



ऑयल इंडिया लिमिटेड

(भारत सरकार का उद्यम)

Oil India Limited

(A Government of India Enterprise)

Conquering Newer Horizons

Corporate Social Responsibility (CSR) Policy

(As revised in April, 2016, in terms of the provisions under
Section 135 of the Companies Act, 2013, CSR Rules, 2014 and other relevant sections)

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OIL INDIA LIMITED (OIL) CSR POLICY

1. BACKGROUND

The Companies Act, 2013 has come into effect from April 1, 2014. As per Section 135 of the Act, every company, private limited or public limited, which either has a net worth of Rs 500 crore or a turnover of Rs 1,000 crore or net profit of Rs 5 crore, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) initiatives. These initiatives should not be undertaken in the normal course of business and must be with respect to any of the activities specified in Schedule VII of the Companies Act, 2013.

The Corporate Social Responsibility (CSR) policy of Oil India Limited (OIL), which is intended to provide a robust framework for carrying out the actions of the Company under its Corporate Social Responsibility (CSR), is hereby revised in order to align the policy with the provisions of Section 135 of the Companies Act, 2013.

2. CSR VISION

CSR at OIL is guided by its vision statement:

“OIL is a Responsible Corporate Citizen deeply committed to socio-economic development in its areas of operation.”

3. CSR POLICY OBJECTIVE

The objectives of the CSR Policy are:

- ❖ To provide a robust framework for carrying out the CSR initiatives in alignment with the Companies Act, 2013 and Department of Public Enterprises(DPE) Guidelines, as applicable from time to time.
- ❖ To bring about tangible socio-economic development in operational areas of OIL.
- ❖ To improve community well-being through discretionary business practices and contribution of corporate resources.
- ❖ To generate goodwill in the society through its CSR initiatives which help in reinforcing the image of OIL as a “Responsible Corporate Citizen.”

4. CSR STRATEGY & THRUST AREAS

- 4.1 OIL works proactively and may execute/implement CSR initiatives alone or in partnership with other organizations (which may include Government Agencies/Non-Government Agencies) to mobilise core competencies and resources on significant long term CSR programmes and projects in its operational areas.

4.2 OIL shall undertake its CSR initiatives under various key thrust areas. Some of these thrust areas vis-à-vis the broad areas specified under Schedule VII, of Companies Act, 2013 are as follows:

OIL's Thrust Areas

Areas specified under Schedule VII of Companies Act, 2013

Healthcare	<ul style="list-style-type: none"> Point(i) : <i>eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;</i>
Swachh Bharat Abhiyam	<ul style="list-style-type: none"> Point(i) : <i>eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water;</i>
Education	<ul style="list-style-type: none"> Point(ii) : <i>promoting education, including special education and employment enhancing skills especially among children, women,elderly, and the differently abled and livelihood enhancement projects;</i>
Sustainable Livelihood Generation	<ul style="list-style-type: none"> Point(ii) : <i>promoting education, including special education and employment enhancing vocational skills especially among children, women,elderly, and the differently abled and livelihood enhancement projects;</i>
Skill Development	<ul style="list-style-type: none"> Point(ii) : <i>promoting education, including special education and employment enhancing vocational skills especially among children,women,elderly, and the differently abled and livelihood enhancement projects;</i>
Capacity building & Empowerment of women	<ul style="list-style-type: none"> Point(iii) : <i>promoting gender equality, empowering women, setting up homes and hostels for women, backward groups;</i>
Environment	<ul style="list-style-type: none"> Point(iv) : <i>ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;</i>
Rural Sports	<ul style="list-style-type: none"> Point(vii) : <i>training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;</i>
Rural Development/ Augmentation of Rural Infrastructure	<ul style="list-style-type: none"> Point(x) : <i>rural development projects</i>

- 4.3 The CSR activities or projects of OIL shall relate to those specified in Schedule VII of the Companies Act 2013, but excluding activities undertaken in pursuance of normal course of business of the Company.

Some of OIL's major CSR Projects and their alignment with areas listed under Schedule VII of Companies Act, 2013, are attached in Annexure-I.

5. CSR BUDGETARY ALLOCATION & EXPENDITURE

- 5.1 As per the provisions of Section 135 of the Companies Act, 2013, OIL shall allocate, as CSR budget, at least 2% of average net profit of the Company made during the three immediately preceding financial years.
- 5.2 Any surplus arising from CSR activities/projects shall not form part of business profits.
- 5.3 Expenditure on activities beyond purview of Schedule VII of the Companies Act, 2013, will not be considered as CSR expenditure.
- 5.4 The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.

6. CSR ORGANISATIONAL STRUCTURE

OIL shall have a two-tier organisational structure for planning, implementing and monitoring the CSR activities/projects of the Company.

- 6.1 As per the provisions of Section 135 of the Companies Act, 2013, OIL shall constitute a **"CSR Committee"** meaning the **"Corporate Social Responsibility Committee of the Board,"** consisting of three or more directors, out of which at least one director shall be an independent director.
- 6.2 The CSR Committee of the Board shall,
- 6.2.1 Formulate and recommend to the Board, a Corporate Social Responsibility (Plan) Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- 6.2.2 Recommend the CSR Plan expenditure to be incurred on CSR activities/projects for approval of the OIL Board;
- 6.2.3 Institute a transparent monitoring mechanism for implementation of the CSR activities/projects undertaken by the Company;
- 6.2.4 Monitor implementation of CSR activities/projects from time to time.

6.3 To assist and support the Board level Corporate Social Responsibility Committee, the Competent Authority of OIL shall constitute a (below Board level) CSR Committee at its Fields' Headquarters and/or in other spheres of the Company which shall oversee the implementation of CSR activities and projects at the field level. This below Board level CSR Committee shall consist of:

- ❖ Executive Director/Group General Manager/Project Head as the Chairman
- ❖ Representative(s) from recognised Employees' & Officers' Union (President or Secretary)
- ❖ Officers not lower than Level 2 from different departments

6.4 The Board shall ensure that the Company spends, in every financial year, the amount earmarked as CSR Budget in pursuance of its CSR Policy. Provided that, the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities. Provided further that if the Company fails to spend such amount, the Board shall, specify the reasons for not spending the amount in the Directors' Report.

6.5 The Board's report shall disclose the composition of the Board level CSR Committee.

7. EXECUTION

7.1 OIL may execute/implement CSR activities/projects alone or in partnership with executing/implementing agency/other organization (which may include Government Agencies/Non-Government Agencies). OIL shall enter into a Memorandum of Understanding (MoU) with each of the agencies.

7.2 In case of Non-Government Agency, such an executing/implementing agency must be a registered society, trust, company or any specialised agency having minimum three years of experience post registration in handling activities of similar nature.

7.3 The CSR activities/projects will be initiated and implemented by PR/Concerned Departments after detailed discussion with below board level CSR committee (for all projects in North East India)/Competent authority in other spheres.

7.4 Below Board Level CSR Committee at Fields' Headquarters and other spheres shall recommend CSR proposals for approval as per laid down Delegation of Power (DoP) of the Company.

8. MONITORING

- 8.1 The implementation of CSR activities/projects are monitored by officials of PR Department at Fields' Headquarters/Concerned Departments in other spheres, through joint field visits/surveys, public meetings, etc. at regular intervals to inspect, supervise and assess progress.
- 8.2 Monitoring process will be a two tier mechanism through:
 - ❖ CSR & SD Committee on quarterly basis.
 - ❖ CSR Local Management Committee on quarterly basis.
- 8.3 Reports on utilization of the allocated total CSR budget and expenditure incurred in a financial year are submitted to the Competent Authority.
- 8.4 The effectiveness of CSR activities/projects is evaluated through external agencies for providing required feedback and inputs to formulate and improve them in the future.

9. GENERAL

- 9.1 An Annual report on CSR containing details about the CSR Policy and activities/projects implemented by OIL shall be included in the Board of Directors' Report for every FY, as per the format prescribed under the Rules to Section 135 of the Companies Act, 2013.
- 9.2 The list containing the details of CSR activities/projects to be undertaken by OIL will be annexed on an annual basis with the policy document and shall be displayed on the OIL website.
- 9.3 If necessitated, new CSR activities/projects can be taken up during the course of a year, in addition to the thrust areas already outlined in the CSR policy of OIL and as per activities mentioned in Schedule VII of the Companies Act, 2013, with the Board's approval based on the recommendations of the Board Level CSR Committee. The same would be treated as amendment to the policy.
- 9.4 The CSR activities/projects that benefit only the employees of OIL and their families shall not be considered as CSR activities in accordance with Section 135 of the Companies Act, 2013.

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Major CSR Projects of Oil India Limited (OIL) and their alignment with activities/broad areas listed under Schedule VII of Companies Act, 2013

SL NO	CSR PROJECT OF OIL	PROJECT DESCRIPTION	ALIGNMENT WITH ACTIVITIES LISTED UNDER SCHEDULE VII OF COMPANIES ACT, 2013
1	Project Sparsha	Mobile Dispensary services under Project Sparsha, launched in 2009, provides primary health care to people in remote villages in OIL operational areas in Assam and Arunachal Pradesh, through over 750 health camps conducted annually.	Point (i) <i>eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and make available safe drinking water</i>
2	Project Arogya	Project Arogya, launched in 2012, is on reduction of Infant Mortality Rate(IMR) and Maternal Mortality Rate(MMR) in villages in OIL operational areas in Assam.	Point (i) <i>eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and make available safe drinking water</i>
3	Swachh Bharat Abhiyan	Under Swachh Vidyalaya Swachh Bharat Abhiyan, OIL had completed construction of school toilets in seven districts in Assam in July, 2015. Other ongoing projects include construction of separate toilets for men & women as well as community toilets, installing drinking water RO plants in villages in operational areas in different spheres of the Company such as Assam, Rajasthan & Andhra Pradesh.	Point (i) <i>eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and make available safe drinking water</i>
4	Project OIL Super 30	The project was launched in 2010, under which, 11 month free residential coaching for IIT / Engineering entrance examination is provided to students from BPL families in 5(Five) OIL Super 30 centres namely Jorhat, Guwahati Dibrugarh in Assam, Jodhpur in Rajasthan and Itanagar in Arunachal Pradesh with Thirty (30) students in each centre.	Point (ii) <i>promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects</i>
5	Project Dikhya	The project, launched in 2012, is on promoting computer literacy among students of Class V-VIII in remote rural schools through mobile computer labs (buses) as well as Adult Literacy Campaign in villages in OIL operational areas in Assam.	Point (ii) <i>promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects</i>

6	Project Rupantar	Project <i>Rupantar</i> , OIL's flagship CSR project launched in 2003, focuses on formation and support of Self Help Groups (SHG) of unemployed youth and women of OIL operational areas in Assam, on various economic activities in the agro-based industry, providing opportunities for livelihood generation and self-employment.	Point (ii)and <i>employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects</i>
7	Project Swavalamban	The project was launched in 2013 under which, placement linked skills training is imparted to youth of OIL operational areas in Assam and Rajasthan Project, various trades like Housekeeping & Hospitality, Jewellery designing, Sewing Machine Operator, Electrician, various trades of the construction industry, Automobile Technology etc.	Point (ii) <i>promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects</i>
8	Project Sakhyam	The project is on support to rehabilitation projects for Persons with Disabilities eg. special schools such as Mrinaljyoti Rehabilitation Centre and Moran Blind School in Assam	Point (ii) promoting education , including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled.....
9	Capacity building for empowerment of women	Projects on women's capacity building including training of young women on handicraft & handloom in OIL's Handicraft & Handloom Production Centre (HTPC) (set up in 1984), and Certification course on General Nursing & Midwifery (GNM) in OIL Nursing School (set up in 1991) for employment opportunities and empowerment of women.	Point (iii) promoting gender equality, empowering women , setting up homes and hostels for women, backward groups
10	Solar power to rural households	OIL has undertaken projects on providing solar energy to rural households in remote villages and on conservation of biodiversity in OIL operational areas in Assam.	Point (iv) ensuring environmental sustainability , ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
11	Rural Sports	Every year OIL conducts rural sports in villages in OIL operational areas in Assam, to encourage and nurture budding talent in various sports including traditional sports.	Point (vii) training to promote rural sports , nationally recognised sports, paralympic sports & Olympic sports
12	Projects on Infrastructure Development	OIL supports projects on augmentation of rural infrastructure by way of construction of roads &, bridges, waiting shed, community hall / public auditorium, cultural centre etc. in its operational areas in Assam, Arunachal Pradesh, Mizoram, Rajasthan Project and KG Basin Project.	Activities/projects relating to point (x) rural development projects