



**CORPORATE OFFICE – HR DEPARTMENT**

**Sadiq Nagar, J.B. Tito Marg,  
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**Statement of Director (Human Resource) of Indian Oil Corporation  
Limited pledging continued support to Global Compact Programme  
of United Nations**

Indian Oil Corporation Limited is committed to continue rendering support to the Global Compact Programme of the United Nations and will endeavour to abide by all the ten principles of the programme, some of which also are a part of our Vision and Mission Statements. Therefore, the company continues to pledge support to the programme through its policies, processes, products services and people

**(V.C. Agrawal)  
Director (HR)**

## **Commitment to Global Compact: Communication on Progress at Indian Oil Corporation Limited**

Indian Oil Corporation Ltd. is committed to the ten principles of Global Compact promulgated by United Nations. This is evident from the various policies pursued by the company. Our Vision statement itself addresses Principle 7, 8 & 9 of Global Compact.

### **Indian Oil Corporation's VISION**

**A major, diversified, trans-national, integrated energy company, with national leadership and a strong environment conscience, playing a national role in oil security & public distribution**

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

- To foster a culture of participation and innovation for employee growth and contribution.
- To cultivate high standards of business ethics and Total Quality Management for a strong corporate identity and brand equity.
- To help enrich quality of life of the community and preserve ecological balance and heritage through a strong environment conscience.

During the year 2006-07, the organization initiated the following actions in support of our commitment:

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

- The Organisation continued subscribing to internationally proclaimed human rights.
- Despite dealing with hazardous processes/products, the company has endeavoured to protect human lives by deploying state-of-the-art-technology.
- Regular maintenance of equipment is taken up for safety & security of the employees and the inhabitants living in the surrounding areas. The organization actively carries out Mock Drills at various sites in order to familiarize employees with the steps they should take in the event of fire. Exhaustive Disaster Control Plans have been developed at each major location, which has the approval of the concerned District Authorities.

Besides, the organisation also conducts various training programmes pertaining to Safety, Health and Environment such as Lay Off Protection Analysis, Hazardous Waste Management and Environment Protection, First Aid etc.

- The organisation also conducted numerous Medical and Health camps during the year. An expenditure of about Rs.3671.84 lakh is spent on Medical, Health and Environment.

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

IndianOil conforms to human rights principles and has ensured that no violation has occurred during the year.

- The organization has an approved policy for handling grievances of employees and customers. Issues raised by other stakeholders such as Contractors, Dealers, Vendors and surrounding villagers and public are also attended promptly.
- It also shares information on different issues under the 'Right to Information Act' with various interested parties and stake holders.
- The company continued to impart training on Gender Sensitivity to employees to create a conducive working environment.

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

Freedom of association is available to all 29862 employees. Overall there are 21 recognized unions representing workmen in various Divisions and one common Officers' Association for all officers in IndianOil. These collectives' bodies are registered under the Trade Union Act, 1926. The organization has established policies and practices through which the collectives exercise the freedom of collective bargaining on issues of common interest and sign Long Term Settlements on salary and pay related issues and perks.

In order to have participative management and effective communication channels with our collective bodies and the employees, the following initiatives are taken:

- Regular structured meetings are held with the collectives, where the organizational issues are discussed. During the year 2006-07, the organization had initiated six meetings with the Officers Association representatives and one meeting with the 21 recognized unions at the corporate level. In addition, a number of meetings were held at Divisional as well as local level with the collectives.

- The company also signed a Memorandum of Understanding pertaining to Modification of Leave Rules and Modification of Rehabilitation Option under the Superannuation Benefit Fund Scheme with the recognized unions of Marketing Division during this period. Earlier, MOU was signed with the recognized unions of other than Marketing Division.
- The organization also proactively shared details of performance, growth strategies and business plans with the collectives by way of Communication Meetings, which were web cast live to IndianOil Offices spread over the country. The Chairman also communicates with all the employees through a monthly bulletin called 'Straight Talk'. Using this soft medium, the Chairman also solicits views/suggestions of employees since he accesses all his e-mails and replies to each personally. On the web-site [www.indianoilxpress.com](http://www.indianoilxpress.com) there is also a platform titled 'Personnel Touch' of Director (HR) through which any employee can directly communicate with Director (HR) on various issues, which is promptly replied to.
- Similarly, Directors of each Division write to employees of the Division through columns of Divisional Journals and interact with them freely during Open Forums held during their many visits to various locations of the company.

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

The Company believes in voluntary labour and during the year no instance of forced/ compulsory or bonded labour has come to light.

- There are in-built provisions in the company policy for ensuring payment of minimum wages, Provident Fund and coverage of contract labour under Employees State Insurance Scheme, Workmen's Compensation Act etc. The organization has made it compulsory for the contractors to cover their respective contract labour under accident insurance. The payment to various contractors is made subject to their fulfilling the aforementioned conditions besides other statutory obligations.
- From time to time the organization also conducts surprise checks and audits to monitor timely and correct payment to contract labour.

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

- The organization has prescribed the minimum age limit of 18 years for employment/contract labour.

- It does not buy products / services from industries deploying child labour.
- 6. Organisation promotes elimination of discrimination in respect of employment and occupation**

IndianOil is an equal opportunity employer.

- There is no discrimination for employment/growth on the basis of caste, colour, gender, religion or region
- One of the largest employers of Women in the public sector - 7.73% women employees as on 31.3.2007
- Govt. instructions on Scheduled Caste, Scheduled Tribe, Other Backward Classes & Physically Challenged Persons followed scrupulously
- Organisation provides equal opportunity for training and development to different strata of employees. It has been steadily deputing them for trainings outside the organization and has won maximum number of laurels for Women Developments.
- Indian Oil has established a network of seventeen Women's Cells under the aegis of the "Forum of Women in Public Sector" (WIPS) at all Refinery Units/ Regional Offices of the Marketing Division, Pipeline's Regional Offices, R&D Centre and Head Office of Refineries, Pipelines and Marketing Divisions. The Forum of Women in Public Sector functions under the aegis of Standing Conference on Public Enterprises. Each WIPS Cell is steered by a women leader known as WIPS Leader. This Cell functions under the active guidance of Head of Human Resource Department of the Unit / Region concerned. In all, IndianOil has 17 WIPS Cells, which are headed by an organizational level leader known as Apex Level WIPS Leader.
- The company is proud to mention that it encouraged two of its executives to compete for top positions in the forum of professional women at national level called the Forum of Women in Public Sector (WIPS), which functions under aegis of Standing Conference on Public Enterprises (SCOPE) comprising of members from 89 PSUs.
- Courses conducted specially for women employees during 2006-07 are as under:
  - I. Training Programme on "Emotional Intelligence".
  - II. Workshop on Lifestyle Re-engineering for women executives
  - III. Training on "Goal Planning for Women Employees"
  - IV. Workshop on Health Management through Meditation
  - V. Training Programme on "Making Mind your Best Friend"

- VI. Finance Management for Women Employees
  - VII. Lecture on Diet and Diet Control
  - VIII. Seminar on Balancing Professional and Home Life
  - IX. Seminar on "Safety at Home"
  - X. Training Programme on "Role Effectiveness"
- Women Grievance Redressal System: IndianOil has appointed Complaints Committee at each Refinery Unit/ Mktg. Regional offices, R&D Centre and Head office of Refineries, Marketing and Pipelines to deal with issues of prevention / occurrence of sexual harassment of women at work place. The culture of the organization is congenial and conducive to productivity, enabling women employees to contribute freely. Each Complaints Committee comprises of men and women employees as members with more than 50% of them being women. A woman employee heads each Complaint Committee.

Some of the achievements of Women employees in IndianOil are as under:

- i. First Prize, Best Enterprise Award at 17<sup>th</sup> National Meet of the Forum of Women in Public Sector (12-13<sup>th</sup> Feb' 2007), Kochi - The Best Enterprise award, instituted by the Forum in 1990, gives National recognition for the three best PSUs/ Nationalised Banks in a year, that have done commendable work for women development in and around their PSUs. Indian Oil has won this award for the second time in six years, earlier being in February 2001.
- ii. Ms. Sita Baruah, Dy. Manager (Engineering Services) was selected by Rotary International District 3240 to represent India in USA for a month long Group Study Exchange programme, during 2006-07.
- iii. Ms Sukla Mistry, Chief Project Manager, Panipat Refinery was the leader of the Team that took part in the National Kaizen Competition at New Delhi and was among the Winning Team (5 Teams are declared winners). The Team will now compete for being selected as the Team to represent India at the World competition in JAPAN
- iv. Ms. Pashmina Pusdekar, HRDO co-authored paper titled "Leveraging Human Capital Competency in New Third World Order" submitted for the 19<sup>th</sup> World Petroleum Congress to be held in Spain in 2008.
- v. Ms. Urmila Baruah, M (CC) was selected by British Council to undergo a 12-week course on Women in Leadership & Management at the University of Bradford, UK. She was selected by Rotary International District 3240 to represent India in USA for a month long Group Study Exchange Programme, during 2006-07.

- vi. Second Prize in Slogan Competition in State Level Convention on Quality Circles from 13<sup>th</sup> to 14<sup>th</sup> September 2006 won by women employee of Gujarat Refinery.
- vii. First Prize (Best of Excellent among 48 Quality Circles) in Case Study Presentation Competition in State Level Convention on Quality Circles from 13<sup>th</sup> to 14<sup>th</sup> September 2006 won by women employee of Gujarat Refinery.
- viii. Ms. Sukla Mistry's article on "Damage to Metals" has been accepted for the Middle East Corrosion Conference to be held at BAHRAIN in Feb 2008.
- ix. Mrs. Anjali Marathe received Merit Award in Hindi and English Slogan contest in INSSAN (Indian National Suggestion Schemes' Association) Northern India Chapter - 9<sup>th</sup> National Suggestion Summit held from 4-5<sup>th</sup> May 2007.
- x. Quality circle Samriddha QC (Materials Dept.), Gujarat Refinery led by women team leader Mrs. Sarita Kelkar, Material Superintendant received Par Excellent Award in recently held state level Quality Circle convention.

The above achievements of women employees of IndianOil could not have been possible without the active support, creation of environment and encouragement by the IndianOil Management.

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

- Despite dealing with hazardous material /processes /products, the organization has been using technology that minimizes environmental impact, promoting quality products that reduce pollution as well as promoting research for environment protection.
- IndianOil's R&D identified by MOP&NG as Nodal Agency to take up Hydrogen research programme
- All our refineries, entire pipelines network & large no. of the Retail Outlets have Environment Management Systems accredited to ISO-14001
- Fully comply with the prescribed Minimal National Standards (MINAS) and other environmental standards.
- Development of green belts and ecological parks - an integral part of our functioning.

- Ensures safety during transportation/storage/use of products.
- The organisation is subjected to energy/environment audits by the Govt. agencies.
- Ensured good health of employees with regular health check up and neighbouring communities
- Workshops held for housewives educating them about 'Safe use of LPG'. Took up distribution of condoms for truck drivers through our Retail Outlets as also reading material on 'Aids prevention'

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

- Organisation has deployed advanced state of the art technology in all its Refinery Units and Marketing & Pipeline Installations.
- 100% Compliance to stringent norms for effluents & emissions. Consistent and concerted efforts to achieve quality of treated effluent and atmospheric emissions better than stipulated in the norms.
- Transportation of petroleum crude and products through extensive, environment friendly network of pipelines network of more than 9273 KM the largest in India.
- Deployment of Zero Effluent Discharge Technology at Panipat Refinery since commissioning in 1998.
- Tertiary Treatment/Reverse Osmosis plant for Treated effluent has been installed and commissioned at Panipat Refinery with the primary objective of conserving fresh water resources.
- Recharging ground water through rain Water harvesting is carried out at our units and installations.
- Minimizing environmental impacts arising out of our operations and use of our products/services by constantly upgrading our technology.
- Organization encourages use of environment friendly LPG as automobile fuel (Auto LPG). Auto LPG Dispensing Stations have been set up in various States and Union Territory of Chandigarh.
- Special efforts to protect Taj Trapezium - extensive plantations taken up by the organization. The company also launched green fuels for use in Taj Trapezium & also introduced piped gas supply in the city including donation of 500 improvised Cycle Rickshaws.



- A modern 50-bed hospital for treating respiratory diseases was set up near Mathura Refinery as a goodwill gesture to the community. An annual expenditure of about Rs.200 Lakhs is met by the corporation towards the running of hospital services. All Refinery hospitals render regular extensive health care for the employees and their family members.
- Health check-up, immunization, family planning camps, pre & post natal check up, cancer detection, blood donation, eye-care camps, etc are organised.
- 200 hundred bedded AOD Hospital at Digboi, Assam serves as the District Hospital.
- Assam Oil School of Nursing set up by Assam Oil Division provides 'Diploma in Nursing' and "Midwifery".
- As a measure of discharging Corporation's social responsibility towards society, an annual expenditure up to 0.75% of the net profit of previous year is earmarked towards donations/contributions and community development activities. The Community Development Programme adopts a multi-disciplinary approach incorporating health, family welfare, education, environment protection, drinking water and sanitation, empowerment of women and other marginalised groups. About 25% of Community Development budget is spent towards welfare of Scheduled Caste and Schedule Tribe.
- Annual contribution of Rs.10.00 crore is allocated to IndianOil Foundation, a non-profit Trust (**IOF**) to protect, preserve and promote the National Heritage such as Qutub Minar (Delhi), Khajuraho (MP), Konarak Sun Temple (Orissa), Hampi (Karnataka), Kanheri Buddhist Caves (Maharashtra) etc. in collaboration with Archeological Survey of India (ASI) and National Culture Fund (NCF) of the Government of India and also to promote awareness, knowledge and involvement in our National Heritage and Culture in association with Government – as well as non-Government Organisations of repute.
- The company has drawn up extensive plans to develop Konark Sun Temple in Orissa to develop this heritage site at international standards by developing the approach roads, cafeteria, toilets, landscaping, setting up of a library, tourist facilities, shopping area etc. The project is likely to be completed by May 2008.
- The company also sponsored and set up the '**Swatantra Jyoti**' Flame at Cellular Jail situated at Port Blair in Andaman & Nicobar Island, in memory of those martyrs, who laid their lives in the jail while fighting for the freedom of the nation.

### **IndianOil Scholarship Scheme for economically weaker sections**

- 450 meritorious students from economically weaker section of the society, pursuing 10+/ITI and professional courses in Engineering, Medicine and Business Administration/Management disciplines were awarded Scholarships during the year 2006-07. 50% scholarships are reserved for SC/ST/OBC students and 25% of the Scholarship in each category/sub category is earmarked for girl students and 10% for Physically Handicapped students.

### **IndianOil Sports Scholarship Scheme**

- IndianOil has also introduced a Sports Scholarship Scheme for promising young sports persons representing State in team games and on National ranking in others. Every year 55 scholarships for 7 popular games (Cricket, Table Tennis, Badminton, Tennis, Chess, Hockey & Golf) will be awarded to upcoming junior players in the age groups of 15 to 18 years and will be paid scholarship of Rs.5000/- p.m. for 3 years in addition to kit items.

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

Some of the advanced technologies used by the IndianOil are:

- Leveraged Fluidized Catalytic Cracking Technology for minimizing residue.
- Catalytic Reformers Units (CRU) at Mathura, Panipat, Barauni & Digboi Refineries for supplying lead free Motor Spirit. CRU is in use at Gujarat and Haldia Refineries since inception. An ISOSIV unit has been installed and commissioned at Guwahati refinery for production of lead free petrol.
- Hydro Cracker Units commissioned at Gujarat, Panipat and Mathura.
- Diesel Hydro Desulphurisation at Gujarat, Mathura, Panipat and Haldia Refineries for production of extra low and ultra low sulphur Diesel.
- Diesel Hydrotreater Units at Barauni, Digboi, Mathura & Panipat Refineries for improvement of Diesel quality.
- Hydrotreater Unit in Guwahati refinery for Improvement of Kerosene & Diesel quality.
- Motor Spirit Quality upgradation units are installed at Gujarat and Haldia Refineries to produce Motor Spirit of EURO-III equivalent quality.

- Various energy conservation measures in our Refineries result in reduction in fuel consumption, thereby reducing atmospheric emissions.
- In order to reduce green house gas emissions projects have been identified in our Refineries, which are in various stages of implementation.
- Auto LPG Dispensing Stations (ALDS) set up throughout the country for supply of LPG as auto fuel.
- Environment friendly products developed and launched:
  - Low Sulphur HSD
  - Ultra Low Sulphur HSD
  - Un-leaded Motor Spirit/Petrol
  - Low Benzene MS
  - LPG as auto fuel
- Premium grade MS and Diesel launched for efficiency improvement with the following trade names:
  - IOC Premium in MS
  - Diesel Super in HSD
- International Class R&D Centre at Faridabad upgrading products & technologies
- IndianOil's R&D identified by MOP&NG as Nodal Agency to take up Hydrogen research programme.
- R&D centre has made extensive efforts for development of Bio Diesel trans-esterification technology and ethanol gasoline blends.
- IndianOil R&D Centre developed the INDMAX Technology, for the first time in the world for conversion of low value heavy residues into high value LPG. Launched for worldwide use, the technology achieved its commercial success with the setting up of INDMAX Unit at Guwahati Refinery of 1 Lakh Tonnes per annum capacity.
- Acoustic enclosure provided for DG sets at Panipat, Ambala and Bijwasan installations of our Pipelined Division to achieve further 20dB reduction in noise level. Awarded the prestigious National technology Award, 2004 for successful commercialization of this technology.
- IndianOil received the Safety Innovation Award 2007 instituted by safety & Quality Forum, Institution of Engineers, India for the third consecutive year.
- Training programme for Internal safety [professional was organized recently in December 2007 at our prestigious IIPM. Faculty assistance

was mainly provided by Directorate General Factory advice Services and Labour Institutes (DGFASLI).

- The company has developed indigenously Oilivorous bacteria that decompose oily & acidic sludges, thereby minimizing adverse effect on environment.

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

- The organization has adopted Conduct, Discipline and Appeal rules that bar acceptance bribes and describe it as a misconduct. Printed Booklets of these rules were circulated to the concerned employees.
- Checks and measures are in-built in the organizational system that help in preventing corruption
- Numerous training programmes and workshops are held for disseminating knowledge about organisational systems, as also for checking corruption
- An employee violating the code of conduct and ethics is subjected to investigation and appropriate action is initiated against him based on result of investigation.