

**HINDUSTAN PETROLEUM CORPORATION LIMITED**

Corporate Identification Number: L23201MH1952GOI008858

Registered and Corporate Office: Petroleum House, 17, Jamshedji Tata Road,
Churchgate, Mumbai- 400020Telephone: (+91 22) 2286 3900. E-mail: corphqo@hpcl.co.in.Website: www.hindustanpetroleum.com**REQUEST FOR QUOTATION FOR ASSET MONETISATION THROUGH
SECURITISATION OF FUTURE CASHFLOWS FROM RETAIL OUTLETS**

1. Hindustan Petroleum Corporation Limited ('HPCL' or the 'Company') is a Maharatna Oil Marketing Company ('OMC'). Oil and Natural Gas Corporation Limited ('ONGC'), another Maharatna Public Sector Oil and Gas Company, holds 54.90% stake in the Company. As of September 2023, the Company had 21,431 Retail Outlets which are of three types, viz. Company Owned Dealer Operated ('CODO'), Dealer Owned Dealer Operated ('DODO') and Company Owned Company Operated ('COCO').
2. HPCL receives Service Station License Fees ('SSLF') from Retail Outlets. SSLF is a license fee for the use of assets installed by HPCL at these outlets. HPCL proposes to raise financing by way of securitising these future cashflows from CODO and DODO Retail Outlets ('Securitisation Facility' or the 'Transaction'). The proposed Securitisation Facility shall be used for part funding the capex of the Company including recoupment of the capex undertaken in the previous 12 months from the date of facility agreement. The tenor of the facility shall be 3 years and 3 months (39 months).
3. The current proposal is for participation in the proposed Securitisation Facility as per the detailed term sheet enclosed in the RFQ. For the Transaction, SBI Capital Markets Limited ('SBICAPS') has been appointed as a Transaction Advisor and Phoenix Legal has been appointed as Transaction Legal Counsel.
4. Bids are hereby invited from bidders as per qualifying criteria set out in the bid document/RFQ including but not limited to Scheduled Commercial Banks, Non-Banking Financial Companies ('NBFC'), Mutual Funds, Financial Institutions, Insurance Companies, Provident Funds & Pension Funds ('Eligible Bidders').
5. Any Eligible Bidder may refer to the Request for Quotation ('RFQ') containing profile of HPCL, Transaction information and detailed Bid parameters, uploaded on the website of HPCL (<https://www.hindustanpetroleum.com/>) and of SBICAPS (<https://www.sbicaps.com/tenders/>).
6. Brief details & time schedule for the bid are tabulated below:



S.no	Particulars	Description
1.	RFQ Number	HPCL/TREAS/SECURITISATION/001
2.	RFQ Date	08 th January 2024
3.	Description	Request for Quotation for Asset Monetisation through Securitisation of Future Cashflows from Retail Outlets
4.	Securitisation Facility	HPCL receives monthly SSLF of Rs. 57.95 crore from CODO and DODO Retail Outlets as fees against the use of assets installed by HPCL at these outlets. HPCL proposes to securitise SSLF of Rs. 42.14 crore per month for a tenor of 3 years 3 months (39 months).
5.	Cost of RFQ Document	Nil
6.	Availability of RFQ Document for downloading	From 08 th January 2024 to 24 th January 2024 upto 1600 Hrs. (IST)
7.	Quote required under the Bid	Bidders are required to quote a discount rate (applicable Benchmark plus Spread) ('Discount Rate')
8.	Pre bid meeting details	Video conferencing. 11 th January 2024. Time and details to be updated on website of HPCL viz https://www.hindustanpetroleum.com/ and SBICAPS viz https://www.sbicaps.com/tenders/
9.	Last Date and Time for submission of Bids	24 th January 2024 by 1600 Hrs (IST) to be submitted physically at the address provided in clause 3.4 (Point 5) in sealed envelope as per the format enclosed.
10.	Date & Time of Opening of Bids.	24 th January 2024 at 1615 Hrs. (IST)
11.	Validity of Bid	30 days from last date for submission of bids.

Please note that the quote made by the bidder ('Bidder') should be unconditional and binding, with all the necessary approvals from their competent authority. It may further be noted that no additional fee or charges (such as upfront fee, processing fee, Lender legal fee or any other fee, underwriting fee, management fee, pre-payment penalty, commitment fee, etc.) over and above quoted Discount Rate shall be paid by HPCL.

7. In case of any clarifications on the RFQ, please contact the following officials:

- Mr. Manish K Jagnani (Chief Manager Treasury- HPCL) on email id: manishkjagnani@hpcl.in, Phone No: 022-22788503 or Mr. Leetesh Gupta (Senior Manager Finance - HPCL) on email id: leeteshgupta@hpcl.in, Phone No: 022-22788618
- Ms. Seemaa Agarwal (Vice President - SBICAPS) on email id: seema.agarwal@sbicaps.com & team.hpclsecuritization@sbicaps.com, Phone No: 022-41968391

Note: HPCL reserves the right to cancel or modify the process without assigning any reason and without any liability. This is not an offer document. Bidder should regularly visit the above-mentioned website to keep themselves updated regarding clarifications/ amendments/ time-extensions, if any.

Place: Mumbai, India

Date: 8 January 2024

Hindustan Petroleum Corporation Limited

Request for Quotation (RFQ)
For
Asset Monetisation through
Securitisation of Future Cashflows from Retail Outlets



हिन्दुस्तान पेट्रोलियम कॉर्पोरेशन लिमिटेड
Hindustan Petroleum Corporation Limited
(A Maharatna Company)

**Registered and Corporate Office: Petroleum House, 17, Jamshedji Tata Road, Churchgate,
Mumbai- 400020**

Website: www.hindustanpetroleum.com



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1. HINDUSTAN PETROLEUM CORPORATION LIMITED

Hindustan Petroleum Corporation Limited ('HPCL' or the 'Company') is a 'Maharatna' Oil Marketing Company. Oil and Natural Gas Corporation Limited ('ONGC'), another Maharatna Public Sector Oil and Gas Company, holds 54.90% stake in the Company.

As of September 2023, HPCL has a vast marketing network facilitated by a supply & distribution infrastructure comprising of 44 Terminals, 54 Aviation Fuel Stations, 56 LPG Bottling Plants, 5 Lube Blending plants and 73 Depots including lube depots. The customer touch points constitute of 21,431 Retail Outlets, 54 Aviation Service Facility ('ASF'), 1,638 Superior Kerosene Oil ('SKO') / Light Diesel Oil ('LDO') Dealers and 6,312 LPG Distributors with customer base of over 9.4 crore domestic LPG consumers. HPCL has the second largest petroleum product pipeline network in India with network length of 5,132 kms.

HPCL undertakes Exploration and Production ('E&P') of hydrocarbons through its wholly owned subsidiary Prize Petroleum Company Limited ('PPCL'). HPCL also conducts business through 19 Joint Venture('JV') & Subsidiary companies operating across oil & gas value chain.

1.1. Shareholding Pattern

The shareholding pattern of HPCL as of September 2023 is given in the following table:

Table 1 Shareholding Structure

Category of Shareholder	Holding
Promoter and Promoter Group	
ONGC	54.90%
Public	
Domestic Institutions	22.62%
Foreign Institutions	13.26%
Non-Institutions	9.22%
Total	100.00%

Source: BSE

1.2. Standalone Financials of HPCL

The Company's Standalone Financials are detailed in the below section and the Consolidated Financials of the Company is provided in *Annexure-V*.

A summary of HPCL's Standalone Balance Sheet for the last 3 years and for H1-FY2024 is given below:

Table 2 Standalone Balance Sheet

As on 31st March	2021(A)	2022(A)	2023(A)	H12024(U)
Equity and Liabilities				
Equity Share Capital	1,452	1,419	1,419	1,419
Other Equity	34,734	37,258	26,294	37,825
Net Worth	36,186	38,677	27,713	39,244
Borrowings	24,465	31,227	46,402	41,039

(In Rs. crore)

As on 31st March	2021(A)	2022(A)	2023(A)	H12024(U)
Other Non-Current Liabilities	8,518	9,507	6,918	10,691
Total Non-Current Liabilities	32,983	40,734	53,320	51,730
Borrowings	15,544	11,966	18,114	10,719
Trade Payables	16,475	26,448	22,852	27,976
Other Current Liabilities	30,065	32,336	32,485	39,725
Total Current Liabilities	62,084	70,750	73,451	78,420
Total Equity and Liabilities	1,31,253	1,50,160	1,54,485	1,69,394
Assets				
Property, Plant and Equipment	49,261	56,311	66,761	68,866
Capital Work-in-Progress	24,053	26,557	22,509	22,605
Investment in Joint Ventures and Associates	9,233	11,917	15,331	17,606
Other Non-Current Assets	5,076	5,804	6,240	6,272
Total Non-Current Assets	87,625	1,00,589	1,10,840	1,15,349
Inventories	28,592	35,346	29,344	36,593
Trade Receivables	6,856	6,332	6,817	7,939
Other Current Assets	8,181	7,893	7,483	9,513
Total Current Assets	43,629	49,571	43,644	54,045
Total Assets	1,31,253	1,50,160	1,54,485	1,69,394

Source: HPCL Annual Reports and financials for September 2023 as published on HPCL website

Note: A- Audited; U- Unaudited

A summary of HPCL's Standalone Income statement is summarized in the following table:

Table 3 Standalone Income Statement

(In Rs. crore)

For the Year Ended 31st March	2021(A)	2022(A)	2023(A)	H1FY2024(U)
Revenue From Operations	2,70,326	3,73,897	4,66,192	2,21,662
Other Income	2,789	2,970	2,069	972
Total Income	2,73,115	3,76,866	4,68,261	2,22,634
Cost of Goods Sold	2,00,424	3,22,016	4,27,019	1,79,611
Excise Duty	37,330	24,214	25,789	14,000
Employee Benefits Expense	3,188	2,982	2,963	1,692
Finance Costs	915	973	2,132	1,168
Depreciation & Amortization Expense	3,553	3,969	4,330	2,603
Other Expenses	13,459	14,509	17,943	8,487
Total Expenses	2,58,868	3,68,663	4,80,176	2,07,561
Profit/(Loss) Before Tax	14,247	8,204	(11,915)	15,073
Profit / (Loss) for the year after Tax	10,664	6,383	(8,974)	11,322

Source: HPCL Annual Reports and financials for September 2023 as published on HPCL website

In FY2023, the Company achieved its highest turnover of Rs. 4,66,192 crore driven by high sales and high throughput from refineries. The Company achieved their highest sales volume of 22.59 MMT in H1FY2024 and 43.45 MMT in FY2023 (compared to 39.14 MMT in FY2022 and 36.59 MMT in FY2021) and highest crude throughput of 19.09 MMT (compared to 13.97 MMT in FY2022 and 16.43 MMT in FY2021).

Crude oil prices increased substantially in FY2023, with crude oil prices being \$ 114.7/ BBL in May 2022 compared to \$66.3/ BBL during the same time last year. The Company, however, could not transfer the additional costs to the end customers leading to under recovery on MS and HSD for the Company. Further, rupee depreciation against dollar during this period also impacted the Company's profitability. These factors primarily led to losses of Rs. 8,974 crore in FY2023 as against profit of Rs. 6,383 crore in FY2022. However, the Company's profitability has substantially improved in H1FY2024 with a profit of Rs. 11,322 crore.

1.3. Board of Directors

The Board of Directors of HPCL as on 30th September 2023 is as under:

Table 4 Board of Directors of HPCL

S. No.	Name	Designation
1.	Mr. Pushp Kumar Joshi	Chairman & Managing Director
2.	Mr. Rajneesh Narang	Director -Finance
3.	Mr. S Bharathan	Director- Refineries
4.	Mr. Amit Garg	Director -Marketing
5.	Mr. K S Shetty	Director -Human Resource
6.	Ms. Sujata Sharma	Government Director
7.	Mr. Pankaj Kumar	Government Director
8.	Ms. Vimla Pradhan	Independent Director
9.	Mr. Bechan Lal	Independent Director
10.	Mr. Vivekananda Biswal	Independent Director
11.	Mr. Ramdarshan Singh Pal	Independent Director
12.	Dr. Nagaraja Bhalki	Independent Director
13.	Mr. K S Narendiran	Independent Director

Source: MCA

1.4. Business Operations

HPCL is an integrated oil Company with refineries, marketing terminals/depots and Retail Outlets. The Company has developed a vast experience in operation & maintenance of refineries and pipelines over the years and has a large marketing and distribution network for retail auto fuels, industrial fuels, Aviation Turbine Fuel ('ATF'), LPG and lube oils spanning India. HPCL is also present in the field of E&P through its wholly owned subsidiary PPCL. The summary of business operations of HPCL is summarized as below:

1.4.1. Refining Business

HPCL refineries account for about 12.52% of the total Refining capacity in India with an installed capacity of 20.5 MMTA. The Company operates two major coastal refineries, viz. Mumbai Refinery and Visakh Refinery (in Vishakhapatnam) producing a wide variety of petroleum fuels & specialties, viz. LPG, SKO, LDO, ATF, High Speed Diesel ('HSD'), Motor Spirit ('MS'), Lube Oil Based Stocks ('LOBS'), Propylene, Naphtha, Bitumen etc. The present capacity of Mumbai Refinery is 9.5 MMTA while that of Visakh Refinery is 13.7 MMTA as of September 2023. During FY2023, HPCL owned refineries achieved their highest ever throughput of ~19.1 MMT (up from 13.97 MMT in FY2022) with

a capacity utilization of ~107%. The Refinery Gross Refining Margin ('GRM') in FY2023 was \$12.09/ Barrel ('BBL') up from \$ 7.19/BBL in FY2022 and \$ 3.86/ BBL in FY2021. The details for HPCL owned refineries are tabulated below:

Table 5 Refineries' Performance

FY Ending 31st March	2021	2022	2023
Capacity Utilization %	104%	88%	107%
Installed capacity (MMT)	15.80	17.80	17.80
Throughput (MMT)	16.42	13.97	19.09
GRM (\$/ BBL)	3.86	7.19	12.09

Source: Company's Annual Report

Note: Relative lower capacity utilization observed in FY2022 as the Mumbai Refinery was shut down for some time for undertaking Expansion Plan of the Mumbai Refinery. Mumbai Refinery's capacity was augmented from 7.5 MMTPA to 9.5 MMTPA in FY2022.

Besides the two refineries, HPCL has two JVs, HMEL and MRPL. HPCL holds around 48.99% stake in HMEL, which operates a 11.3 MMTPA Bhatinda refinery in Punjab and HPCL holds around 16.96% stake in MMRPL which operates a 15.0 MMTPA refinery in Mangalore. HPCL also has marketing rights for 100% of HMEL production.

In addition to these, HPCL is setting up a 9 MMTPA green field refinery cum petrochemical complex in Barmer, Rajasthan through its joint venture Company, HPCL Rajasthan Refinery Limited ('HRRL') with HPCL holding around 74% stake in the JV. HPCL also holds 25% of stake in Ratnagiri Refinery and Petrochemicals Ltd. ('RRPCL') which is setting up a refinery and petrochemical complex of 60 MMTPA along the west coast of India in the state of Maharashtra.

Details of the HPCL's owned refineries is detailed below and the Refineries owned through Joint Ventures and Subsidiaries is appended as **Annexure-VI**.

A. Mumbai Refinery

Mumbai refinery was commissioned in 1954 with an initial refining capacity of 1.25 MMTPA which was increased to 9.5 MMTPA in phases. The capacity was enhanced from 7.5 MMTPA to 9.5 MMTPA in FY2023. The refinery can produce a wide variety of products including MS, HSD, LPG, ATF, LOBS, SKO etc.

The Mumbai refinery also has a LOBS refinery with a capacity of 428 Thousand Metric Tonnes Per Annum ('TMTPA') and is the largest lubricating oil refinery in India accounting for approximately 40% of the installed capacity of LOBS in the country.

B. Visakh Refinery

Visakh Refinery at Visakhapatnam was commissioned in 1957 as Caltex Oil Refining India Limited with original installed capacity of 0.65 MMPTA. The current installed crude refining capacity of Visakh Refinery is 13.7 MMTPA, which has been achieved through progressive revamps / capacity expansions. The key products manufactured by the Visakh Refinery include MS, HSD, ATF, SKO, LDO etc.

HPCL is currently undertaking an expansion cum modernization project of the Visakh Refinery wherein it is proposed to augment the capacity of the modernize and enhance the capacity of the existing Visakh Refinery to 15.0 MMTPA. The project comprises of a new crude unit, residue upgradation facilities, revamp of MS and DHT block to produce BS-VI grade MS and HSD and other key assets modernization. Full factor utilization of the residue upgradation facilities at Visakh refinery is expected from FY2024.

1.4.2. Marketing Business

HPCL is one of the leading OMC with a 19.41% domestic market share in petroleum products as of September 2023 and has one of the largest retail networks in India with 21,431 Retail Outlets in India (as of September 2023). HPCL achieved its highest half yearly market sales in FY2024 of 22.59 MMT.

The product profile of HPCL includes products sold directly to consumers such as Fuel oils, Naphtha, ATF, Bitumen, Solvents as well as products marketed through Retail Dealers / Distributor networks such as MS, HSD, SKO, Lubricants, LPG etc. Petrol or MS and Diesel or HSD are the major products marketed by HPCL and account for the bulk of retail business. Other products being marketed by Retail Outlets includes SKO, CNG, Auto LPG and Retail Lubricants.

The Company's total sales volume of petroleum products in H1FY2024 were 22.59 MMT as against 21.31 MMT in H1FY2023. The Company's total sales for the last 3 years are tabulated below:

Table 6 Sales Volume for 3 Years

(MMT)

Particulars	FY2021	FY2022	FY2023	H1FY2024
Domestic	35.2	37.5	42.2	21.51
Export	1.4	1.7	1.2	1.08
Market Sales	36.6	39.1	43.4	22.59

Source: HPCL Annual Reports

HPCL's vast marketing network consists of network of regional offices facilitated by a supply & distribution infrastructure comprising of Petroleum, Oils and Lubricants ('POL') terminals / tap-off points, pipeline networks, aviation service stations, LPG bottling plants, inland relay depots & Retail Outlets, LOBS and LPG Distributorships. The following table provides an overview of HPCL's marketing network.

Table 7 Marketing Network

(Number)

Particulars	FY2021	FY2022	FY2023	H1FY2024
Retail Outlets	18,634	20,025	21,186	21,431
POL Terminals	41	42	43	44
POL Depots	70	70	72	73
LPG Plants	51	53	55	56
Aviation Fuelling Stations	46	47	54	54

Source: HPCL

A. Retail Outlets

HPCL markets MS, HSD, and other petroleum products to consumers through their network of Retail Outlets. Petrol and Diesel are the major products marketed by HPCL and account for the bulk of retail business. Other products being marketed by Retail Outlets includes SKO, CNG, Auto LPG and Retail Lubricants. The Company's Retail Outlets can be broadly classified into below categories:

- **Dealer Owned Dealer Operated ('DODO') Retail Outlets:**

Under this model, the assets installed by the Company at Retail Outlets include fuel dispensing units, tankages, pipelines, and superstructures. The responsibility for maintenance of the said assets at the Retail Outlets rests with the Company. For the use of assets installed by HPCL at the outlet, HPCL charges a license fee called Service Station License Fees ('SSLF'). As of FY2023, there were 7,659 DODO outlets.

- **Company Owned Dealer Operated ('CODO') Retail Outlets:**

Under the CODO model, in addition to the assets installed by HPCL at DODO outlets, the assets also include HPCL owned / leased land. The responsibility for maintenance of the said assets at the Retail Outlets rests with the Company. For the use of the said assets installed by HPCL at the CODO outlet, HPCL charges SSLF to the Retail Outlets. As of FY2023, there were 13,352 CODO outlets.

- **Company Owned Company Operated ('COCO') Retail Outlets:**

Under this model, the outlet is owned, managed, and operated by HPCL. HPCL hires a service provider to provide manpower, O&M and other related activities at the RO. Since the service station is owned and managed by HPCL, no SSLF is payable. As of FY2023, there were 175 COCO Retail Outlets.

The number of Retail Outlets (under CODO, DODO and COCO) of the Company for the last 5 years along with expected number of Retail Outlets for the next 3 years is tabulated below:

Table 8 Number of Retail Outlets by Type

Year ending	CODO	DODO	COCO	Total
FY2019	10,789	4,455	196	15,440
FY2020	11,282	5,018	176	16,476
FY2021	12,178	6,292	164	18,634
FY2022	12,777	7,067	181	20,025
FY2023	13,352	7,659	175	21,186
FY2024 (expected)	13,563	8,144	180	21,887
FY2025 expected)	13,878	8,624	185	22,687
FY2026 expected)	14,193	9,104	190	23,487

Source: HPCL

As can be seen in table above, the Company's Retail Outlets have grown from 15,440 in FY2019 to 21,186 in FY2023 with a CAGR of 8.23%. The Company further expects to increase its Retail Outlets



to 23,487 by FY2026. CODO Retail Outlets accounts for more than 60% of the total number of Retail Outlets in FY2023 and the same proportion is expected in the future also.

B. Direct Sales - Lubes

The Company markets lubes under five broad segments viz. Automotive Oil, Industrial Oil, Specialities, Greases and Marine Oil. As on September 2023, the Company has 5 lube blending plants in India and has LOBS refining capacity of 340 TMTPA at their Mumbai refinery.

C. Direct Sales - Industrial & Consumer

HPCL's Industrial and Consumer ('I&C') business line handles the institutional sales of fuels, bitumen, naphtha, and other bulk products consumed by industries, mining, construction, power plants, shipping, etc. in both private and government sectors and carries out exports of these products to various overseas markets.

HPCL supplies bulk diesel to various public and private entities, including Indian Railways, State Transport Undertakings, defence units and industrial consumers. HPCL also caters to the fuel requirements of Army and Paramilitary forces such as BSF, ITBP, SSB, CRPF and Border Roads Organization for supply of fuels and bitumen, by delivering products to even their most remote locations.

D. LPG Gas Business

In FY2023, the Company added 3 new LPG plants with combined capacity of 360 TMTP, which were commissioned at Barhi (Jharkhand), Patalganga (Maharashtra) and Sitarganj (Uttarakhand). The Company as of September 2023 had 56 LPG plants and 6,312 LPG distributors.

Projects of setting up of new LPG plants at Varanasi (Uttar Pradesh) and Abu Road (Rajasthan) are in advanced stages. To enhance its reach in the Northeastern States, HPCL is also setting up a new LPG Plant and a POL Depot at Kamardanga (Assam).

E. Aviation Fuelling Business

HPCL supplies ATF to both domestic and international airline customers through its business unit, 'HP Aviation' having a country wide network of aviation fuelling stations called ASF. In the field of aviation fuelling, the Company also holds 25% stake in Mumbai Aviation Fuel Farm Facility Pvt. Ltd. ('MAFFFL'), a Joint Venture comprising of Mumbai International Airport Private Limited, HPCL, IOCL and BPCL with each holding 25% equity stake.

F. Pipeline Network

The Company has 17 cross country pipelines and has the second largest petroleum product pipeline in India and as of September 2023 had a total pipeline network of 5,132 km through HPCL and 1,380 km through its JV companies.

The Company had a pipeline throughput of 12.62 MMT in H1FY2024 and 23.25 MMT in FY2023. Refineries of the Company are connected with major portions of India through cross country pipeline and over 80% of product evacuation from Mumbai refinery and 60% from Visakh refinery was through cross country pipelines. The Company has multiple Pipeline JV and subsidiaries also, the details for which are appended in *Annexure-VI*.

1.4.3. Gas Business and LNG Terminal- City Gas Distribution

City Gas Distribution ('CGD') networks are an interconnected system of underground Natural Gas pipelines for supplying Piped Natural Gas ('PNG') and CNG to domestic commercial and industrial customers. HPCL is operating CGD networks in 9 Geographical Areas ('GAs') in the states of Madhya Pradesh, Andhra Pradesh, Telangana, Maharashtra, Haryana, and Punjab through JV companies Aavantika Gas Limited, Bhagyanagar Gas Limited, Godavari Gas Pvt. Limited and HPOIL Gas Pvt Limited. The Company also has CNG facilities at ~5,000 Retail Outlets in India.

HPCL is setting up CGD networks in 10 GAs in the states of Haryana, Uttar Pradesh, Uttarakhand, and West Bengal on a standalone basis across 22 Districts. HPCL has obtained the authorization for development of CGD network in 3 GAs in 11th/11A CGD bidding round of PNGRB. With this, HPCL along with its JV companies has the authorisation for setting up of CGD networks in 22 GAs in 12 states. The details on the JVs and subsidiaries are appended in *Annexure-VI*.

1.4.4. Exploration & Production

The E&P business of the Company is being undertaken through its 100% subsidiary Prize Petroleum Company Limited ('PPCL'). PPCL is the upstream arm of HPCL and is in the business of E&P of Hydrocarbons as well as providing services for management of E&P blocks. PPCL has a WoS PPIPL, incorporated in Singapore. PPIPL has participation interest of 11.25% and 9.75% in two E&P blocks in Australia. In FY2022, PPIPL achieved its share of production of 167,170 Barrels of Oil Equivalent ('BoE') from Yolla oil field in Australia.

1.4.5. Green Energy Business

HPCL has set a goal of becoming Net Zero by the year 2040 and has been undertaking multiple steps to increase their renewable portfolio and reduce their carbon footprint. To increase focus on the green energy and to achieve the goal of becoming Net Zero by 2040, the Company's board in May 2023 approved the incorporation of WOS to consolidate all their green and emerging business opportunities under one umbrella.

The Company's portfolio of renewable energy as of September 2023 is 184 MW which it plans to increase to 2,400 MW by the year 2027-28 (including Solar and Wind energy). The Company has around 2,308 EV charging stations as of September 2023 which the Company plans to increase to more than 5,000 by FY2026. The Company's Ethanol Blending in FY2023 was of ~10.6% which the



Company plans to increase to 20% by FY2025 and the Company is currently setting up a 100 Kilo Litre Per Day ('KLPD') 2G Ethanol Plant in Bathinda.

1.4.6. Other Business

The Company is into other business viz. manufacturing of Bitumen derivatives, Biofuels, Compressed Biogas ('CBG') etc. as shown in the table below:

Business	Brief Particulars
Bitumen Derivatives	<ul style="list-style-type: none"> • The Company is engaged in manufacturing and marketing of Bitumen derivatives through Hindustan Colas Private Limited, a 50:50 joint venture between HPCL and Colas SA, France. • Bitumen Derivatives are widely used in road/airfield construction in India
Biofuels	<ul style="list-style-type: none"> • HPCL Biofuels Ltd. ('HBL') is a wholly owned subsidiary Company of HPCL. HBL was promoted as a backward integration initiative to enable HPCL's foray in manufacturing of ethanol for blending in Petrol. • HPCL is constructing a second-generation ethanol biorefinery at Bathinda, Punjab with production capacity of 100 KL per day of ethanol from biomass. • HPCL is setting up a CBG plant of 14TPD capacity at Budaun, Uttar Pradesh.

2. THE TRANSACTION

HPCL is proposing to securitise the future SSLF Cashflows from CODO and DODO Retail Outlets for a tenor of 3 years and 3 months (39 months) for raising a Securitisation Facility of upto an amount of Rs. 2,000 crore. The Company will receive an upfront consideration in the form of Securitisation Facility from the Investor(s) to be selected through the RFQ process.

2.1. Service Station License Fee (SSLF)

SSLF is based on the principle of return on investment on the assets installed by HPCL at the Retail Outlets. The assets installed by the Company at Retail Outlets (at both CODO and DODO Retail Outlets) include fuel dispensing units, tankages, pipelines, and superstructures. In addition, under CODO Retail Outlets, the assets provided to the dealer also include HPCL owned / leased land. The responsibility for maintenance of the said assets at the Retail Outlets rests with the Company. As of 31st March 2023, the Company has 13,352 CODO Retail Outlets and 7,659 DODO Retail Outlets.

The Company charges SSLF to the respective Retail Outlets based on the sales volume of MS and HSD sold by the Company to these Retail Outlets and the SSLF is collected daily by the Company along with the collection from sale of petroleum products to the Retail Outlets. The SSLF rates, as last modified in February 2019, are tabulated below:

Table 9 SSLF

(In Rs/KL)

Type of Outlet	Product	Rate (Excluding GST)	GST Rate	Rate (Including GST)
CODO	Motor Spirit	369.35	18%	435.84
	High Speed Diesel	307.79	18%	363.19
DODO	Motor Spirit	153.52	28%	196.51
	High Speed Diesel	127.94	28%	163.76

Source: Petroleum Planning and Analysis Cell

The SSLF Cashflows are based on the sales volume of MS and HSD to the Retail Outlets, the sales volume of HPCL for MS and HSD at CODO and DODO Retail Outlets is tabulated below.

Table 10 Sales volume of CODO and DODO Retail Outlets

(In '000 KL)

Year	CODO			DODO			Total (CODO+DODO)
	HSD	MS	Total	HSD	MS	Total	
FY2019	13,891	6,636	20,527	5,938	2,847	8,785	29,312
FY2020	13,577	6,937	20,513	5,864	2,995	8,859	29,373
FY2021	11,852	6,311	18,164	5,626	2,959	8,585	26,748
FY2022	12,080	6,733	18,813	6,270	3,483	9,753	28,566
FY2023	14,386	7,696	22,082	7,886	4,161	12,048	34,130

Source: HPCL

The SSLF Cashflows from CODO and DODO Retail Outlets for the last 5 years is tabulated below.

Table 11 SSLF Cashflows of CODO and DODO Retail Outlets

(In Rs. crore)

Year	CODO			DODO			Total (CODO+DODO)
	HSD	MS	Total	HSD	MS	Total	
FY2019	424	243	667	89	51	140	807
FY2020	418	256	674	75	46	121	795
FY2021	365	233	598	72	45	117	715
FY2022	372	249	621	80	53	134	754
FY2023	443	284	727	101	64	165	892

Source: HPCL

2.2. Securitisation

Under Securitisation, the Issuer monetises Identified Cashflows against which it receives an upfront consideration from the Investor(s). A non-interest-bearing Escrow Account is required to be opened wherein the Payout is transferred by the Issuer on or before the Due Date as periodic payment to the Investor(s). The amount of Securitisation Facility is calculated by discounting the Payout for the tenor of the Facility.

2.3. Key Concepts for the Securitisation Facility

Key Concepts	Details
Bidder	Institutions who shall be applying for the proposed Securitisation Facility. Eligible Bidders shall include Scheduled Commercial Banks, Non-Banking Financial Company (NBFC), Mutual Funds, Financial Institutions, Insurance Companies, Provident Funds & Pension Funds.
Investor(s)	Successful Bidder for the Transaction selected through bidding-based Price Discovery mechanism which is discussed below.
Identified Cashflows	Future SSLF Cashflows (unencumbered) from Retail Outlets (CODO and DODO Retail Outlets) over the Tenor of the Securitization Facility to the extent of Monthly Payout.
Securitisation Facility/ Facility	<ul style="list-style-type: none"> ▪ The amount of Securitisation Facility shall be computed by discounting the Identified Cashflows at the Discount Rate quoted by the Investor(s). ▪ HPCL receives about Rs. 57.95 crore per month in form SSLF from CODO and DODO Retail Outlets. SSLF Amount has been calculated as the minimum SSLF Cashflow of the Company from July 2021 to March 2023. ▪ HPCL proposes to Securitise SSLF to be received over next 39 months from CODO/ DODO outlets with Monthly Payout. Monthly Payout is

Key Concepts	Details
	calculated at Rs. 42.14 crore with cash collection coverage of 1.1x and 80% of SSLF available for securitisation.
Payout	<ul style="list-style-type: none"> ▪ Payout to the Investor(s) shall consist of Identified Cashflows (to the extent of Monthly Payout), payable monthly by the Company to the Investor(s), by transferring from the Company's Bank Account to the Escrow Account: ▪ In case of change in Discount Rate due to change of respective Benchmark Rate: <ul style="list-style-type: none"> ○ Any increase in monthly outflows on account of such reset shall be borne by the Company by additional credit to Escrow Account. ○ Any decrease in monthly outflows, the balance lying in Escrow Account after meeting the Monthly Obligations (based on the revised Discount Rate), shall flow back to the Company.
Escrow Account (EA)	A non-interest-bearing current account is required to be opened and maintained with the Escrow Bank (The Bank with which the Escrow Account shall be opened) for routing the Cashflows for servicing of the Facility. This is mandatory for routing the Cashflows of the proposed Transaction.
Discount Rate	To be quoted by the Bidder (applicable Benchmark Rate plus spread) Benchmark Rate: Repo rate as published by RBI or T – Bill rate (1 month/3 months) as published by FBIL or G- Sec rate (1year /3 years) (YTM % p.a. (annualized)).
Collection Coverage Ratio	A minimum Collection Coverage Ratio ('CCR') of 1.1x has been used for projecting Securitisation amount on a conservative basis. The CCR will help against movement in Discount Rates (due to changes in Benchmark Rates) and in cases where actual SSLF collections differ from the Monthly Payout.

2.4. Salient features of the Transaction

- The future SSLF Cashflows are proposed to be securitised for a fixed period (of 39 months), which will be subscribed by the Investor(s) identified through the RFQ, against an upfront consideration.
- Whereas the contractual rights to receive the SSLF cashflows shall continue to remain with HPCL, the Company will assume an obligation to transfer Payout to the Investor(s), for servicing the Securitisation Facility, through an Escrow Account, under a contractual arrangement. The Escrow Account and the funds lying therein shall be charged to the Investor(s).

- As per contractual terms, the SSLF Cashflows securitised under this Transaction shall have to be unencumbered and in future these Cashflows cannot be encumbered to any other third-party.
- The proceeds of the Securitisation Facility shall be utilised for part funding the capex of the Company including recoupment of the capex undertaken in the previous 12 months from the date of facility agreement.
- **Monthly Payout:** Monthly Payout of Rs. 42.14 crore would be securitised for the tenor of 39 months which is computed as under:
 - For this Transaction, **minimum** monthly SSLF collection for a **period of 21 months** i.e., from July 2021 to March 2023 has been considered.
 - Historically minimum monthly SSLF Cashflow for the aforesaid period is Rs. 57.95 crore. (Month wise historic SSLF cashflows are provided in *Annexure-III*)
 - Of the amount so determined in the above step, 20% of the cashflows would be applied for Operation and Maintenance (O&M), miscellaneous expenses etc. towards the assets installed at Retail Outlets (the responsibility for O&M of assets installed by HPCL at CODO and DODO Retail Outlets rests with HPCL) leaving a balance 80% of the SSLF cashflows i.e. Rs. 46.36 crore monthly.
 - On a conservative basis, applying a CCR of 1.10x, **the Monthly Payout works out to Rs. 42.14 crore.**
- **Debt Servicing:** The Monthly Payout of Rs. 42.14 crore shall be used towards debt servicing. The Issuer has provided an undertaking that in case of shortfall in the collection of Cashflows from SSLF for any month, the Issuer will utilise other sources of cashflows towards servicing Monthly Obligation amount.
- **Change in Discount Rate:** In case of any change in Discount Rate due to change of Benchmark Rate, the principal repayment amount will remain intact and any increase/decrease in monthly outflows due to increase/decrease in interest amount on account of such reset shall be borne/flow back by/to the Issuer.
- **Calculation of Securitisation Facility:** The Monthly Payout as calculated above, shall be discounted at the Discount Rate quoted by the successful Bidder. Considering a Discount Rate of 7.0% and tenor of 39 months, the Securitisation Facility amounts to Rs. 1,466.14 crore. Please refer *Annexure IV* for detailed calculation.

2.5. Proposed Terms and conditions for Securitisation Facility:

S.No.	Particulars	Terms
1.	Issuer	Hindustan Petroleum Corporation Limited (the 'Issuer')
2.	Investor(s)	Successful Bidder for the Transaction (either sole Bidder or in Consortium)
3.	Identified Cashflows	<p>Future SSLF Cashflows from CODO and DODO Retail Outlets of the Issuer over the Tenor of the Securitization Facility to the extent of Monthly Payout.</p> <p>The SSLF Cashflows Securitised under this Transaction shall be unencumbered and in future these Cashflows cannot be encumbered to any other third-party.</p>
4.	Securitisation Facility/ Facility	<p>Amount calculated by discounting the Monthly Payout at the Discount Rate quoted by the Investor(s).</p> <p>Securitisation Facility Amount will be calculated as per the following formula:</p> $P = M \times (1 - (1/(1+(r/12)) ^n))/(r/12)$ <p>where:</p> <p>P is the amount of Securitisation Facility</p> <p>M is the identified Monthly Payout = Rs. 42.14 crore</p> <p>r is the Discount Rate to be quoted (p.a.)</p> <p>n is the number of monthly payments = 39</p> <p>For example, as per the above formula, at a Discount Rate of 7.0% p.a. and a tenor of 39 months and Monthly Payout of Rs. 42.14 crore, the amount of Securitisation Facility shall work out to Rs. 1,466.14 crore.</p>
5.	Payouts	<ul style="list-style-type: none"> • Payout to the Investor(s) shall consist of Monthly Payout, by the Issuer to the Investor(s), by transferring from HPCL's Bank Account to the Escrow Account ('EA') • In case of any change in Discount Rate due to change of Benchmark Rate: <ul style="list-style-type: none"> ○ The principal repayment amount will remain unchanged.

S.No.	Particulars	Terms
		<ul style="list-style-type: none"> ○ Any increase in monthly outflows due to increase in interest amount on account of such reset shall be borne by the Issuer by additional credit to Escrow Account. ○ In case of decrease in monthly outflows due to decrease in interest amount, the balance lying in Escrow Account after meeting the monthly obligation (based on the revised Discount Rate), shall flow back to the Issuer.
6.	Availability Period	The amount under the Facility shall be available for 3 months from the execution of Transaction Documents and HPCL shall have the right to take disbursement in one or more tranches.
7.	Purpose	The proceeds of the Securitisation Facility shall be utilised towards capex requirements of the Issuer including recoupment of part capex undertaken in the previous 12 months from the date of facility agreement.
8.	Discount Rate	<p>To be indicated by the prospective investor(s) (applicable Benchmark Rate plus spread).</p> <p>The Discount Rate to be linked with quoted Benchmark Rate as specified in the below clause and reset will happen as per the quoted benchmark according to the Benchmark Reset Date stipulated in this table.</p>
9.	Benchmark Rate	<p>Shall mean:</p> <p>Repo rate as announced by Reserve Bank of India (RBI) from time to time; or</p> <p>T – Bill rate (1 month/3 months) from FBIL website; or</p> <p>G- Sec rate (1 year /3 years) (YTM % p.a. (annualized)), par yield, on FBIL website</p> <p>Note: The current 1 month T-Bill as on 29th December 2023 is 6.83% (as per FBIL), 3 month T-Bill as on 29th December 2023 is 7.00% (as per FBIL), G-Sec 1 year (YTM % p.a. (annualized)) as of 29th December 2023 is 7.22% (as per FBIL), G-Sec 3 year (YTM % p.a. (annualized)) as of 29th December 2023 is 7.21% (as per FBIL), and the Repo rate as on 08th December 2023 is 6.50% (updated as per monetary policy committee meeting by RBI)</p>



S.No.	Particulars	Terms
10.	Benchmark Rate Reset Date	<p>The Benchmark Rate shall be reset based on the quoted benchmark which is explained as under:</p> <ul style="list-style-type: none"> • In case of 1-month T-bill rate: <p>The first reset shall take place on the first day of the month following completion of the month in which first disbursement takes place and the subsequent reset shall take place at the beginning of every month</p> • In case of 3-months T-bill rate/ 1 year/ 3 years G-Sec rates: <p>First reset date shall be the first day of the subsequent financial quarter to the first drawdown date. Subsequently, reset shall be at the beginning of the subsequent financial quarters.</p> • In case of Repo rate: <p>Reset as and when Repo Rate revision is announced by RBI</p>
11.	Upfront fees and other charges	Nil
12.	Escrow Account (EA)	<p>A non-interest-bearing current account to be opened and maintained with the Escrow Bank for routing the Payouts. The entire Payouts for the month shall be transferred on or before Due Date.</p> <p>The Monthly Obligation amount (principal + interest) of the Securitization Facility shall be serviced from the Payouts credited to Escrow Account, on the Due Date.</p> <p>Inflows:</p> <ul style="list-style-type: none"> • Payouts • Additional amount payable by the Issuer in case of an increase in Monthly Obligation outflows on account of applicable Discount Rate reset. (Principal shall remain the same, only the interest portion shall change) <p>Outflows:</p> <ul style="list-style-type: none"> • Monthly Obligations amount due on the Due Date <p>Any surplus fund available in the Escrow Account after servicing of the Facility obligations, shall be transferred back to the Bank account of HPCL.</p>

S.No.	Particulars	Terms
		The operating procedure for Escrow Account shall be as per the Escrow Agreement
13.	Repayment/ Redemption	Structured Repayment Instalment spanned over 39 months.
14.	Due Date	<ul style="list-style-type: none"> • Shall mean the last Business Day* of the month on which monthly obligation amount (principal + interest) of the Securitization Facility shall be payable. • The Monthly Obligation amount will be calculated at each Benchmark Rate Reset Date such that the tenor of the Facility will remain the same. <p><i>*Business Day shall mean a day (other than Sunday and Bank Holidays) on which banks are open for business in Mumbai.</i></p>
15.	Tenor	Door to Door tenor of 3 years and 3 months (39 months) from the date of first disbursement
16.	Security	First charge on Escrow Account opened by the Issuer for depositing the Payouts by the Issuer.
17.	Undertaking from HPCL	Transfer of Payout on the respective Due Date. In the event of shortfall in the collection of Cashflows from SSLF for any month, the Issuer will utilise other sources of cashflows towards servicing Monthly Obligation amount
18.	Financial Covenants	<p>The Issuer shall ensure that:</p> <ol style="list-style-type: none"> a. Its Tangible Net worth will not be less than Rs. 6,000 crore. b. The ratio of its Long Term Secured Debt to Net Fixed Asset will not exceed 0.8:1 c. The ratio of its Long-Term Borrowings to Tangible Net worth will not exceed 2.50:1 <p>Covenants shall be tested based on the audited financials of the Issuer for each financial year. First such testing will be based on the audited financials for the financial year ended 31st March 2024 or the FY pertaining to the date of drawdown, whichever is later.</p>

S.No.	Particulars	Terms
		<p>Adverse deviation in respect of any two of the above financial parameters from the estimated/ projected levels accepted at the time of sanction/ last review, will attract penal interest.:</p> <p>Penalty for adverse deviation</p> <p>- Upto 10% - Nil</p> <p>-More than 10% - 50 bps per annum</p> <p>No Penal Interest shall be payable in the event the breach is cured within a period of 30 days from the date of advice regarding such breach of covenants by the Investor(s).</p> <p>Definitions of the Financial Covenants for the purpose of the above:</p> <p>“Borrowings” means the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of the Financial Indebtedness of the Borrower (other than any indebtedness in respect of any derivative transaction entered into connection with protection against or benefit from fluctuation in any rate or price and any guarantee or indemnity in respect of such indebtedness).</p> <p>“Long Term Borrowings” means all borrowings of the Borrower in respect of amounts borrowed or raised and originally due for payment after twelve (12) months from the date of creation of such indebtedness.</p> <p>“Long Term debt” means all financial indebtedness of the Borrower in respect of amounts borrowed or raised and not originally due for payment within twelve (12) months of the date of creation of such indebtedness.</p> <p>“Long Term Secured Debt” means all Long-Term Debt which is secured by security.</p> <p>"Paid-Up-Capital means the aggregate of</p> <p>(a) The amount paid up or credited as paid up on the issued share capital of the Borrower. (Other than any shares which are expressed to be redeemable); and</p> <p>(b) The amount standing to the credit of the reserves and surplus of the Borrower.</p>

S.No.	Particulars	Terms
		<p>"Tangible Net Worth" means Paid-up Capital less (but without double counting) any amount included in Paid-up Capital which is attributable to</p> <p>a) Goodwill or other intangible assets</p> <p>(b) Amounts set aside for tax</p> <p>(c) minority interests</p> <p>but ignoring any variation in the credit or debit balance on the profit and loss account since the date of the then latest audited balance sheet of the Borrower except to the extent reflected in any later profit and loss statement.</p> <p>Any amount outstanding, or repayable in a currency other than Rupees shall on that day be considered in its Rupee equivalent at the rate of exchange that would have been used had an audited balance sheet of the Borrower been prepared as at that day in accordance with IndAS applicable to the Financial Statements of the Borrower.</p> <p>"Total Net Fixed Assets" means, the aggregate net book value of all the Borrower's fixed tangible assets and capital work in progress (excluding, for the avoidance of doubt, any revaluation reserve, any capital advances, goodwill and other Intangible assets) as determined from the financial statements.</p>
19.	Prepayment of Facility and prepayment charges	<ul style="list-style-type: none"> • The Issuer may at any time after expiry of a period of 6 months from the date of first disbursement, prepay the whole or part of the facility, without any prepayment charges, by giving an irrevocable prior written notice of not less than 1 month to the Investor(s) stating the amount and the date of proposed prepayment. • If the Issuer prepays the whole or part of the facility, within 6 months from the date of first disbursement, prepayment premium of 1% of the amount prepaid shall be applicable.
20.	Transaction Documents	<p>Transaction Documents shall include, but not limited to the following:</p> <ul style="list-style-type: none"> • Sanction Letter for Securitization Facility • Facility Agreement • Escrow Account

S.No.	Particulars	Terms
		<ul style="list-style-type: none"> Any other agreements that are required to be executed in the relation to the Facility
21.	Event of Default and Consequences	<p>EOD shall trigger upon failure of the Issuer to credit the Payout into the Escrow Account by the due dates.</p> <p>Consequences of Event of Default</p> <p>Upon the occurrence of Event of Default, the Investor(s) may exercise any one or more of the following rights:</p> <ul style="list-style-type: none"> Accelerate the payment of outstanding amount of Facility. Draw on any balances in the Escrow Account under lien to the Bank. Exercise any other right that the Bank may have under the Transaction Documents or under Indian law;
22.	Default Interest	In the event of default, the Issuer shall pay default interest at the rate of 1% p.a. on the defaulted amount for the period of such default, unless the same is waived by the Investors.
23.	Governing Law	Indian Law and subject to jurisdiction of the Courts of Delhi. The scheme of Governing Law shall be as detailed in the Facility Agreement.
24.	Expenses and Reimbursements	No additional fee or charges (including upfront fee, processing fee, lender legal fee, underwriting fee, management fee, pre-payment penalty, commitment fee or any other fee.) over and above quoted Discount Rate shall be paid by the Issuer. However, stamp duty charges to be borne by the Issuer.
25.	Withholding tax/TDS	Wherever Withholding tax/ TDS is applicable, Payout shall be net of such deductions

3. BID PROCESS

3.1. Eligible Bidders

List of the Eligible Bidders who can participate through this RFQ is as given below:

- Scheduled Commercial Banks
- Non-Banking Financial Companies (NBFCs)
- Mutual Funds
- Financial Institutions
- Insurance Companies registered with the Insurance Regulatory and Development Authority
- Provident Funds
- Pension Funds

Note: A Bidder shall quote for the entire Securitisation Facility Amount. In this regard, the following may be noted:

- Bidder may be a Single Entity or Consortium of Multiple Entities ('Consortium').
- A Consortium shall have a maximum of 4 (four) Member Entities.
 - Every Consortium shall have a Lead member.
 - The Lead Member shall ensure that the commitment is fulfilled.
 - The Lead member shall submit an undertaking on its letterhead signed by all the members of the Consortium, mentioning the names of the Consortium Members and their respective share in the Facility Amount.

3.2. Timeline for Bid

Table 12 Timeline for bid

S.No	Steps /Actions	Timeline (Days)
1.	Issue of RFQ	08 th January 2024
2.	Conducting Pre-bid meeting with interested Bidders	11 th January 2024
3.	Submission of queries by Bidders	15 th January 2024
4.	Response to queries of Bidders / Issuing amendments to RFQ (if required)	16 th January 2024
5.	Bid Submission by Bidder	24 th January 2024 by 1600 Hrs (IST)
6.	Bid Opening by HPCL	24 th January 2024 At 1615 Hrs. (IST)
7.	Bid evaluation, identification of successful Bidder and internal approval by HPCL	31 st January 2024
8.	Issuance of LoI to the Successful Bidder/ Investor(s)	05 th February 2024
9.	Finalization of transaction documents and opening of Escrow Account	16 th February 2024
10.	Signing of Agreement/ Documents	23 rd February 2024



Note: Timelines as mentioned above are only indicative in nature and HPCL reserves the right to alter the timeline or omit any steps/actions without assigning any reason whatsoever.

3.3. Evaluation of Bids

- **Bidder with the lowest Discount Rate (Benchmark plus spread) shall be declared as the successful Bidder.** In other words, Bidder offering the highest discounted value of SSLF shall be the successful Bidder.
- For evaluation of bids, the spread and benchmark rate quoted by the Bidder shall be added together for calculating Discount Rate.
 - The spread quoted by the Bidder shall be fixed throughout the tenor of the Facility.
 - The benchmark rate i.e., 1 month/3 months T-bill published on FBIL website; 1 year /3 years G-Sec rates YTM % p.a. (Annualized Par Yield) published on FBIL website; Repo Rate on RBI site, of the previous working day of the last date of submission of the bid shall be considered for the purpose of evaluation.
 - If the benchmark quoted by the Bidder does not match with the benchmark taken from the respective website as explained above, the rate appearing on the respective website as on the applicable date, shall be considered for evaluation purpose.
- Bids shall be treated as non-responsive and be liable for rejection if the bid are received after the submission date & time and/or the bids are not submitted in accordance with the format provided in the RFQ.
- Any misrepresentation by the Bidder or any conditional bid shall be liable for rejection by HPCL.
- HPCL reserves the right to accept or reject any bid at any time prior to signing of the agreement or cancel/withdraw invitation to Bid for any reason without incurring any liability to the affected Bidder.
- If the Bidder, inter alia, withdraws/modifies its bid during the bid validity period, or if it fails to sign the contract after the bid is awarded to it, then HPCL reserves the right to take penal action as it deems fit.

3.4. Other Terms and Conditions

1. Bids to be submitted in physical form only and in the form and manner prescribed under this document.
2. The Bidder shall accept the terms and conditions as mentioned in the Proposed Term and conditions for Securitisation Facility, as given in Section 2.5
3. The Bidder acknowledges that the Facility Agreement and Escrow Agreement shall be substantially in the formats, as given in *Schedule- I* and *Schedule- II* respectively.

4. The below documents duly signed and stamped on each page shall be submitted by the Bidder:
- Duly accepted copy of RFQ document indicating acceptance of the terms and conditions of RFQ.
 - Format of Declaration for Submission of Bid (*Annexure-I*)
 - Price Bid (*Annexure – II*)
 - Draft Facility Agreement (*Schedule– I*)
 - Draft Escrow Agreement (*Schedule–II*)
5. The above documents shall be submitted in a sealed envelope via letter addressed to following before the cut off time

Particular	Details
Submitted to	Mr. Manish K Jagnani, Chief Manager Treasury, HPCL
Date	24 th January 2024
Cut-off Time	1600 Hrs (IST)
Address	Petroleum House, 5 th Floor, 17, Jamshedji Tata Road, Churchgate, Mumbai- 400020

6. Any modification/substitution/withdrawal of the bid once submitted shall be permitted only upto last date of submission i.e., 24th January 2024, till 1600 Hrs (IST).
7. Any late receipt of bid including due to postal delay shall not be entertained at all.
8. **Confidentiality:** All information, data and documents furnished/disclosed by HPCL to the Bidder and all calculations, technical information etc. supplied by the Bidder to HPCL will be treated by the Bidder and its agents as confidential and proprietary in nature and shall not be used by any of them without the previous written consent of HPCL except in connection with the RFQ. Confidential information shall also mean any information or knowledge acquired by the Bidder and/or its personnel arising out of, or in connection with the RFQ, which is not otherwise available to the public.
9. **Power of Attorney/ Authorization letter:** The Power of Attorney ('POA')/ authorization letter in favour of signatory of tender documents and document regarding authority of executant of such POA/ authorization letter needs to be submitted with the bids.
10. The Bidder shall bear all direct or consequential costs, losses and expenditure associated with or relating to the preparation, submission, and subsequent processing of their Bids.
11. **Pre-Bid Conference:** A virtual pre-bid conference to discuss and clarify the RFQ / Terms of the Bid will be held after the issue of this RFQ. Pre-bid conference will be held on 11th January 2023 and the time will be updated on website. Interested Bidder may also visit HPCL website or contact / write queries (if any) to Mr. Leetesh Gupta, Senior Manager (Finance) at leeteshgupta@hpcl.in , (022-22788618) and Ms. Seema Agarwal, Vice President, SBI Capital Markets Ltd. at seema.agarwal@sbicaps.com & team.hpclsecuritization@sbicaps.com, (022-



41968391) for information in this regard.

12. **Clarifications/ Queries on the RFQ document:** The Bidder may seek clarification/ raise queries on the RFQ Document before the pre-bid meeting via email to Mr. Leetesh Gupta, Senior Manager (Finance) at leeteshgupta@hpcl.in or Mr. Manish K Jagnani, Chief Manager Treasury- at manishkjagnani@hpcl.in and Ms. Seema Agarwal, Vice President, SBI Capital Markets Ltd. at seema.agarwal@sbicaps.com & team.hpclsecuritization@sbicaps.com. HPCL shall reserve the right not to respond to the queries of Bidder. Any modification of the RFQ that may become necessary due to the clarification shall be made by the Company through an Addendum/ Corrigendum issue under the sub-clause above.
13. Any grievances/dispute in the RFQ may be forwarded to Executive Director- Corporate Finance, Petroleum House, 17, Jamshedji Tata Road, Churchgate, Mumbai -400020, Ph- 022-22863206.

Thanking You,

Yours Truly,

Mr. Manish K Jagnani

Chief Manager – Treasury



ANNEXURES



Annexure-I: Format of Declaration to be Submitted by Bidder

FORMAT OF DECLARATION FOR SUBMISSION OF BID

(To be executed on Letterhead of the Bidder/ Lead member of Consortium)

No:

Date:

To

M/s Hindustan Petroleum Corporation Limited

Name of Contract: Asset Monetisation through Securitisation of Future Cashflows from Retail Outlets

I/We hereby submit that the bid submitted by the undersigned, on behalf of the Bidder, [Name of the Bidder], shall not be withdrawn or varied during the period of validity i.e. 30 (Thirty) days from the last date of submission of Bid.

I/We hereby submit that the bid is being submitted for the Rs. [XX] amount of Securitization Facility as per selection method described in the RFQ. I/We further submit that the Bidder shall apply for the whole of the Securitisation Facility amount (Rs. [XX]).

However, if more than one Bidders quote the same lowest Discount Rate (p.a.), the Company shall have the right to equally divide the amount of Securitization Facility amongst the Bidders quoting the same lowest Discount Rate.

I/We undertake the following:

- a. Have read and agree each condition of the bid document/ RFQ.
- b. Have read the Term Sheet as enclosed in the bid document/RFQ and provide acceptance for the same.
- c. Agree that the Transaction Documents shall be substantially in the format attached.
- d. Submit that undersigned is/are authorized to sign and submit this bid under the internal guidelines of the Bidder.

Place:

Date:

(Signature of Authorised Signatory)

Name:

Designation:

(Official Seal)

Annexure-II: Price Bid**Price Bid****Subject:** Asset Monetisation through Securitisation of Future Cashflows from Retail Outlets

Benchmark	Benchmark Rate (p.a.) (A)	Spread (p.a.) (B)	Discount Rate (p.a.) (A+B)	Facility Amount quoted by the Bidder (upto two decimal places) (Rs. Cr)

In case of bid by Consortium, the amount of Securitisation Facility provided by each Member Entities shall be populated in the table provided below:

(in Rs crore)

Member Entities	Amount of Securitization Facility	Signature of Authorised person
Member 1- Lead Member		
Member 2		
Member 3		
Member 4		
Total		

Signature and Seal of the Authorized Person of Bidder/ Lead Member**Notes:**

- Amount of Securitization Facility shall be calculated basis the formula mentioned in the RFQ and shall be quoted in two decimal places.
- Securitisation Facility Amount will be calculated as per the following formula:

$$P = M \times (1 - (1/(1+(r/12)) ^n))/(r/12)$$

where:

P is the amount of Securitisation Facility

M is the identified Monthly Payout = Rs. 42.14 crore

r is the Discount Rate to be quoted (p.a.)

n is the number of monthly payments = 39

- In case of any variation in the Securitization Facility indicated by the Bidder and the Securitization Facility as computed by the formula mentioned in the RFQ, the amount of Securitization Facility computed as per the formula shall prevail.

Annexure-III: Historical SSLF Collection

SSLF Amount has been calculated as the minimum SSLF Cashflow of the Company from July 2021 to March 2023 ('Period'). To alleviate the impact of Covid-19, the period after July 2021 has been used for calculation of the SSLF Amount. The company's minimum monthly SSLF Amount from CODO and DODO Retail Outlets in the aforementioned period was Rs. 57.95 crore. The details of Company's minimum monthly SSLF Cashflow during July 2021 to March 2023 is shown below:

July 2021 to March 2023	CODO	DODO	Total
Total Sales volume (TKL)	36,445	19,545	55,990
Total SSLF Collection (Rs. crore)	1,201.43	267.65	1,469.08
Minimum monthly SSLF Cashflow (Rs. crore)	57.95		

The Historical Collections details from CODO and DODO Retail Outlets is tabulated below:

Historical collection details from CODO Outlets (Monthly)

Year	Month	Volume (000' KL)		SSLF collection (Rs. crore)		
		HSD	MS	HSD	MS	Total
FY2022 (From July 2021 to March 2022)	July	976	583	30.04	21.52	51.56
	August	869	591	26.74	21.84	48.58
	September	863	576	26.56	21.27	47.83
	October	1,051	604	32.36	22.3	54.66
	November	986	568	30.36	20.97	51.33
	December	1,143	623	35.17	23	58.17
	January	972	538	29.92	19.88	49.80
	February	1,022	553	31.47	20.42	51.89
	March	1,229	616	37.83	22.75	60.58
Total (Jul 21 – Mar 22)		9,111	5,252	280.45	193.95	474.4
FY2023	April	1,198	616	36.88	22.76	59.64
	May	1,232	649	37.93	23.97	61.9
	June	1,292	639	39.76	23.62	63.38
	July	1,117	622	34.38	22.98	57.36
	August	1,074	664	33.04	24.51	57.55
	September	1,059	628	32.60	23.21	55.81
	October	1,200	672	36.93	24.8	61.73
	November	1,296	629	39.90	23.25	63.15
	December	1,291	654	39.73	24.17	63.9
	January	1,182	630	36.37	23.26	59.63
	February	1,163	614	35.81	22.68	58.49
	March	1,282	678	39.45	25.03	64.48
Total (FY2023)		14,386	7,696	442.79	284.24	727.03


Historical collection details from DODO Outlets (Monthly)

Year	Month	Volume (000' KL)		SSLF collection (Rs. crore)		
		HSD	MS	HSD	MS	Total
FY2022 (From July 2021 to March 2022)	July	502	295	6.42	4.53	10.95
	August	432	300	5.53	4.6	10.13
	September	437	295	5.59	4.53	10.12
	October	547	311	7	4.77	11.77
	November	531	295	6.79	4.54	11.33
	December	609	323	7.79	4.96	12.75
	January	511	283	6.53	4.34	10.87
	February	544	291	6.96	4.46	11.42
	March	655	336	8.38	5.16	13.54
Total (Jul 21 – Mar 22)		4768	2729	60.99	41.89	102.88
FY2023	April	635	327	8.12	5.02	13.14
	May	650	352	8.32	5.41	13.73
	June	700	345	8.95	5.29	14.24
	July	618	338	7.91	5.19	13.1
	August	581	356	7.43	5.47	12.9
	September	569	340	7.28	5.22	12.5
	October	654	362	8.37	5.56	13.93
	November	731	343	9.35	5.27	14.62
	December	722	354	9.24	5.44	14.68
	January	654	340	8.37	5.21	13.58
	February	651	336	8.32	5.15	13.47
	March	722	369	9.24	5.66	14.9
Total (FY2023)		7,886	4,162	100.90	63.89	164.79

Annexure IV Illustrations and Amortisation schedule

Illustration A: Tenor 39 months, Discount Rate: 7.0%. SSLF Facility Amount calculated at Rs. 1466.14 crore.

The below computations are indicative considering monthly SSLF Amount of Rs. 57.95 crore applied CCR of 1.1 times, Discount Rate of 7.0% and a tenor of 39 months. The Payout is calculated as 80% of SSLF Amount (after considering applied CCR). Thus, indicative Payout calculated per month is calculated with the below formula:

$$\text{Monthly Payout} = \text{Monthly SSLF Amount} * \% \text{ of Cashflow Securitised} / \text{CCR}$$

Indicative monthly Payout is thus calculated as: $57.95 * 80\% / 1.1 = \sim \text{Rs. 42.14 crore}$

(In Rs. crore)

Month	Opening Principal (A)	Fixed Monthly Payout (B)	Principal repayment (C)	%age repayment	Closing Principal (A-C)	Amount for interest	Incr/decr in interest due to rate reset (D)	Total Payout (B+D)
1	1,466.14	42.14	33.59	2.29%	1,432.55	8.55	-	42.14
2	1,432.55	42.14	33.78	2.30%	1,398.77	8.36	-	42.14
3	1,398.77	42.14	33.98	2.32%	1,364.79	8.16	-	42.14
4	1,364.79	42.14	34.18	2.33%	1,330.61	7.96	-	42.14
5	1,330.61	42.14	34.38	2.34%	1,296.23	7.76	-	42.14
6	1,296.23	42.14	34.58	2.36%	1,261.65	7.56	-	42.14
7	1,261.65	42.14	34.78	2.37%	1,226.87	7.36	-	42.14
8	1,226.87	42.14	34.98	2.39%	1,191.89	7.16	-	42.14
9	1,191.89	42.14	35.19	2.40%	1,156.70	6.95	-	42.14
10	1,156.70	42.14	35.39	2.41%	1,121.30	6.75	-	42.14
11	1,121.30	42.14	35.60	2.43%	1,085.70	6.54	-	42.14
12	1,085.70	42.14	35.81	2.44%	1,049.90	6.33	-	42.14
13	1,049.90	42.14	36.02	2.46%	1,013.88	6.12	-	42.14
14	1,013.88	42.14	36.23	2.47%	977.65	5.91	-	42.14
15	977.65	42.14	36.44	2.49%	941.22	5.70	-	42.14
16	941.22	42.14	36.65	2.50%	904.57	5.49	-	42.14
17	904.57	42.14	36.86	2.51%	867.70	5.28	-	42.14
18	867.70	42.14	37.08	2.53%	830.62	5.06	-	42.14
19	830.62	42.14	37.30	2.54%	793.33	4.85	-	42.14
20	793.33	42.14	37.51	2.56%	755.81	4.63	-	42.14
21	755.81	42.14	37.73	2.57%	718.08	4.41	-	42.14
22	718.08	42.14	37.95	2.59%	680.13	4.19	-	42.14
23	680.13	42.14	38.17	2.60%	641.96	3.97	-	42.14
24	641.96	42.14	38.40	2.62%	603.56	3.74	-	42.14
25	603.56	42.14	38.62	2.63%	564.94	3.52	-	42.14
26	564.94	42.14	38.85	2.65%	526.10	3.30	-	42.14
27	526.10	42.14	39.07	2.66%	487.02	3.07	-	42.14
28	487.02	42.14	39.30	2.68%	447.73	2.84	-	42.14
29	447.73	42.14	39.53	2.70%	408.20	2.61	-	42.14
30	408.20	42.14	39.76	2.71%	368.44	2.38	-	42.14
31	368.44	42.14	39.99	2.73%	328.45	2.15	-	42.14
32	328.45	42.14	40.22	2.74%	288.22	1.92	-	42.14
33	288.22	42.14	40.46	2.76%	247.76	1.68	-	42.14
34	247.76	42.14	40.70	2.78%	207.07	1.45	-	42.14
35	207.07	42.14	40.93	2.79%	166.13	1.21	-	42.14



Month	Opening Principal (A)	Fixed Monthly Payout (B)	Principal repayment (C)	%age repayment	Closing Principal (A-C)	Amount for interest	Incr/decr in interest due to rate reset (D)	Total Payout (B+D)
36	166.13	42.14	41.17	2.81%	124.96	0.97	-	42.14
37	124.96	42.14	41.41	2.82%	83.55	0.73	-	42.14
38	83.55	42.14	41.65	2.84%	41.90	0.49	-	42.14
39	41.90	42.14	41.90	2.86%	-	0.24	-	42.14

Illustration B: Tenor: 39 months, Discount rate: 7.0% for first 12 months, post which Discount Rate of 7.50% (increase by 50 bps after 1 year)

The below computations are indicative considering monthly SSLF Amount of Rs. 57.95 crore applied CCR of ~1.1 times, Discount Rate of 7.0% for first 12 months and then a Discount Rate of 7.5% (upto the tenor), and a tenor of 39 months. The Payout is calculated as 80% of SSLF Amount (after considering applied CCR). Thus, indicative Payout calculated per month is calculated with the below formula.

$$\text{Monthly Payout} = \text{Monthly SSLF Amount} * \% \text{ of Cashflow Securitised} / \text{CCR}$$

Indicative Monthly Payout is thus calculated as: $57.95 * 80\% / 1.1 = \sim \text{Rs. 42.14 crore}$. However, Discount Rate of 7.25% from 13th month and upto the tenor of the Facility, the Payout has been calculated by considering the increased interest component for the Facility. The Payout after the change in Discount Rate (i.e., from 13th month) would be $\sim \text{Rs. 42.38 crore}$. Any increase/ decrease in Monthly Payout on account of movement in interest rate shall be borne by/ refunded to HPCL. The principal repayment shall remain unchanged, and the interest component shall be increased/ decreased based on the Discount Rate.

(in Rs Crore)

Month	Opening Principal (A)	Fixed Monthly Payout (B)	Principal repayment (C)	%age repayment	Closing Principal (A-C)	Amount for interest	Incr/decr in interest due to rate reset (D)	Total Payout (B+D)
1	1,466.14	42.14	33.59	2.29%	1,432.55	8.55	-	42.14
2	1,432.55	42.14	33.78	2.30%	1,398.77	8.36	-	42.14
3	1,398.77	42.14	33.98	2.32%	1,364.79	8.16	-	42.14
4	1,364.79	42.14	34.18	2.33%	1,330.61	7.96	-	42.14
5	1,330.61	42.14	34.38	2.34%	1,296.23	7.76	-	42.14
6	1,296.23	42.14	34.58	2.36%	1,261.65	7.56	-	42.14
7	1,261.65	42.14	34.78	2.37%	1,226.87	7.36	-	42.14
8	1,226.87	42.14	34.98	2.39%	1,191.89	7.16	-	42.14
9	1,191.89	42.14	35.19	2.40%	1,156.70	6.95	-	42.14
10	1,156.70	42.14	35.39	2.41%	1,121.30	6.75	-	42.14
11	1,121.30	42.14	35.60	2.43%	1,085.70	6.54	-	42.14
12	1,085.70	42.14	35.81	2.44%	1,049.90	6.33	-	42.14
13	1,049.90	42.14	36.02	2.46%	1,013.88	6.12	0.24	42.38
14	1,013.88	42.14	36.23	2.47%	977.65	5.91	0.24	42.38
15	977.65	42.14	36.44	2.49%	941.22	5.70	0.24	42.38
16	941.22	42.14	36.65	2.50%	904.57	5.49	0.24	42.38
17	904.57	42.14	36.86	2.51%	867.70	5.28	0.24	42.38
18	867.70	42.14	37.08	2.53%	830.62	5.06	0.24	42.38
19	830.62	42.14	37.30	2.54%	793.33	4.85	0.24	42.38
20	793.33	42.14	37.51	2.56%	755.81	4.63	0.24	42.38
21	755.81	42.14	37.73	2.57%	718.08	4.41	0.24	42.38
22	718.08	42.14	37.95	2.59%	680.13	4.19	0.24	42.38
23	680.13	42.14	38.17	2.60%	641.96	3.97	0.24	42.38
24	641.96	42.14	38.40	2.62%	603.56	3.74	0.24	42.38
25	603.56	42.14	38.62	2.63%	564.94	3.52	0.24	42.38
26	564.94	42.14	38.85	2.65%	526.10	3.30	0.24	42.38
27	526.10	42.14	39.07	2.66%	487.02	3.07	0.24	42.38



Month	Opening Principal (A)	Fixed Monthly Payout (B)	Principal repayment (C)	%age repayment	Closing Principal (A-C)	Amount for interest	Incr/decr in interest due to rate reset (D)	Total Payout (B+D)
28	487.02	42.14	39.30	2.68%	447.73	2.84	0.24	42.38
29	447.73	42.14	39.53	2.70%	408.20	2.61	0.24	42.38
30	408.20	42.14	39.76	2.71%	368.44	2.38	0.24	42.38
31	368.44	42.14	39.99	2.73%	328.45	2.15	0.24	42.38
32	328.45	42.14	40.22	2.74%	288.22	1.92	0.24	42.38
33	288.22	42.14	40.46	2.76%	247.76	1.68	0.24	42.38
34	247.76	42.14	40.70	2.78%	207.07	1.45	0.24	42.38
35	207.07	42.14	40.93	2.79%	166.13	1.21	0.24	42.38
36	166.13	42.14	41.17	2.81%	124.96	0.97	0.24	42.38
37	124.96	42.14	41.41	2.82%	83.55	0.73	0.24	42.38
38	83.55	42.14	41.65	2.84%	41.90	0.49	0.24	42.38
39	41.90	42.14	41.90	2.86%	-	0.24	0.24	42.38

Illustration C : Tenor: 39 months, Discount rate: 7.0% for first 12 months, post which Discount Rate of 6.75% (decrease by 25 bps after 1 year)

The below computations are indicative considering monthly SSLF Amount of Rs. 57.95 crore applied CCR of ~1.1 times, Discount Rate of 7.0% for first 12 months and then a Discount Rate of 6.75% (upto the tenor), and a tenor of 39 months. The Payout is calculated as 80% of SSLF Amount (after considering applied CCR). Thus, indicative Payout calculated per month is calculated with the below formula.

$$\text{Monthly Payout} = \text{Monthly SSLF Amount} * \% \text{ of Cashflow Securitised} / \text{CCR}$$

Indicative Monthly Payout is thus calculated as: $57.95 * 80\% / 1.1 = \sim \text{Rs. 42.14 crore}$. However, Discount Rate of 6.75% from 13th month and upto the tenor of the Facility, the Payout has been calculated by considering the increased interest component for the Facility. The Payout after the change in Discount Rate (i.e., from 13th month) would be $\sim \text{Rs. 42.02 crore}$. Any increase/ decrease in Monthly Payout on account of movement in interest rate shall be borne by/ refunded to HPCL. The principal repayment shall remain unchanged, and the interest component shall be increased/ decreased based on the Discount Rate.

(In Rs. crore)

Month	Opening Principal (A)	Fixed Monthly Payout (B)	Principal repayment (C)	%age repayment	Closing Principal (A-C)	Amount for interest	Incr/decr in interest due to rate reset (D)	Total Payout (B+D)
1	1,466.14	42.14	33.59	2.29%	1,432.55	8.55	-	42.14
2	1,432.55	42.14	33.78	2.30%	1,398.77	8.36	-	42.14
3	1,398.77	42.14	33.98	2.32%	1,364.79	8.16	-	42.14
4	1,364.79	42.14	34.18	2.33%	1,330.61	7.96	-	42.14
5	1,330.61	42.14	34.38	2.34%	1,296.23	7.76	-	42.14
6	1,296.23	42.14	34.58	2.36%	1,261.65	7.56	-	42.14
7	1,261.65	42.14	34.78	2.37%	1,226.87	7.36	-	42.14
8	1,226.87	42.14	34.98	2.39%	1,191.89	7.16	-	42.14
9	1,191.89	42.14	35.19	2.40%	1,156.70	6.95	-	42.14
10	1,156.70	42.14	35.39	2.41%	1,121.30	6.75	-	42.14
11	1,121.30	42.14	35.60	2.43%	1,085.70	6.54	-	42.14
12	1,085.70	42.14	35.81	2.44%	1,049.90	6.33	-	42.14
13	1,049.90	42.14	36.02	2.46%	1,013.88	6.12	-0.12	42.02
14	1,013.88	42.14	36.23	2.47%	977.65	5.91	-0.12	42.02
15	977.65	42.14	36.44	2.49%	941.22	5.70	-0.12	42.02
16	941.22	42.14	36.65	2.50%	904.57	5.49	-0.12	42.02
17	904.57	42.14	36.86	2.51%	867.70	5.28	-0.12	42.02
18	867.70	42.14	37.08	2.53%	830.62	5.06	-0.12	42.02
19	830.62	42.14	37.30	2.54%	793.33	4.85	-0.12	42.02
20	793.33	42.14	37.51	2.56%	755.81	4.63	-0.12	42.02
21	755.81	42.14	37.73	2.57%	718.08	4.41	-0.12	42.02
22	718.08	42.14	37.95	2.59%	680.13	4.19	-0.12	42.02
23	680.13	42.14	38.17	2.60%	641.96	3.97	-0.12	42.02
24	641.96	42.14	38.40	2.62%	603.56	3.74	-0.12	42.02
25	603.56	42.14	38.62	2.63%	564.94	3.52	-0.12	42.02
26	564.94	42.14	38.85	2.65%	526.10	3.30	-0.12	42.02
27	526.10	42.14	39.07	2.66%	487.02	3.07	-0.12	42.02
28	487.02	42.14	39.30	2.68%	447.73	2.84	-0.12	42.02



Month	Opening Principal (A)	Fixed Monthly Payout (B)	Principal repayment (C)	%age repayment	Closing Principal (A-C)	Amount for interest	Incr/decr in interest due to rate reset (D)	Total Payout (B+D)
29	447.73	42.14	39.53	2.70%	408.20	2.61	-0.12	42.02
30	408.20	42.14	39.76	2.71%	368.44	2.38	-0.12	42.02
31	368.44	42.14	39.99	2.73%	328.45	2.15	-0.12	42.02
32	328.45	42.14	40.22	2.74%	288.22	1.92	-0.12	42.02
33	288.22	42.14	40.46	2.76%	247.76	1.68	-0.12	42.02
34	247.76	42.14	40.70	2.78%	207.07	1.45	-0.12	42.02
35	207.07	42.14	40.93	2.79%	166.13	1.21	-0.12	42.02
36	166.13	42.14	41.17	2.81%	124.96	0.97	-0.12	42.02
37	124.96	42.14	41.41	2.82%	83.55	0.73	-0.12	42.02
38	83.55	42.14	41.65	2.84%	41.90	0.49	-0.12	42.02
39	41.90	42.14	41.90	2.86%	-	0.24	-0.12	42.02

Annexure-V: Consolidated Financials of HPCL

A. Consolidated Balance Sheet:

(Rs. crore)

As on 31st March	2021(A)	2022(A)	2023(A)	H12024(U)
Sources of Funds				
Equity Share Capital	1,452	1,419	1,419	1,419
Other Equity	36,629	39,985	30,844	43,636
Net Worth	38,081	41,404	32,263	45,055
Non-Current Liabilities				
Borrowings	25,049	32,115	48,171	43,089
Other Non-Current Liabilities	8,630	9,669	7,039	10,757
Total Non-Current Liabilities	33,679	41,784	55,210	53,846
Current Liabilities				
Borrowings	15,635	12,863	18,877	11,413
Trade Payables	16,576	26,477	22,913	28,013
Other Current Liabilities	30,203	32,100	32,076	39,221
Total Current Liabilities	62,414	71,440	73,866	78,647
Total Equity and Liabilities	1,34,174	1,54,628	1,61,340	1,77,548
Non-Current Assets				
Property, Plant and Equipment	49,951	56,982	67,305	69,401
Capital Work-in-Progress	25,129	28,645	25,311	25,496
Intangible Assets	1,169	1,406	1,379	1,424
Investment in Joint Ventures and Associates	9,334	12,840	17,810	21,448
Other Non-Current Assets	4,406	5,065	5,558	5,550
Total Non-Current Assets	89,989	1,04,938	1,17,363	1,23,319
Current Assets				
Inventories	28,764	35,515	29,575	36,657
Trade Receivables	6,870	6,340	6,832	7,948
Cash and Cash Equivalents	575	258	672	547
Other Current Assets	7,977	7,637	6,898	9,076
Total Current Assets	44,186	49,750	43,977	54,228
Total Assets	1,34,174	1,54,628	1,61,340	1,77,547

Source: HPCL Annual Reports and Unaudited financials for September 2023

B. Consolidated Income Statement

(Rs. crore)

For the Year Ended 31st March	2021(A)	2022(A)	2023(A)	H12024 (U)
Revenue From Operations	2,70,578	3,74,127	4,66,499	2,21,058
Other Income	2,644	2,439	1,466	1,715
Total Income	2,73,222	3,76,566	4,67,965	2,22,773
Cost of Goods Sold	2,00,555	3,22,131	4,27,209	1,79,738
Excise Duty	37,330	24,214	25,789	14,000
Employee Benefits Expense	3,219	3,017	3,001	1,715
Other Expenses	13,471	14,521	17,706	8,492
Total Expenses	2,54,575	3,63,883	4,73,477	2,03,945
EBITDA	18,647	12,683	(5,740)	18,828
Finance Costs	963	997	2,174	1,217



For the Year Ended 31st March	2021(A)	2022(A)	2023(A)	H12024 (U)
Depreciation & Amortization Expense	3,625	4,000	4,560	2,619
Profit/(Loss) Before Tax	14,197	9,144	(9,984)	14,992
Profit / (Loss) for the year After Tax	10,663	7,294	(6,980)	12,592

Source: HPCL Annual Reports and Unaudited financials for September 2023

Annexure-VI: Details of Joint Ventures and Subsidiaries

Details of shareholding in Joint Ventures is tabulated as below:

Joint Ventures of HPCL					
Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31.12.22		Nature of Operations
1.	HPCL-Mittal Energy Ltd.	13.12.2000	HPCL	48.993%	Refining of crude oil and manufacturing of petroleum products.
			Mittal Investments S.A.R.L.	48.993%	
			Indian Financial Institutions	2.014%	
2.	Hindustan Colas Pvt. Ltd.	17.07.1995	HPCL	50.00%	Manufacture and marketing of Bitumen Emulsions & Modified Bitumen.
			Colasie SA	50.00%	
3.	South Asia LPG Company Pvt. Ltd.	16.11.1999	HPCL	50.00%	Storage of LPG in underground cavern and associated receiving and dispatch facilities at Visakhapatnam.
			Total Holding India	50.00%	
4.	Petronet India Ltd.	26.05.1997	HPCL	16.00%	To act as nodal agency for developing identified and prioritized petroleum product pipelines in the country. The company has commenced voluntary winding up on 30.08.2018.
			BPCL	16.00%	
			IOCL	18.00%	
			Financial / Strategic Investors	50.00%	
5.	Petronet MHB Ltd.	31.07.1998	HPCL	49.996%	Operation and maintenance of petroleum product pipeline between Mangalore-Hassan-Bengaluru.
			ONGC	49.996%	
			Others	00.008%	
6.	Bhagyanagar Gas Ltd.	22.08.2003	HPCL	48.728%	City Gas Distribution network in Hyderabad, Vijayawada, and Kakinada in the state of Andhra Pradesh/ Telangana.
			GAIL	48.728%	
			Andhra Pradesh Industrial Infrastructure Corporation Ltd.	2.490%	
			Kakinada Seaports Limited	0.054%	
7.	Aavantika Gas Ltd.	07.06.2006	HPCL	49.99%	City Gas Distribution network in Indore, Ujjain, and Gwalior in the state of Madhya Pradesh.
			GAIL	49.99%	
			Financial Institutions	0.01%	
8.	Mumbai Aviation Fuel Farm Facility Pvt. Ltd.	26.02.2010	HPCL	25.00%	To design, develop, construct, and operate the aviation fuel facility at Chhatrapati Shivaji International Airport, Mumbai
			IOCL	25.00%	
			BPCL	25.00%	
			Mumbai International Airport Pvt Limited	25.00%	
9.	Godavari Gas Pvt. Ltd.	27.09.2016	APGDC	74.00%	City Gas Distribution network in East Godavari and West Godavari Districts of Andhra Pradesh.
			HPCL	26.00%	
10.	Ratnagiri Refinery and	22.09.2017	IOCL	50.00%	To set up a refinery and petrochemical complex of 60
			BPCL	25.00%	

Joint Ventures of HPCL					
Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31.12.22		Nature of Operations
	Petrochemicals Ltd.		HPCL	25.00%	MMTPA (approximately) along the west coast of India in the State of Maharashtra.
11.	HPCL Rajasthan Refinery Ltd.	18.09.2013	HPCL	74.00%	To set up a 9 MMTPA capacity Greenfield refinery cum petrochemical complex in the State of Rajasthan.
			Govt. of Rajasthan	26.00%	
12.	HPOIL Gas Pvt Ltd.	30.11.2018	HPCL	50.00%	City Gas Distribution network in Ambala and Kurukshetra in the state of Haryana and Kolhapur in the state of Maharashtra.
			OIL	50.00%	
13.	IHB Ltd.	09.07.2019	IOCL	50.00%	To set up cross country Kandla-Gorakhpur LPG Pipeline.
			BPCL	25.00%	
			HPCL	25.00%	

Source: HPCL

Details of Subsidiary companies for HPCL are tabulated below:

Subsidiaries of HPCL					
Sr. No.	Name of the Company	Date of Incorporation	Shareholding as on 31.12.22		Nature of Operations
1.	Prize Petroleum Co. Ltd.	28.10.1998	HPCL	100%	Exploration and Production (E&P) of Hydrocarbons and services for management of E&P blocks.
2.	HPCL Biofuels Ltd.	16.10.2009	HPCL	100%	Operates two integrated sugar-ethanol-cogen plants at Sugauli and Lauriya in East Champaran and West Champaran Districts respectively in the State of Bihar.
3.	HPCL Middle East FZCO	11.02.2018	HPCL	100%	Trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa.
4	HPCL LNG Ltd. ^	15.10.2013	HPCL	100%	To set up and operate an LNG Re-gasification Terminal at the greenfield port at Chhara (Gujarat)

Source: HPCL

A. JVs and Subsidiaries in Refining Business

• HPCL Mittal Energy Limited

HPCL Mittal Energy Limited ('HMEL') is a joint venture of HPCL and Mittal Energy Investment Pte Ltd, a Lakshmi Mittal group Company, where both JV partners hold an equity stake of 48.99% each in the Company and the remaining is held by financial institutions. It may be noted that HPCL has 100% rights for marketing HMEL's petroleum products.

HMEL owns and operates Guru Gobind Singh Refinery ('GGSR') in Bhatinda, Punjab with an installed capacity of 11.3 MMTPA. The refinery was originally commissioned in April 2012 with 9.0 MMTPA

capacity; and the capacity was increased to 11.3 MMTPA by debottlenecking and undertaking a low-cost expansion. The refinery primarily produces two categories of products: (i) Liquid products such as LPG, Naphtha, MS, HSD, ATF etc. and (ii) Solid products such as Pet coke, Polypropylene ('PP') and Sulphur.

HMEL is in the process of expansion of its Petrochemical facilities through Guru Gobind Singh Polymer Addition Project within the premises of GGSR. The project scope comprises of setting up of a world class cracker unit to produce optimized Ethylene and setting up of associated downstream polymer units to produce LLDPE, HDPE, Butene and Impact PP. All the Polymer units, Cracker Unit, Utilities and Offsite packages have been mechanically completed. Major utilities, offsite packages, Polypropylene plant, and Natural Gas spur line to the complex has already been commissioned. After commissioning of the petrochemical complex, the capacity of polymer production is expected to be about 2.2 MMTPA.

- **Mangalore Refinery and Petrochemicals Limited**

Mangalore Refinery and Petrochemicals Limited ('MRPL') is a joint venture between HPCL and ONGC with an equity stake of 16.96% and 71.63% respectively. MRPL was set up in 1988 with an initial processing capacity of 3.69 MMTPA that was later expanded to the present capacity of 15.0 MMTPA.

- **HPCL Rajasthan Refinery Ltd. (under Implementation Stage)**

HPCL Rajasthan Refinery Ltd. ('HRRL') is a joint venture of HPCL and Government of Rajasthan with 74% equity participation by HPCL and 26% by Government of Rajasthan. HRRL is setting up a 9 MMTPA greenfield refinery cum petrochemical complex in the state of Rajasthan. The refinery shall be using locally available crude from Rajasthan block i.e., Rajasthan Crude and imported Arab Mix crude. The project will be producing clean fuels such as BS VI MS & BS VI HSD and Petrochemical products such as Polypropylene, Butadiene, Benzene, Toluene, LLDPE, etc.

- **Ratnagiri Refinery and Petrochemicals Ltd.**

Ratnagiri Refinery and Petrochemicals Ltd. ('RRPL') is a joint venture Company promoted by IOCL, BPCL, HPCL with equity participation in the ratio of 50:25:25 respectively. RRPL has planned to set up a 60 MMTPA integrated refinery cum petrochemical complex at west coast of Maharashtra and is expected to be commissioned by the 2025. Saudi Aramco and ADNOC have also signed an MOU to partner with RRPL to jointly execute the project along with IOCL, BPCL and HPCL. Once completed, this refinery shall help narrow down the demand supply gap and shall add to the profitability of HPCL.

B. JVs and Subsidiaries in Pipeline Business

- **Petronet MHB Limited**

HPCL holds 49.99% equity stake in Petronet MHB Limited ('PMHBL') along with ONGC holding the balance equity. PMHBL owns and operates a multiproduct petroleum pipeline to transport products

from MRPL refinery to various parts of the state of Karnataka.

- **GSPL India Gasnet Limited**

GSPL India Gasnet Limited ('GIGL') is an entity promoted by Gujarat State Petronet Limited ('GSPL') along with IOCL, BPCL and HPCL for the purpose of implementation of cross-country pipeline spanning over 1600 km passing through Mehsana, Bhatinda, Jammu, and Srinagar. HPCL holds 11% stake in the firm.

- **GSPL India Transco Limited**

GSPL India Transco Limited ('GITL') is an entity promoted by GSPL along with IOCL, BPCL and HPCL for the purpose of implementation of cross-country pipeline spanning over 1600 km passing through Mallavarm, Bhopal, Bhilwara and Vijapur. HPCL holds 11% equity stake in GITL.

C. JVs and Subsidiaries in City Gas Distribution

- **Bhagyanagar Gas Limited**

Bhagyanagar Gas Limited ('BGL') is a joint venture between HPCL and GAIL, both holding an equal stake of 48.7% in BGL. BGL was incorporated to implement CGD projects in Andhra Pradesh. BGL is currently operating in Hyderabad, Vijayawada, Kakinada and Tirupati. BGL also operates 135 CNG stations in the cities of Hyderabad, Vijayawada, and Kakinada in the states of Andhra Pradesh and Telangana.

- **Aavantika Gas Limited**

Aavantika Gas Limited ('AGL') was incorporated to implement CGD projects in the cities of Indore, Ujjain, Pitampur and Gwalior, in the state of Madhya Pradesh. HPCL has 49.99% equity stake in AGL with GAIL as equal partner. AGL has a CGD network comprising of 2,572 Km Medium Density Polyethylene ('MDPE') pipeline and 104 Km steel pipeline and is serving 1,18,471 domestic customers. AGL also operates 83 CNG stations in the cities of Indore, Ujjain, Pithampur and Gwalior in the state of Madhya Pradesh.

- **Godavari Gas Pvt Ltd.**

Godavari Gas Pvt Ltd. is joint venture between HPCL and Andhra Pradesh Gas Distribution Corporation Limited wherein HPCL holds 26% equity stake and 74% stake is held by Andhra Pradesh Gas Distribution Corporation Limited (APGDC). GGPL has been formed to develop and operate CGD network in East Godavari and West Godavari districts of Andhra Pradesh.

- **HPOIL Gas Pvt Limited**

HPOIL Gas Pvt Limited ('HPOIL') is a Joint Venture between HPCL and OIL India Ltd. ('OIL') with equity shareholding of 50% each. HPOIL has been formed to develop and operate CGD networks in geographical areas of Ambala – Kurukshetra districts in the state of Haryana and Kolhapur district in the state of Maharashtra. HPOIL has a CGD network comprising of 647 km MDPE pipeline and 119



km steel pipeline and is serving 27,111 domestic customers.

- **HPCL LNG Limited Proposed LNG Terminal at Chhara, Gujarat**

HPCL LNG Limited ('HPLNG') was incorporated in October 2013 as a joint venture Company of HPCL and SP Ports Private Limited to construct and operate a Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On 30th March 2021, HPCL acquired the entire shares owned by SP Ports Private Limited and upon such acquisition, HPLNG became a wholly owned subsidiary of the Corporation.

HPCL is constructing a 5 MMTPA LNG regasification terminal at Chhara Port through HPLNG. Major facilities at LNG terminal include marine facilities for berthing and unloading of LNG carrier, storage tanks, regasification facilities and associated utilities. Setting up of this LNG terminal will facilitate HPCL in meeting captive requirement of its refineries. The LNG terminal shall also provide synergetic benefits to its pipeline and CGD businesses, as the LNG terminal shall act as a source for feeding its pipeline network and CGD business shall act as a consumer for the LNG terminal with pipeline enabling the transportation of the gas between the two.



SCHEDULES



Schedule- I: Draft Facility Agreement

[Enclosed]



Schedule- II: Draft Escrow Account Agreement

[Enclosed]