies (CSR Policy) Rules 2014, Schedule VII and DPE's guidelines on CSR & Sustainability.

Vision

IndianOil's Sustainability & CSR vision is to operate its activities in providing energy solutions to its customers in a manner that is efficient, safe & ethical, which minimizes negative impact on environment and enhances quality of life of the community, towards sustaining a holistic business.

Mission

- ❖ Meet stakeholders' aspirations for value creation and grow along with the society.
- ❖ Ensure a safe & healthy working environment
- ❖ Incorporate environmental and social considerations in business decisions.
- ❖ Earn stakeholders' goodwill and build a reputation as a responsible corporate citizen.
- ❖ Conduct business with ethics and transparency & follow responsible business practices.

Thrust Areas

- ❖ Efficiency in operations and processes.
- ❖ Safe and healthy environment in and around the workplaces.

- ❖ Basic livelihood needs & societal empowerment
  - ✦ Safe drinking water and protection of water resources.
  - ✦ Healthcare and sanitation.
  - ✦ Education and employment-enhancing vocational skills.
  - ✦ Empowerment of women and socially/economically backward groups, etc.
- ❖ Tourist friendly facilities at monuments of national importance.
- ❖ Environmentally sustainable practices within & beyond the organization's premises
  - ✦ Clean energy options.
  - ✦ Rain water harvesting (at co. owned premises, retail outlets).
  - ✦ Limit emission of Greenhouse Gases.
  - ✦ Reduce/reuse/recycle resources/waste & dispose waste streams in environmentally safe manner.
- ❖ Promotion of responsible business practices: Conduct business with transparency, integrity and accountability.

As a responsible corporate, IndianOil is committed to address the climate change challenges by undertaking various mitigation and adaptation measures. In an effort to align its various initiatives towards achieving Sustainable Development, IndianOil formed the Alternate Energy and Sustainable Development (AE&SD) Group at the corporate level. A brief summary of sustainable development initiatives by IndianOil is presented below:

Renewable Energy

The share of renewable energy in the Indian energy mix continues to grow and the growth is contributed by factors like energy security, environmental concerns in the conventional power, and improved availability of matured renewable technologies etc.. India's wind and solar power sector is expected to grow significantly in the coming decade, considering its target to increase the installed capacity of renewable energy to 175 GW by 2022.

In view of building a low-carbon future, IndianOil is striving to increase its installed grid-connected renewable energy capacity to 260 MW by 2020. Further, IndianOil is targeting to implement solar Photo voltaic plants across rooftops as well as spare lands across its installations. During the year, we have invested Rs. 651 Crore in renewable energy projects. The total generation from Renewables for the year 2016-17 was 179 million units, which amounts to approximately 3.39% of IndianOil's total electricity consumption.
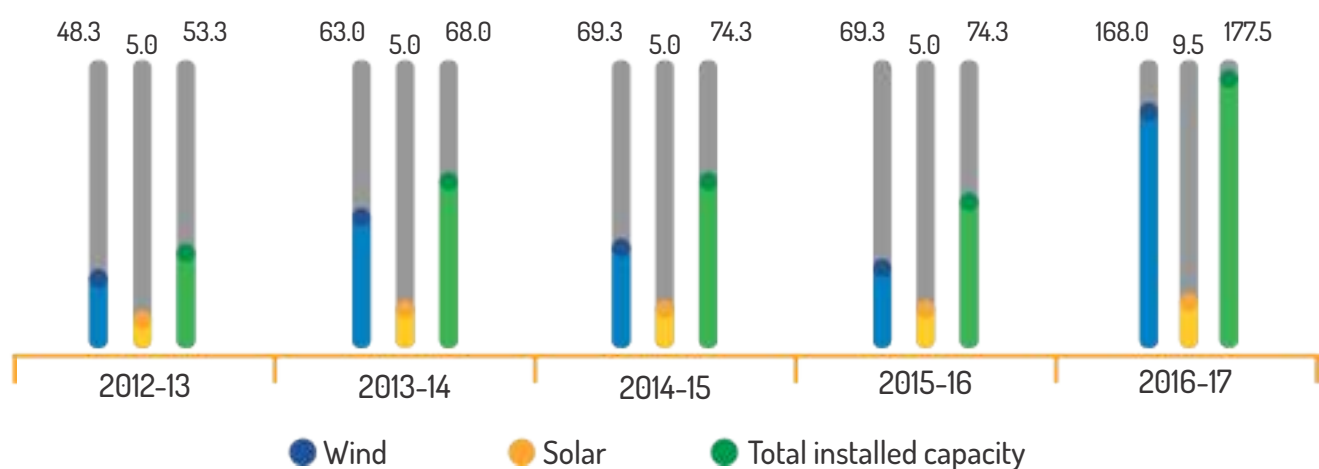
Grid connected renewable power

We have improved our renewable energy basket during the year by adding 103 MW of Solar and Wind power projects. Our cumulative installed capacity of renewable energy is 177.5 MW out of which 168 MW is wind power and 9.5 MW is solar power projects. The total generation during the year is 171 GWh which helped in reducing GHG emissions equivalent to 1,42,000 tCO_2e.

Grid Connected Renewable Energy – Cumulative Installed Capacity (MW)

	Wind	Solar	Total installed capacity
2012-13	48.3	5.0	53.3
2013-14	63.0	5.0	68.0
2014-15	69.3	5.0	74.3
2015-16	69.3	5.0	74.3
2016-17	168.0	9.5	177.5

● Wind   ● Solar   ● Total installed capacity

Grid Connected Renewable Energy – Generation (GWh)

	2012-13	2013-14	2014-15	2015-16	2016-17
Wind	97	132	132	124	158
Solar	7	8	8	8	13
Total Generation	104	140	140	132	171

● Wind   ● Solar   ● Total Generation
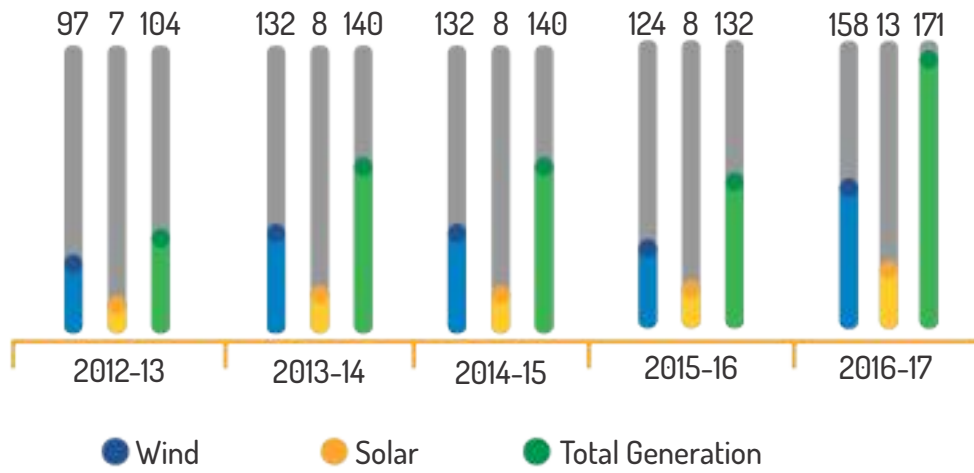
GHG emissions reduction due to grid connected Renewable Power ('000 tonnes of CO_2e)

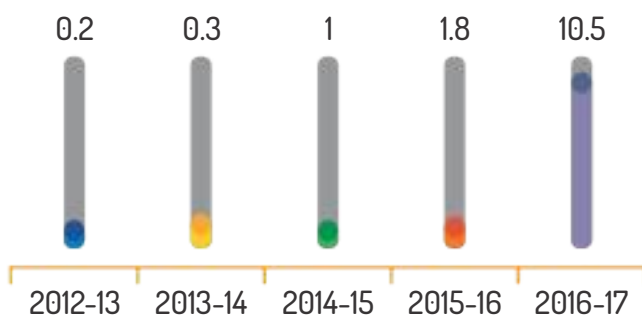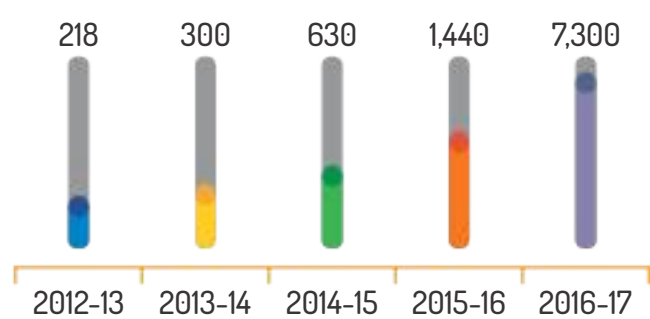| 2012-13	2013-14	2014-15	2015-16	2016-17
85	115	114	108	142
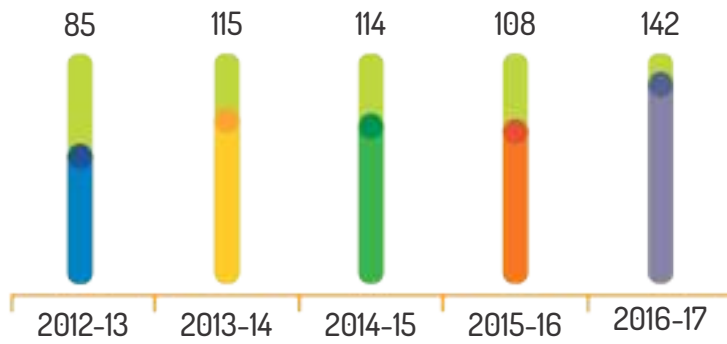
Off-grid solar power

With the vast presence of our installations across the country, the scope for off-grid solar power generation for captive utilization is immense. IndianOil has implemented Solar Policy in 2015-16 to install off-grid solar power systems on all the available roof-tops and land areas available across our installations. During the year, we have added off-grid solar power systems across the Corporation having an installed capacity of 8.8 MW raising our cumulative capacity to 10.5 MW. The total power generation from the off-grid solar systems, during the year 2016-17 was 7300 MWh corresponding to a GHG emissions reduction of 6,059 tCO_2e.

Off-grid Solar- Cumulative installed capacity (MW)

2012-13	2013-14	2014-15	2015-16	2016-17
0.2	0.3	1	1.8	10.5

Off-grid Solar- Generation (MWh)

2012-13	2013-14	2014-15	2015-16	2016-17
218	300	630	1,440	7,300

Reduced GHG emissions due to off-grid Solar Power (tonnes of CO_2e)

2012-13	2013-14	2014-15	2015-16	2016-17
179	246	517	1,181	6,059
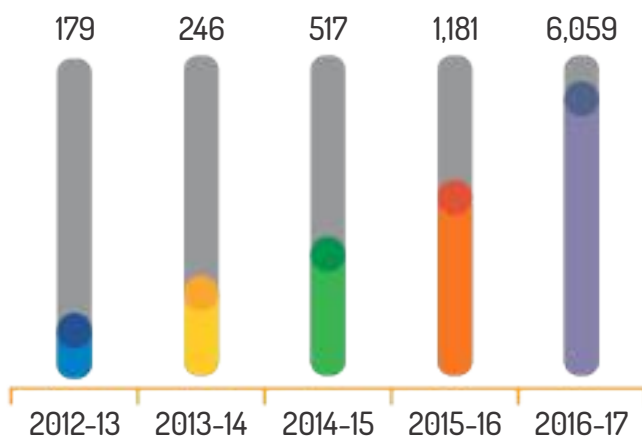
Retail Outlet Solarisation

IndianOil's flagship program of retail outlet solarisation is a major effort towards greening our supply chain. The programme is also aimed to reduce the dependency on diesel generators and manage the power fluctuation. As on 31st March 2017, 6,607 retail outlets were solarised with a cumulative installed capacity of 26 MW.

Cumulative number of ROs solarised

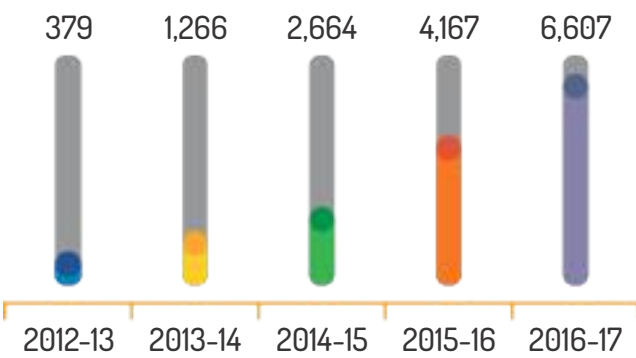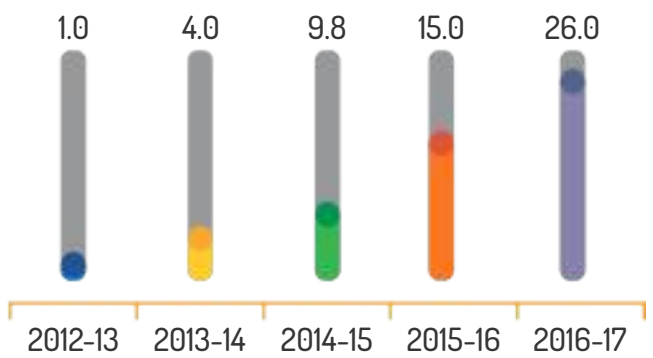| 2012-13	2013-14	2014-15	2015-16	2016-17
379	1,266	2,664	4,167	6,607

RO Solarisation – Cumulative installed capacity (MW)

2012-13	2013-14	2014-15	2015-16	2016-17
1.0	4.0	9.8	15.0	26.0

Sustainability and CSR Workshops

Every year workshops are organized across our locations to sensitize the executives on SD and CSR related initiatives of the organization and to implement them in their day-to-day activities. Being conducted at the state and divisional head-offices, these workshops witness an enthusiastic participation.
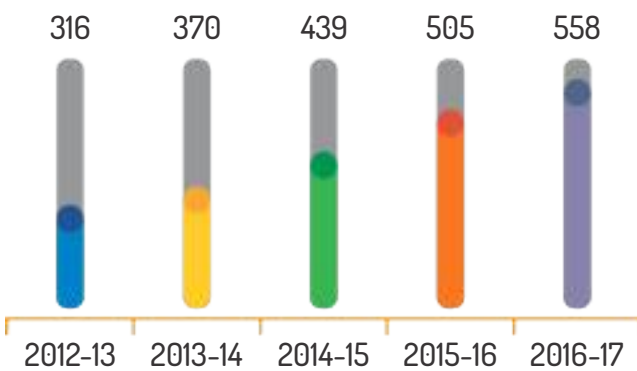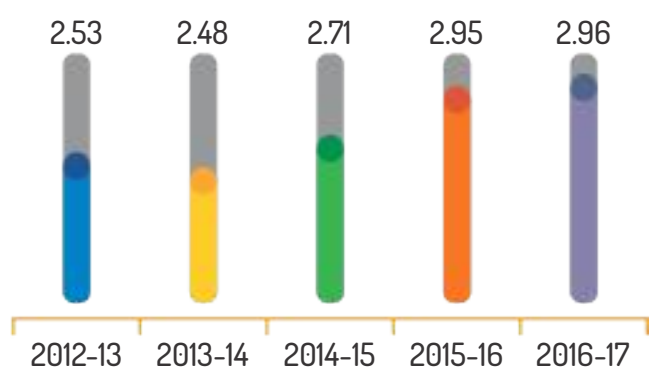
Rainwater Harvesting

In an effort to reduce our freshwater intake from surface and ground water source, we implemented rainwater harvesting policy in September 2015. The policy aimed to install rain water harvesting systems in all the catchment areas available across IndianOil installations. In addition to rainwater collected from the roof area, stormwater and surface runoff were collected, treated and used at our installations. As on 31st March 2017, we had implemented 558 RWH systems covering a catchment area of more than 1,000 hectares. The total water saving potential through our installed rainwater harvesting systems is estimated to be 3 billion litres per annum, which is approximately equivalent to 3% of IndianOil's annual water consumption.

Cumulative number of RWH systems

2012-13	2013-14	2014-15	2015-16	2016-17
316	370	439	505	558

Year on year rain water harvested (million kilo-litres)

2012-13	2013-14	2014-15	2015-16	2016-17
2.53	2.48	2.71	2.95	2.96

LED Implementation

IndianOil has taken a major drive to replace conventional lighting systems with LED lights throughout the Corporation. A policy guideline on Energy Efficient Lighting (LED Lighting) has been issued according to which we have replaced more than 1,50,000 conventional lights with LED lights, as on 31st March 2017.

Carbon and Water Management

IndianOil has taken a voluntary target to reduce its specific carbon footprint by 18% and specific water footprint by 20%, as against the 2012-13 levels by 2020.

IndianOil carries out carbon footprinting exercise of all its establishments and reports every year. Our continuous efforts to invest in various energy efficiency & conservation measures and renewable energy have helped our refineries (excluding Paradip Refinery) to achieve 10.09% reduction in specific carbon footprint till 2016-17 from 2012-13 level.

Specific carbon footprint reduction* (%)

18%

10.09%

Target by 2020　　Achieved till 2016-17

Specific water footprint reduction* (%)

20%

8.81%

Target by 2020　　Achieved till 2016-17

*excluding Paradip Refinery

Water foot-printing is carried out across the locations every year, through which we identify and implement various water conservation measures resulting into reduced specific water consumption.

Our refineries (excluding Paradip Refinery) have achieved a specific water footprint reduction of 8.81% till 2016-17 from 2012-13 level.

First Solar Power Project at Bhopal AFS of Aviation Department, IndianOil

Bhopal Aviation Fuel Station has pioneered in shifting to solar power from conventional energy in Aviation Department of IndianOil. Bhopal AFS has an annual Jet A1 sale of approximately 12000 KL.

The aviation fuel station has average daily electricity requirement of 24 KW which amounts to the electricity bill of approximately 1.5 lakh per annum. To cater to the daily requirement of power, earlier it was dependant on the power supply from State owned Power Company. After studying the power consumption needs & pattern of Bhopal AFS, it was decided to install 15KWp solar power on grid plant using poly crystalline Photo voltaic modules. Moreover, Madhya Pradesh is endowed with high solar radiation with around 300 days of clear Sun.

The project was developed on a piece of spare land (200sq. ft.) based on Net Metering System which means we do not have any battery bank to store the energy instead we give the unused power to State owned power company & the same is adjusted against the electricity bill on yearly basis. The total cost of the project came out to be Rs. 13,75,000. It produces on an average 60KWH of power daily. Being the first project of its kind even in State of Madhya Pradesh after Net Metering Policy came in force, it threw many challenges till it became fully operational. The project not only helps in considerable reduction in electricity bill but also contributes to Government of India's vision to achieve 100 GW of solar power by 2022 which further aims to produce 40 GW from Roof Top Solar PV systems.

Carbon Neutral Events

Carbon neutral events is an initiative through which our major business events are made carbon neutral by creating carbon sinks through tree plantation at our installations. The major events include conferences, meetings, workshops and seminars. We have developed an in-house manual "Manual for Making Events Carbon Neutral" and the same would be duly followed in declaring the events carbon neutral. As on 31st March 2017, we have made more than 90 major events carbon neutral and planted more than 29,500 trees to offset GHG emissions from the events.

Cumulative number of carbon neutral events

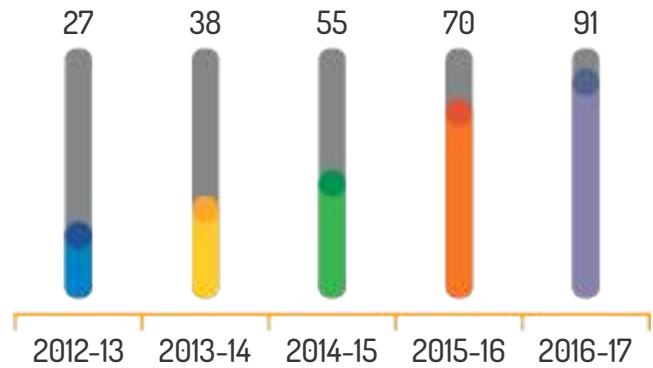| 2012-13	2013-14	2014-15	2015-16	2016-17
27	38	55	70	91

Waste Management

We have set up bio-methanation plants and Organic Waste Convertors (OWCs) at various places across our installations. An indigenous technology for bio-methanation has been developed by IndianOil R&D centre. As on 31st March 2017, 18 OWCs/ Bio-methanation plants have been set up at various places, which convert kitchen, organic and horticulture waste into biogas and manure. The slurry from the installations is used as manure.

Biofuels

IndianOil is setting up second generation (2G) ethanol production plants to generate ethanol from ligno-cellulosic biomass like paddy straw, wheat straw, bagasse, etc. In December 2016, we entered into a binding agreement with a technology partner to set up second generation (2G) bio-ethanol plants with a capacity to produce 100 kilolitres of ethanol per day. Further, we are exploring opportunities to market Bio-CNG generated from agro-waste, industrial waste and municipal solid waste through our retail outlets.

Waste to Energy Plant

In pursuance to the Swachh Bharat Abhiyan by the Government of India, IndianOil is in the process of setting up decentralized 'Waste-to-Fuel' plants of 5 tonnes per day capacity each at Varanasi, Uttar Pradesh as CSR initiative. The first plant was commissioned in December 2016, while works on other sites are underway.

Electric Mobility

In our continuous effort to align our growth strategy in line with the nation's target, IndianOil is exploring opportunities for fast charging stations and battery replacement facilities in retail outlets to promote electric mobility. Further, we are also looking for opportunities to foray into manufacturing and retailing of Lithium-ion batteries.

Carbon Disclosure Project (CDP)

IndianOil has been participating in the Carbon Disclosure Project since 2012. It is a voluntary activity where we disclose information pertaining to our carbon, water and waste footprint.

United Nations Global Compact (UNGC)

United Nations Global Compact is an initiative that encourages organizations around the world to adopt socially responsible and sustainable policies in their business operations. IndianOil, being a signatory member to the UNGC since 2001, reports on its universal principles on human rights, labour, environment and anti-corruption.

Global Reporting Initiative (GRI)

Global Reporting Initiative is an independent international organization which provides guidelines to various corporates, governments and other organizations to understand and communicate their impacts on sustainability issues like climate change, human rights, governance and social well-being. After publishing its first sustainability report in 2005-06, IndianOil prepared its sustainability reports conforming to the GRI guidelines since the year 2007-08. With the revision in GRI guidelines from GRI G1 to the most recent GRI G4 guidelines, IndianOil has matched its pace with the revisions. We also conform to the Oil & Gas Sector Supplement (OGSS) guidelines while preparing our annual sustainability report and make all the required disclosures.

Waste Paper Recycling at Refineries Headquarters

At IndianOil, we make sincere efforts to reduce the paper consumption in our daily work lives and recycle the waste paper generated across the installations. At our Refinery Headquarters (RHQ), New Delhi, we recycle the waste paper generated in collaboration with Jaagruti Waste Paper Recycling Services since 2013-14. We have implemented a proper mechanism to collect and recycle the waste paper generated across the premises of RHQ.

- The waste papers are collected into baskets provided near each work-station.

- The waste paper baskets are emptied in large size waste paper bins provided at each floor at designated place.

- Periodically, representatives of the NGO collect all the waste paper for recycling.

- In lieu of the quantity of waste papers collected annually from RHQ, new paper stationeries are given back by the NGO.

Following steps are taken by Jaagruti Waste Paper Recycling Services to recycle the waste paper and provide new paper stationeries:

- Collect the waste paper from RHQ

- Segregate the paper into two categories viz. Office grade and magazine grade to estimate the monetary value of waste paper collected

- Destroy confidential papers received, if any

- Send the categorized waste to paper mill for further processing into notepad diaries, etc.

- The deliverable in exchange for the waste paper handed by RHQ is paper stationeries that include notepads and A4 size printing papers, of equal monetary value

Stakeholder Engagement & Materiality Analysis

Stakeholders: We create value

IndianOil builds trust and long-term relationships with its stakeholders through structured engagement mechanism using various platforms. We engage with various stakeholders to derive mileage on all sustainability related issues and minimise negative impacts on our businesses.

We understand our business involves diverse stakeholder group owing to our business units, supply chain and product mix catering to the needs of the customers spread over the entire nation. The focal points of stakeholder engagement are:

To nourish and nurture transparency and demonstrate accountability at all levels

To evaluate their concerns and develop appropriate measures for timely redressal

To frequently monitor the issues raised by our stakeholders

To review the actions taken to reinstate the faith of our stakeholders

To ensure the stakeholders are an integral part of our triple bottom line growth

We have a vast number of forums in place, for our stakeholders, to communicate with us regularly.

These channels help us to gain deeper insights into the expectations that our stakeholders have.

WAY WE CONNECT

Investors' Meet

Annual General Meetings

Events, Seminars, Workshops & Trainings

Awareness Programmes

Dealers' Meet, Transporters' Meet

KSK Conventions

Consumers' Meet

Public Hearing

Grievance Redressal Forums

Customer Care Programmes

Helpline Numbers, Website

Periodicals

IndianOil has institutionalised the exercise for existing stakeholders' relationship through a formal process that includes:

Identification of key stakeholders → **Consultation with key stakeholders** → **Identification and prioritization** → **Addressing the concerns and needs**
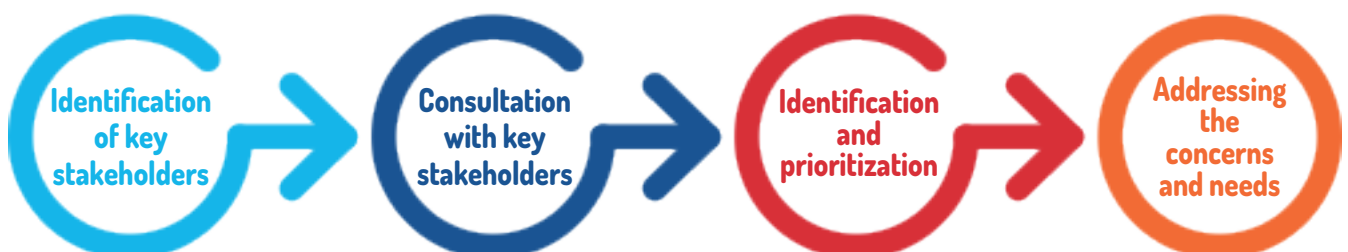
The key stakeholders are identified and are engaged regularly in order to maintain a symbiotic relationship. We remain engaged with a wide array of stakeholders on a daily basis through our pan–India presence and business activities.

Shareholders

Academia

Advocacy / Advisory Groups

Financial Institutions

Media

Non-Government Organisation

Ou
Stakeh
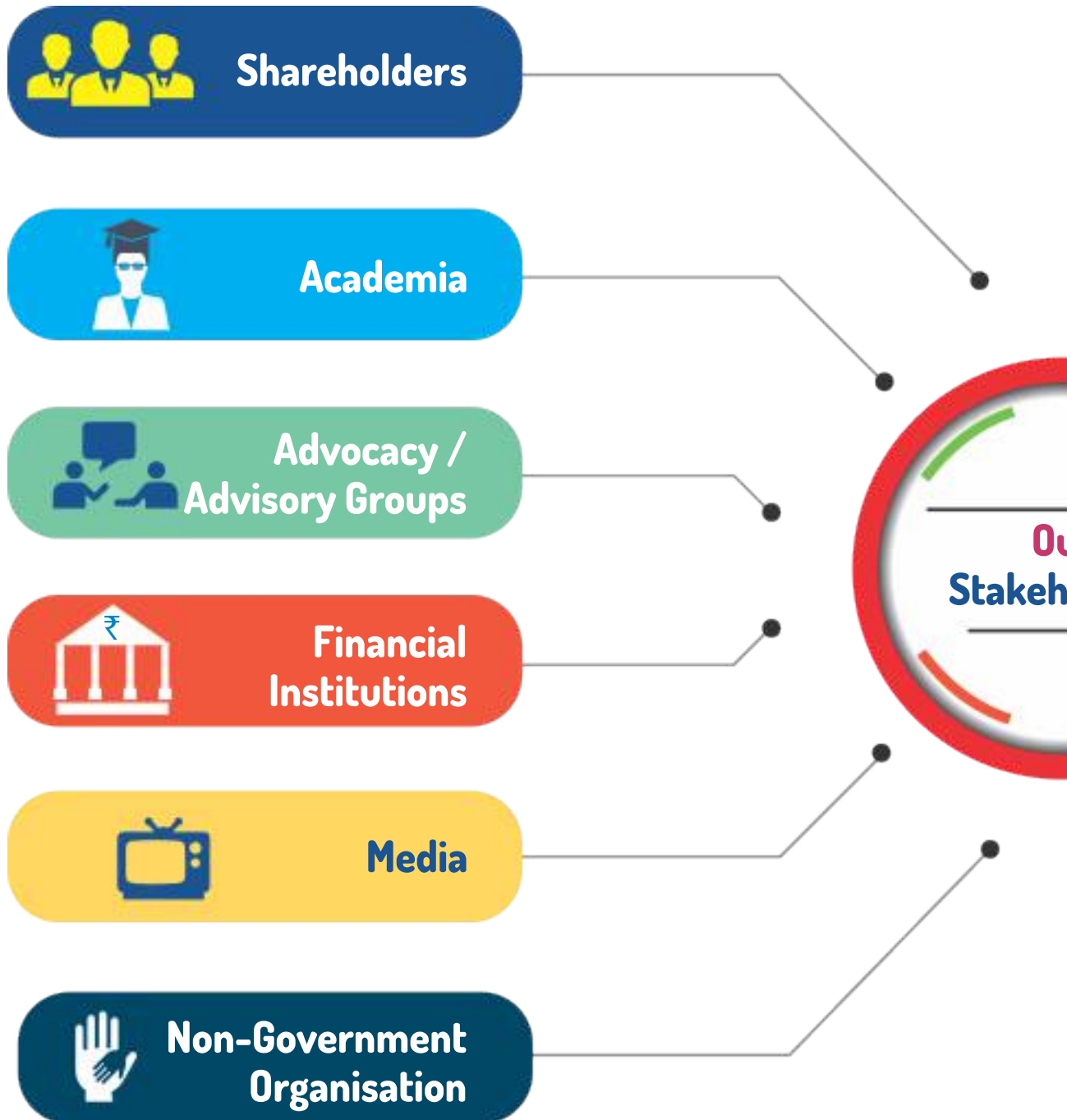
Employees / Contractors

Customers

Government / Regulatory Bodies

Industry/ Trade Association

Business Partner/ Vendors

Community

Government/ Regulatory Bodies

Industry Forums, Structured Meetings, etc.

Policy implementation review, Apprising the Government on organization plans and progress, Communicating industry's challenges and issues, etc.

Industry/ Trade Associations

Meetings, Seminars, Workshops, etc.

Policy advocacy, Interfacing for formulating and implementing Policies, etc.

Financial Institutions

Investors' meet

Financial Performance, Future strategies, Shareholders' Concern, etc.

Media

Annual Press Conference, Press Briefings, Website, Events, etc.

Sharing information to stakeholders

Community

Meetings, Public hearings, need assessment studies, etc.

Corporate Social Responsibility initiatives, societal priorities, etc.

Employees

Meetings, Workshops, Internal Surveys, etc.

Communicating Policies & Performance, Resolving issues/ Concerns, etc.

Business Partners/ Contractors

Dealer/ Distributor/ Kisan Seva Kendra Conventions, Transporters' Meet, Meetings with Contractors/ Vendors, Seminars/ Workshops, etc.

Supply & Distribution, Quality and Quantity, Customer Satisfaction, etc.

Customers

Customer Surveys, Customer Meetings, Training programs, Customer Education Programmes/ Meets/ Grievance redressal forums, etc.

Feedback on product and services, Suggestions and Complaints Redressal, etc.

Shareholders

Annual General Meetings, regular communication through Website, reports, etc.

Financial Performance, Future Strategies, Shareholders Concerns, etc.

● **Stakeholder Group**   ● **Engagement Channel**   ● **Issues**

At the apex level, Board committee on Stakeholders' Relationship has been constituted which examines and redresses grievances of the shareholders and the investors. Further, the Company has also constituted a Corporate Social Responsibility and Sustainable Development Committee at the Board level, which guides and monitors initiatives taken under Sustainability and CSR Policy.
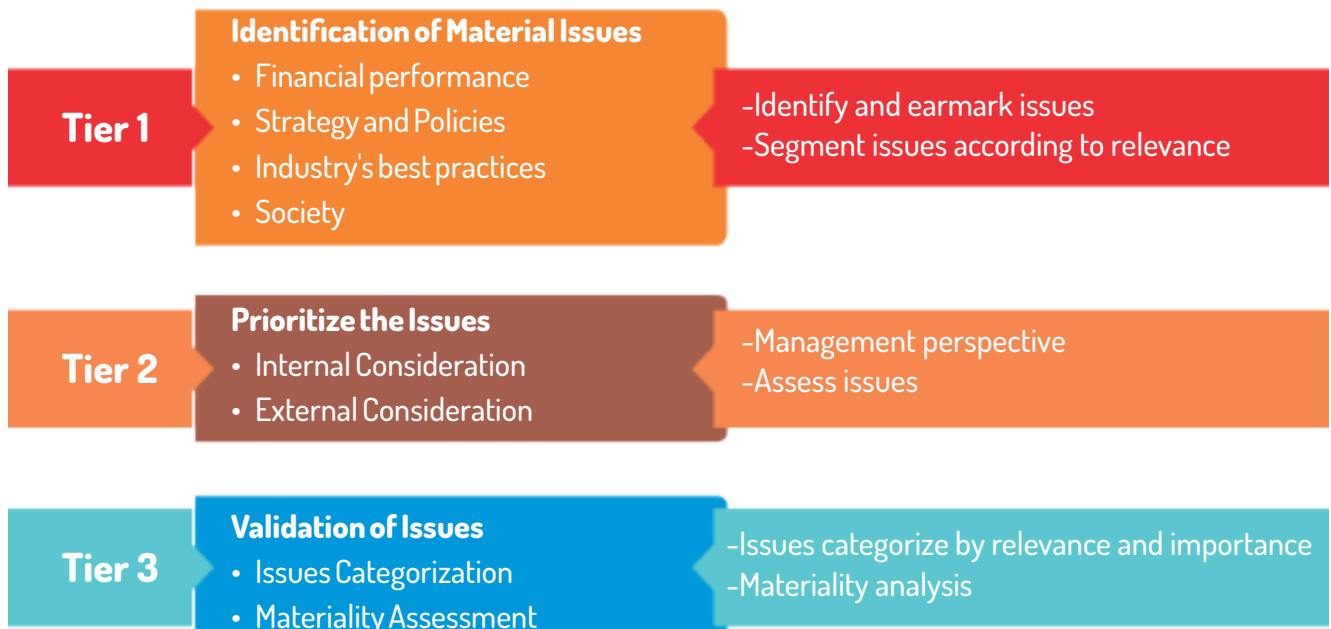
Our Material Issues

Materiality is about identifying the issues that would directly/indirectly influence the company's outlook and performance in the long term. The materiality issues are of utmost concern to our stakeholders as well as to our own business.

IndianOil's process of identifying the material issues is based on an on-going engagement with its stakeholders along with an internal assessment of issues that are of strategic importance to the business. The input gained from stakeholders is complemented by our risk management team's research on emerging societal, economic, environmental and business trends. In addition, we participate in industry forums as well as international and national sustainability forums to discuss emerging challenges and trends.

Issues identified are evaluated from stakeholder perspective as well as company's perspective. These inputs guide our strategic approach towards sustainability policy initiatives and inclusive development.

We carried out materiality assessment during the year 2016-17. Our internal assessment of stakeholders and a robust in-house reporting system provide mandatory assurance by the Management over the materiality issues identified and data which is reproduced in this report from our database maintained at respective locations. Our materiality analysis is based upon the following three-tier structured approach:

Tier 1

Identification of Material Issues
- Financial performance
- Strategy and Policies
- Industry's best practices
- Society

–Identify and earmark issues
–Segment issues according to relevance

Tier 2

Prioritize the Issues
- Internal Consideration
- External Consideration

–Management perspective
–Assess issues

Tier 3

Validation of Issues
- Issues Categorization
- Materiality Assessment

–Issues categorize by relevance and importance
–Materiality analysis

Identification of Material Issues

We carry out an exercise to identify and assess the potential emerging issues that are material to us. The most relevant issues are identified through the analysis of a vast range of internal and external data, including analyst reports, media articles and stakeholder feedback. These issues are laid in-line with our strategic direction based on risk management. In the stakeholder mapping exercise, cross sections of internal and external stakeholders are surveyed through personal interviews and an online questionnaire. Subsequent to this exercise, list of issues material to IndianOil are identified.

Prioritization of Issues

The process of identifying the material issues is well established and is based on an ongoing engagement with our stakeholders as well as with the strategic business review. The basis for material issues prioritization are the key concerns, needs and expectations of various stakeholders identified. To prioritise the material aspects identified, the degree of importance of each material aspect with respect to the key stakeholders and the management is examined and its impact on the business in the short term and long term is further assessed.

Validation of Issues

Subsequent to the inputs provided by identified important key stakeholders, the materiality matrix is prepared. It provides a reasonable and balanced picture of the organisation's sustainability challenges and opportunities. The issues identified are evaluated based on their anticipated degree of impact on IndianOil's performance from the perspective of stakeholders and management. However, in this report, only the critical issues, which are of high concern to stakeholders and Company, are considered. The critical material issues together with our action plan are described under respective topics as Disclosure on Management Approach.

Materiality Analysis

Importance to Company (vertical axis)

Importance to Stakeholders (horizontal axis)
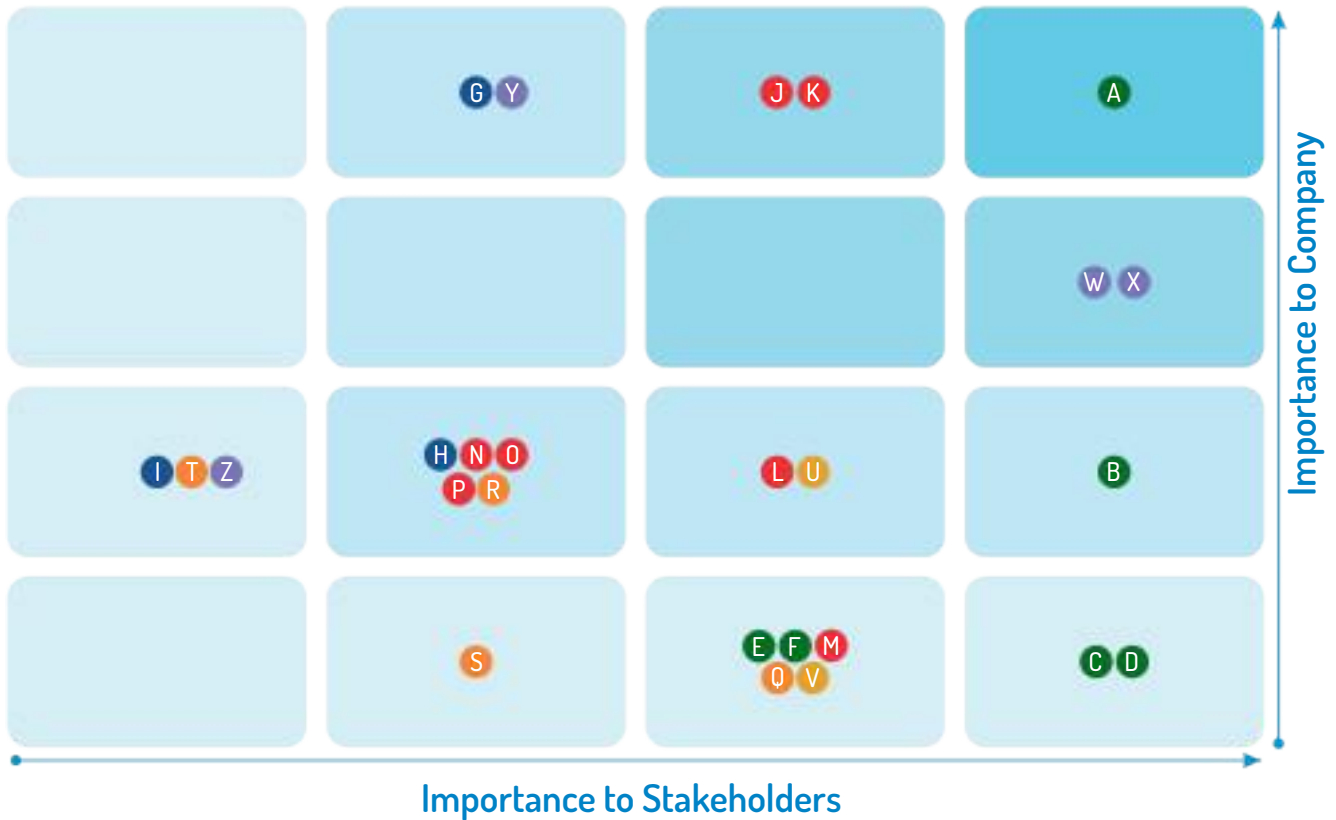
Environment
- **A** Product & Operational Efficiency
- **B** Climate Change
- **C** Carbon Emission
- **D** Water Management
- **E** Waste Management
- **F** Energy Conservation

Economic
- **G** New Business Marketing Opportunity & Overseas Venture
- **H** Market Share
- **I** Indirect Economic Impact

Labor Practices and Decent Work
- **J** Employee Satisfaction
- **K** Employee Engagement
- **L** Occupational Health & Safety
- **M** Diversity & Equal Opportunity
- **N** Training & Development
- **O** Labor Rights & Compensation
- **P** Recruitment & Succession Planning

Human Rights
- **Q** Stakeholder Engagement
- **R** Collective Bargaining
- **S** Human Rights
- **T** Security & Safety of Information Systems

Society
- **U** Impact on Communities
- **V** Corruption

Product Responsibility
- **W** Product/ Service Quality & Safety
- **X** Customer Satisfaction
- **Y** Product/ Service Cost Competitiveness
- **Z** Regulatory & Legal Challenges

Materiality Table Linkages

Material Issues	Covered under Heading	Aspect Boundary Outside IndianOil
Carbon Emission	Environmental Performance: Emissions	Our Suppliers, Distributors & Retailers
Human Rights	Corporate Governance–Human Rights	Contractors
Climate Change	Environmental Performance	Communities where we operate
Collective Bargaining	Employees: Employee Engagement	Not material
Corruption	Corporate Governance: Ethics and Integrity	Our Suppliers, Distributors & Retailers
Customer Satisfaction	Product Responsibility: Marketing Communications	Our Customers
Diversity & Equal Opportunity	Corporate Governance–Human Rights	Not material
Employee Engagement	Employees: Employee Engagement	Not material
Employee Satisfaction	Employees: Employee Engagement	Not material
Energy Conservation	Environmental Performance: Energy	Not material
Impact on Communities	Social Performance	Communities where we operate
Labor Rights & Compensation	Corporate Governance–Human Rights	Not material
Occupational Health & Safety	Health & Safety	Not material
Product & Operational Efficiency	Product Responsibility	Not material
Product/ Service Quality & Safety	Product Responsibility: Product Health & Safety	Our Suppliers, Distributors, Retailers & Transporters
Recruitment & Succession Planning	Employees: Career Transition & New Talent	Not material
Stakeholder Engagement	Stakeholders: We create value	All Stakeholders
Training & Development	Employees: Training	Not material

Material Issues	Covered under Heading	Aspect Boundary outside IndianOil
Waste Management	Environmental Performance: Waste	Not material
Water Management	Environmental Performance: Water	Not material
Product/ Service Cost Competitiveness	Economic Performance	Our Suppliers, Distributors, Retailers & Transporters
Market Share	Economic Performance	Not material
New Business Marketing Opportunity & Overseas Venture	Economic Performance	Not material
Indirect Economic Impact	Economic Performance	Not material
Security & Safety of Information Systems	Corporate Governance: E-Security	Not material
Regulatory & Legal Challenges	Risk Management	Not material

Risk Management

IndianOil upholds a strong financial position to create customer value while maintaining resilience in all potential circumstances. We recognise that risk is an integral component of business and are committed to manage it in a proactive and professional manner. Our Enterprise Risk Management involves risk identification, assessment and categorisation (based on risk appetite) and is reviewed through risk owners regularly to optimise the identified risks with appropriate mitigation strategies. Some of the risks & concerns identified during the year 2016-17 are as follows:

Crude Oil Price Fluctuation

As it is required to hold large crude oil inventory at any given time in its refinery tanks, pipelines feeding inland refineries and in transit from supplier countries, any sharp variation in international oil prices results in a huge inventory gain/loss depending upon price movement. Further, large quantum changes in international oil prices have implications on upstream investments for the company.

Geo-Political Risks

The oil market, being a highly globalised industry, is extremely prone to geo-political risks. One of the primary geopolitical risks is security concerns and political instability in the Middle East & North Africa region, which is among the major crude suppliers to the world. Other than the aforementioned risk, geopolitical risk in oil markets encompasses a broad range of frequently inter-connecting issues, including diplomacy and security, global economics, financial market uncertainty, commodity constraints, etc.

Foreign Exchange Fluctuations

Volatility in the global financial markets and consequently in exchange rate movement and capital flows pose a risk to the company. Given the high dependency on import of crude oil and exposure to foreign borrowings, sharp fluctuations in these have a bearing on the Company's financials.

Safety and Security of Assets and People

The huge risk potential of hazards in the hydrocarbons industry calls for preventive actions in processes and work culture on a continued basis. Behaviours and human factors are widely recognised as having an important effect on accident causation and its prevention. Therefore, in addition to strict compliance with the existing safety systems and procedures, improvement in safety culture and personal safety behaviour is required to be addressed effectively for the sustenance of safe working environment. Similarly, increased sensitivity towards physical and cyber-security also entails appropriate technological and human interventions.

Pipeline Pilferage

This is emerging as a major area of concern for the Company. Pipeline pilferage poses a major risk to the smooth & safe management of the supply chain. Pilferages in pipelines not only lead to disruptions in crude oil and product supplies but also endanger life and property. IndianOil is taking a number of pro-active initiatives to curtail such incidents of pilferage, such as round-the-clock monitoring, physical patrolling of right-of-way, engagement with villagers, electronic surveillance and engagement with local police.

Policy, Regulations, Tax Dispute Risk

Changes in policy, regulations, tax rates and delays in project clearances pose profit and investment risks.

Technological Disruption Risk

Technological disruptions can potentially redefine the very foundation of the business. Energy has become the focus of many technological disruptions; for instance, shale revolution and ever-improving economics of renewable energy.

Leakage/Loss of Sensitive Information:

With increasing penetration of information technology, cyber-security has emerged as a major area of concern. IndianOil through constant vigil and surveillance across its data centres, software, devices, IT and communication services, strives to eliminate cyber-security risks.

Risk Review

IndianOil recognises that risk is an integral component of business and is committed to manage the risk in a proactive and effective manner. The Corporation's Enterprise Risk Management involves Risk Identification, Assessment and Categorisation (based on risk appetite) and is reviewed by risk owners to optimise risks with an appropriate mitigation plan.

Climate Change Risks: Preparedness

Together with Oil & Gas PSUs, IndianOil has undertaken a study on "Climate Change Risks: Preparedness for Oil and Gas Sector" through TERI. The study will provide a comprehensive analysis of threats from climate change to our all locations and shall provide a way forward to tackle the challenges.
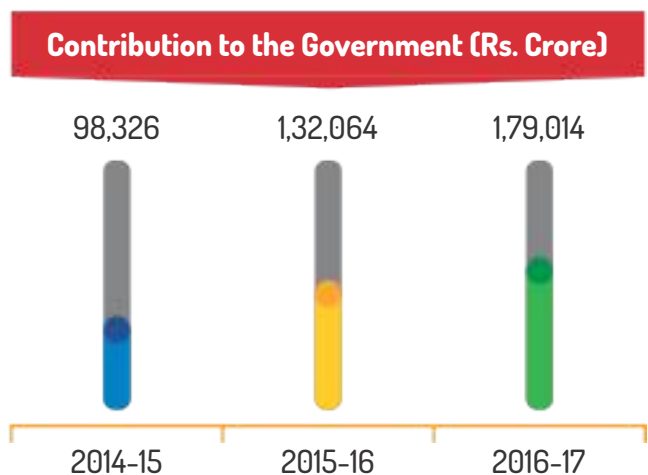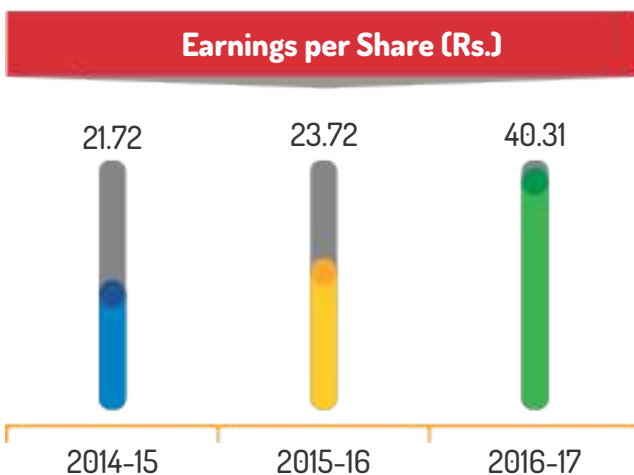
Economic Performance

Economic Performance

IndianOil maintained its leadership position in "Fortune Global 500" listing among the Indian companies with a sales turnover of Rs. 4,38,710 Crore during the year 2016-17. We registered a record net profit of Rs. 19,106 Crore, making us the country's most profitable PSU.

IndianOil continued to dominate the domestic petroleum market with a market share of 42.9%. During the year, the Corporation has achieved total sales of 83.49 million metric tonnes of finished products registering a growth rate of 3.5% over the previous year. Our refineries achieved a record throughput of 65.1 MMTPA compared to 56.69 MMTPA in the previous year.

Total Product Sold (Million Tonnes)

2012-13	2013-14	2014-15	2015-16	2016-17
76.23	75.53	76.51	80.66	83.49

Turnover (Rs. Crore)

2014-15	2015-16	2016-17
4,50,756	3,99,601	4,38,710

Profit after Tax (Rs. Crore)

2014-15	2015-16	2016-17
5,273	10,399	19,106

Earnings per Share (Rs.)

2014-15	2015-16	2016-17
21.72	23.72	40.31

Contribution to the Government (Rs. Crore)

2014-15	2015-16	2016-17
98,326	1,32,064	1,79,014

Dividend (Rs. Crore)

1,602	2,867	10,545
2014-15	2015-16	2016-17

Market Capitalization (Rs. Crore)

89,506	95,564	1,87,948
2014-15	2015-16	2016-17
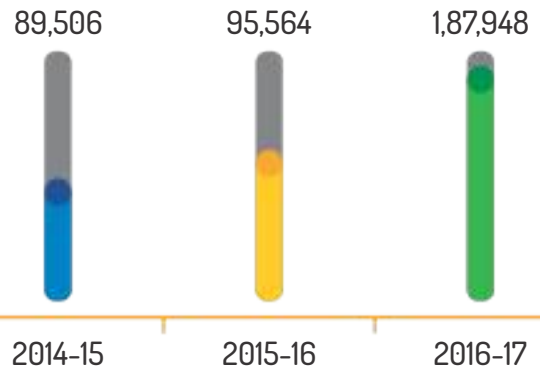
IndianOil continues to invest in several mega projects across the business verticals. The projects include technology up-gradation in the refineries, new pipeline network, gas infrastructure, etc.

Completed Projects

- Reverse osmosis plant at Gujarat Refinery
- Revamp of Coker-A Unit at Barauni Refinery
- IndaDeptG Unit at Guwahati Refinery
- Augmentation of Paradip-Haldia-Barauni Pipeline
- 351-km of pipeline sections as part of Salaya-Mathura Pipeline debottlenecking project
- Jatni-Raipur section of Paradip-Raipur-Ranchi Pipeline project along with branch pipelines to Jharsuguda & Korba involving 751 km pipeline section
- Product storage depots at Imphal, Jharsuguda and Korba
- Replacement of mainline pumping units in Salaya-Mathura Pipeline

Ongoing Projects

- Distillate yield improvement project at Haldia Refinery
- Petcoke evacuation project at Paradip
- Propylene Unit at Paradip Refinery
- BS-VI projects at all refineries
- Installation of INDMAX Unit alongwith associated facilities at Bongaigaon Refinery
- Jharsuguda-Khunti section of Paradip-Raipur-Ranchi product pipeline
- Paradip-Haldia-Durgapur LPG Pipeline
- Paradip-Hyderabad Pipeline
- Augmentation of Paradip-Haldia-Durgapur LPG Pipeline and its extension up to Patna and Muzaffarpur
- Jaipur-Panipat Naphtha Pipeline, along with augmentation of Koyali-Sanganer Pipeline
- CBR-Trichy Pipeline
- Ennore-Trichy-Madurai LPG Pipeline
- Ennore-Nagapattinam-Tuticorin-Madurai-Bengaluru Natural Gas Pipeline
- 18" Haldia-Barauni Pipeline
- Branch pipeline on Barauni-Kanpur Pipeline to Baitalpur and Motihari
- Motihari-Amlekhgunj Pipeline
- Koyali-Ahmednagar-Solapur Pipeline
- Augmentation of Chennai-Trichy-Madurai Pipeline
- LPG import terminal at Paradip and Kochi
- Augmentation of LPG terminal at Kandla
- LPG bottling plants at Banka, Gorakhpur, Bathinda, Goindwal Sahib, Agartala, Jabalpur, Nagpur, Salem, Gwalior, Sitarganj, Trishundi, Korba and Khurda
- LPG terminal at Paradip
- Product storage depots at Khunti (Jharkhand), Una (H.P.), Guntakal (A.P.) and Asanur (T.N.)
- 5-MMTPA LNG import terminal project at Ennore (through a Joint Venture Company)

Future Projects

- ❖ Barauni Refinery expansion project

- ❖ Expansion of Naphtha Cracker Unit and revamp of MEG Unit at Panipat

- ❖ Expansion of PX/PTA Plant at Panipat Refinery

- ❖ Installation of Indjet Unit at Barauni Refinery

- ❖ Guwahati–Silchar–Imphal Product Pipeline

- ❖ Dahej–Koyali Natural Gas Pipeline

- ❖ Augmentation of Paradip–Haldia–Barauni Pipeline

- ❖ 60 MMTPA West Coast Refinery in Maharashtra through a Joint Venture Company.

Refineries

IndianOil continued its outstanding operational journey during the year by commencing the production and supply of BS-IV compliant fuel from all its refineries. Our refineries achieved a record crude throughput of 65.19 million tonnes. The Paradip Refinery, which was commissioned and began operations in March 2016 in a phased manner, achieved 100% capacity utilisation in May

2017. With the continuous focus towards improving the efficiency, our refineries (excluding Paradip refinery) registered the lowest ever Fuel & loss and Specific Energy Consumption (MBN) at 8.49% and 74.9 respectively. The energy conservation measures implemented across the refineries resulted in estimated fuel savings of 19,371 MT of Standard Refinery Fuel Tonne (SRFT) in 2016-17.

Refinery Throughput (million tonnes)

2012-13	2013-14	2014-15	2015-16	2016-17
54.65	53.31	53.59	56.69	65.20

Specific Energy Consumption (MBN)*

2014-15	2015-16	2016-17
78.2	76.6	74.9

Fuel & Loss (%)*

2012-13	2013-14	2014-15	2015-16	2016-17
9.1	9	8.8	8.66	8.49
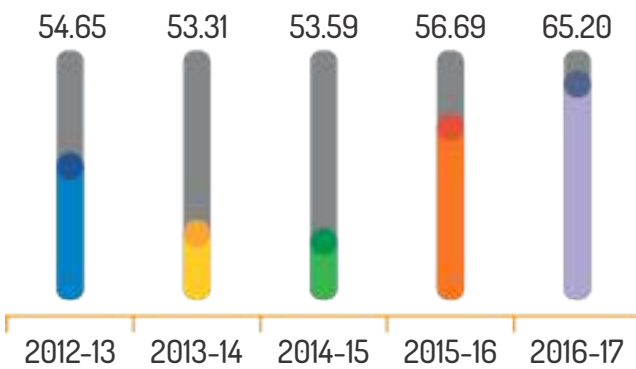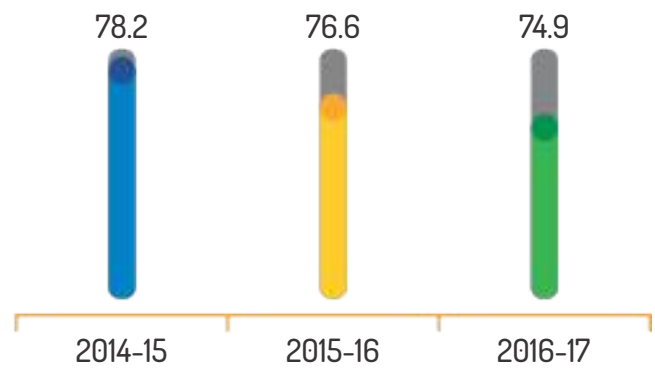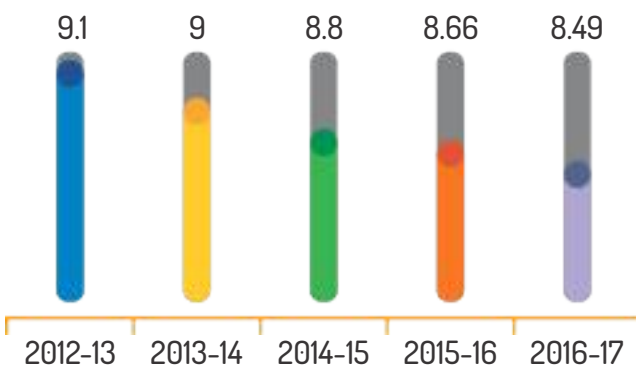
Energy Intensity Index (EII)*

2014-15	2015-16	2016-17
104.50	101.80	101.50
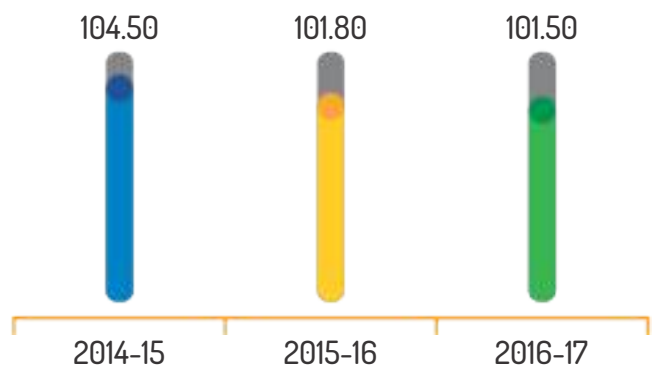
*Excluding Paradip refinery

Marketing

We achieved our highest ever sales volume of 83.49 MMT including 74.11 MMT of POL products. This has been achieved through our 46,500 plus customer touch points. Our fuel station network has been expanded to 26212 during the year, in which 7051 were in rural areas. We have automated more than 10,000 retail outlets as on 31st March, 2017. During the year, we released about 1.53 Crore LPG connections with the total LPG sales of more than 10 million metric tonnes (MMT). IndianOil is now operating 104 Aviation Fuel Stations and continued to maintain its leadership position with a market share of 59.3% during the year.

Total Product Sold (Million Tonnes)

2012-13	2013-14	2014-15	2015-16	2016-17
76.23	75.53	76.51	80.66	83.49
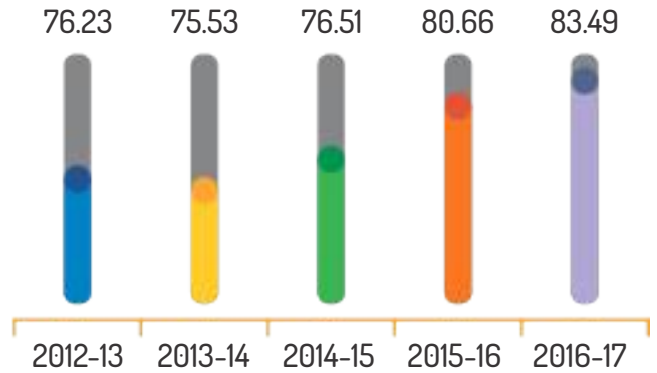
Number of LPG Connection Released (Crore)

2015-16	2016-17
1.03	1.53
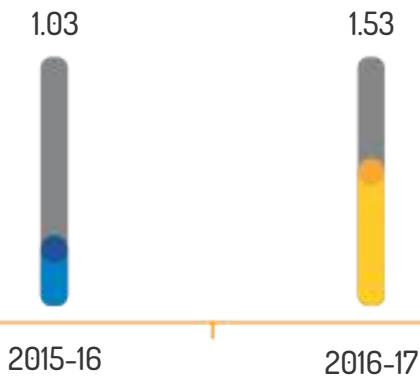
Total Number of Retail Outlets

2015-16	2016-17
25,363	26,212
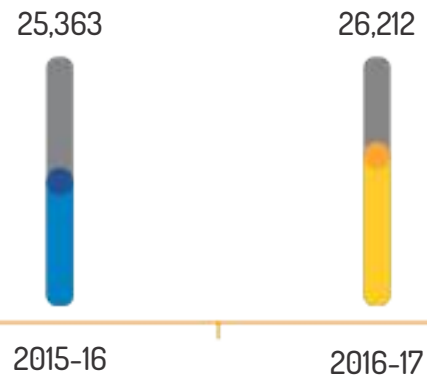
Pipelines

IndianOil pipelines have achieved a record throughput of 82.49 million tonnes in 2016-17 compared to 79.82 million tonnes in 2015-16. We have commissioned 1,102 km of pipeline section expanding the total pipeline network to 12,848 km as on 31st March, 2017. With the recent commissioning, the throughput capacity of liquid pipeline network stood at 93.7 MMTPA and gas pipeline network at 9.5 MMSCMD.

Total Pipeline Network (Km)

11,746	12,848
2015-16	2016-17
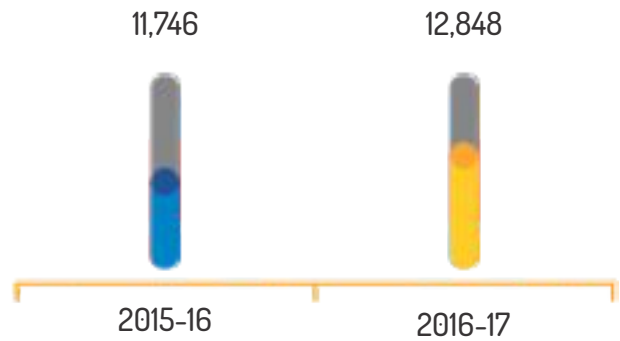
Throughput Capacity of Liquid Pipeline Network (MMTPA)

85.49	93.7
2015-16	2016-17
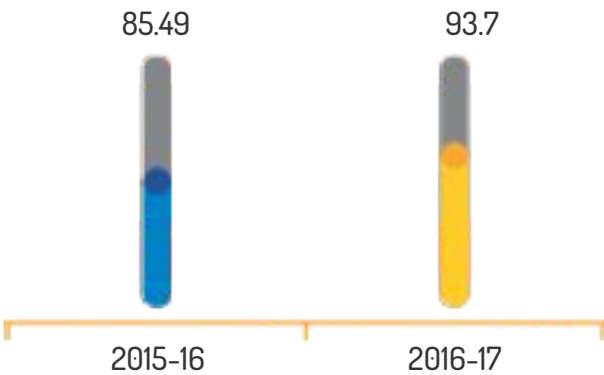
Pipeline Throughput (MMTPA)

79.82	82.49
2015-16	2016-17
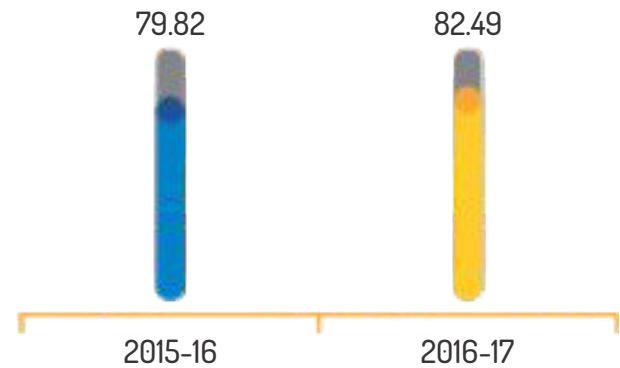
Petrochemicals

IndianOil achieved the highest ever sales of petrochemicals. Being a second largest polymer player in the country, we have obtained 21 OEM approvals for our polymer products. With the addition of Myanmar and Egypt during the year, our PROPEL brand petrochemicals now have a presence in 73 countries.

Overseas Presence

71	53	73	55
2015-16		2016-17	

● PROPEL Petrochemical   ● Polymer Intermediaries

Petrochemicals Sold (Million Tonnes)

1.96	1.99	2.39	2.41	2.45
2012-13	2013-14	2014-15	2015-16	2016-17

Natural Gas

IndianOil has taken various steps to increase the proportion of natural gas in our overall portfolio due to its less emissions intensity and its usage across the segments/ sectors viz. Industrial, transport and households. We are also creating the necessary infrastructure to increase the coverage and reach of natural gas across the country. Currently, we are operating two city gas distribution networks through various joint ventures. Our 5 MMTPA LNG Terminal at Kamarajar Port, Ennore, promoted joint venture company, IndianOil LNG Pvt. Ltd. is expected to be commissioned in 2018-19.

Exploration & Production (E&P)

IndianOil is actively engaged in exploration and production activities which include eight domestic blocks (including two coal-bed methane blocks) and nine overseas blocks with participating interest ranging from 3.5% to 50%. The nine overseas blocks are located in nine countries, namely Russia, USA, Canada, Libya, Venezuela, Gabon, Nigeria, Iran and Yemen. In a major acquisition, Indian consortium lead by IndianOil has completed the acquisition of 23.9% Participating Interest (PI) in Vankor & 29.9% PI in Taas assets in Rosneft, Russia.

Gas Sales (MMT)
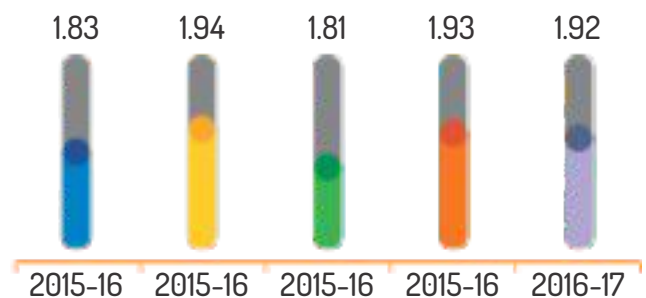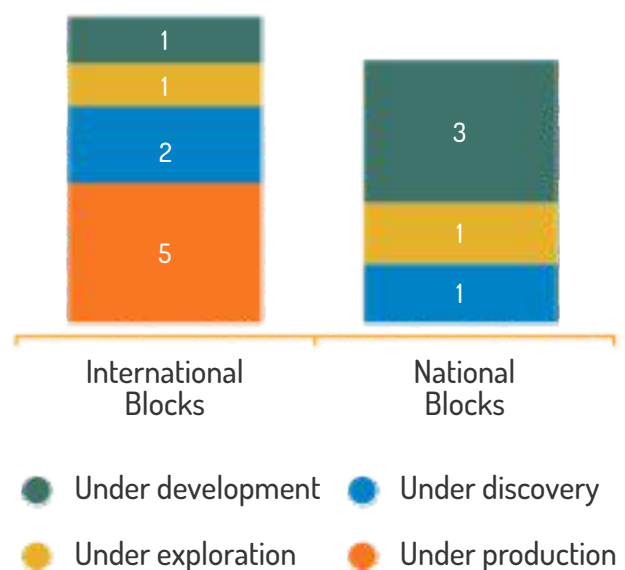
1.83	1.94	1.81	1.93	1.92
2015-16	2015-16	2015-16	2015-16	2016-17

E&P Assets

International Blocks
- 1 (Under development)
- 1 (Under exploration)
- 2 (Under discovery)
- 5 (Under production)

National Blocks
- 3 (Under development)
- 1 (Under exploration)
- 1 (Under discovery)

● Under development ● Under discovery
● Under exploration ● Under production

Environmental
Performance

Environmental Performance

IndianOil is committed to minimize and mitigate the environmental impacts wherever it operates, and ensure responsible utilization of natural resources.

As per Global Risks Report 2016 by World Economic Forum, the risk of the failure of climate change mitigation and adaptation is perceived as the most impactful risk for the years to come, followed by weapons of mass destruction and water crises. With due concern towards environment, IndianOil is committed to address the risk posed by climate change through various mitigation and adaptation measures. Some of the initiatives are energy efficiency, energy conservation, renewable energy generation, waste & water management, rainwater harvesting, tree plantation, etc. We are making continuous efforts to minimize the waste generation, and reuse & recycle the waste and wastewater generated wherever possible in our endeavour to make positive environmental impact.

In an effort to ensure environment sustainability, we have taken a voluntary target to reduce our specific carbon and water footprint by 18% and 20% respectively by 2020, with 2012-13 as the base year data. We maintain highest standards for health, safety and environment performance and comply with all the environmental regulations at our locations. IndianOil witnessed a rise in the emissions and throughput, owing to the commissioning of its Paradip Refinery. However, the emissions, water and energy consumption are not reported as the refinery has achieved its 100% capacity utilization in May 2017.

Material

As a responsible corporate, IndianOil utilizes the resources responsibly. In our endeavor to reduce the impact on natural resources, we make continuous efforts to reduce the material consumption by ensuring resource efficiency and increase the utilization of recycled materials. For IndianOil, significant quantity of our raw materials is imported; nevertheless, we are making efforts to reduce the imports. We are promoting indigenisation of raw materials imported at our Petrochemicals plants. Further, the raw materials consumed across the value chain are monitored to track the total consumption, cost and material efficiency.

Material consumption – LPG plants

Type of material	Unit	Quantity
Lubricants & Grease	Barrel	281
Bottling Cylinders	Tonnes	95,96,524
Brown soap solution	kg	12,81,056
Teflon tape	no. (roll)	38,477
Self closing valve	no.	70,83,569
Liquid Off Take (LOT) valve	no.	11,997
Safety caps	no.	5,28,05,983
Presssure regulator	no.	1,68,85,884
Nylon thread	no.	2,94,24,001
O-ring	no.	2,89,48,738

Raw material consumption at the Lube plants

Material	Unit	Values
Base Oil	Tonnes	4,39,959.4
Additives	Tonnes	34,752.96
HSD	Tonnes	200.91
LDO	Tonnes	921.14

Packing Material consumed at Lube plants

Total Volume of lubes sold (tonne)	Total quantity of Packaging material consumed (barrels or corrogated boxes)		
	Metal Containers	Plastic Containers	Corrogated Boxes
3,72,700	14,650	8,177	2,731

Packaging material consumption at Petrochemical plants

Name of packaging material used	Total quantity of packaging material consumed (Tonnes)
PP Woven sacks for packaging Polymer granules	6,587.30
Flexible Intermediate Bulk Containers (PTA)	1,131.27

Energy

India's substantial and sustained economic growth has resulted in tremendous increase in energy demand across sectors viz., agriculture, industrial, commercial and household. In addition, depletion of conventional energy sources and the growing environment concerns necessitate the optimum use of resources.

For IndianOil, refineries contribute more than 90% of total energy consumption. Petroleum refineries have been included under second PAT cycle under Performance Achieve Trade (PAT) mechanism which aims at efficient use of energy and its conservation. IndianOil has Bureau of Energy Efficiency (BEE) certified energy auditors across all the refineries, who also identify and implement energy efficiency measures. The energy conservation schemes implemented across the refineries resulted in an estimated fuel savings of 19,371 MT Standard Refinery Fuel (SRF), valued at about Rs.41.28 Crore during the year. In addition to various energy conservation initiatives, IndianOil has continuous focus on increasing the share of renewable energy sources in the total energy consumption.

Energy Consumption (TJ)*

2,31,435	2,21,479	2,13,967	2,20,449	2,25,385
2012-13	2013-14	2014-15	2015-16	2016-17
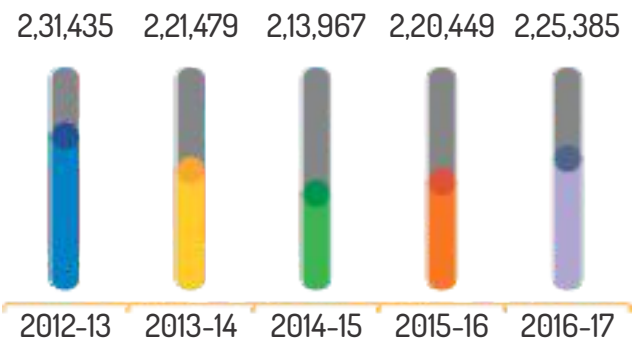
Direct vs Indirect energy consumption (TJ)*

274

2,25,111

- Direct energy consumption
- Indirect energy consumption
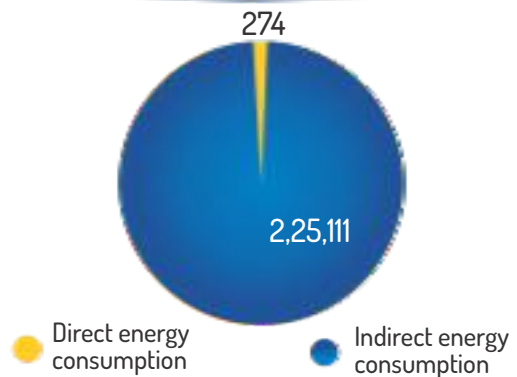
Year on year electricity consumption in KWH (purchased vs captive consumption)*

	2012-13	2013-14	2014-15	2015-16	2016-17
Purchased electricity	57,596	65,238	1,10,685	1,14,050	76,135
Captive consumption	50,07,097	49,24,102	49,78,905	51,04,415	52,07,167

- Purchased electricity
- Captive consumption

Direct energy consumption (TJ)*

31,348
11,794
81,435
1,00,534
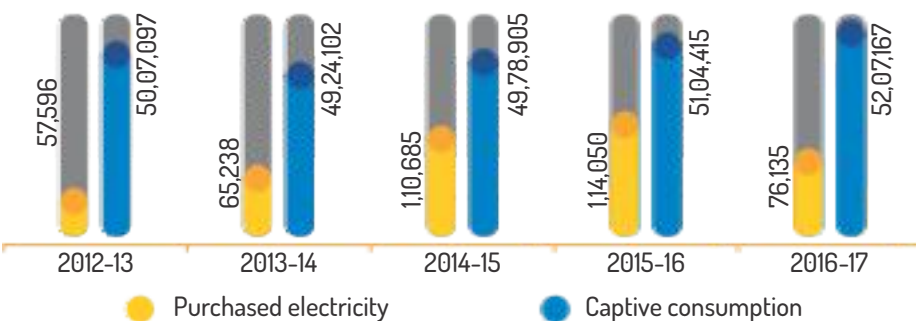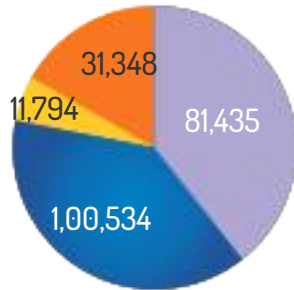
● Liquid fuel (FO/Naptha/Diesel)
● Fuel gas

Fuel-wise proportion of direct energy consumption*

14%
5%
36%
45%
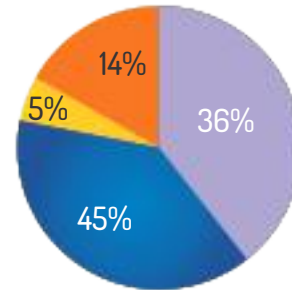
● Coke
● Natural gas

Energy Savings Standard Refinery Fuel Tonnes (SRFT)
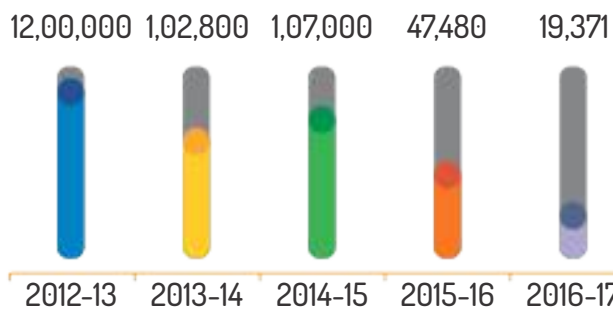
12,00,000	1,02,800	1,07,000	47,480	19,371
2012-13	2013-14	2014-15	2015-16	2016-17

Emission reductions due to ENCON projects (million tCO$_2$e)

0.39	0.33	0.35	0.15	0.06
2012-13	2013-14	2014-15	2015-16	2016-17
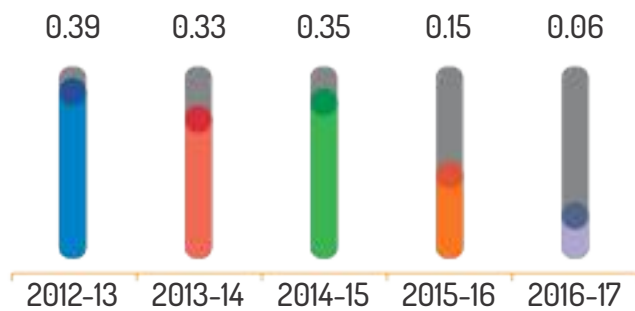
*All information pertains to refineries, excluding Paradip refinery

Emissions

The average surface temperature has risen by about 0.8°C globally since 1880 due to rising GHG concentrations and two-thirds of the warming has occurred since 1975, at a rate of roughly 0.15-0.20°C per decade. As per a recent report by NASA, 2016 is the third year in a row to set a new record high for global average surface temperatures i.e., 0.99°C warmer than the global temperature in mid-20th century. Globally, many countries including India are facing the consequences of global warming such as rising of sea-levels and storm surges, increased frequency of intense heat waves, reduction in agricultural yields etc. It is a fact that the risk of climate change needs to be addressed with immediate actions to minimize the adverse impacts in future. Being a responsible corporate, IndianOil has taken proactive approach in implementing various mitigation measures.

IndianOil recognizes that new GHG regulations aligning with India's commitment to the Paris agreement may have an influence on its business. We believe that the regulations present opportunities for development and implementation of efficient and environment friendly technologies. We carry out carbon footprinting exercise of all our establishments and report every year. Our continuous efforts to invest in various energy efficiency & conservation measures and renewable energy have helped our refineries (excluding Paradip Refinery) to achieve 10.09% reduction in specific carbon footprint till 2016-17 from 2012-13 level. Energy conservation measures implemented across refineries during 2016-17 resulted in estimated fuel savings of 19,371 SRFT, which corresponds to GHG emission reduction of 62731 tCO_2e.

The total emissions from our refineries (excluding Paradip refinery) during the year were 13.38 MMT CO_2 equivalent, against 13.64 MMT CO_2 equivalent in the 2015-16. Thus, there is decrease in absolute emissions by 1.87% despite an increase in throughput by 1.27% (excluding Paradip refinery). Further, our specific carbon emissions for the refineries (excluding Paradip refinery) stands 0.235 tCO_2e/MT of crude processed, reduction of 3.10% compared to 2015-16 and 10.09% compared to base year 2012-13. All the emissions are being reported as per international protocols and relevant industry guidelines.

Year on year Scope 1 & Scope 2 emissions* (million metric tonnes of CO_2e)				
14.30	14.01	12.91	13.64	13.38
2012-13	2013-14	2014-15	2015-16	2016-17
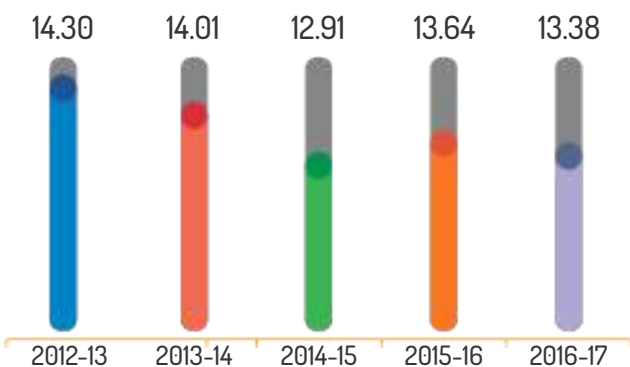
Year on year Specific emissions* (tCO₂e/MT of crude processed)				
0.262	0.264	0.241	0.243	0.235
2012-13	2013-14	2014-15	2015-16	2016-17
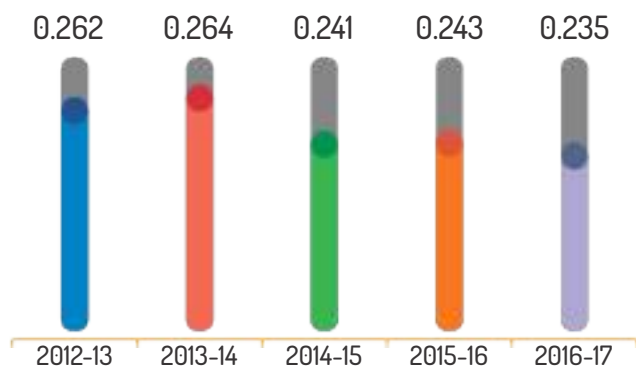
Specific emissions reduction* (tCO$_2$ emitted/tonnes of throughput)

18% | 10.09%

Target by 2020 | Till 2016-17

Emission reductions due to ENCON projects (million tCO$_2$e)

0.39 | 0.33 | 0.35 | 0.15 | 0.06

2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17

*All information pertains to refineries, excluding Paradip refinery

During the year, the total emissions associated with pipeline throughput stood at 397 TMTCO$_2$e. It is estimated that the total emissions by rail for the same throughput would be 1,004 TMTCO$_2$e, thus resulting in total emission reduction of 607 TMTCO$_2$e. The specific GHG emission for the pipeline operations is 0.004886 tCO$_2$e/MT of throughput. Also, the GHG intensity of pipeline mode transportation is estimated to be 0.0118 kgCO$_2$/km, whereas the GHG intensity for rail transportation is 0.02631 kgCO$_2$/km.

GHG Emissions Intensity per km (kgCO$_2$e/km)

0.012 | 0.026

Pipeline | Rail

Comparison of emissions (tCO$_2$e)

3,96,958 | 10,03,963 | 6,07,005

Total GHG emissions due to pipeline transportation | Total projected emission by rail transportation for same throughput | Emissions reduced through pipeline transportation

Prevention of Air Pollution

We track our air emissions like SOx, NOx, stack emissions and particulate matter released into atmosphere from our operations. All the refineries are equipped with monitoring stations to continuously monitor the emissions and ensure the emissions are within the permissible limits as outlined by Central Pollution Control Board (CPCB) and State Pollution Control Board (SPCB). The total air emissions from our refineries are as follows:

Ozone Depleting Substances (tonnes)	Flare Hydrocarbon (tonnes)	NO_x (tonnes)	SO_x (tonnes)	Stack and fugitive emissions (tonnes)	Particulate Matter (PM) (tonnes)
1.43	1,45,466	14,707	33,981	3,569	6,339

Water

India accounts for 4% of global fresh water resources despite being home to 18% of world population. In India, Water demand is increasing with ever increasing population, and the rapid urbanisation and industrialization significantly increases the gap between demand and availability. Thus, water use efficiency has to be ensured across sectors to achieve water security and to meet the future water demand.

IndianOil is continuously optimising water consumption in its operations through various water efficiency measures. We have taken a voluntary target of reducing our specific water consumption by 20% by 2020 compared to 2012-13 levels. We are carrying out water footprinting exercise across all locations and installations every year, by which we identify and implement various water conservation measures resulting in reduced specific water consumption. We aim to recycle maximum waste water generated in an effort to reduce the fresh water intake. The major source for our fresh water consumption is surface water followed by ground water. Further, no water resources have been significantly affected due to water withdrawal for our operations.

During the year, total water consumption by our refineries (excluding Paradip refinery) is 81.83 million m^3, compared to 84.64 million m^3 in 2015-16. Thus, there is a reduction of 3.3% as compared to 2015-16 in absolute water consumption (excluding Paradip refinery). Moreover, our refineries (excluding Paradip refinery) have achieved a reduction of specific water consumption by 4.6% as compared to previous year and 8.81% as compared to 2012-13 level. During the year, the total quantity of water recycled in our refineries (excluding Paradip refinery) was 37.2 million m^3 i.e., 90.65% of total waste water generated.

Year on year total water consumption* (million m3)

86.18 — 2012-13
87.94 — 2013-14
88.87 — 2014-15
84.64 — 2015-16
81.83 — 2016-17
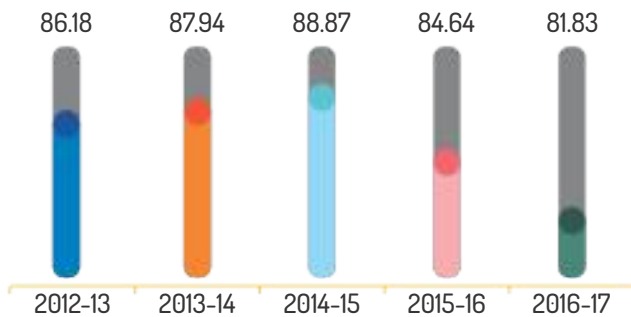
Year on year specific water consumption* (m3/MT)

1.58 — 2012-13
1.66 — 2013-14
1.66 — 2014-15
1.51 — 2015-16
1.44 — 2016-17
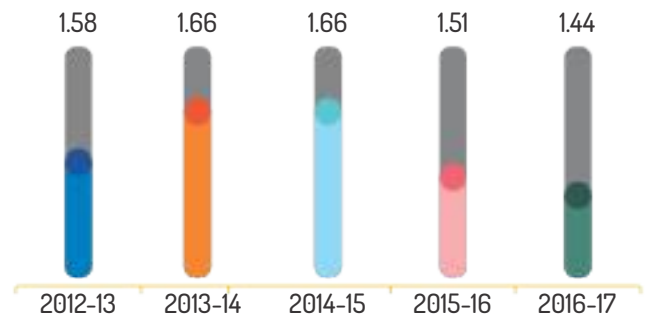
Waste water generated vs recycled*

Year	Volume of waste water generated (million m3)	Volume of waste water recycled (million m3)
2012-13	41.34	33.29
2013-14	40.22	29.92
2014-15	40.06	33.34
2015-16	39.61	34.68
2016-17	41.04	37.20
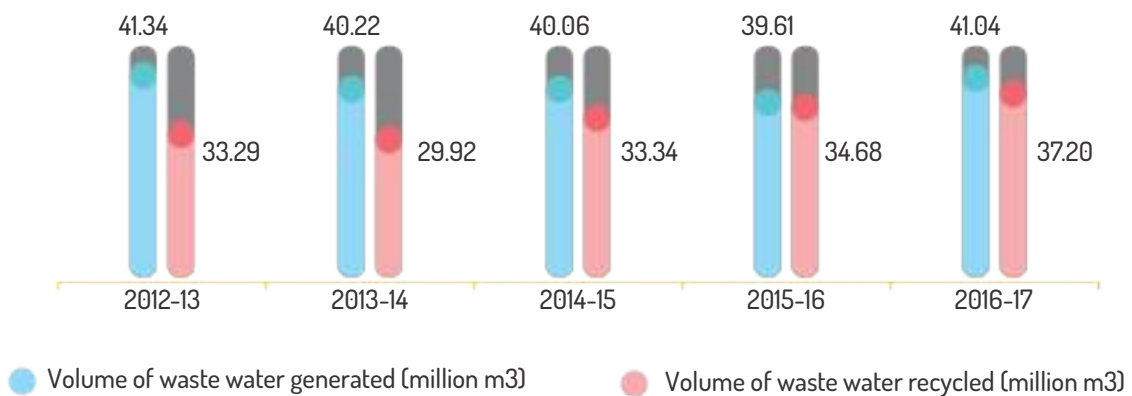
● Volume of waste water generated (million m3)   ● Volume of waste water recycled (million m3)

Water recyled (%)*

81 — 2012-13
74 — 2013-14
83 — 2014-15
88 — 2015-16
91 — 2016-17
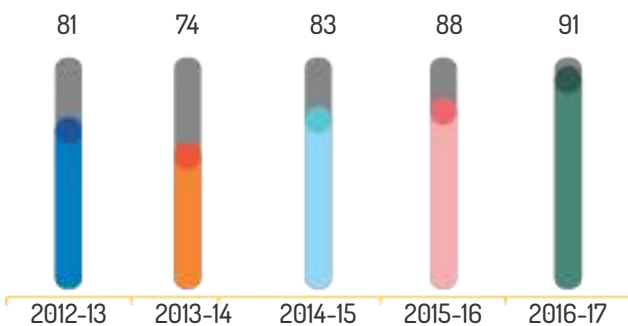
We continuously monitor the quality of treated waste water discharged outside our installation and ensure the PCB guidelines are complied with. We further ensure that the surroundings are not affected by the water discharged from our installations.

*All information pertains to refineries, excluding Paradip refinery

Waste

IndianOil strives to reduce the amount of waste generated during its operations and reuse/recycle the waste wherever possible. Oily sludge, slop, spent catalyst and ETP sludge are the major wastes generated at our installations. IndianOil ensures safe disposal of the wastes as per CPCB and SPCB norms. We track the hazardous and non-hazardous wastes generated at our sites and disposal methods are documented. Further, we have set up organic waste converters and biogas plants across various locations to treat organic waste generated from canteens. IndianOil has developed indigenous technologies like Bioremediation to dispose oil sludge generated during the operations. Bioremediation has helped in safe disposal of oil

spill, which occurred during January 2017 at Kamarajar Port at Ennore, Chennai. Wastes that are not recycled/reused within the sites are disposed off through secured landfills and sold to PCB approved recyclers. During the year, around 54 tonnes of waste paper has been recycled through PCB approved recyclers. We are not transporting, importing, exporting or treating waste deemed hazardous under the terms of BASEL convention. Our Refineries treated 319 Metric tonnes of organic waste through organic waste convertor and biogas plant in 2016-17. Biogas generated is used for cooking purpose and the compost generated is used as manure.

Hazardous Wastes		
Type of waste	Quantity of waste disposed (tonnes)	Disposal method
Spent Catalyst	5,923	Through e-auction, Co-Processing in cement plant, Secured Land fill disposal, through CPCB approved Recycler
Oil Sludge	19,243	Re-processing in Delayed Coker Unit and Processing at centrifuge, Bio-remediation
Oil Slop	2,84,874	Processed in Cokers/AVUs, Reprocessed along with crude oil, Blending with Visbreaker feed, Reprocessing in DCU
ETP sludge	9,958	Bioremediation, land filling, Processed in DCU & Processed in Confined Bio-reactor, disposed through CPCB approved third party agency
Bio-medical waste	10.08	Disposed through CPCB approved third party agency

Non-Hazardous Waste		
Type of waste	Quantity of waste disposed (in tonnes)	Disposal method
Ferrous scrap	6,110	Disposed through CPCB approved third party agency

Environmental Protection Expenditure

IndianOil ensures 100% compliance with local and national laws and regulations. During the year, no show cause / legal notice from Central Pollution Control Board (CPCB) was received. There were no fines, monetary or non-monetary, and no non-monetary sanctions for non-compliance with environmental laws and regulations. At all our installations, environmental standards are maintained in compliance with State and Central Pollution Control Board regulations. Further, no grievances were filed regarding environmental and societal impacts caused by our operations.

Particulars	Amount spent (Crore)
Treatment and disposal cost of waste	17.68
Expenditure on treatment of effluent / air pollution control, etc.	34.52
Expenditure on environmental monitoring - stack & ambient monitoring; effluent	15.16
Expenditure for consent / authorization/ Environmental Clearance, etc.	3.34
Other environmental cost (like external services)	7.77

Indore Depot is Converted to a 'Smart Terminal'

Automation is at the heart of a "Smart Terminal." It drastically reduces hassles, raises productivity and improves efficiencies and customer comfort. Indore Depot is the newest member in this distinguished league.

Continuing the IndianOil's saga of 'Smart Terminals,' Indore Depot has been launched as a Smart Terminal after implementing a series of technological upgrades, especially in the area of automation. Indore Depot is now fully automated and has been converted to Smart Terminal. Its automated features include SMS indenting, SMS acknowledgement, Tank Farm Management System (TFMS)-SAP integration, issuance of permanent cards to all tank trucks (TTs), auto queuing through RFID/Proximity/VTS, auto TT planning and scheduling, auto FAN slip generation, unmanned tank lorry filling (TLF) operations, auto invoice generation and online printing of density on invoice.

IndianOil commissioned its first Smart Terminal in October 2015. Presently, out of IndianOil's 129 terminals, 63 have been commissioned as Smart Terminals.

Bio-diversity

IndianOil recognizes biodiversity as a key component of environment pillar of ESG framework. Conservation of biodiversity is seen as a crucial element for well being of whole society and maintaining ecological balance. We are undertaking continuous tree plantation at our green belt areas. The saplings chosen are of native species. During the year, we have planted around 1,36,000 trees.

Trees planted at our installations

	2012-13	2013-14	2014-15	2015-16	2016-17

62,724 | 62,724 | 55,754 | 1,18,478 | 51,817 | 1,70,295 | 51,542 | 2,21,837 | 1,36,677 | 3,58,514

- Year on year trees planted
- Cumulative number of trees planted from 2012-13
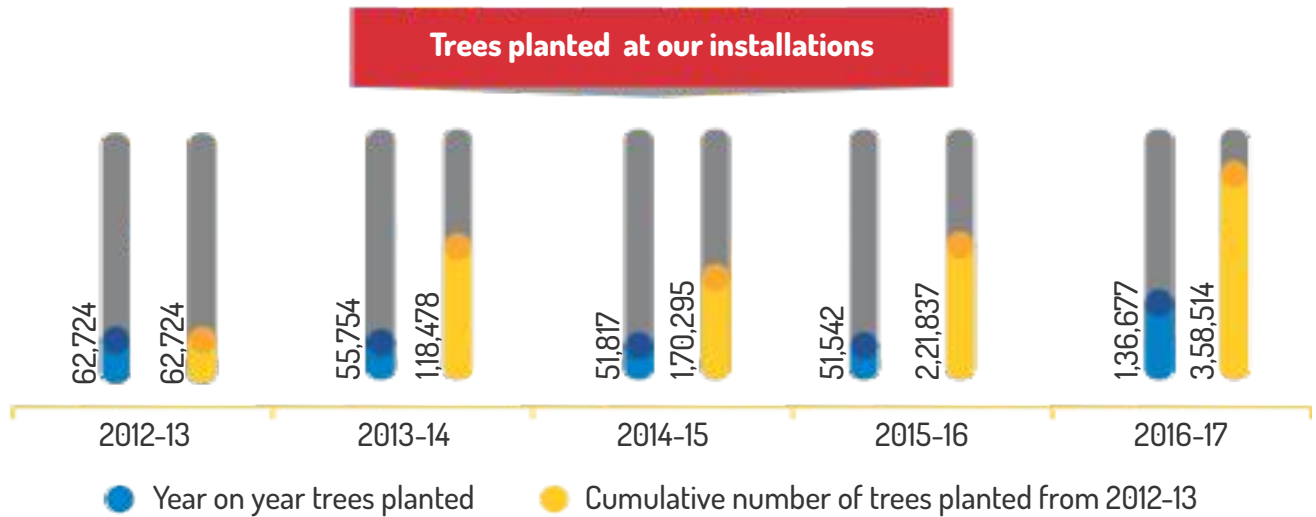
Guwahati Refinery

To maintain its biodiversity around the refinery location, Guwahati Refinery has taken many initiatives such as massive tree plantation including plantation of local species, development of eco parks, etc. Currently, the refinery has 3 eco parks in its townships, namely Sector I, Sector II and Sector III, details of which are given below.

Areas of ecological parks at various sectors of GR are given in the following table:

Location	Area (m^2)
Sector – I	5,500
Sector – II	4,200
Sector – III	6,500

The eco parks are well maintained by dedicated gardeners and are home to a variety of plants, animals and birds that are native to the area. Being in an ecologically sensitive area, great care is taken to maintain its bio- diversity. There are more than 44 varieties of plants planted in the green belt area.

Further, a herbal park of area 1533.35 m^2 was developed near Sector II, which hosts around 75 varieties of medicinal plants.

During the year, a total of 5000 trees were planted in the refinery. Continuous plantation has been carried out at the refinery location to ensure a proper environment for the native animals and birds.

Paradip Refinery

To maintain eco-friendly environment in and around its premises, Paradip Refinery is developing an ecological park in an area of approximately 2,30,000 m². This is being developed in two phases viz., Phase-I in an area of 80000 m² and phase-2 in an area of 1,50,000 m². This ecological park is also integrated with rain water harvesting ponds which can harvest approximately 4,70,000 m³ rain water.

The Eco Park will provide a natural habitat for several species of rare local and migrating birds.

Among the local birds are Pond Heron, Grey Heron, Little Egret, Openbill Stork, etc.

Refinery has developed a green belt around the premises in which different species of trees are planted. They are Magnifera Indica, Syzygium cumini, Dalbergia sisso, Thespesia populnea, Terminalia arjuna, etc. Till date more than 7.4 lakhs trees have been planted in and around Refinery. Regular water sampling is carried out in marine water to check water quality and to ensure the protection of aquatic life.

Around 10000 seedlings have been distributed amongst nearby villagers including school children.

Mathura Refinery

Mathura Refinery, being located in the sensitive Taj Trapezium Zone, always faces questions regarding any possible polluting effects it may have on the environment, but its Ecological Park is a resounding answer that lays to rest all such doubts. It's the perfect example of balancing technology with ecology. In the vicinity of the Effluent Treating Plant in the Refinery battery area, thriving on treated effluent, a beautiful Ecological Park has been developed in an area of 4.45 acres. This park serves as a peaceful habitat for a large number of birds, including migratory birds like Black Headed Ibis, Painted Stork (near threatened species) and local

birds like cormorant, darter, etc. Using the treated effluent, 5 polishing ponds have been developed as habitat for nurturing rich aquatic and avian life turning it into a wonderful sanctuary for avifauna. Right from the month of July and August when monsoon break over the Indian subcontinent and the entire landscape acquires green attire, ecological park acts as a magnet to the feathered species. The huge influx of migratory birds testifies the fact that Refinery operations are safe and in harmony with nature as well as the ecosystem in which we thrive.

Panipat Refinery and Petrochemical Complex

Panipat refinery has developed a Green belt with more than 5 lacs surviving trees in close co-ordination with Haryana Forest Department. The total area under green belt is 395 Hectares including the eco park and other plantation zones in township , roadside & plant areas.

Further, new Green belt area has been developed at the village Baljatan, which is adjacent to Panipat Naphtha Cracker. The green belt is situated at the outer periphery of the PNC. It has been developed with an objective of growing mixed varieties of plants including fruit plants. In order to encourage gardening and preservation of the environment amongst the township residents, every year during the winter months (January- February), annual flower show is being organized on a large scale.

Barauni Refinery

The ecopark developed in Barauni refinery is spread over an area of 75 acres with more than 279 plant species under 81 families including some medicinal plants both indigenous and exotic. Some important tree species planted in the park are Sissoo, Babool, subabool, Siris, Gular, Teak, Gulmohar, Maulshree, Muckkund and African Tulip tree among others. Eco Park as a bird site has been mentioned in the "report of Bio -diversity strategy of Bihar and Jharkhand for National Bio-diversity Strategy & Action Plan (NBSAP)".

Gujarat Refinery

Gujarat refinery has developed a greenbelt area of 96 acres with more than 1,70,000 trees and a pond spreading across in the area of 13,000 sq. ft. The average depth of the pond is 8 feet. Some of the species planted are Peltophorum, Eucalypras Globulus, Pershian Hiloc, Ingadulsia, Dalbergia Sisoo, Acacia.

Bongaigaon Refinery

The pristine location of the Refinery bestows upon it rich biodiversity in the form of a wide variety of flora and fauna. Bongaigaon Refinery not only boasts of vast green cover inside the refinery complex, but also supports various parks and wetlands around the refinery, which are home to many exotic and migratory bird species, among other animals. About two-thirds area of the refinery, approximately 1,11,600 sq. mt. under green cover, is a definitive safe haven for a large diversity of trees, plants and animals.

With the endowment of a wetland ecology, an extensive green cover and concerted efforts of the establishment, Bongaigaon Refinery and its pristine environs harbours safe and secured co-existence of diverse life forms without posing any threat to their habitats. The result is a scenic locale that is in harmony with nature and its magnificent creations. The artificial water bodies developed inside the complex serve as excellent habitats for a variety of plants, birds and aquatic creatures.

Digboi Refinery

Assam Oil Division (AOD), with its Digboi Refinery and other installations, is cocooned in a lush green forest region of the Dehing Patkai forest. IndianOil-AOD has contributed to the development of the town and its surroundings in a major way. In the last decade, we have planted more than 15,000 trees of different varieties in the refinery location. The refinery with a rich biodiversity has large number of species of flora and fauna. There has been citing of rare species of birds in the forest and township. Elephants, parking deer, leopard, porcupine, lizard monitor, Jungle Fowl, Holock Gibbon, etc., are the common animals in the forest. Besides efforts within the refinery, the Assam Oil Division actively promotes environment protection, tree plantation and conservation efforts in the surrounding areas by interacting with local schools, colleges and various social and non-governmental organizations.

An awareness program on environment and biodiversity is also conducted in the nearby schools.
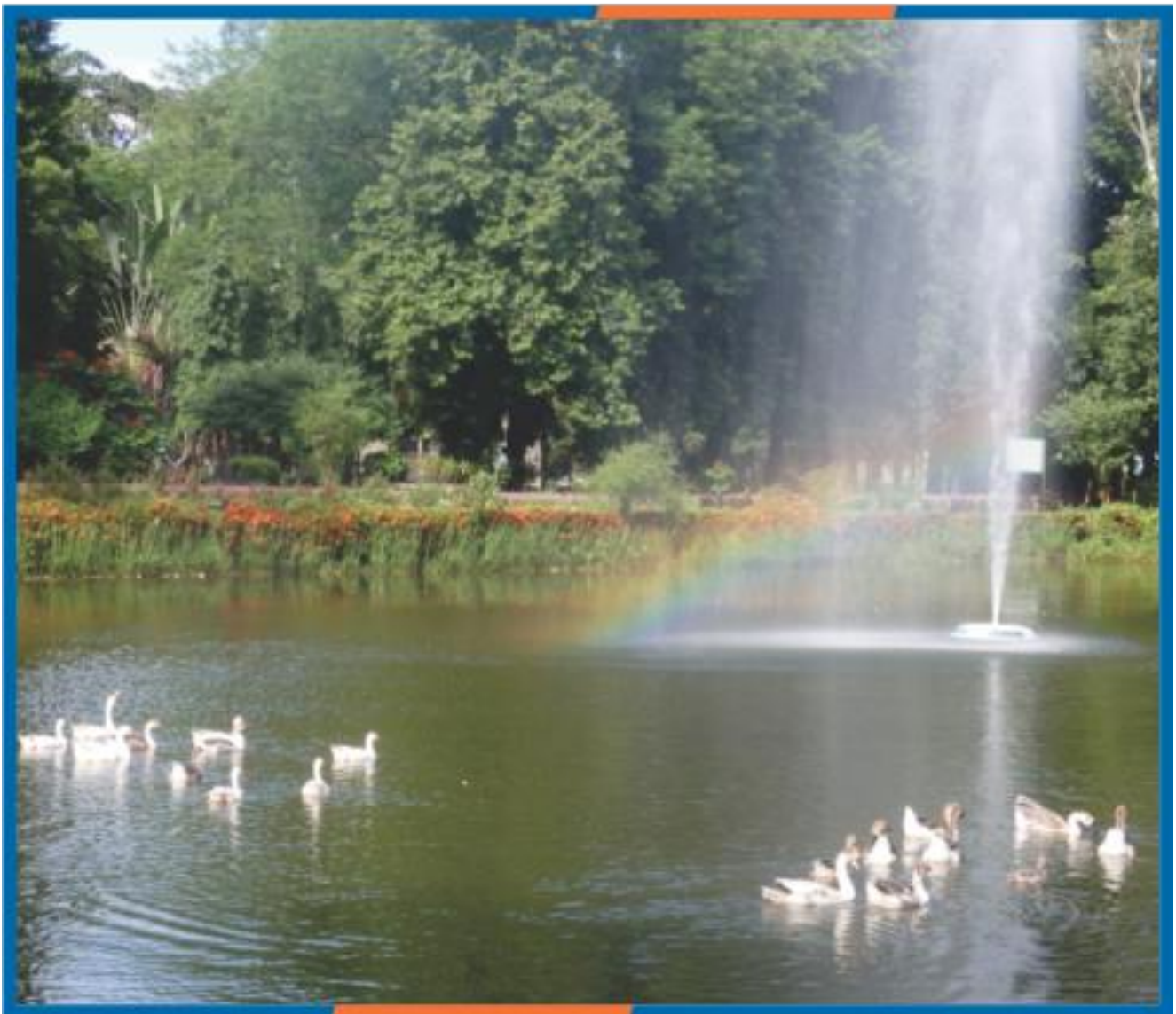
Social Performance

Social Performance

As a responsible corporate, we ensure the welfare of communities in the vicinity of our operations. We involve the surrounding communities throughout the life cycle of our projects. We conduct safety training programs for rural communities also and sensitize them towards the safety, security and environmental aspects of our operations. Further, there have been no incidents of involuntary resettlements due to our projects and operations.

In our commitment to promote socially inclusive growth, we focus on various social welfare initiatives such as safe drinking water, healthcare & sanitation, education & employment enhancing vocational skills, empowering women & socially/economically backward groups, environment sustainability, protection of national heritage and promotion of art & culture, rural development, etc. We also ensure that all of our focus areas are in line with the Schedule VII under the New Companies Act 2013 and Corporate Social Responsibility Rules, 2014.

During the year, we have spent around Rs. 214 Crore from our CSR fund.

CSR expenditure (Rs. Crores)

2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-05	2015-16	2016-17
64	19	47	128	83	79	82	114	157	214

Activity wise CSR expenditure 2016-17

- Health and sanitation
- Contribution towards PMUY
- Flagship projects–CSR
- Education scholarship
- Swachh Bharat
- Education/employment vocational skills
- Drinking water
- Administration expenses, training, etc.
- Other expenses

Activity wise CSR expenditure

Health and Sanitation	Contribution towards PMUY (16-17)	Flagship Project CSR	Educational Scholarship	Swachh Bharat	Education/ Employment Vocational Skills	Drinking Water	Administration Expenses, training, etc.	Other Expenses
14 15	30 42	17 14	6 4	43 2	19 87	3 7	7 10	16 34

● Activity wise CSR expenditure 2015–16 (Rs. Crore)   ● Activity wise CSR expenditure 2016–17 (Rs. Crore)

CSR Awards

❖ IndianOil's Pipelines Division was felicitated with CSR Excellence Award–2017 under the category 'Clean Water and Sanitation' at the Rajasthan CSR Summit-2017 organised by the Department of Industries, Government of Rajasthan.

❖ IndianOil also received Governance Now PSU Award 2016 (Jury's Choice) for its overall CSR activities.

Key CSR activities in 2016-17:

Pioneering & Innovative Initiatives in J&K

IndianOil has set up India's Highest Altitude Medical Facilitation Centre (at an altitude of 18,380 feet) at Khardungla, Leh, J & K.

The centre intends to treat people suffering from High Altitude Sickness and travellers, who get stranded at the peak at the time of heavy snowfall.

IndianOil constructed 23 unique zero-energy based Vegetable Cellars, for storing vegetables during harsh winter in Nang Village, which would significantly improve livelihood of farmers.

Skill Development Institute, Bhubaneswar, Odisha

Established in 2016, with IndianOil as the lead Investor, and financial support from PSUs under MoP&NG, the Skill Development Institute, Bhubaneswar is India's first skill academy meant for the hydrocarbon sector, which aims to skill 40,000 youth of Odisha in 10 years.

The institute provides 6 month certified training in Industrial Electrician & Welder trades, in which, 84 unemployed youth have been trained in 2016 and placement offered to 100% students.

Kaushal Vikas Kendra, Barauni, Bihar

IndianOil has started Kaushal Vikas Kendra in March 2017, in collaboration with National Skill Development Centre, Govt. of India, which aims to train 400 youth belonging to SC/ST & BPL families by December 2017.

IndianOil Multi Skill Development Institute, Digboi, Assam

The Institute provides vocational training on skills and competencies linked to industries, in which 523 persons were enrolled during 2016-17. The trades in which skills are currently imparted are Beauty & Wellness, Welding, Fitter and Hospitality & Tourism.

"Plastic Processing" related skilling program in Paradip, Odisha

In order to provide employment opportunity to the wards of the land loser families of Paradip Refinery, skill development course was offered.

50 unemployed youth have been skilled, out of which 34 candidates got placement opportunity during 2016-17.

Assam Oil School of Nursing & Assam Oil College of Nursing, Digboi, Assam

Established in 1986, the institute offers professional nursing courses viz., General Nursing & Midwifery (GNM) and B.Sc. (Nursing) course. During 2016-17, 60 girls were enrolled for GNM (30 nos.) & BSc (30 nos.) courses and 17 students successfully completed the GNM course.

Project Pink Police Patrol, Kerala

To provide 'safety' to women & children, IndianOil in collaboration with Kerala Police, has launched Project Pink Police Patrol, under which 3 Maruti Suzuki Dezire Sedans were provided.

The programme aims to strengthen the Patroling system to immediately react to calls of distress from Women in 2 cities of Kerala: Kozhikode and Kollam.

Electronic toilets for women (e-SHE) in Hyderabad, Andhra Pradesh

IndianOil has provided e-SHE toilets at two places in Hyderabad, which has self-cleaning and water conservation mechanisms.

During the year, more than 42,000 Women commuters were benefitted from this initiative.

Pradhan Mantri Ujjwala Yojana: Clean Fuel for the "Have-Nots" & for Healthier Kitchens

Under this scheme, IndianOil contributes 20% of 2% of previous year's profit towards release of deposit free LPG connection to women of BPL families besides Central Government's budgetary support.

During 2016-17, under PMUY, IndianOil released LPG connections to 93.25 lakh families.

Flagship Hospitals:

IndianOil's Assam Oil Division Hospital, Digboi, Assam and Swarna Jayanti Samudayik Hospital, Mathura, Uttar Pradesh has treated more than 68,000 patients during the year 2016-17.

Project Bigyan, Bongaigaon, Assam

Project Bigyan launched during the year 2012-13, as part of "Science on Wheels"project, at Bongaigaon Refinery.

Under this project, a science van visits 23 partner schools for hands-on Science learning and demonstration through trained facilitators and school teachers.

2070 students benefitted from the project during 2016-17.

Project Snehalaya, Bangalore, Karnataka

IndianOil is supporting Snehalaya, since 2014-15, which aims to improve quality of life of children with disabilities (age group 5 to 25).

During the year, 50 children were benefitted from the project.

Improving Livelihood of Disabled Persons

IndianOil has provided 8 week residential training in manufacturing fancy bags to 16 differently abled persons at Guwahati, Assam.

After completion of training, industrial sewing machines were provided to the beneficiaries.

IndianOil's 'gift of life'

Khardungla', a mountain pass at an incredible altitude of 18,379 feet located in the Ladakh region of Jammu & Kashmir (J&K), is the doorway to the Shyok and Nubra valleys. The pass is strategically and logistically important for Indian Army, as it is used for carrying supplies to the Siachen Glacier region. As the altitude rises, the air gets thinner, with corresponding decrease in oxygen levels. At high mountain altitudes, the oxygen concentration can drop so low that these altitudes can be risky for people who are not accustomed to such environments. A few lakh people cross this treacherous high-altitude pass each year, which has very low atmospheric oxygen levels. During 2015, 900 cases of high-altitude sickness were reported from this place, of which seven people could not survive. The pass is popular among adventure sports aficionados and has seen many motorbike and mountain biking expeditions over the years.

Now, the establishment of "Tourist Medical Facilitation Centre" for tourist has come as a boon for the visitors of this regions. Two pre-fabricated Facilitation Centre facilities have been put up at the highest point (Khardungla) and one at South Pullu, an army check post and stopover point on the way to Khardungla. The medical facilitation centre has been put up at a cost of about Rs. 40 lakh by Leh - Ladakh District Administration with funding support from IndianOil. Situated at a height of 18,380 feet from mean sea level, this is the highest medical facilitation centre anywhere in India. The centre, equipped with essential medical equipment and medicines and manned by doctors and staff from the District Administration, will be invaluable in treating emergencies such as high-altitude sickness, saving precious lives. This centre will also act as an emergency shelter for people who get stranded during road-blockages caused due to heavy snowfall.

IndianOil Foundation

India is a land of great diversity – in culture, people and languages. In an attempt to protect our heritage monuments, IndianOil has created a non–profit trust, the IndianOil Foundation (IOF), in collaboration with the Archaeological Survey of India (ASI) and the National Culture Fund of the Ministry of Culture, Government of India. The major objective of the foundation is to protect, preserve and promote the glorious past of the country and to adopt at least one heritage site in every State and Union Territory. The foundation is exclusively funded by IndianOil with an initial corpus of Rs. 25 Crore and an annual contribution of Rs. 10 crore.

Vision and Mission of IOF
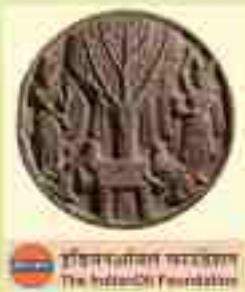
Vision

To protect, preserve and promote national heritage with ASI and NCF. To promote awareness, knowledge and involvement in national heritage and culture

Mission

To help enrich the quality of life of the community and preserve ecological balance and heritage through environment conscience

Two new projects have been identified at Chittorgarh Fort, Rajasthan and Dholavira, Gujarat. The Foundation is currently developing tourist / public infrastructure facilities at the following world/ national heritage sites:

❖ Konark Sun Temple Complex, Odisha

❖ Khajuraho Group of Temples, Madhya Pradesh

❖ Kolhua, near Vaishali, Bihar

❖ Kanheri Caves, Maharashtra

❖ Bhoganandeeshwara Temple, Karnataka

Bhoganandeeshwara Temple

Kanheri Caves, Mumbai

Sun Temple, Konark

Health and Safety

Health and Safety

At IndianOil, we are fully committed to protecting the health and safety of our workforce, and we believe that all accidents and injuries are preventable. Preventing accidents is an over-riding priority, and the safety and security of our people will always remain our key focus area. Oil industry handles highly hazardous and toxic products, and very critical process which operate at a very high temperature and pressure for production of petroleum products. This demands utmost priority for the safety and security during the entire process.

Safety is an integral part of our management system. We ensure safety and incident free operation at each and every stage of our value chain. All our refineries, pipelines and marketing divisions have state-of-the-art control and command systems to ensure safe and sustainable operations.

All our employees and contractors, across the functions have the responsibility to identify, assess and mitigate risks. We conduct periodical safety reviews which help in understanding whether the Standard Operating Procedures (SOPs) are followed, systems are in place, and identify any deviations and take corrective actions. During the year, IndianOil has released its first "Compendium on Major Fires and Accidents at IndianOil" from 2013-14 to 2015-16 and circulated to all concerned, which serves as a tool to understand the root causes of major accidents and lessons learned to avoid recurrence of such incidents. It needs dedication and co-operation from all stakeholders to attain zero harm in our operations and progress towards the goal of "Nobody Gets Hurt".

We thoroughly investigate each and every incident to determine the cause and take necessary steps to prevent similar incidents in future. The following guidelines are ensured while investigating an incident.

❖ Every incident and near miss incident must be recorded and thoroughly investigated

❖ Investigation should be initiated as promptly as possible, but not later than 24 hours following the incident

❖ In case of major incident, management should establish multi-disciplinary team to enquire into the incident

❖ Investigation report must be conclusive and should include at minimum the date of incident, date that the investigation began, description of the incident, the factors that contributed to the incident and recommendations resulting from the investigation

❖ Incident investigation report to be retained for minimum period of five years

During the year, we also developed "Truck Driver's Behaviour Manual" and "Handbook on Electric Safety" circulated to all concerned. It is prudent that IndianOil take the lead in encouraging safer practices in road transportation management as the company operates a vast fleet of Tank Trucks (TT). Our Manual on Truck Driver's Behaviour is one such effort towards achieving improvement in road safety. The manual identifies major road safety hazards along with key statutory guidelines pertaining to road transportation safety.

The handbook on Electrical Safety aims to

❖ Provide increased awareness of safety issues faced by individuals who work on or near electrical equipment, as well as system operators.

❖ Provide safety guidelines to be used for protecting individuals from potential injuries and death caused by electrical hazards.

We have taken our safety campaign beyond our installations. Besides taking the LPG connection to 93,25,196 families belonging to Below Poverty Line, IndianOil has taken up the campaign on safe usage of LPG. A rigorous campaign was started in November 2016 to educate all LPG consumers about the importance of following safety norms. We developed a 2 year calendar, containing safety tips for safe usage of LPG for our customers.

Our employees undergo various health & safety related trainings throughout the year. During the year, 6,77,139 manhours of HSE related training was imparted. All our contract employees take part in safety training every day along with the regular employees.

IndianOil is committed to maintain highest level of process safety to avoid any spill or leak of hazardous substances across the operations. We ensure all our installations are safely operated and SOPs are followed to avoid any incidents. In line with the standards we report the incidents along with their significance with Tier 1 being the most significant followed by Tier 2. During the year, one Tier 1 incident and three Tier 2 incidents were reported.

All matters related to Safety, Occupational Health are discussed with Management Safety Committee in Refinery which meets once every month, wherein Senior Management, Refinery Doctors and Union representatives are present. Based on the discussions, follow-up actions are taken. Similarly, all marketing and pipelines installations are having respective HSE Committees. Division wise fire and safety performance is as follows:

2016-17	Refineries	Marketing	Pipelines	R&D	Total
Fatal accidents	1	Nil	Nil	Nil	1
Fatalities	1	Nil	Nil	Nil	1
Near miss	84,409	2,842	56	15	87,322
Occupational diseases	Nil	Nil	Nil	Nil	Nil
Mandays lost	Nil	343	Nil	Nil	343
No. of loss time accidents	Nil	7	Nil	Nil	7
Major fire incidents	Nil	Nil	Nil	Nil	Nil
Minor fire incidents	3	4	Nil	10	17

Fatal Accidents (Number)
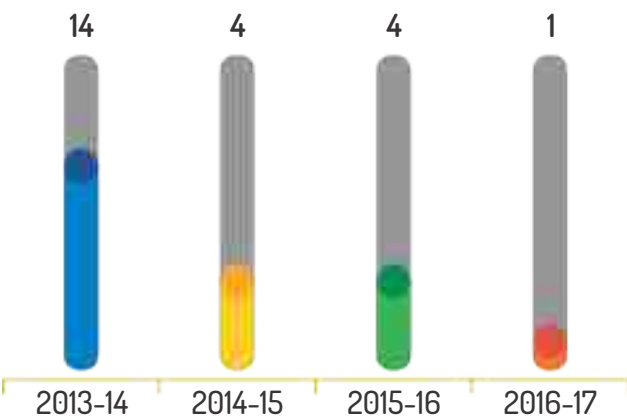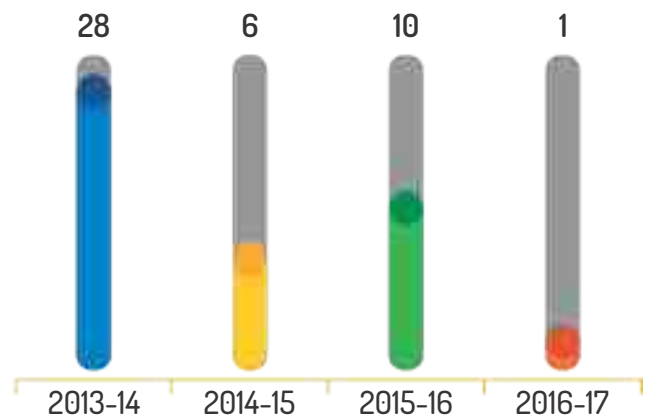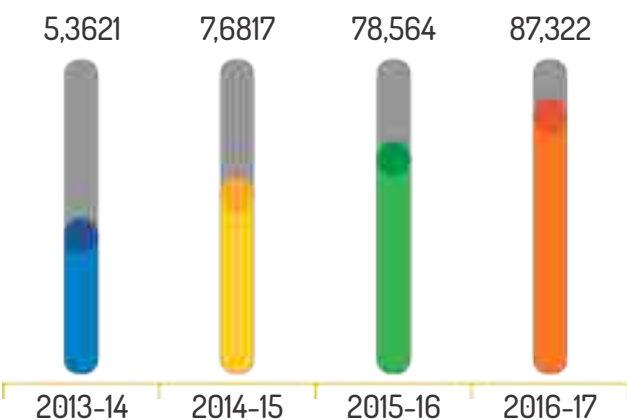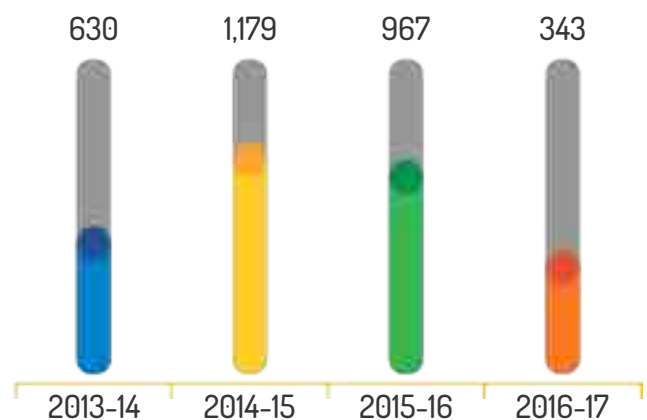
14	4	4	1
2013–14	2014–15	2015–16	2016–17

Fatalities (Number)

28	6	10	1
2013–14	2014–15	2015–16	2016–17

Near miss (Number)

5,3621	7,6817	78,564	87,322
2013–14	2014–15	2015–16	2016–17

Mandays lost (Number)

630	1,179	967	343
2013–14	2014–15	2015–16	2016–17

Loss time accidents (Number)

12	9	9	7
2013-14	2014-15	2015-16	2016-17

Major Fire Incidents (Number)

7	3	5	0
2013-14	2014-15	2015-16	2016-17

Minor Fire Incidents (Number)

11	12	5	17
2013-14	2014-15	2015-16	2016-17
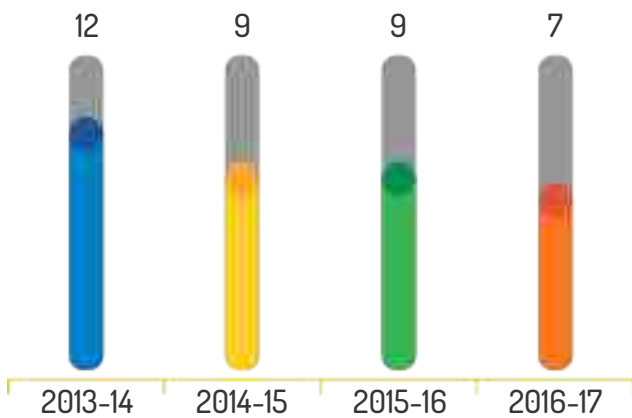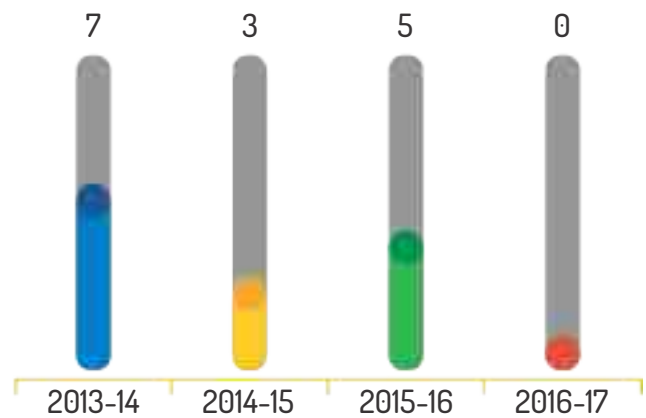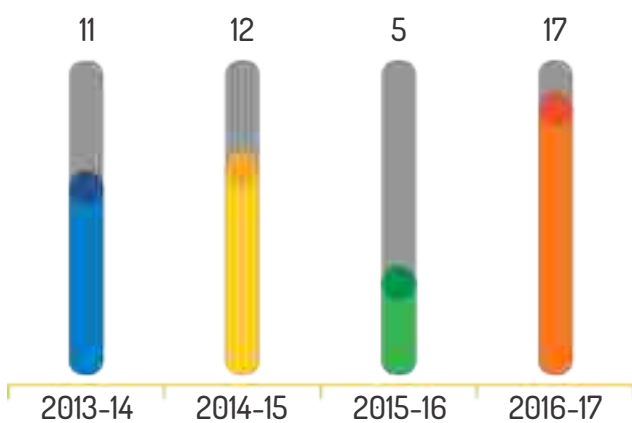
IndianOil monitors its employees exposed to activities having high incidence or risk of specific disease. We also conduct periodical medical tests to ensure that there are no adverse health impacts on our employees. Division wise employees involved in activities having high incidence or risk of specific disease are as follows:

Number of workers involved in occupational activities having high incidence or risk of specific diseases				
Region	Refineries	Marketing	Pipelines	R&D
Numbers	3,215	Nil	Nil	Nil

In our refineries, before carrying out any project, a detailed Environmental Impact Assessment and Risk Assessment is carried out for obtaining Environmental Clearance (EC). In line with the regulations, Public Hearing is also carried out wherein all impacts – Environmental and Social Impact – and mitigation plans related to the project activity are shared with Public. Thereafter, the minutes of the Public Hearing and Refinery's responses are submitted to the Expert Appraisal Committee (before accord of EC), which reviews and lays certain conditions, which are monitored once in every 6 months, for Compliance status, by refineries. We ensure 100% compliance regarding each project at our installations.

Parameter	Unit	Value
Report the percentage of operations with environmental impact assessments and ongoing monitoring	%	100
Report the percentage of operations with public disclosure of results of environmental and social impact assessments	%	100
Report the percentage of operations with works councils, occupational health and safety committees and other employee representation bodies to deal with impacts	%	100

Suraksha Mitra Awards

Safe operation of an industrial setup depends on several factors, among which the role of plant personnel, including contract workers, is most crucial. Suraksha Mitra Awards have been instituted to give them due recognition for their best efforts in this direction.

To raise the level of safety and for closer participation of personnel, Haldia Refinery launched a new scheme for contract workers and labourers – "Suraksha Mitra" – on March 1, 2017. Under this initiative, this exclusive award is given for two categories: Mechanical Maintenance and General, on the first day of every month. This will be a monthly relay award – recognition for the month – with a specially designed contract worker's helmet, certificate and memento.

For the month of March 2017, the two contract workers were chosen for the recognition. Mr. Tapan Maity, works at Nitrogen unit under the contractor M/s City Construction and Mr. Milan Dev Goswami, working for M/s CENDTS for inspection-related jobs. The two contract workers were recognized for their actions, which resulted in safe job coordination without any incidence and acted as a demonstration to other teams working at the refinery. A specially designed safety helmet was presented to Mr. Tapan Maity and Mr. Milan Dev Goswami by Mr. CK Tiwari, Executive Director, Haldia Refinery. A Suraksha Mitra certificate, an engraved boiler suit and a memento were also presented to the award winners. The awards are also based on information provided in drop boxes by the workers themselves about good and safe work. Mr. Tiwari said that every contract worker-associate should aspire to win this coveted award, and emphasised that together they can ensure that our own work areas are safe and all safety standards are followed without deviations, while also the overall refinery area will be much safer with identification and immediate stoppage and reporting of unsafe acts and unsafe conditions.

Emergency Preparedness

IndianOil conducts training and extensive mock drills to prepare and respond promptly to any emergency situations. All IndianOil refineries are operating Emergency Response & Disaster Management Plan (ERDMPs) as per the guidelines issued by Petroleum and Natural Gas Regulatory Board (PNGRB) and accredited by the PNGRB approved agencies. All Refineries conduct quarterly on site disaster drill and disaster drills during odd hours once in a year as per norms. Followed by mock drills, effectiveness of the response is assessed and corrective actions are taken, if any gaps are identified.

Emergency Response & Disaster Management Plan (ERDMP)

- Demographic Details
- Material Safety Datasheets of hazardous chemicals used
- Hazard identification & risk assessment
- Hazard identification & risk assessment
- Preventive and risk mitigation measures
- Emergency preparedness measures
- Response Procedure
- Emergency Organization
- Infrastructure for emergency response
- Resources for control of emergency
- Evacuation procedures
- Procedure for recovery

Safety Committee

To coordinate on Health, Safety and Environment related activities, the respective HSE department is headed by an Executive Director/General manager, who would be reporting to the Chairman. We ensure, 100% of our employees are represented by Safety committees. IndianOil has two tiers Safety Committee: Management Safety Committee & Shop-floor Safety Committee. Management safety Committee is headed by unit head consisting of other members upto HOD levels and workmen representatives. Shop floor committees are formed at various sections in the refinery with intensive participation from the workmen side. A designated Safety Officer is placed at all the marketing and pipelines installations. To ensure continuity and personnel involvement, designated person from the non-executive cadre represent the shop floor committees.

Trainings Related to Health, Safety & Environment

Trainings related to HSE were conducted regularly across the IndianOil divisions. These trainings will include both permanent and contract employees that would help to create the right safety culture and prevent any unsafe work conditions. The training provided will help the personnel to identify the risk associated with the tasks and equipped well to manage the risks. Division wise training manhours related to HSE is presented below:

Total training man-hours related to HSE		
Refinery	Marketing	Pipeline
56,254	6,11,997	8,888

Sr. No.	Category of Employees	% of employees given safety & skill up-gradation training during 2016-17
1	Permanent Male Employees	42.31%
2	Permanent Women Employees	45.48%
3	Permanent Employees with Disability	19.45%
4	Casual/Temporary/Contractual Employees/ Contract Labour	100%

Disaster Management Plan

Disaster Management refers to a continuous and integrated process of planning, organizing, coordination and implementing measures which are necessary or expedient for:

❖ Prevention of danger or threat of any disaster

❖ Mitigation or reduction of risk of any disaster or its severity or consequences

❖ Capacity building

❖ Preparedness to deal with disaster

❖ Prompt response to any threatening disaster situation or disaster

❖ Assessing the severity or magnitude of effects of any disaster

❖ Evacuation, rescue and relief

❖ Rehabilitation and reconstruction

Following incident have been listed for reporting purposes as per Disaster Management Plan 2014:

❖ Any incident of fire not extinguished within 15 minutes.

❖ Any incident causing shutdown of operations on account of fire/explosion/leakage

❖ Any incident causing financial loss above 20 lakhs

❖ Any incident leading to fatality(s) with in plant/location premises

❖ Any incident causing major loss of containment and having adverse impact outside the premises including disaster under section 2(d) of DMP Act, 2005

❖ Any incident of road accidents (during transportation of petroleum products) resulting fire/explosion which in turn leads to fatality

❖ Any incident not covered above but which gets reported in national media within 24 hours of the occurrence

Oil Spill Response

IndianOil has implemented adequate measures to prevent and control oil spills during the handling and transportation of crude oil. We ensure Oil Spill Response facilities are available at all our port locations. We regularly conduct oil spill exercise across the locations to improve our ability to respond in the event of any spill. During the year, there were no significant oil spills at our installations.

Employees

Employees

Employees are key pillar who give the organization strength from its roots and make it stand tall and strong. The skills, experience and prowess of our employees is our key strength. IndianOil has always been known for its progressive people practices, which helped us to be the top ranked PSU in the listing of 'Top 50 Best Companies to Work For' in India. Our core values – care, innovation, passion and trust – bind our workforce and instil in each a sense to give their best towards achieving organizational goals and take the company to new heights with extraordinary performances. The contribution of the employees in making an organization a preferred one among the customers cannot be undermined – be it the employees who provide support or the contractual workers who face the end customer at the retail points. It is with the tandem of both – the physical strength and the manpower strength – that an organization shines.

The IndianOil family stood strong at 33,135 employees with 16,545 employees in the officer grades and 16,590 employees in the staff grade.

Total no. of employees (by category)

586
5,690
2,606
5,848
18,991

- General
- SC
- ST
- OBC
- Differently Abled
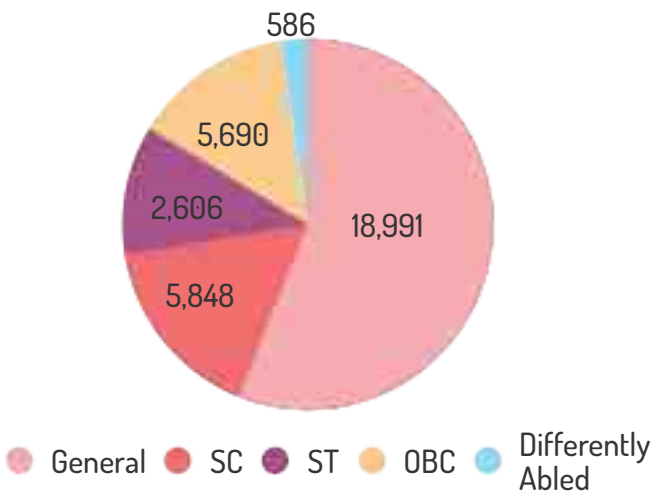
Total no. of employees recruited during 2016-17 (by gender)

281
2,160

- Female
- Male
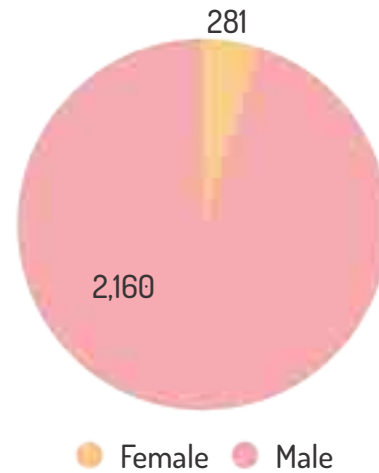
Total no. of employees (by gender %)

8.25
91.75

- Female
- Male

Employees (by age group)

6,747
14,057
12,331

- <30 years
- <30-50 years
- >50 years
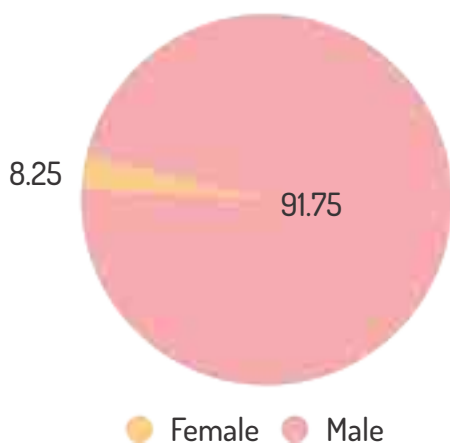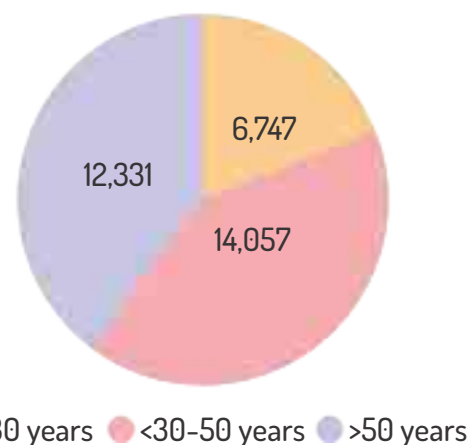
Great Place to Work

IndianOil has emerged as one of the best employers in India in a study jointly conducted by The Economic Times & Great Place to Work Institute, covering 791 Indian companies and more than 1.5 lakh employees. During the year, IndianOil ranked 27 (34 rank during 2016) among the 'India's Best Companies To Work For– 2017' list and top ranked PSU.

Year	Score	Rank
2015	76	59 (2nd in PSUs)
2016	80	34 (2nd in PSUs)
2017	82	27 (1st in PSUs)

Employees' Well Being

Committed towards employees' well being and their work life balance, IndianOil has circulated twelve interactive sessions along with reading material for self assessment, pin pointing the area of improvement and remedial measures for "happiness, well being and good emotional health".

Further, IndianOil has developed a book on "Happiness & Well-being" which helps in self assessment, managing burnout and work stress, effective time management and communication etc.

Training

Our people agenda, like everything else we do, embodies the spirit of inclusiveness – both for skill-building and for leadership development. The Human resources Department at IndianOil designs training modules for employees and contractual labours based on the needs and requirements of the job. Continuous training programs are conducted throughout the year for employees from various verticals depending on the need. Programs are designed to enable functional as well as developmental training of employees. While the functional trainings focus on technical knowledge, developmental trainings are hosted on a wide range of topics including human rights, health & safety, career development and sustainability among others. Few training programs are also designed

according to the level on which the employees are working viz., induction training for new recruits; programs on managing and leveraging diversity, project management and operational excellence for the middle management; and programs on inspiring leadership, building next generation officers for senior & middle management and career transition for superannuating employees. For employees posted at locations, training programs pertaining to safety and security and disaster management are also undertaken. At the end of each training program, a feedback is obtained from the participants to assess the program as well as the trainer. During the year 2016-17, 10.1 lakh man-hours of training was imparted to employees. While, on an average, the employees in officers grade were given 47.84 man-hours of training each, each staff grade employee was given 13.76 man-hours of training.

Training Areas

Functional Domain

Technical

Personal Development

Health & Safety

Anti Corruption

Career Development

Human Rights

Sustainability

Refineries Division

❖ 96 non-executives in chemical discipline on being promoted to executive cadre were imparted 2 week specialised training on behavioural inputs (Like team building, innovation, etiquette) and functional training on Refining technology at IIP, Dehradun.

❖ 87 chemicals engineers imparted seven week programme on refining technology at IIP Dehradun, preceded by 3 days of experiential outbound learning programme.

❖ To increase competitiveness and knowledge base, employees were nominated to foreign training/ seminar/ workshops/ conferences as ambassadors of IndianOil to attend such training programmes across the world.

❖ Young HR Officers Meet of Refineries Division organized on 15th & 16th April, 2016 to assess the one year journey of new batch. Sessions were conducted by senior HR professionals on diverse subjects to inspire the young officers to develop into successful HR Professionals.

Training man-hours (lakhs)

8.47 — 2015–16
10.10 — 2016–17
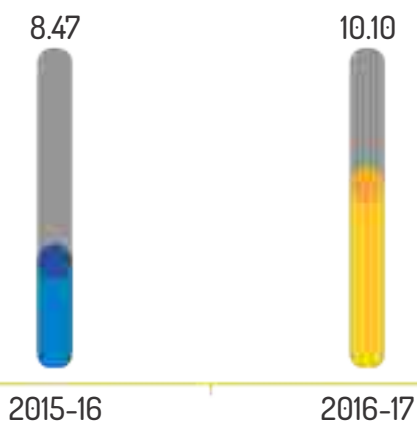
Average man-hour training

Officer Grade: 41.60 (2015–16), 47.84 (2016–17)
Staff Grade: 13.52 (2015–16), 13.76 (2016–17)

● 2015–16   ● 2016–17
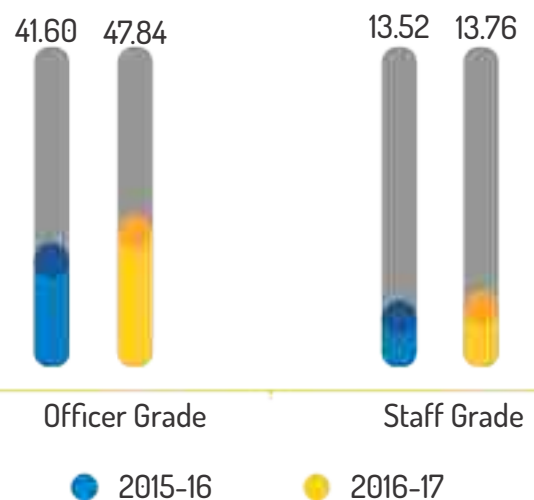
Marketing Division

Young Officers' Conclave (YOC), was organised by IndianOil's Marketing Division, on February 3-4, 2017 at Pune. A total of 966 officers contributed 1,852 ideas through the YOC portal. 17 teams from 16 State Offices/Aviation presented 60 shortlisted ideas to the IndianOil Board members. Top three ideas /team members were awarded a foreign trip and 10 ideas/team members were given an individual cash award of Rs. 10,000/- each in the form of Extra Power Easy Fuel cards.

Pipelines Division

❖ For engagement of young executives, Budding Executive Search for Talent (BEST) was launched for inviting suggestions in the technical, HR and finance fields. Out of 252 entries, 22 entries were presented at Divisional Level and 3 winners were selected in technical category and 2 winners each in Finance and HR category.

❖ 8 teams were felicitated at All India Level and 17 teams were felicitated at Regional level under Recognition & Reward Scheme to motivate and recognize the performers.

❖ 346 new officers underwent pipelines induction modules at PLHO and the regional offices.

❖ 8 weeks Capability building programme on construction was conducted for new engineers at Ahmedabad, Panipat and Bhubaneswar.

❖ 8 weeks capability building programme on Operations & Maintenance for new engineers was conducted at Kolkata and Rajkot.

Women Empowerment

IndianOil believes that parameters of an excellent employee are merit, skill and efficiency and are available to all employees, males and females, to chart out their individual career paths. A policy of no discrimination on basis of caste, colour, creed or gender is followed and the Corporation is proud to reiterate its policy of 'equal opportunity employer' ensuring respect and admiration towards all its women employees. At IndianOil, steps are taken to make the work-environment secure, friendly and enriching for its women employees to encourage them take up challenging assignments in various business verticals. Many of our female employees have been presented with prestigious awards for

their outstanding contribution at work place. It is in the benefit of the organization to motivate women employees to bring to the table their talent and help the organization by complementing their male counterparts.

IndianOil celebrates the International Women's Day on 8th March every year across its installations. It not only gives a chance to promote a culture within the organization which is supportive but also gives a chance to show gratitude towards the women employees of the company. As on 31.03.2017, women employees represents 8.25% of the total workforce. While handing out Kisan Seva Kendra (KSK) distributorships, there is a 33% reservation for female entrepreneurs. KSKs, being in rural areas, have helped women entrepreneurs in becoming independent, make a mark for themselves in the society and motivate other females to take up responsibilities.

Benefits to Female Employees	
Maternity Leave	180 days of maternity leaves for the first two children
Child Care Leave	2 years child care leave without pay, once in entire service
Child Adoption Leave	Child Adoption Leave with pay for a period of 180 days in order to facilitate them to take care of the adopted child, not exceeding three years.
Husband Joining Leave	Special Leave Without Pay can be availed by female employees to join their husbands who are posted at another location, for a period not exceeding 3 years during the entire service.

Forum for Women in Public Sector (WIPS)

To encourage, inspire and promote the integrated growth of women in public sector, the Standing Conference of Public Enterprises (SCOPE) in collaboration with Bureau of Public Enterprises (BPE), organized a national convention of women in public sector–during October 1989 in New Delhi. The convention was attended by women across the country, working in different organizations. Besides deliberating so as to increase the participation of women employees in the public sector, a need was felt to create a National Network to transform these suggestions into reality with the help of the Public Enterprises and concerned agencies. Subsequently, under the aegis of SCOPE on 12th February, 1990, a Forum of Women in Public Sector (WIPS) was created having a Central Apex Forum in Delhi and four regional Forums in Bombay (Western Region), Chennai (Southern Region), Kolkata (Eastern Region) and Delhi (Northern Region) respectively.

All the women employees at IndianOil are a part of WIPS and have been participating in the WIPS forum actively. Various cells have been established across IndianOil with apex level leaders.

Prevention of Sexual Harassment at Workplace

Subsequent to the order of the Government of India and the provisions of the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' an Internal Complaints Committee has been created at the Corporate Office, Refineries Headquarters, Pipeline Headquarters & Regional Offices and Marketing Headquarters & Regional Offices. Various officers and executives from different functions constitute the internal complaints committee. Strict confidentiality is maintained while handling any complaints and the committee is expected to submit its report to the final authorities within a stipulated time, to take the necessary action.

During the year 2016-17, 7 cases of Sexual Harassment were reported and 6 were pending as on 31.03.2017.

MAITRI

As an extension of WIPS, a dedicated portal has been developed for the women employees posted at Refineries Headquarters, New Delhi. The portal gives a chance to all female employees to take part in discussions and give suggestions on various topics from time to time.

For increased & active participation of Women employees and to inculcate leadership capabilities in female officers, a two-day training programme on "Enhancing leadership capabilities and potential among women executives' was conducted at Mathura Refinery during January 17-18, 2017.

Maternity Leave (Nos.)	2016-17
Employees entitled to maternal leave	All Female Employees
Employees that took maternal leave	66
Employees who returned to work after maternal leave ended	66
Employees who returned to work after maternal leave ended and who were still employed 12 months after their return to work	66
Return to work rate and retention rates of employees who took maternal leave	100%

Further, all male employees are entitled to a 15 days paternity leave

New Talent

Hiring of new employees is crucial for success of any organization and IndianOil, continues to recruit new talents of different background and skills to meet organization's specific requirements. IndianOil recruits fresh talent from various fields including engineers, management graduates, chartered accountants, lawyers and mass communication graduates to work in the diverse fields where IndianOil operates. All recruitments are done at the entry level through various competitive exams like GATE, ICIA, etc. In special cases, recruitments are also carried out at the middle management level for specific requirements. There are 2 special programs conducted for inducting staff grade officers into the officers' grade, viz., 50-50 promotion and the Accelerated Career Progression Scheme (ACPS). These programs are in addition to the regular recruitments. During the year 2016-17, a total of 2378 candidates were inducted, out of which 218 were females and 2160 were males. Campus recruitments were resumed in 2016-17, after a gap of almost 3 years.

Young Officers' Conclave – 2017

Young Officers' Conclave (YOC), organised by IndianOil's Marketing Division, is a collaborative project that brings together young talent from across the Division and encourages cross-fertilisation of ideas across all its locations. Through this innovative platform, close to 1,000 millennial employees working in frontline roles in Operating locations, Sales offices, Divisional offices, Area offices, Aviation Fuel Stations and QC Labs, contributed their creative business ideas through a dedicated portal, and the top sixty ideas were presented during YOC-2017. IndianOil Board Members led by the Chairman, addressed the participants and enlightened them with their experience in overcoming various challenges in their careers spanning many decades. In a compelling address to the millennial workforce, the officers were urged to keep their spirit of innovation intact and stressed on the importance of converting creative thoughts into productive action and encouraged to always work in solution mode and show special consideration for customers. Interacting with the promising group of officers, the Board members shared their experiences in overcoming various challenges through the course of their careers. For the YOC-2017, out of more than 1800 ideas generated, 63 ideas of 72 young budding officers were selected for valuation by an esteemed panel of judges. The winners of the top three ideas were awarded foreign trips, while the next ten awardees were given individual cash award of Rs. 10,000 each in the form of Extra Power Easy Fuel cards.

Career Transition

IndianOil believes in taking care of its present as well as retired employees. The cycle of induction of new recruits comes a full circle with the superannuation of employees. Various programs such as career transition trainings and asset building schemes enable all employees to create adequate assets for the long-term social security of their families. Various programs are held on retirement, psychological aspects of retirement, investment and tax planning, post retirement benefits and health related issues for senior management and employees nearing retirement. Special sessions are conducted for ex-employees emphasising the importance of a healthy lifestyle and regular medical checkups.

Remuneration & Allowances & Training of Contract Labours

Owing to the nature of activities at our installations and locations, the dependency on contract labours to assist in operational needs and other allied activities cannot be undermined. Right from housekeeping, catering and security services to materials shutdown/revamping, civil construction & maintenance and lifting & movement of materials, contractors and contractual labourers lend a helping hand at our installations and make everyday's target much easier. Being the principle employer, IndianOil ensures that all statutory requirements are met while employing any contractual labourer and are governed by the Contract Labour (Regulation and Abolition) Act, 1970 and that there is proper adherence to the provisions of the EPF & MP Act, 1952/ESI Act 1948 among other social security schemes like PF, ESI, etc. All contract labourers are also governed by the terms and conditions of the respective contract between the contractor and the labour.

During the year 2016-17, Project 'Dhruva,' a unique retail transformation programme, was launched to strengthen IndianOil's pole-position among fuel retailers.

Across our retail chain, from customer attendants and delivery boys to our dealers and distributors, we are endeavouring to develop skills and abilities through capability development programmes like Chetna, Parivartan, Disha and NavChetna. About four lakh people who work with us have benefited from these initiatives.

600 Customer Attendants (CAs) were trained by State Offices under 'Train the Trainers' programme by professional training agencies viz. NTTF and NPC. On cumulative basis, under Chetna, 3.5 lakh customer attendants have been trained so far (1.1 lakh during the current year) and under project Parivartan, 17,000 customer attendants have been trained by the trainers, while under Project Disha, 6,100 Dealers have been trained so far (4,000 Dealers trained by reputed management institutes during the current year).

Under Project Vishvakarma, contract workers were trained on social security, safety and general health & well-being across pipeline locations including head-office.

Several camps organized and initiatives undertaken to enroll contract workers under "Pradhan Mantri Jan Dhan Yojana" & "Pradhan Mantri Suraksha Bima Yojana".

Employee Engagement

The relationship between an employer and its employees is based on trust, integrity, two-way commitment and communication. The process keeps each party motivated to energise the other side and contribute to organizational and individual performance and productivity. Employee engagement forms an important part of the work culture at IndianOil. There are formal joint agreements between the employees and the unions which helps both the parties in indulging in productive conversations and reaching amicable decisions. Around 50% of the employees are covered under collective bargaining agreements and 90% of permanent employees are a part of either the workers unions or the IndianOil Officers Associations. Under the code of discipline, IndianOil had 24 unions representing non-executive employees and one officers' associations representing executives recognized by the management during the year 2016-17. The right to freedom of association or collective bargaining by the employees are regulated by the Trade Union Act and there are no operations which might pose a risk to it.

The management holds dialogues with the workers unions and officers associations in various forums like 'open house' sessions, meetings and discussions convened at regular intervals to answer any concerns raised. A webcast of important meetings held by the Chairman and Directors is hosted on the intranet to provide access to all employees. Discussions are held on various topics including wages, allowances and related revisions, major corporate challenges, health & safety and financial & physical parameters, though discussions on wages and related topics are first conducted at divisional levels with the recognized unions and then settled through a tripartite Long Term Settlement (LTS).

By serving a notice period of 21 days, IndianOil reserves the right to propose a change in the condition of service applicable to the workmen, in any matter. Various schemes like quality circle and suggestions scheme etc. are inducted round-the-year to increase employee participation. An array of committees viz., Joint Management Council, Works Committee, Management Safety Committee, Grievance Committee, Canteen Committee, Total Productive Maintenance (TPM) etc. motive employees to participate in different activities throughout the year.

Benefits to differently abled employees

Reservation in Recruitment and Promotions

Various allowances such as conveyance allowance, medical equipment special training, special equipment aid

Provision of Barrier free access

Preference in terms of posting to the extent possible

Benefits to OBC/SC/ST employees

Relaxation/Concession in Recruitment and promotions

Pre-promotional inputs for Grade VI to Grade A promotions in Marketing Division

SC/ST cell, Complaint Register Liaison Officer to address issues

Specific Training

Social Security Benefits

Contributory Provident Fund
Gratuity

Group Linked Insurance scheme

EPS 1995

Compensation on Death

Super Annuation Benefit Fund Scheme

Post-retirement Medical Benefits

Investing in Our People

As a part of employee engagement, Internal Customer Survey exercise is being carried out since 2015. Based on the success of the survey, the process has been institutionalised as a yearly activity. Accordingly, a one of its kind, corporation wide, bi-lingual, on-line 'internal customer survey' was launched. The survey was designed with a total of 34 categories of HR Services under which responses were sought on 172 questions in all.

The survey presently also carries additional section on 'Financial Services' (introduced in 2016) to capture the feedback on the various initiatives in financial services. This makes the survey more comprehensive.

Focused actions have been taken by Divisions to improve the 'top-5 dissatisfiers' identified during the internal customer survey and the results on these services in the subsequent survey have been encouraging and improvements have been noticed in the major parameters because of the interventions taken by the Divisions.

> **Launched 'We Care for You' – a customer connect initiative aiming to reach out to customers of Retail Outlets, through voluntary participation of officers.**

Project 'Utkrisht'

Project – 'Utkrisht', an online learning and development platform has been set up with the purpose of providing access to learning resources to our employees from anywhere in the country. This is aimed at creating a culture of learning and development in the organization.

As a first step, EBSCO – an online library has been made available to employees. This rich library of learning resources is continuously updated with latest editions of all major publications, journals and magazines. As a next step, new online learning modules are planned to be added to this online platform.

Project 'Saksham' – IndianOil Leadership Competency Development Programme

As part of the endeavour, 'Investing in Our People', one of the six thrust areas outlined for growth and success of IndianOil, Project "Saksham" (meaning "Competent") – a structured Leadership Development Programme was designed (in consultation with IIMs – Ahmedabad, Bangalore, Calcutta and XLRI, Jamshedpur), with a view to develop leadership competencies in sync with the IndianOil leadership competency framework.

This unique learning & development initiative aims at providing our leaders with best of the inputs required to effectively play their leadership role. To begin, an in-depth analysis of Leadership Centre results, covering 7000+ officers was carried out, based on which Project 'Saksham' was conceptualized and launched in October 2015, with IIMs – Ahmedabad, Bangalore, Calcutta and XLRI, Jamshedpur as knowledge partner.

26 programmes covering 512 executives in Grades F/G/H/I have been completed with 16 programmes scheduled during 2017-18.

As a part of project 'Saksham', customised and specialised developmental modules on eight leadership competency have been designed exclusively for IndianOil by some of the best b-schools in the country.

IIMA	IIMB	IIMC	XLRI
• Strategic	• Customer • Operational	• Business Results • Content (Innovation)	• Talent • Relationship • Change

Initiatives Undertaken at IiPM

IndianOil Institute of Petroleum Management (IiPM) conducted over 100 training programmes/conferences/workshops during the year, covering 4,700 participants and 28,500 training man-days.

A multi-location video-conferencing facility centrally implemented by IiPM has seen close to 170 video conferences during the year. IiPM is working on extending this technology to spread classroom teaching to other locations.

The online library EBSCO launched by CO-HRD/IiPM for online knowledge support is expected to change the way self-learning would happen in the organisation.

The format of IiPM's top-end Senior Management Programme (SMP) was refreshed for enhanced impact and engagement; for the first time, external speakers of repute were invited to address the participants.

An exclusive programme on women leadership was conducted in collaboration with XLRI, Jamshedpur.

Four new training programmes were conducted covering diverse topics such as Transformational Leadership; Pillars of IndianOil's Vision; Care & Passion to coincide with 2016 as the Year of Core Values; and Inspiring Leadership: Broadening Horizon, a programme on General Management and cross-functional skills for executives in grades C&D.

IiPM hosted a one-day programme for a group of 32 executives of TOTAL France who had come on a study tour of India.

IiPM has initiated modernisation of training halls into smart classrooms by bringing in latest technology tools and adopting e-methods for speed, smartness and improved efficacy of knowledge and engagement.

Product Responsibility

Product Responsibility

At IndianOil, we achieve product excellence through continuous innovation. Our R&D centre offers competitive advantage by developing world-class technology, process solutions and innovative products. Extensive research is being undertaken in the fields of bio-remediation, lubricant formulations, fuel technologies and fuel additives and alternative transportation fuels viz., CNG, Autogas, ethanol blended petrol, bio-diesel, and Hydrogen energy. With a specific focus on alternate energy viz., bio-energy, solar, thermal & hydrogen energy and fuel cells, we are currently setting up IndianOil Centre for Alternative & Renewable Energy (i- CARE). During the year, IndianOil launched the "IndianOil Start-up Fund" to promote promising start-ups and nurture an eco-system conducive for innovations in the domestic hydrocarbons sector. Driven by IndianOil's Research & Development Centre based at Faridabad, the scheme will support projects that aim to establish innovative technology and business process re-engineering ideas with significant business potential, social relevance and focused on environment-protection.

IndianOil has started dispensing 100% BS-IV complaint fuels from 1st April 2017. Further, we are undertaking wide-scale upgradation at our refineries to deliver BS VI compliant fuel by April 2020 besides focusing on production of bio-ethanol and bio-CNG.

IndianOil R&D centre has filed 105 patents during the year taking the total active patents to 554. Out of 105 patents filed during the year, 6 are Indian and 99 are foreign patents. 27 patents were grated during the year including 6 from India and 7 from USA.

Number of patents filed (year on year)

2012-13	2013-14	2014-15	2015-16	2016-17
52	54	92	74	105

Patents filed in 2016-17

Total filed	Patents in India	Overseas patents
105	6	99
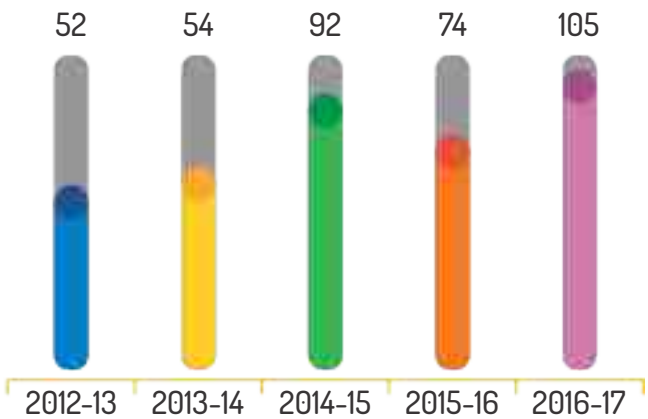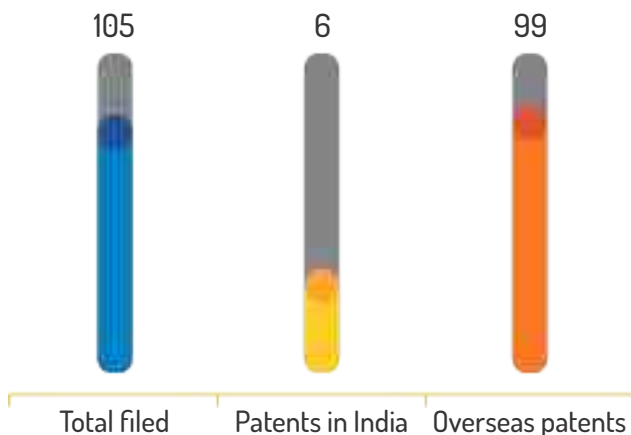
Patents : Technology-wise

Refining	Lubes	Others
275	51	228

Patents : Country-wise

Total	India	USA	Other
554	188	122	244
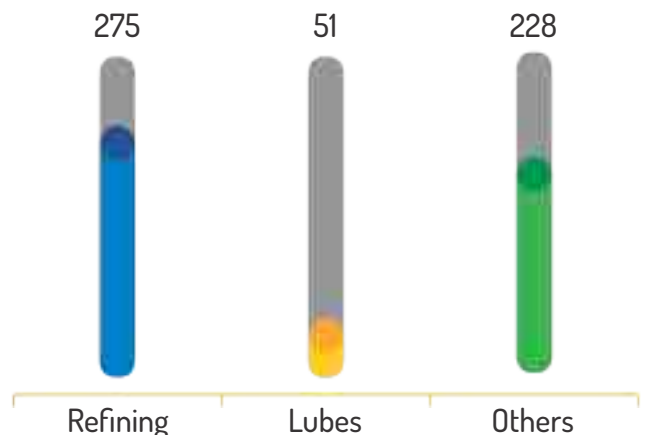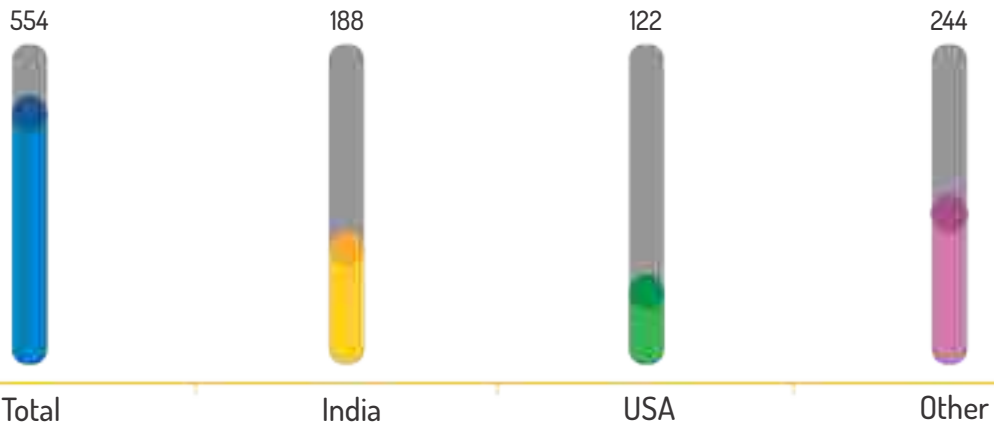
Amount spent on R&D Activities (Rs. Crore)

2012–13	2013–14	2014–15	2015–16	2016–17
81.40	78.32	93.66	362.04	109.57
167.66	174.4	169.31	235.27	217.53

● Capital Expenditure ● Revenue Expenditure
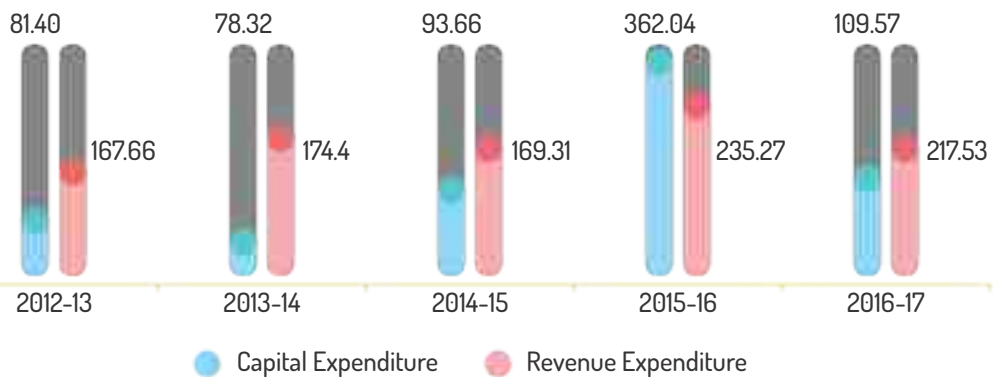
Some of the commercialized in-house technology and processes are:

- Successful demonstration of Ind-Coker technology at Panipat Refinery with significant increase in distillate yield

- Deployed Delayed coking technology, jointly licenced by IndianOil and EIL, at Barauni refinery to revamp the 0.6 MMTPA Coker-A unit

- Trial production of polymer-modified bitumen

- INDAdept unit of 35 kilotonnes per annum capacity commissioned at Guwahati Refinery using homegrown technology for deep desulphurisation of gasoline

- In-line inspection tool for pipelines including data acquisition system has been fully designed & developed with in-house capabilities, whose performance is at par with that of other global high-resolution inspection tools

DURAPAVE Bitumen Range launched

India is urbanising and expanding its infrastructure rapidly, and roads are the arteries of the nation – a core infrastructure element. High-performance bitumen, thus, goes a long way towards supporting this infra push.

DURAPAVE, the new umbrella brand for High-Performance Bitumen products of IndianOil, was launched at Hyderabad. The DURAPAVE brand covers the whole range of bitumen, including all viscosity grades, Crumb Rubber Modified Bitumen (CRMB), Polymer Modified Bitumen (PMB) and bitumen emulsions. The launch was marked by the handing over of the symbolic first packs by Dr. SSV Ramakumar, Director (R&D); Mr. CS Shankar, Executive Director (Consumer Sales), Mktg. HO; among other officials. The programme was attended by over 150 key customers for bitumen, including government officials, officers from NH and State Road Divisions, builders, contractors and vendors from across the country. In his address, Dr. Ramakumar communicated that the suggestions given by the major customers who spoke on the occasion would be factored into the monitoring of quality of bitumen at the lab level and also on field trials to ensure that the product that reaches the customers is best in class. The DURAPAVE brand covers the whole range of bitumen, including all viscosity grades, Crumb Rubber Modified Bitumen (CRMB), Polymer Modified Bitumen (PMB) and the bitumen emulsions. Mr. Shankar during his speech assured all the stakeholders that the quality standards of DURAPAVE would always be upheld and comprehensive support to customers at the ground level would be sustained by the Consumer Sales team.

During the year, among others, the following major product designs were adopted to address environmental concerns:

- New lubricant container design (210 litre capacity): The unique design of the barrel helped reduce quantity of steel by 1.3 kg/barrel.

- Conversion of 5 ply cartons to 3 ply cartons for lubricants: The cartons used in lubricant packaging were redesigned from 5 ply to 3 ply, leading to saving of about 1100 tonnes of paper per year, which can save 26,000 trees from felling.

- HDPE (High Density Poly Ethylene) Container design: The container was re-designed to reduce the requirement of HDPE, saving about 15 tonnes of HDPE material per year.

Ethanol Blended Petrol

IndianOil aims to increase its ethanol blending performance every year. The renewable Ethanol procurement and blending is not only aimed to reduce vehicle exhaust emissions but also reduce the import burden on account of crude oil. IndianOil has initiated steps to set up second generation ethanol plants to produce ethanol from ligno-cellulosic biomass like paddy straw, wheat straw, bagasse, etc. During the year, IndianOil procured 4.90 lakh litres of ethanol and achieved a blending performance of 3.54%.

Product Information & Labeling

IndianOil does not sell any banned or disputed products. All the commercial products of IndianOil follow Bureau of Indian Standards (BIS) guidelines for product information and labeling. During the year, there was no cases registered w.r.t. regulatory or voluntary codes non-compliance related to our product information & labeling and use of our products & services. Further, there were no incidents of noncompliance reported w.r.t. marketing communications, breach of customer privacy and loss of customer data. The details of our product information and labeling are as follows:

❖ Regarding our LPG business, Cylinders, Pressure Regulators & Valves conform to BIS Standards, which are displayed on the equipment. The Distributors are also under instruction to sell Rubber Tube / LPG Hose and Hot Plates conforming to BIS Standards. We do not reclaim any of our sold products or the packaging material involved. There is a 100% reuse of the domestic and commercial LPG cylinders.

Ethanol procured (Kilolitres)

2013-14	2014-15	2015-16	2016-17
1,49,000	1,86,000	4,23,413	4,90,099
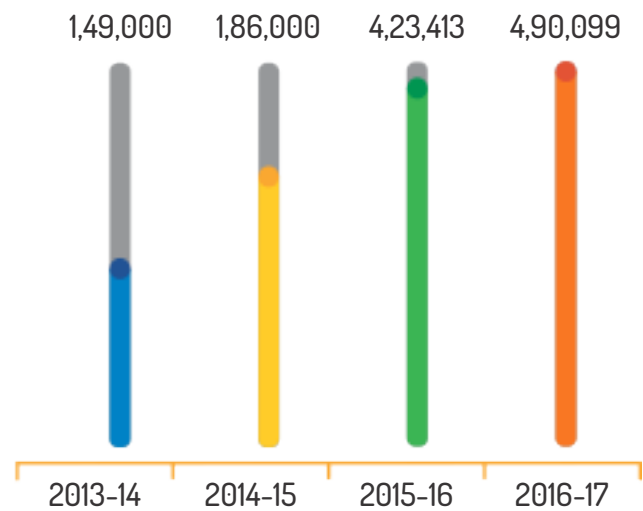
❖ All packed lubricants display safety and disposal instructions. Additional information viz. Application, Benefits, Performance standards, etc. are also printed on the product label.

❖ Bitumen is mostly sold in bulk and only about 10% of the product is sold in packed form (in Barrels). It is ensured that product specifications are made available to the customers and highest Quality Control & Safety procedures are followed for marketing these products.

❖ Aviation Fuel is sold only in bulk and product specification test reports of all the batches are provided.

❖ For all our polymer products, information regarding product type, product name with grade and lot no., net weight, etc. is mentioned on the bags. Also, the symbols "recyclability number"(for e.g., for PP the symbol is used) and "use no hooks" are printed on the bags.

Product Health & Safety

IndianOil ensures all its products are complying with the health and safety related norms. IndianOil conducts Conventions, Seminars, Workshops, Clinics, Trade shows, Spot campaigns, etc. to educate its customers about its products, usages, applications, safe handling & disposal practices. Health and safety impacts of our entire value chain are thoroughly monitored throughout the year. A rigorous campaign has been initiated by IndianOil from November 2016 to educate all LPG consumers about the importance of following safety norms.

We transport a majority of our crude and finished products through pipeline network which stretches over 12,848 kms. We have taken several technology measures to ensure pipeline safety. Recognizing the potential risks to the people and environment, IndianOil's Pipelines Division, since last few years, is conducting a safety training programme for rural populace to engage them by sensitising them towards the safety, security and environmental aspects of pipeline operations. IndianOil continuously monitor the grievance redressal across all categories and all stakeholders.

Marketing Communications

IndianOil accounts for nearly half of India's petroleum products market share. This is done through 46,500 plus customer touch points which includes 26,212 customer touch points and 9,570 LPG distributors. IndianOil has 7,051 KSKs through which we were able to connect with rural customers. We take feedback from our customers regularly through different modes like customer satisfaction surveys, customers' meet, face-to-face interactions, etc.

IndianOil has in place an "e-Customer Feedback System (e-CFS)" to seek customers' feedback on its

products and services including its service providers/ contractors, etc. Complaints received from its website, toll free helpline number, transparency portal, MoPNG, etc. are tracked till their final resolution. The electronic system provides tracking mechanism to the customers through their registered docket numbers. The replies are hosted on the website. We are connected to our customers through social media sites viz., Facebook, Twitter, Instagram and Youtube.

Follow us on your favourite Social Media Sites

During the year, we have received a total of 284148 number of customer complaints in which 282179 (99.30%) were resolved. To provide any assistance to our customer, we have a toll free customer care number and we have a round the LPG emergency

helpline number. IndianOil makes ever effort to ensure that only quality products are delivered to customers. During the year, approximately 1.4 lakh samples were tested by Marketing QC Labs. Further to ensure product quality at retail selling points,

For assistance, please call Customer Care

Toll Free No.
1800233555

24x7 Helpline Number 1906

Round-the-Clock LPG Emergency Helpline 24x7 All India LPG Leakage Helpline Number

1906

44,791 samples were tested by Mobile Laboratories. 20 new-generation environment-friendly Mobile Laboratories (BS-IV & CNG) were commissioned across India. These labs are deployed for on-site inspection of industry retail outlets by testing MS and HSD samples and taking 'on the spot' action.

Customer Satisfaction Survey

IndianOil handles all the customer grievances, complaints, queries as per laid down procedures and due priority is accorded to attend the same.

IndianOil carries out a market research at its Retail Outlets on Customer Satisfaction regarding the visual appeal and service standards. IndianOil has a "Key Account Manager" concept for major bulk customers under which the Customer Satisfaction Index (CSI) is periodically obtained. Aviation Group also takes customer feedback on a regular basis.

An Online Reputation Management (ORM) is being administered online, which seeks to track the customer's sentiments (negative/positive/neutral) with respect to our products and services. The ORM dashboard along with the ongoing periodic reporting system captures all conversations on the web including the tweets (excluding Facebook accounts) on IndianOil by all its stakeholders.

Group	No. of complaints received	No. of complaints resolved	No. of pending complaints	% of pending complaints
Petrochemicals	47	47	Nil	Nil
LPG	2,78,473	2,76,609	1,864	0.67
Retail Sales	5,554	5,449	105	1.89
Lubes	6	6	Nil	Nil
Cryogenics	68	68	Nil	Nil

GRI Linkages

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
STRATEGY AND ANALYSIS					
G4-1	Chairman's Message	NA	NA	NA	6
G4-2	Risk Management	NA	NA	NA	68
ORGANIZATIONAL PROFILE					
G4-3	Back cover	NA	NA	NA	NA
G4-4	Brands	NA	NA	NA	20
G4-5	Back cover	NA	NA	NA	NA
G4-6	About IndianOil	NA	NA	NA	2
G4-7	Shareholding Pattern	NA	NA	NA	12
G4-8	Supply Chain, Group Companies and Joint Ventures	NA	NA	NA	10, 14
G4-9	About IndianOil, Economic performance, Supply Chain	NA	NA	NA	2, 70, 10
G4-10	Employees	NA	NA	NA	116
G4-11	Employees – Employee Engagement	NA	NA	NA	127
G4-12	Supply Chain	NA	NA	NA	10
G4-13	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-14	Risk Management	NA	NA	NA	68
G4-15	Our Associations, Charters and Membership	NA	NA	NA	18
G4-16	Our Associations, Charters and Membership, Corporate Governance – External Commitments and Public Policy Participations	NA	NA	NA	18, 13
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES					
G4-17	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-18	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-19	Our material issues	NA	NA	NA	62

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
G4-20	Our material issues	NA	NA	NA	62
G4-21	Our material issues	NA	NA	NA	62
G4-22	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-23	Report Boundary, Scope & Limitations	NA	NA	NA	4
STAKEHOLDER ENGAGEMENT					
G4-24	Stakeholders: We create value	NA	NA	NA	56
G4-25	Stakeholders: We create value	NA	NA	NA	56
G4-26	Stakeholders: We create value	NA	NA	NA	56
G4-27	Stakeholders: We create value	NA	NA	NA	56
REPORT PROFILE					
G4-28	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-29	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-30	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-31	Chairman's Message	NA	NA	NA	6
G4-32	Report Boundary, Scope & Limitations	NA	NA	NA	4
G4-33	Our material issues	NA	NA	NA	62
GOVERNANCE					
G4-34	Corporate Governance - Governance Structure	NA	NA	NA	26
G4-35	Corporate Governance – Board of Directors	NA	NA	NA	26
G4-36	Corporate Governance – Board Committees	NA	NA	NA	26
G4-37	Corporate Governance – Board Meetings	NA	NA	NA	28
G4-38	Corporate Governance– Board Of Directors	NA	NA	NA	26

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
G4-39	Corporate Governance- Board Of Directors	NA	NA	NA	26
G4-40	Corporate Governance- Board Of Directors	NA	NA	NA	26
G4-41	Corporate Governance- Board Of Directors	NA	NA	NA	26
G4-42	Corporate Governance – Board Committees	NA	NA	NA	27
G4-43	Corporate Governance – Board Meetings	NA	NA	NA	28
G4-44	Corporate Governance- Remuneration of Directors	NA	NA	NA	28
G4-45	Risk Management	NA	NA	NA	68
G4-46	Risk Management	NA	NA	NA	68
G4-47	Corporate Governance – Board Committees	NA	NA	NA	27
G4-48	Our Material Issues	NA	NA	NA	62
G4-49	Corporate Governance- Board Of Directors	NA	NA	NA	26
G4-50	Risk Management	NA	NA	NA	68
G4-51	Corporate Governance – Remuneration of Directors	NA	NA	NA	28
G4-52	Corporate Governance – Remuneration of Directors	NA	NA	NA	28
G4-53	Corporate Governance – Remuneration of Directors	NA	NA	NA	28
G4-54	Corporate Governance – Remuneration of Directors	NA	NA	NA	28
G4-55	Corporate Governance – Remuneration of Directors	NA	NA	NA	28

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
ETHICS AND INTEGRITY					
G4-56	Corporate Governance - Ethics and Integrity	NA	NA	NA	29
G4-57	Corporate Governance – Integrity and Accountability	NA	NA	NA	29
G4-58	Corporate Governance - Ethics and Integrity	NA	NA	NA	29
MATERIAL ASPECT: ECONOMIC PERFORMANCE					
G4-DMA	Economic Performance	NA	NA	NA	70
G4-EC1	Economic Performance, Social Performance	NA	NA	NA	70, 98
G4-EC2	Risk Management, Sustainability in IndianOil	NA	NA	NA	68, 42
G4-EC3	Employees – Employee Engagement	NA	NA	NA	127
G4-EC4	Note – 20, Revenue from Operations (Gross), Shareholding pattern	NA	NA	NA	Annual Report 2016-17 (Page No. 222)
MATERIAL ASPECT: MARKET PRESENCE					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-EC5	Corporate Governance – Human Rights	NA	NA	NA	31
G4-EC6	Employees – New Talent	NA	NA	NA	125
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS					
G4-DMA	Social Performance	NA	NA	NA	98
G4-EC7	Social Performance	NA	NA	NA	98
G4-EC8	Social Performance	NA	NA	NA	98

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: PROCUREMENT PRACTICES					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-EC9	Corporate Governance – Public Procurement Policy for MSE (Micro and Small Enterprises)	NA	NA	NA	30
OG1	Economic Performance – Exploration & Production	NA	NA	NA	79
CATEGORY: ENVIRONMENTAL					
MATERIAL ASPECT: MATERIALS					
G4-DMA	Environmental Performance – Material	NA	NA	NA	82
G4-EN1	Environmental Performance – Material	NA	NA	NA	82
G4-EN2	Environmental Performance – Material	NA	NA	NA	82
MATERIAL ASPECT: ENERGY					
G4-DMA	Environmental Performance – Energy	NA	NA	NA	84
G4-EN3	Environmental Performance – Energy	NA	NA	NA	84
G4-EN4	Environmental Performance – Energy	NA	NA	NA	84
G4-EN5	Environmental Performance – Energy	Scope 3 emissions	Not covered	NA	84
G4-EN6	Environmental Performance – Energy	NA	NA	NA	84
G4-EN7	Environmental Performance – Energy	NA	NA	NA	84
MATERIAL ASPECT: WATER					
G4-DMA	Environmental Performance – Water	NA	NA	NA	88
G4-EN8	Environmental Performance – Water	NA	NA	NA	88
G4-EN9	Environmental Performance – Water	NA	NA	NA	88
G4-EN10	Environmental Performance – Water, Waste	NA	NA	NA	88, 91

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: BIODIVERSITY					
G4-DMA	Environmental Performance – Biodiversity	NA	NA	NA	94
G4-EN11	Environmental Performance – Biodiversity	NA	NA	NA	94
G4-EN12	Environmental Performance – Biodiversity	NA	NA	NA	94
G4-EN13	Environmental Performance – Biodiversity	NA	NA	NA	94
G4-EN14	Environmental Performance – Biodiversity	NA	NA	NA	94
MATERIAL ASPECT: EMISSIONS					
G4-DMA	Environmental Performance - Emissions	NA	NA	NA	86
G4-EN15	Environmental Performance - Emissions	NA	NA	NA	86
G4-EN16	Environmental Performance - Emissions	NA	NA	NA	86
G4-EN17	Environmental Performance – Emissions	Scope 3 emissions	Not covered	NA	NA
G4-EN18	Environmental Performance - Emissions	NA	NA	NA	86
G4-EN19	Environmental Performance- Emissions	NA	NA	NA	86
G4-EN20	Environmental Performance – Prevention of Air Pollution	NA	NA	NA	88
G4-EN21	Environmental Performance – Prevention of Air Pollution	NA	NA	NA	88
MATERIAL ASPECT: EFFLUENTS AND WASTE					
G4-DMA	Environmental Performance –Waste	NA	NA	NA	91
G4-EN22	Environmental Performance –Waste	NA	NA	NA	91
G4-EN23	Environmental Performance –Waste	NA	NA	NA	91
G4-EN24	Health & Safety – Oil Spills Response	NA	NA	NA	115
G4-EN25	Environmental Performance –Waste	NA	NA	NA	91
G4-EN26	Environmental Performance –Water	NA	NA	NA	88

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: PRODUCTS AND SERVICES					
G4-DMA	Product Responsibility	NA	NA	NA	132
G4-EN27	Product Responsibility – Product Health & Safety	NA	NA	NA	138
G4-EN28	Product Responsibility – Product Information & Labelling	NA	NA	NA	137
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Environmental Performance	NA	NA	NA	80
G4-EN29	Environmental Performance – Environmental Protection Expenditure	NA	NA	NA	92
MATERIAL ASPECT: TRANSPORT					
G4-DMA	Environmental Performance				80
G4-EN30	Environmental Performance – Emissions				86
MATERIAL ASPECT: OVERALL					
G4-DMA	Environmental Performance	NA	NA	NA	80
G4-EN31	Environmental Performance – Environmental Protection Expenditure	NA	NA	NA	92
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-EN32	Corporate Governance – Sustainable Sourcing	NA	NA	NA	32
G4-EN33	Corporate Governance – Sustainable Sourcing	NA	NA	NA	32
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS					
G4-DMA	Environmental Performance	NA	NA	NA	80
G4-EN34	Environmental Performance – Environmental Protection Expenditure	NA	NA	NA	92
OG2	Sustainability in IndianOil	NA	NA	NA	42

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
OG3	Sustainability in IndianOil	NA	NA	NA	42
OG4	Environmental Performance – Biodiversity	NA	NA	NA	94
OG5	Environmental Performance – Water	NA	NA	NA	88
OG6	Environmental Performance – Emissions	NA	NA	NA	86
OG7	Not Applicable	NA	NA	NA	NA
OG8	Product Responsibility	NA	NA	NA	132

CATEGORY: SOCIAL

SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK

MATERIAL ASPECT: EMPLOYMENT

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
G4-DMA	Employees	NA	NA	NA	116
G4-LA1	Employees – New Talent	NA	NA	NA	125
G4-LA2	Employees – Employee Engagement	NA	NA	NA	127
G4-LA3	Employees – Women Empowerment	NA	NA	NA	122

MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS

G4-DMA	Employees	NA	NA	NA	116
G4-LA4	Employees – Employee Engagement	NA	NA	NA	127

MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-DMA	Health & Safety	NA	NA	NA	106
G4-LA5	Health & Safety – Safety Committee	NA	NA	NA	113
G4-LA6	Health & Safety	NA	NA	NA	106
G4-LA7	Health & Safety	NA	NA	NA	106
G4-LA8	Employees – Employee Engagement	NA	NA	NA	127

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	Employees	NA	NA	NA	116
G4-LA9	Employees – Training	NA	NA	NA	119
G4-LA10	Employees – Training	NA	NA	NA	119
G4-LA11	Employees – New Talent, E-initiatives	NA	NA	NA	125, 34
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-LA12	Corporate Governance– Board of Directors	NA	NA	NA	26
MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-LA13	Corporate Governance– Human Rights	NA	NA	NA	31
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-LA14	Corporate Governance– Human Rights	NA	NA	NA	31
G4-LA15	Corporate Governance– Human Rights	NA	NA	NA	31
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-LA16	Corporate Governance– Human Rights	NA	NA	NA	31
SUB-CATEGORY: HUMAN RIGHTS					
MATERIAL ASPECT: INVESTMENT					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR1	Corporate Governance– Human Rights	NA	NA	NA	31
G4-HR2	Employees – Training	NA	NA	NA	119

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: NON-DISCRIMINATION					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR3	Corporate Governance- Human Rights	NA	NA	NA	31
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-DMA	Employees	NA	NA	NA	116
G4-HR4	Employees - Employee Engagement	NA	NA	NA	127
MATERIAL ASPECT: CHILD LABOR					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR5	Corporate Governance- Human Rights	NA	NA	NA	31
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR6	Corporate Governance- Human Rights	NA	NA	NA	31
MATERIAL ASPECT: SECURITY PRACTICES					
G4-DMA	Health & Safety	NA	NA	NA	106
G4-HR7	Health & Safety- Trainings related to Health, Safety & Environment	NA	NA	NA	114
MATERIAL ASPECT: INDIGENOUS RIGHTS					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR8	Corporate Governance- Human Rights	NA	NA	NA	31
MATERIAL ASPECT: ASSESSMENT					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR9	Corporate Governance- Human Rights	NA	NA	NA	31

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR10	Corporate Governance- Human Rights	NA	NA	NA	31
G4-HR11	Corporate Governance- Human Rights	NA	NA	NA	31
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-HR12	Corporate Governance- Human Rights	NA	NA	NA	31
OG9	Corporate Governance- Human Rights	NA	NA	NA	31
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: LOCAL COMMUNITIES					
G4-DMA	Social Performance	NA	NA	NA	98
G4-SO1	Social Performance	NA	NA	NA	98
G4-SO2	Environmental Performance – Environmental Protection Expenditure	NA	NA	NA	92
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-SO3	Corporate Governance – Anti-Corruption and Anti-Competitive Behaviour	NA	NA	NA	29
G4-SO4	Corporate Governance – Anti-Corruption and Anti-Competitive Behaviour	NA	NA	NA	29
G4-SO5	Corporate Governance – Anti-Corruption and Anti-Competitive Behaviour	NA	NA	NA	29

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
MATERIAL ASPECT: PUBLIC POLICY					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-SO6	Corporate Governance - Human Rights	NA	NA	NA	31
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-SO7	Corporate Governance – Anti-Corruption and Anti-Competitive Behaviour	NA	NA	NA	29
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Product Responsibility	NA	NA	NA	132
G4-SO8	Product Responsibility - Product Information & Labeling	NA	NA	NA	137
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
G4-DMA	Corporate Governance	NA	NA	NA	24
G4-SO9	Corporate Governance - Human Rights	NA	NA	NA	31
G4-SO10	Environmental Performance – Environmental Protection Expenditure	NA	NA	NA	92
MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY					
G4-DMA	Social Performance	NA	NA	NA	98
G4-SO11	Environmental Performance – Environmental Protection Expenditure	NA	NA	NA	92
OG10	Corporate Governance - Human Rights	NA	NA	NA	31
OG11	No sites decommissioned	NA	NA	NA	NA
OG12	Social Performance	NA	NA	NA	98
OG13	Health & Safety- Oil Spills Response	NA	NA	NA	115
OG14	Product Responsibility– Ethanol Blended Petrol	NA	NA	NA	137

Disclosures	Disclosure Title	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	Page No.
SUB-CATEGORY: PRODUCT RESPONSIBILITY					
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY					
G4-DMA	Product Responsibility	NA	NA	NA	132
G4-PR1	Product Responsibility – Product Health & Safety	NA	NA	NA	138
G4-PR2	Product Responsibility – Product Health & Safety	NA	NA	NA	138
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING					
G4-DMA	Product Responsibility	NA	NA	NA	132
G4-PR3	Product Responsibility – Product Information & Labeling	NA	NA	NA	137
G4-PR4	Product Responsibility – Product Information & Labeling	NA	NA	NA	137
G4-PR5	Product Responsibility– Customer Satisfaction	NA	NA	NA	139
MATERIAL ASPECT: MARKETING COMMUNICATIONS					
G4-DMA	Product Responsibility – Compliance	NA	NA	NA	132
G4-PR6	Product Responsibility – Product Information & Labeling	NA	NA	NA	137
G4-PR7	Product Responsibility – Product Information & Labeling	NA	NA	NA	137
MATERIAL ASPECT: CUSTOMER PRIVACY					
G4-DMA	Product Responsibility	NA	NA	NA	132
G4-PR8	Product Responsibility – Product Information & Labeling	NA	NA	NA	137
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	Product Responsibility	NA	NA	NA	132
G4-PR9	Product Responsibility – Product Information & Labeling	NA	NA	NA	137

UNGC Principles Linkages

UNGC Principles	GRI Disclosures to report actions taken to implement UNGC Principles and Outcomes from implementing UNGC Principles	Page No.
Principle 1: Human Rights		
Businesses should support and respect the protection of internationally proclaimed human rights	Employees – Training	119
	Health & Safety	106
	Corporate Governance – Human Rights	31
Principle 2: Human Rights		
Business should make sure they are not complicit in human rights abuses.	Corporate Governance – Human Rights	31
Principle 3: Labour		
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Employees – Employee Engagement	127
Principle 4: Labour		
Businesses should uphold the elimination of all forms of forced and compulsory labour.	Corporate Governance – Human Rights	31
Principle 5: Labour		
Businesses should uphold the effective abolition of child labour	Corporate Governance – Human Rights	31
Principle 6: Labour		
Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Employees	116
	Corporate Governance – Human Rights	31
	Employees – New Talent	125
	Employees – Women Empowerment	122
	Employees – Training	119
	Corporate Governance – Board of Directors	26

UNGC Principles	GRI Disclosures to report actions taken to implement UNGC Principles and Outcomes from implementing UNGC Principles	Page No.
Principle 7: Environment:		
Businesses should support a precautionary approach to environmental challenges.	Environmental Performance	80
	Environmental Performance – Material	82
	Environmental Performance – Energy	84
	Environmental Performance – Water	88
	Environmental Performance – Emissions	86
	Product Responsibility	132
Principle 8: Environment:		
Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Performance – Material	82
	Environmental Performance – Energy	84
	Environmental Performance – Water	88
	Environmental Performance – Biodiversity	94
	Environmental Performance – Emissions	86
	Environmental Performance – Waste	91
	Health & Safety	106
	Product Responsibility	132
	Sustainability in IndianOil	42
	Corporate Governance – Sustainable Sourcing	32

UNGC Principles	GRI Disclosures to report actions taken to implement UNGC Principles and Outcomes from implementing UNGC Principles	Page No.
Principle 9: Environment		
Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental Performance – Energy	84
	Environmental Performance – Emissions	86
	Product Responsibility	132
Principle 10: Anti-corruption		
Businesses should work against corruption in all its forms, including extortion and bribery.	Corporate Governance	24
	Corporate Governance - Accountability	33
	Corporate Governance - Whistle Blower Policy	29
	Corporate Governance - Anti-Corruption and Anti-Competitive Behaviour	29
	Corporate Governance - Human Rights	31

Abbreviations

AE&SD	Alternate Energy & Sustainable Development		ENCON	Energy Conservation
AFS	Aviation Fuel Station		EP	Environment Protection
AOCN	Assam Oil College of Nursing		EPF & MP Act	Employees Provident Funds and Miscellaneous Provisions Act
AOD	Assam Oil Division		EPS	Employees Pension Scheme
ASI	Archaeological Survey of India		ERDMP	Emergency Response & Disaster Management Plan
ATF	Aviation Turbine Fuel		ESA	External Safety Audit
AU	Atmospheric Unit		ETP	Effluent Treatment Plants
BN	Billion		FCC	Fluidised Catalytic Cracker
BPCL	Bharat Petroleum Corporation limited		FICCI	Federation of Indian Chambers of Commerce and Industry
BPL	Below Poverty Line		FO	Fuel Oil
BOD	Biological Oxygen Demand		FTL	Free Trade LPG
BS – IV/ VI	Bharat Stage IV / VI		FY	Financial Year
CAGR	Compound Annual Growth Rate		GAIL	Gas Authority of India Limited
CATCH	Cultivating Awareness Towards Conservation of Heritage		GCC	General Conditions of Contract
CCI	Competition Commission of India		GHG	Greenhouse Gases
CDM	Clean Development Mechanism		GoI	Government of India
CDP	Carbon Disclosure Project		GPW	Great Place to Work
CDU	Crude oil Distillation Unit		GRI	Global Reporting Initiatives
CERs	Certified Emission Reductions		GRM	Gross Refining Margin
CFC	Chlorofluorocarbons		GSPL	Gujarat State Petronet Ltd.
CII	Confederation Indian Industry		GWh	Gigawatt hour
CO	Corporate Office		G4	GRI's fourth generation indicators
COMPAT	Competition Appellate Tribunal		HGU	Hydrogen Generation Unit
CPCB/ SPCB	Central Pollution Control Board/ State Pollution Control Board		HOD	Head Of Department
CPCL	Chennai Petroleum Corporation Limited		HPCL	Hindustan Petroleum Corporation Limited
CREDA	Chhattisgarh Renewal Energy Development Authority		HRSG	Heat Recovery Steam Generator
CRU	Catalytic Reformer Unit		HSD	High Speed Diesel
CSI	Customer Satisfaction Index		HSE	Health, Safety and Environment
CSR	Corporate Social Responsibility		IAF	Indian Air Force
CVC	Central Vigilance Commission		IndianOil	IndianOil Corporation Limited
DCU	Delayed Coker Unit		IOC	IndianOil Corporation Limited
DPE	Department of Public Enterprises		IOF	IndianOil Foundation
E & P	Exploration and Production		IOT	IndianOil Tanking
EAC	Expert Appraisal Committee		IP	Integrity Pact
EBP	Ethanol Blended Petrol		ISO	International Organization for Standardization
Eco Parks	Ecological Parks		KAM	Key Accounts Management
EIA	Environmental Impact Assessment		KL	Kilo litre
EIL	Engineers India Limited		KM	Kilo Meter
			KPI	Key Performance Index

KRA	Key Result Areas	PP/ PE	Poly Propylene / Poly Ethylene
KSK	Kisan Seva Kendra	PPE	Personal Protective Equipment
KW / KWh	Kilowatt/ Kilowatt Hour	PSU	Public Sector Undertaking
LAB	Linear Alkyl Benzene	PTA	Purified Terephthalic Acid
LDO	Light Diesel Oil	PX	Paraxylene
LNG	Liquefied Natural Gas	PV	Photovoltaic
LPG	Liquefied Petroleum Gas	R & D	Research and Development
LTS	Long Term Settlement	RLNG	Re-gasified Liquefied Natural Gas
MBN (MBTU/BBL/NRGF)	It refers to total heat value of fuel and loss in thousand BTU, BBL refers to barrel of crude processed and NRGF is a derived factor that depends upon actual intake in both primary and secondary processing units as per industry standard	RGGLVY	Rajiv Gandhi Gramin LPG Vitran Yojana
		RO	Retail Outlets
		RTI	Right To Information
		SC / ST / OBC / PWD	Scheduled Caste / Scheduled Tribe / Other Backward Castes / Persons with Disabilities
MINAS	Minimal National Standard		
MMSCMD	Million Metric Standard Cubic Meters per day	SIGC	Shareholders' / Investors Grievance Committee
MMSCM	Million Metric Standard Cubic Meters	SKO	Superior Kerosene Oil
MMT	Million Metric Tons	SPM	Single Point Mooring
MMTPA	Million Metric Tons Per Annum	SRC	Stakeholders' Relationship Committee
MoP&NG	Ministry of Petroleum and Natural Gas	SRFT	Standard Refinery Fuel in Tonnes
MoU	Memorandum of Understanding	STP	Sewage Treatment Plant
MSME	Micro, Small and Medium Enterprises	TC	Time Charter
MSQ	Motor Spirit	TII	Transparency International India
MT	Metric Tonne	TJ	Tera joules
$MMTCO_2e$	Million Metric Tonne of Carbon Dioxide Equivalent	TKL	Thousand kilo Litre
MW	Mega Watt	$TMTCO_2e$	Thousand Metric Tonne of Carbon Dioxide Equivalent
NCF	National Culture Fund	TMTPA	Thousand Metric Tonnes Per Annum
NTPC	National Thermal Power Corporation	TPM	Total Productive Maintenance
OGSS	Oil and Gas Sector Supplement	UAE	United Arab Emirates
OHSMS/OHSAS	Occupational Health and Safety Management System/Occupational Health and Safety Assessment System	UN	United Nations
		UNFCCC	United Nations Framework Convention on Climate Change
OISD	Oil Industry Safety Directorate		
OMC	Oil Marketing Company	UNGC	United Nations Global Compact
ONGC	Oil and Natural Gas Corporation	USA	United States of America
OSD	Oil Spill Dispersant	VLCC	Very Large Crude Carrier
OVL	ONGC Videsh Limited	WIPS	Forum for Women In Public Sector
PCRA	Petroleum Conservation Research Association		
PF	Provident Fund		
PL	Pipeline		
PMS	Performance Management System		
PNCC	Panipat Naptha Cracker Complex		
PNCP	Panipat Naptha Cracker Plant		

Our Sustainability Horizon

Wind Power	**Grid Connected Solar Power**	**Off- Grid Solar Power**	**Retail Outlet Solarisation**	**Waste Paper Recycling**
Solar Street Lights	**Solar Lanterns**	**Carbon Footprinting**	**Water Footprinting**	**Sustainability Reporting**
Sustainability Workshops	**Carbon Neutral Event**	**Energy Conservation**	**Energy Efficiency**	**Green Building**
Rain Water Harvesting	**Waste to Energy**	**Community Development**	**Swachh Bharat Abhiyan**	**Tree Plantation**

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