

Oil India Limited is a Navaratna Company under the Ministry of Petroleum and Natural Gas, Government of India. It is engaged in the business of Exploration, Production and Transportation of crude oil and natural gas and production of LPG. OIL is the second largest national oil and gas company in India as measured by total proved plus probable reserves and production. With a glorious legacy of hydrocarbon exploration spanning over five decades and with the Core Purpose of “*The fastest growing Energy Company with Global presence providing value to stakeholders*” OIL has carved a niche as a premier national oil company in the upstream sector with a share of 10% of the country’s total crude oil production and 6.6% of Gas production.

*Oil India Limited(OIL) is committed to the principles of Global compact. The policies followed by OIL supports and respect these principles which also form a part of the company’s vision statement thereby integrating them into the short term and long term company goals and objectives to:*

- *Inculcate high standards of business ethics*
- *Involve participation and support innovation for employee growth and satisfaction*
- *Care for the community, ecology and environment.*

During the year 2012-13, OIL carried out its policies confirming commitment to the following ten principles of the Global Compact in the areas of human rights, labour standards, the environment and anti-corruption:

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

OIL has always subscribed to the protection of internationally proclaimed Human Rights. It ensures that its employees and communities living in and around its operational areas are not adversely affected by its operations and that there is no danger to life or the environment in any way. It deploys technology which is safe, efficient and employee friendly. Its work and maintenance programmes ensure safety and security of its employees and people living in and around its operational areas. The company organizes safety training courses and health check-ups round the year to ensure a fit and healthy staff.



DGMS(Director General Mines Safety) authorities, OISD(Oil Industry Safety Directorate) External Safety Audit team members (under MOP&NG) inspect OIL's installations from time to time.

Institution / Govt. Agency	Nos. of Audits/Inspections during 2012-13
State Pollution Control Board	Approx. 08 to 10 inspections
MOEF	3 - 4 inspections
DGMS	9 inspections
OISD	5 audits.

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

The organization ensures that there are no human rights abuses. In OIL there is a set policy for handling grievances of employees, the stakeholders and the community at large. These grievances are attended immediately.

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

Freedom of association is available to all its 8076 employees. The company recognizes their right to collective bargaining, and holds numerous meetings with the Unions and Associations to solve issues pertaining to work related issues, facilities and benefits. Transparency in work, sharing of work performances, strategies and business plans are also actively pursued. Regular interaction with the association and the Unions are held to maintain a cordial and harmonious relationship.

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

OIL believes in voluntary labour and right to work. As per directives of the Government of India, the company ensures payment of minimum wages to labour. The company also abides by the strict statutory guidelines laid down by the Mines Safety Directorate, The Industrial Act and other statutory regulations of the Government of India.

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

The company has a policy whereby minimum age for employment is prescribed and child labour is strictly denied. As per the Mines Act, the minimum age for employment is 18 years, which the company strictly follows.

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

The company is an equal opportunity employer. There is no discrimination for employment or career progression on the basis of caste, gender, colour or religion. The Company employs 368 women employees. As per government guidelines employment to scheduled castes/scheduled tribes and physically challenged persons is strictly followed.

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

Preservation of the ecology and environment has always figured critically in the company's policies. The Company's operations are mostly centered in areas with varied bio-diversity. The Company is committed to conserve, preserve and protect the clean and green environment in its areas of operation. OIL undertakes various environmental projects to assess the effect of OIL's operation on the flora, fauna and wide bio-diversity.



Following are the existing environmental standards/rules acts enforceable under mandatory regulations and strictly followed by the organization:

- (i) Tolerance Limits prescribed by State Pollution Control Board, Assam and Central Pollution Control Board for effluent discharge.
- (ii) Environmental Protection Act, 1986 & Rules.
- (iii) Water Act & Rules.
- (iv) Air Act & Rules.
- (v) The Batteries (Management & Handling) Rules, 2001.
- (vi) The Municipal Solid Waste (Management & Handling) Rules, 2000.
- (vii) The Bio-Medical Waste (Management & Handling) Rules, 1998.
- (viii) Noise Pollution (Regulation or control) Rules.
- (ix) Public Liability Insurance Act & Rules, 1991.
- (x) The Ozone Depleting substances (Regulation & control) Rules, 2000.

OIL also supports many environmental projects under its Corporate Social responsibility programme including seminars and workshops to educate the society on environment protection.

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

The Organization has deployed advance technology in all its operations and adheres to stringent norms for protection of the environment. Risk Analysis is carried out of its critical installations from time to time. Environmental project like *“Effect of gas flaring on rice in oilfields of Assam”* and Environmental study of oil fields through OAEI, Canada was carried out. OIL also carried out a pilot project on Bi-remediation of oily sludge. The organization has also taken up Clean Development projects (CDM) to save fuel and gas emissions.

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

Oil India Limited encourages the development of diffusion of environment friendly technologies. It has adopted following few measures to conserve preserve and protect the clean and green environment in and around our field areas:

### Drilling Installations

- i. Effluent pits are scientifically designed with compartmentalization for effective mopping of floating oil and helps in avoiding contamination of all the pits.
- ii. The water management and preservation of water sources is carried out by following Recycle system.
- iii. Central effluent pit/Emergency pit has been identified for pumping effluent from the drill site to cope up with the situation of heavy rain & prolonged monsoon.

### Production Installations

- i. Formation water is disposed off in the disposal well drilled for the purpose or re-injected into the formation for reservoir pressure maintenance.
- ii. Monitoring wells are drilled for close monitoring of water sample to check any contamination.
- iii. Water oil clarification plants are installed wherever necessary to reduce the oil content less than 10 PPM.
- iv. Oil Soluble Demulsifiers are used with proper flocculants to maximize the oil separation for safe disposal.
- v. Flare pits are properly designed with multiburner facilities with arrangement of abundant supply of air for proper combustion.
- vi. Proper enclosure around the flare pit helps in combating the effect of heat & light on the crops/environment.
- vii. Efforts are taken to reduce the gas flaring further by effective utilization and getting up low pressure boosters/compressors.

### Noise Pollution

- i. Regular noise survey carried out in high noise prone areas.
- ii. Noise attenuators/barriers provided at the source.
- iii. Ear plug/Ear muff are used by the employees while working in high noise prone area.

## Solid Waste Disposal

The solid waste and bio-medical waste are disposed as per Municipal Solid Waste Rules & Bio-medical Waste Rules. Apart from the above measures, OIL undertakes various environmental project to assess the effect of OIL's operation on the flora, fauna and wide bio-diversity.

Oil India Limited has obtained Integrated ISO certification (ISO-9001, ISO-14001, OHSAS 18001), in its various installations as follows:

- In-country Pipeline
- Drilling Rig
- Gas based Power Plant at Duliajan
- LPG Plant at Duliajan
- Tengakhat (Oil Collecting Station) OCS
- Medical Department (OIL Hospital)
- Transport Department

The following departments have received ISO Certification as follows:

- R&D Department accredited with ISO/IEC 17025: 2005 accreditation by NABL, Government of India which is the first among E&P company laboratories to get the accreditation
- Department of Employee Relations received ISO 9001:2008 for Quality Management System.
- Field Engineering Department received ISO 9001:2008 for MGD Water Treatment Plant.
- Electrical Department received ISO 9001:2008 for Quality Management System, ISO 14001:2004 for Environmental Management System & OHSAS 18001:2007 for Occupational Health & Safety.
- Fire Department received ISO 9001:2008, ISO 14001:2004 & OHSAS 18001:2007.





## 10. Organization should work against corruption in all its forms, including extortion and bribery

Oil India Limited has adopted a Conduct Discipline & Appeal Rules and any unethical behaviour is construed as misconduct. An employee violating these codes is subjected to investigation and appropriate action. Vigilance cell of the Company looks into any such misdoings for investigations. Oil India Limited is a signatory to Integrity pact with Transparency international for following strict & transparent policies

### Care for the Community: OIL as a Responsible Corporate Citizen

#### **OIL'S CSR VISION STATEMENT - "OIL is a Responsible Corporate Citizen deeply committed to socio-economic development in its areas of operations."**

Since inception OIL has always given top priority towards the all-round development of the people residing in and around the Company's area of operation. OIL understands that there is a need to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the corporate responsibility towards the community. It is this twin objective of business and social commitment that has prompted OIL to embark upon massive programmes of **education, healthcare, capacity building, livelihood generation, women's empowerment and infrastructural development endeavours**; an attempt to invest technology with a human face. Today, in the states of Assam and Arunachal Pradesh alone the company caters to the developmental needs of more than 1400 villages, connecting them to the mainland and providing realistic opportunities to strive for a fulfilling future.

To further its Corporate Social Responsibility, OIL initiated a long term projects like Agriculture Development, Handicraft Training & Production centre, Project 'Rupantar' for sustainable livelihood generation which would usher in new opportunities to the people residing around its areas of operation. ***As a special case study, we provide highlights of our Project "Rupantar" under OIL's Corporate Social Responsibility Programme*** promoting agro-based industries through the creation of Self Help Groups (SHGs) under Swarnajayanti Gram Swarozgar Yojana (SGSY) in the Company's operational areas with the support of the State Institute of Rural development (SIRD), Assam.

#### **Summary of Project "Rupantar"**

In order to tackle the problem of growing unemployment and socio-economic imbalance, the Company has taken an initiative to invest in a long term projects named **"Rupantar"** (transformation) which can help the unemployed youths to find alternate employment. Being one of the only industries in this part of the country, which is catering to the socio-economic development of the residents of its operational areas, more and more unemployed youth looks at OIL as the only possible source of direct/indirect recruitment. In order to enable these large numbers of unemployed youth and strengthen the rural economy, the project supports development of agro-based industries like bamboo cultivation, floriculture, fishery, piggery, sericulture, mushroom cultivation organic farming etc. and it was envisaged that the agro-based industries shall not only help in ensuring their economic independence but at the same time result in wealth creation and indirect employment. In this context OIL signed a MoU on 8<sup>th</sup> September'2003 with the State Institute of Rural Development, Assam (apex centre for research and training in rural development) which has successfully implemented similar projects in various areas within lower Assam.

## Project Objective:

Successful agro-based industries would have resulted in direct and indirect employment for many more persons. In this way, OIL is able to enhance its goodwill and image as a 'people's company' and help in wealth creation and capacity building then mere wealth distribution. It has become one of the flagship social welfare projects of OIL. This has enhanced OIL's image and also in creating an external environment which is conducive for the Company's operational activities.

The project is based on the '*end – to – end approach*' taking into account the entire gamut of agricultural development, with backward and forward linkages, in a holistic manner. The objective of the scheme is to improve the production and productivity of agricultural crops by harnessing the potential of the region. Through this scheme, an agriculture based farming system is to be developed, thereby providing viable and ample opportunities for employment, besides improving productivity of land.

The scheme addresses the issues related to demonstration of new technology, organic farming, efficient water management, etc. in order to adopt compact/cluster based approach. It covers post harvest management, processing and value addition, including that of medicinal and aromatic plants. The NE Region is known to use minimum fertilizers and pesticides and this is proposed to be converted into strength through appropriate technology-based development and adoption of organic management of agriculture development activities.

## Economic activities identified:

Keeping in perspective the geo-climatic profile of Assam and the area-specific needs of the different villages, the following economic activities have been taken into consideration:

- Farm Mechanization
- Area Based Horticulture, Floriculture and Composite Farming
- Mushroom Cultivation
- Animal Husbandry – Micro Enterprise Development of Poultry, Piggery and Milch cattle
- Fish Farming
- Cottage Industries – Honey Production, Cane/Bamboo Handicrafts
- Training, Technology & Marketing Development
- Diversified Handloom Products for Economic Empowerment of Women



## Highlights of Project Rupantar:

- So far around 5900 SHGs have been formed out of 15 economic activities namely Farm Mechanization; Dairy Farming; Pig Breeding; Duck Rearing; Goat Rearing; Mushroom Cultivation; Diversification of Handloom Products; Integrated Farming; Food Processing;

Computer Training Centres; Farmer's Service Centres; Agro Processing and Marketing; Broom Making; Agro product carrier and Rural Passenger vehicle. Over 2900 have been provided with credit linkages with focus on these activities.

- As on date, the total value of the project including investment made by OIL (Rs 8.31 crore), contributions from SHGs, Bank Loans and Government Subsidies is around Rs 60.00 crore.
- Around 1479 trainings have been conducted till date where 1,32,488 participants have been trained.
- Under Project Rupantar during 2012-13 additional 300 SHG/JLGs have been developed consisting of 2350 families. The groups are involved in self-employment ventures in order to economically support their respective households. The monitoring & evaluation process for the Project will continue for a further period of 24 months. The credit and material disbursement function for the 300 Groups was held on 27th February 2013 at Duliajan, Assam, where more than 3000 beneficiaries (90% women) received financial support and material inputs with a total investment of Rs 250 lakh (Rupees Two hundred and fifty lakh only). The total credit mobilization of the project is Rs 335.00 lakh (Rupees Three hundred and thirty five lakh only), out of which Rs 85.00 lakh (Rupees Eighty Five Lakh) has come as loans from nationalized banks.
- A Growth Centre with Modern Handlooms is in operation at Duliajan, Assam, for Training and Production of Diversified Handloom Products in Assam Silk in which several batches of women from various interior areas, are trained through a two-month training programme. The trained weavers have formed SHGs and shall now avail loans for starting their specialized silk training cum production weaving centres. A marketing outlet named **AASTHA** is also in operation for sale of products from the Growth Centre.

### **Impact of Project "Rupantar" on OIL**

There has been visible decline in demands for direct employment from unemployed youths in and around OIL's operational areas. OIL's "Public Goodwill Reservoir" has been replenished by the sizeable number of people who have benefited from the SHG movement. Expectations of the Community for similar (employment generating schemes) interventions from OIL have risen manifold. Besides, the stakeholders have appreciated OIL's strategic CSR initiative for employment generation, which have in its own way enhanced OIL's brand image. Media have also acknowledged the project and have lauded the efforts of OIL.

OIL's exemplary achievements in Corporate Social Responsibility have earned the Company due recognition from prestigious organizations. OIL had bagged the prestigious TERI Corporate Social Responsibility Award in 2005, which was presented to OIL in recognition of corporate leadership for good corporate citizenship and sustainable community development initiatives. In the year 2008, OIL won the "Most Innovative CSR AMCHAM Runners-up Award from the American Chambers of Commerce in India (AMCHAM), Kolkata for OIL's case study (OIL-SIRD Project Rupantar) and overall CSR initiatives. In April, 2010, Rupkar Bota – a special recognition was conferred upon OIL by Shalmari Yuba Sangha, a leading youth club of Dibrugarh District in recognition of the CSR initiatives implemented by OIL with special focus on Project Rupantar. In 2011, OIL participated in the 20th World Petroleum Congress (WPC) held at the Qatar National Convention Centre (QNCC) in Doha, Qatar from 4th to 8th December, 2011. In the WPC, 'Project Rupantar', an ongoing CSR Project of OIL, to develop and support Self Help Groups, was selected as one of the 12 best case studies amongst corporate initiatives carried out in the global oil and gas industry.

OIL was also awarded the coveted Golden Peacock Award for Corporate Social Responsibility 2010 and 2012 as well. OIL won this prestigious award in the National Category in recognition of its ongoing CSR



activities. OIL received this award at the “Dubai Global Convention- 2012 and 7th International Conference on Social Responsibility” held at Dubai in April, 2012.

As OIL enters new areas, it promises to continue the good work for the benefit of the people. For OIL, a bright smile from the people whose lives it touches is the greatest reward and OIL is determined to remain a Company with a human face. For example **in the year 2014 OIL is taking up a project on Skill Development for which it has signed MOU with three agencies namely Indian Institute of Entrepreneurship, Guwahati, Construction India Development Council, New Delhi and IL&FS Educational Technology Services, New Delhi for capacity building and placement linked skill training of youths from OIL's operational areas.** Through these three MoUs, OIL as part of its CSR initiative aims to provide skill based employment oriented training to 25000 youths from the catchment areas where OIL operates. Skill based placement oriented training will focus on sectors like Construction Industry, Hospitality & House Keeping Management, Industrial Sewing, Jewellery Making, Electrician besides setting up of livelihood clusters in areas like handloom & handicrafts. Entrepreneurship education of students as well as teachers is also another major focus area.

-----X-----