



ASSURANCE STATEMENT

Introduction

Det Norske Veritas AS ('DNV') has been commissioned by the management of Bharat Petroleum Corporation Limited ('the Company') to carry out an assurance engagement on the Company's Corporate Sustainability Report 2007-08 ('the Report') in its printed format against the Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines Version 3.0.

Bharat Petroleum Corporation Limited is responsible for the collection, analysis, aggregation and presentation of information within the Report. Our responsibility in performing this work is to the management of Bharat Petroleum Corporation Limited only and in accordance with terms of reference agreed with the Company. The assurance engagement is based on the assumption that the data and information provided to us is complete and sufficient. DNV expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this assurance statement.

Scope of Assurance

The scope of work agreed upon with Bharat Petroleum Corporation Limited includes the following:

- The full Report as well as references made in the Report to the annual report and corporate website;
- Review of the Report against Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines Version 3.0, and confirmation of the Application Level;
- Reporting boundary as set out in the Report;
- Verification of economic indicators in the Report, based on data from audited financial accounts;
- Visits to the Company's head-office in Mumbai and 13 other locations in India.

The verification was carried out during December 2008.

Independence

DNV did not provide any services to Bharat Petroleum Corporation Limited during 2007-08 that could conflict with the independence of our work. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

Verification Methodology

Our assurance engagement was planned and carried out in accordance with the DNV Protocol for Verification of Sustainability Reporting, which is based both on the GRI Guidelines and the AA1000 Assurance Standard (2003). DNV took a risk-based approach throughout the assurance engagement, concentrating on the issues we believe are most material for both the Company and its stakeholders.

As part of the verification we have:

- Challenged the sustainability-related statements and claims made in the Report and assessed the robustness of the data management system, information flow and controls;
- Execution of the audit trail on selected claims and data streams to determine the level of accuracy in collection, transcription and aggregation;
- Examined and reviewed documents, data and other information made available to us by the Company;
- Visited head-office, 2 refineries, 6 retail installations, 3 LPG bottling plants and 2 aircraft filling stations;
- Conducted interviews with 76 representatives (including data owners and decision-makers from different divisions and functions) of the Company;
- Reviewed the Company's approach to stakeholder engagement;
- Performed sample-based audits of the mechanisms for implementing the Company's own sustainability-related policies, as described in the Report;
- Performed sample-based audits of the processes for generating, gathering and managing the quantitative and qualitative data included in the Report;

Reviewed the process of acquiring information and economic data from the Company's 2007-08 certified consolidated balance sheet.

Conclusions

In DNV's opinion, the Report provides a fair representation of the Company's policies, strategies, management systems, initiatives and projects. The Report meets the general content and quality requirements of the Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines Version 3.0, and DNV confirms that the GRI requirements for Application Level 'A+' have been met.

- **Materiality:** The Company has demonstrated internal processes that are effective in bringing out issues of significance, and these issues are covered in the report. DNV recommends that the Company strengthens formal processes for stakeholder engagement and assessing materiality in order to better understand, manage and improve its sustainability performance.
- **Completeness:** Based on our review and within the reporting boundary defined by the Company, DNV is not aware that the Report omits relevant information that would significantly influence stakeholder assessments or decisions or that reflect significant economic, environmental and social impacts. The completeness of quantitative data reported can be further improved in certain environmental parameters.
- **Accuracy:** The data measurement techniques and bases for calculations have been adequately described to DNV. Although no systematic errors have been detected, DNV has identified some manual errors which have subsequently been corrected. The Company is committed to continually improving the quality of data and is in the process of adopting a more structured data management system. In the final form of the report, DNV has not found material inaccuracies in the data verified or instances where data is presented in a way which significantly affects the comparability of data.
- **Neutrality:** DNV considers the information contained in the Report to be balanced. The emphasis on various topics in the Report is proportionate to their relative materiality.
- **Comparability:** The information in the Report is presented in a format that allows users to see positive and negative trends in performance on a year-to-year basis. We recommend that the Company aligns the presentation of its performance indicators with the units specified in its corporate goals and targets.
- **Responsiveness:** The Company demonstrates an active commitment to dialogue with selected stakeholders. The engagement process can be further strengthened by formally documenting the expectations on sustainability expressed by stakeholders through different engagement channels.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported back to the management of Bharat Petroleum Corporation Limited. However, these do not affect our conclusions on the Report, and they are indeed generally consistent with the management objectives already in place.

- An internal verification mechanism should be developed to further improve the reliability of data as well as help improve internal communication on sustainability reporting.
- Specific goals and targets for environmental aspects should be developed and disclosed to help implement the Company's commitment to environmental responsibility.
- A systematic and documented process for identifying and engaging key stakeholders on issues of concern should be implemented. A concurrent formalised process of assessing materiality will strengthen the Company's management of sustainability issues.

For Det Norske Veritas AS

Signed:





Santhosh Jayaram
Lead Verifier
Manager: Corporate Responsibility Services
India & Sri Lanka
Det Norske Veritas AS

Signed:



Dr Helena Barton
Service Area Responsible: CR Report Verification
Det Norske Veritas AS

GRI Application level check

		2002						
		In Accordance	C	C+	B	B+	A	A+
Mandatory	Self Declared			Report Externally Assured		Report Externally Assured	✓	
	Third Party Checked			Report Externally Assured		Report Externally Assured	✓	
Optional	GRI Checked							

Indicator Protocol	Disclosure on Management Approach
<p>Economic</p>	<p>To meet the challenge of an evolving and growing market, we have designed and deployed various strategies that will help us to meet the energy needs and fulfill our responsibility to our shareholders and contribute towards inclusive growth. Being a public sector organization, our procurement policies are pre-disposed towards sourcing goods and services from within India Our hiring policy is designed to preferentially provide employment to citizens of the country.</p> <p>We contribute significantly towards the creation of livelihoods and employment opportunities in the communities we operate in and earmarked certain percentage of PAT towards community contribution. We also provide for fixed quotas, aligned with the requirements of GOI, for the differently-abled and members of economically backward classes and tribal communities.</p>
<p>Environmental</p>	<p>We are committed to achieve the highest standards of environmental performance within our control. The core objective of our R&D centre has been towards achieving greater energy efficiency in our processes and research on commercialization of available renewable energy technologies.</p> <p>We have adopted a two-pronged strategy to achieve the objective of reducing our energy footprint:</p> <ul style="list-style-type: none"> .By fostering innovation which will help to develop scientifically sound and practical solutions to achieve energy efficiency. .By increasing the renewable energy percentage in our energy mix <p>We have very limited influence on the product usage by our customers, but since energy conservation and efficiency is embedded in our organization's policy we engage with our customers through various modes of communication to raise awareness regarding implication of fossil fuel usage and the need for conservation. We are committed to enhance our efforts for excellence in environmental conservation.</p>
<p>Labor Practices and Decent Work</p>	<p>BPCL has a firm belief that human resource is the most important resource of the organization and therefore seeks involvement of people across the organization. Training and development is an important thrust area and we invest significantly towards training our employees. We do not discriminate in respect of hiring, remuneration, access to training, termination or retirement, based on race, caste, national origin, religion, disability, gender, union membership, political affiliation and age. We place a premium on health, safety and environmental standards and we are committed to making continued efforts to achieve the highest standards in the area of HSE.</p>

Indicator Protocol	Disclosure on Management Approach
<p>Human Rights</p>	<p>Our corporate vision, which includes our ideals to 'Make BPCL a great place to work', to 'Be an ethical company' and 'Make people the source of our improvement' complement our employee policies. Our contracts are designed in a manner through which our suppliers and contractors are bound by the laws of the country and the local statutes and thus are obliged to respect the human rights of their workers.</p>
<p>Product Responsibility</p>	<p>Customer satisfaction is very important for a marketing company like us. Due to the large variety of our products, we have a broad spectrum of customers, therefore each of our SBUs has devised multi-dimensional channels of gauging customer satisfaction of our products and services. Product quality and safety is intricately embedded in our operations and we adhere to all applicable statutes regarding product labeling and transportation.</p>
<p>Society</p>	<p>We operate as per the guidelines of the Central Vigilance Commission (CVC) of the Government of India to manage risks due to corruption. The concept of "Vigilance for Corporate Excellence" is at the centre of all the departmental operations and a "Proactive Vigilance" approach is adopted.</p> <p>Our policy advocacy and lobbying stance is that we take special care to set standards and guidelines ethically and in a bipartisan manner, considering the best available and achievable improvement options.</p>

GRI Content Index

This index pertains to the Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines, Version 3.0, and the American Petroleum Institute/International Petroleum Industry Environmental Conservation Association (API/IPIECA) sustainability reporting indicators.

Reported

Not Reported

	GRI Indicators <i>Core indicators in italics</i>	API/IPIECA Indicators	Pages
Standard Disclosures			
Strategy & Analysis	1.1, 1.2		16,17,18,19,20
Organizational Profile	2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10		8,9,10,11,12,13,14,15
Reporting Parameters	Report Profile 3.1, 3.2, 3.3, 3.4		2
	Report Scope & Boundary 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11		2
	GRI Content Index 3.12		
	Assurance 3.13		
	Governance 4.1, 4.2, 4.3, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10		24,25
	Commitments to External Initiatives 4.11, 4.12, 4.13		25,37,67
	Stakeholder Engagement 4.14, 4.15, 4.16, 4.17		21,22,23
	Management Approach and Performance Indicators 5		70,71
Economic	Economic Performance <i>EC1, EC2, EC3, EC4</i>	ECO-1, ECO-2, ECO-A3, ECO-A2	31,32,40
	Market Presence <i>EC5, EC6, EC7</i>	SOC-A3, ECO-3	33
	Indirect Economic Impacts <i>EC8, EC9</i>	SOC-A4	33,34,35
Environmental	Materials <i>EN1, EN2, EN27</i>	ENV-A5	37
	Energy <i>EN3, EN4, EN5, EN6, EN7</i>	ENV-5, ENV-A8	38,39
	Water <i>EN8, EN9, EN10</i>	ENV-A7	42
	Biodiversity <i>EN11, EN12, EN13, EN14, EN15</i>	ENV-A9	41
	Emissions, effluents and waste <i>EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, EN24, EN25</i>	ENV-1, ENV-2, ENV-3, ENV4, ENV 6, ENV-A1, ENV-A2, ENV-A3, ENV-A4, ENV-A6	37, 40,41,43,44,45,55,56
	Products & Services <i>EN26, EN27</i>	ENV-A5	37,55,56
	Compliance <i>EN28</i>		44
	Transport <i>EN29</i>		55
	Environmental Protection expenditures <i>EN30</i>	ENV-6	37

	GRI Indicators <i>Core indicators in italics</i>	API/IPECA Indicators	Page No.
Social			
Labour Practices and Decent Work	Employment <i>LA1, LA2, LA3</i>		47
	Labor/Management Relations <i>LA4, LA5</i>	SOC-6	47
	Occupational Health & Safety <i>LA6, LA7, LA8, LA9</i>	<i>H&S-2, H&S-3, H&S-4</i>	29,48,49,50
	Training & Education <i>LA10, LA11, LA12</i>	<i>SOC-5, SOC-A2</i>	49, 51
	Diversity & Equal Opportunity <i>LA13, LA14</i>		51
Human Rights	Investment & Procurement Practices <i>HR1, HR2, HR3</i>		59
	Non-discrimination <i>HR4</i>	<i>SOC-4</i>	59
	Freedom of Association & Collective Bargaining <i>HR5</i>	<i>SOC-7</i>	47
	Child Labour <i>HR6</i>	<i>SOC-7</i>	60
	Forced and Compulsory Labour <i>HR7</i>	<i>SOC-1, SOC 7</i>	60
	Security Practices <i>HR8</i>	<i>SOC-9</i>	60
	Indigenous Rights <i>HR9</i>	<i>SOC-A6</i>	59
Society	Community <i>SO1</i>	<i>SOC-8, SOC – A5, SOC-A7</i>	61, 62, 63, 64, 65
	Corruption <i>SO2, SO3, SO4</i>	<i>SOC-2, ECO –A1</i>	22,25,66
	Public Policy <i>SO5, SO6</i>	<i>SOC-3, SOC-A1</i>	67
	Anti-Competitive Behaviour <i>SO7</i>		67
	Compliance <i>SO8</i>		67
Product Responsibility	Customer Health & Safety <i>PR1, PR2</i>	<i>H&S-5</i>	55,56,57,58
	Product & Service Labelling <i>PR3, PR4, PR5</i>		57
	Marketing Communication <i>PR6, PR7,</i> Customer Privacy <i>PR8</i>		57
	Compliance <i>PR9</i>		58

Indicator Protocol	Disclosure on Management Approach
<p>Human Rights</p>	<p>Our corporate vision, which includes our ideals to 'Make BPCL a great place to work', to 'Be an ethical company' and 'Make people the source of our improvement' complement our employee policies. Our contracts are designed in a manner through which our suppliers and contractors are bound by the laws of the country and the local statutes and thus are obliged to respect the human rights of their workers.</p>
<p>Product Responsibility</p>	<p>Customer satisfaction is very important for a marketing company like us. Due to the large variety of our products, we have a broad spectrum of customers, therefore each of our SBUs has devised multi-dimensional channels of gauging customer satisfaction of our products and services. Product quality and safety is intricately embedded in our operations and we adhere to all applicable statutes regarding product labeling and transportation.</p>
<p>Society</p>	<p>We operate as per the guidelines of the Central Vigilance Commission (CVC) of the Government of India to manage risks due to corruption. The concept of "Vigilance for Corporate Excellence" is at the centre of all the departmental operations and a "Proactive Vigilance" approach is adopted.</p> <p>Our policy advocacy and lobbying stance is that we take special care to set standards and guidelines ethically and in a bipartisan manner, considering the best available and achievable improvement options.</p>

GRI Content Index

This index pertains to the Global Reporting Initiative (GRI) 2006 Sustainability Reporting Guidelines, Version 3.0, and the American Petroleum Institute/International Petroleum Industry Environmental Conservation Association (API/IPIECA) sustainability reporting indicators.

Reported

Not Reported

	GRI Indicators <i>Core indicators in italics</i>	API/IPIECA Indicators	Pages
Standard Disclosures			
Strategy & Analysis	1.1, 1.2		16,17,18,19,20
Organizational Profile	2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10		8,9,10,11,12,13,14,15
Reporting Parameters	Report Profile 3.1, 3.2, 3.3, 3.4		2
	Report Scope & Boundary 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11		2
	GRI Content Index 3.12		
	Assurance 3.13		
	Governance 4.1, 4.2, 4.3, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10		24,25
	Commitments to External Initiatives 4.11, 4.12, 4.13		25,37,67
	Stakeholder Engagement 4.14, 4.15, 4.16, 4.17		21,22,23
	Management Approach and Performance Indicators 5		70,71
Economic	Economic Performance <i>EC1, EC2, EC3, EC4</i>	ECO-1, ECO-2, ECO-A3, ECO-A2	31,32,40
	Market Presence <i>EC5, EC6, EC7</i>	SOC-A3, ECO-3	33
	Indirect Economic Impacts <i>EC8, EC9</i>	SOC-A4	33,34,35
Environmental	Materials <i>EN1, EN2, EN27</i>	ENV-A5	37
	Energy <i>EN3, EN4, EN5, EN6, EN7</i>	ENV-5, ENV-A8	38,39
	Water <i>EN8, EN9, EN10</i>	ENV-A7	42
	Biodiversity <i>EN11, EN12, EN13, EN14, EN15</i>	ENV-A9	41
	Emissions, effluents and waste <i>EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, EN24, EN25</i>	ENV-1, ENV-2, ENV-3, ENV4, ENV 6, ENV-A1, ENV-A2, ENV-A3, ENV-A4, ENV-A6	37, 40,41,43,44,45,55,56
	Products & Services <i>EN26, EN27</i>	ENV-A5	37,55,56
	Compliance <i>EN28</i>		44
	Transport <i>EN29</i>		55
	Environmental Protection expenditures <i>EN30</i>	ENV-6	37

	GRI Indicators <i>Core indicators in italics</i>	API/IPECA Indicators	Page No.
Social			
Labour Practices and Decent Work	Employment <i>LA1, LA2, LA3</i>		47
	Labor/Management Relations <i>LA4, LA5</i>	SOC-6	47
	Occupational Health & Safety <i>LA6, LA7, LA8, LA9</i>	<i>H&S-2, H&S-3, H&S-4</i>	29,48,49,50
	Training & Education <i>LA10, LA11, LA12</i>	<i>SOC-5, SOC-A2</i>	49, 51
	Diversity & Equal Opportunity <i>LA13, LA14</i>		51
Human Rights	Investment & Procurement Practices <i>HR1, HR2, HR3</i>		59
	Non-discrimination <i>HR4</i>	<i>SOC-4</i>	59
	Freedom of Association & Collective Bargaining <i>HR5</i>	<i>SOC-7</i>	47
	Child Labour <i>HR6</i>	<i>SOC-7</i>	60
	Forced and Compulsory Labour <i>HR7</i>	<i>SOC-1, SOC 7</i>	60
	Security Practices <i>HR8</i>	<i>SOC-9</i>	60
	Indigenous Rights <i>HR9</i>	<i>SOC-A6</i>	59
Society	Community <i>SO1</i>	<i>SOC-8, SOC – A5, SOC-A7</i>	61, 62, 63, 64, 65
	Corruption <i>SO2, SO3, SO4</i>	<i>SOC-2, ECO –A1</i>	22,25,66
	Public Policy <i>SO5, SO6</i>	<i>SOC-3, SOC-A1</i>	67
	Anti-Competitive Behaviour <i>SO7</i>		67
	Compliance <i>SO8</i>		67
Product Responsibility	Customer Health & Safety <i>PR1, PR2</i>	<i>H&S-5</i>	55,56,57,58
	Product & Service Labelling <i>PR3, PR4, PR5</i>		57
	Marketing Communication <i>PR6, PR7,</i> Customer Privacy <i>PR8</i>		57
	Compliance <i>PR9</i>		58