



GAIL (India) Limited

# *Energising Tomorrow Responsibly*

## **Sustainability Report**

A GRI-G3.1+OGSS Compliant Application Level A+Report

2012-13





**India's** rapid economic growth and social advancement have accelerated the need to unlock new energy sources and efficient utilization of existing ones. At GAIL, we believe that there are enough energy resources available in existing and also in newer & cleaner sources to meet the demand escalation in the foreseeable future in an **environmentally sustainable manner**. We have been working responsibly for nearly three decades to help secure the effective and economic use of Natural Gas and fractions for the benefit of the nation. As India's youngest Maharatna public sector enterprise, we are consistently enhancing our investments to help meet the long-term energy requirements while ensuring **Sustainable Development**.





# CONTENTS

2/	About this Report	4/	Energising Tomorrow, Responsibly				
6/	Message from CMD	8/	Towards mainstreaming sustainability in GAIL				
14/	Business Profile	20/	Accolades & Recognition	22/	Corporate Governance		
28/	Stakeholder Engagement and Materiality	36/	Sustainability Strategy				
42/	Shareholders / Investors	56/	Communities	70/	Customers	76/	Suppliers
80/	Employees	91/	Performance Snapshot	96/	Independent Assurance Statement		
98/	Glossary	100/	GRI Content Index				
114/	Alignment of the GRI G3.1 Guidelines, NVGs and BRR						
137/	Way Forward						



## About This Report

“Energising Tomorrow, Responsibly” is the focus of GAIL’s sustainability efforts and performance for the year FY 2012-13. We have retained the same pattern of Stakeholder centric reporting for the current report, based on the positive feedback received from our stakeholders. We have tried to include maximum information in the relevant stakeholder sections and cross-referenced to the best extent possible.

This is our third year of reporting and covers the following operational areas of GAIL:

- ➔ Gas Processing Units (GPUs) at Gandhar, Pata, Usar, Vaghodia and Vijaipur;
- ➔ Petrochemical unit at Pata;
- ➔ Natural Gas compressor stations at Dibiyapur, Hazira, Jhabua, Khera, Vaghodia and Vijaipur;
- ➔ LPG pumping / receiving stations at Abu Road, Cherlappali, G Konduru, Jamnagar, Kandla, Loni, Mansarampora, Nasrabad, Samakhiali and Vizag;
- ➔ Regional pipeline offices at Agartala, Baroda, Mumbai, Puducherry and Rajahmundry;
- ➔ GAIL Training Institute (GTI) at Jaipur and Noida;
- ➔ Corporate Office at New Delhi; and
- ➔ Info Hub at Noida.

This report has been developed on the basis of GRI G3.1 Guidelines on Sustainability Reporting and the Oil & Gas Sector Supplement. The disclosures presented in this section are in line with the requirements of the application level ‘A+’ and address 73 core and 25 additional GRI performance indicators. This is a Type 2 Moderate level assured report; including data verification at different sites of GAIL that will continue to help us improve our processes and data management mechanisms. The GRI content index on pages 100-113 gives a detailed reference on the GRI performance indicators and standard disclosures. This report also addresses the nine principles of National Voluntary Guidelines on Social, Environmental and Economic responsibilities of business, published by the Ministry of Corporate Affairs, Government of India. This helps us to address sustainability issues that are material to the Indian context. Further, to increase the comprehensiveness of our





sustainability disclosures, we have also aligned this report to meet the requirements of:

- ➔ Oil and Gas industry guidance on voluntary sustainability reporting (2010) developed by IPIECA, the global oil and gas industry association for environmental and social issues and the American Petroleum Institute (API).
- ➔ Principles and disclosure requirements under United Nations Global Compact (UNGC).

While the data presented is essentially for the financial year 2012-13, to give a balanced perspective of our performance, we have also elaborated on some of our critical achievements and developments on Sustainability that have occurred in the recent past.

We remain committed to further enhance and disclose transparently, our performance on the triple bottom line of Sustainability to all our stakeholders. Our robust sustainability governance structure assumes control of various sustainability dimensions. Last year we set sustainability targets for ourselves through Sustainability Aspirations 2020, to achieve our milestones in a focused manner. We understand that we have a long way to go in achieving these targets, but we remain committed to achieving them while we continue to transparently disclose our progress.

The data and information presented in this report is sourced from our internal data management systems and processes. This year we developed and launched our in-house e-Sustainability Module – an online data management system for collection and collation of sustainability performance data across GAIL's operations, ensuring accountability, transparency and speed in management of data. We have also used assumptions, standard equations and calculation methodologies for estimation and quantification of data, wherever required. We continue to improve our data management systems and as a result have made certain amendments to our approach followed last year, resulting in variation of some data indicators; the same has been explained wherever relevant.

For all monetary values presented across this section, we have used an exchange rate of 1USD = 54.99 INR.

In order to present a holistic account of our sustainability activities, certain information included in this report refers to our future plans and intentions as well. This information relates to our strategy, operations, performance goals and targets, business plans, research & development and investments in the countries, sectors or markets where we operate. By their sub-nature, such information involves a certain degree of uncertainty as the end result is dependent on future market conditions and geo-political developments, most of which are beyond our control or cannot be predicted with certainty. While we will strive to achieve progress on these issues, we cannot ensure a desirable outcome in all cases.





# *✓ Energising Tomorrow, Responsibly*

We started as a natural gas transmission company, two-and-half decades ago and today have transformed into an integrated energy company along with the Natural Gas value chain having global footprints. While creating India's largest network of Natural Gas trunk pipelines spanning over 10,500 Km, we have diversified into operations around LPG, Liquid Hydrocarbons, Petrochemicals, Exploration & Production and City Gas Distribution with an ever increasing global presence. With

a robust plan of expanding our transmission network beyond 15,000 km resulting in a capacity increase around 300 MMSCMD, we are very well poised to secure energy for tomorrow.

As recognition of the significant role GAIL plays in the country's economic development and its potential to emerge as a global company, we have recently been bestowed, the coveted status of Maharatna (meaning a colossal jewel) by the Hon'ble President of

India. We are the youngest Public Sector Enterprise, to have been accorded the highest status of empowerment. We believe that with growth lies an opportunity of truly committing towards aligning our business relationships in a fair, transparent and ethical manner and thereby enhancing our contribution towards all stakeholder groups. With this we take a step forward as a responsible corporate citizen and showcase ourselves as a valuable jewel of the Indian Public sector.



'Value Beyond Business', our 1<sup>st</sup> Sustainability report for FY 10-11, highlighted GAIL's approach of doing business, wherein positive value is created for our stakeholders. The 2<sup>nd</sup> Sustainability Report FY 11-12, 'Shaping the Future' emphasized on inclusive action with our stakeholders to achieve shared objectives. Moving ahead with good intentions, we have committed ourselves towards a roadmap to behave responsibly; by taking concrete actions with 'Energising Tomorrow Responsibly', as the

theme for our 3<sup>rd</sup> Sustainability Report FY 12-13. We have focussed on reducing our environmental footprint by optimizing use of natural resources, conserving energy and water, adopting cleaner technologies and thereby protecting the natural ecosystems.

We endeavour to provide India and the world with a clean & efficient energy source which is essential to grow and sustain life. With our inherent strength to operate

the most benign hydrocarbon, complemented by robust sustainable business strategies and proactive leadership, GAIL has been and will continue to energise tomorrow, responsibly.



## */ CMD Message*

### *From the Chairman's Desk*

“

*GAIL's journey of touching lives and continually improving operating processes is encapsulated in the 3<sup>rd</sup> edition of the disclosure report on sustainable development befittingly titled- 'Energising Tomorrow, Responsibly'.*

”

Dear Stakeholders,

Sustainable development is an ethos, gaining traction in the recent past and has come a long way in its journey in the last 21 years since the first Rio Summit in 1992. The challenge of finite resource availability on the planet for mankind's sustenance and competitiveness coupled with the growing awareness of the climactic impact on the environment and ecology one another have undoubtedly been the global twin forces nudging policy makers and society to revisit approach mechanisms of deliverables. At the same time the increasing need for equitable and inclusive social and economic growth has been a profound driver for sustainable development in Asian and African sub-continent. The Rio+20 summit in June 2012 under the auspice of The United Nations had passed a General Resolution, aptly named as 'The Future We Want' and rededicating it to the cause through collaborative efforts of multi-lateral institutions, public, government and industry for handing over a healthy planet for the needs of posterity.





“

*Today, GAIL is the only PSU in the Oil & Gas sector to become one of the founding members of the GRI (Global Reporting Initiative) Focal Point India's Sustainability and Transparency Consortium.*

”

Guided by these tenets, GAIL is focussed towards ensuring an enduring performance of the Triple Bottom line in the quest to create value beyond business. The report very succinctly discloses the impact on the Environment, Society and Economy as a consequence of our business operations. GAIL has been committedly progressing towards its self-driven targets under 'Sustainability Aspirations 2020' programme. Under this initiative the cardinal objectives include significant reduction of - greenhouse gas emissions, water consumption and specific energy intensity.

As GAIL progresses in scaling up across the natural gas value chain with global footprints, we have been conscious in keeping

the fundamentals of sustainable development at the heart of our business. GAIL has also been selected as one of the 100 companies for the UNGC CEO 2013 Study for Global Sustainability Report, 2013 by United Nations.

I hope the extensive and lucid coverage under the report shall make this an enriching read. Your feedback shall immensely be helpful in shaping our efforts towards developing a sustainable future.



**B. C. Tripathi**

Chairman & Managing Director  
GAIL (India) Limited



## Towards mainstreaming sustainability in GAIL

Our primary responsibility as a Maharatna CPSE is to ensure India's energy security without compromising the environment or society. As and when, the Government of India demonstrates its confidence on a young organisation like GAIL, the onus lies on us to reciprocate with robust growth and value creation for all. We envisage GAIL to be an INR 1,300 billion company by 2020 with an estimated profit of INR 100 billion. This unprecedented business growth will propel us into the big league of global oil & gas giants and we are sure that our legacy of responsible behaviour will help differentiate GAIL amongst others.

We are aware that GAIL's ambitious growth plan cannot be successful without the support of our stakeholders. Our investors' confidence and belief in GAIL and its vision to be a leading company in Natural Gas and beyond, motivates us to strategize and implement our growth plans. The communities provide us with the social license to operate and their faith drives us to invest a part of our profit towards designing and executing social interventions. Our customers, with their ever-increasing expectations help us to create innovative solutions that in turn drive their business and help them prosper. GAIL's suppliers have always extended their unwavering support towards meeting tough

deadlines and milestones, while our responsibility has been to ensure and protect their interests. Finally our employees are the cornerstone of GAIL's success and without whom we would cease to exist.



## */ R. D. Goyal*

### *Director - Project*



GAIL, India's premier integrated gas company has become the youngest Public Sector Enterprise to be accorded the Maharatna Status, highlighting the Government's confidence in our organisation. We have to demonstrate that we are a worthy recipient of this honour through our sustained efforts towards responsible growth aiding in India's energy security while safeguarding the environment and the welfare of the society.

It is our sincerely endeavour to develop world-class infrastructure throughout the country for efficient delivery of natural gas to consumers. Our current pipeline network of 10,800 Km is being expanded to around 15,000 km by 2015. Recently, we commissioned the 1,000 Km long Dabhol Bangalore Pipeline Project. GAIL made another landmark achievement by

commissioning the 5 MMTPA LNG regasification facility at Dabhol.

We continuously strive to adopt state-of-the-art IT solutions keeping in pace with the fast changing industry for increased efficiency and productivity. GAIL has been recently awarded with SAP ACE Award for "Best Run Award for Innovative use of SAP". During the year, GAIL has also been certified as a Customer Centre for Expertise (CCOE) by SAP.

In the area of energy efficiency, we have taken several new initiatives and strengthened already existing practices. Moving ahead with our commitment to implement GAIL's vision and strategies on sustainability, another hallmark project commissioned this year was the 5 MW Solar Power Project in Rajasthan. The project marks

our foray into renewable energy generation through the solar route. This plant combined with the existing 118 MW Wind Power projects, will go a long way in setting the course for our renewable energy business.

As we envisage GAIL to make rapid strides in terms of growth, our firm intent on responsible growth will help us to stand apart. Environmental considerations remain our highest priority. All our operations undergo rigorous independent audits of Environmental Management Systems to ensure that our performance exceeds the required standards.





**S. L. Raina**  
Director - HR

At GAIL we truly believe that our employees lie at the centre of our focus. We have been successful in achieving our business objectives and milestones through dedication, loyalty and contribution of our Human capital. On our part, we will leave no stone unturned to ensure that we provide our employees and associates a safe workplace, challenging work tasks, a supportive work environment, open and transparent systems along with social and financial security.

GAIL promotes a "Performance Oriented Culture" with adequate emphasis on providing work-life balance. Our efforts are focused towards creating a workplace that is intellectually stimulating and also a lot of fun to work at. We believe in all round development for all employees. As part of our induction programme, the new recruits are made to interact with the heads of various business functions and are encouraged to ask questions to the best of the field executives, giving them greater insight of GAIL's businesses and its value chain. In order to add different dimensions to the induction programme, we have introduced modules on Yoga and Dramatics conducted by prestigious institutions. Our townships have facilities such as sports club, gym, swimming pool, library, etc., which is open to

our employees and their family members. We celebrate festivals and events to give an opportunity to our employees and their family members to socially interact with one another and develop a feeling of being part of one big GAIL family.

We engage the hearts and minds of our personnel through customised HR policies, systems and processes for them to unleash their true potential. Our policies promote diversity and equity and recognize people on their merits and skill sets irrespective of their race, caste, religion, colour, ancestry, marital status, gender, age and nationality. We provide support to our employees through internal job rotation that gives them an opportunity to gain a broad experience in a wide range of disciplines.

We recognise the importance of the communities that we operate in and are committed towards addressing their concerns. GAIL has a structured framework to identify and address the needs & concerns of the community through our social responsibility programs. A top-to-bottom robust governance structure with a dedicated team helps in evaluating and selecting programs in the identified thrust areas.

As a responsible corporate citizen,

we respect the interests of our stakeholders—our shareholders, employees, customers, suppliers, and the wider community—and we actively seek out opportunities to improve the environment and to contribute to the well-being of the communities in which we do business. Our CSR initiatives are designed to address the various needs of the marginalised sections within the community. These programmes address the various cross-sectional needs like education, healthcare, purposeful livelihood opportunities, environment protection and quality infrastructure. This multi-pronged approach to CSR ensures the holistic development of the communities and lends a sustainable dimension to our CSR activities. Our CSR goal is to identify answers to social challenges and to actively contribute to the development of sustainable solutions.

When GAIL commits to energise tomorrow in a responsible manner, the confidence to commit comes from our core HR strengths – lean and thin workforce, young and highly qualified manpower with cross functional expertise, robust learning and development practices, free and open communication process and a highly accessible senior leadership.



## Prabhat Singh

### Director - Marketing



With 75% market share in Natural gas transportation and 51% market share in Natural Gas marketing in India, GAIL plays a vital role in India's growth story by ensuring sustainable supply of Natural Gas.

GAIL has always been committed in making its customers as key stakeholders toward its growth. To further involve the customers on the road to growth & development, we have taken an initiative to actively solicit suggestions & ideas from customers so as to improve our existing products & services or to come-up with new products & services. It has been GAIL's constant endeavour to achieve the highest levels of customer satisfaction by serving their needs with diligence and fairness. Our customer

satisfaction index stood at 90.47%. Further, regular interactive meets and existing customer complaint handling policy with customers ensures systematic and timely addressal of their concerns. Besides, GAIL has over the years developed efficient systems for handling grievances, complaints and concerns of customers by leveraging state of the art technologies.

Up-gradation of our existing gas transmission has enabled us to reach out to the newly developing gas consumption centres. The supply and delivery of gas from multiple sources is handled on a real-time basis through our sophisticated Gas monitoring system. Our GAIL Polymer

Technology Center (GPTC) provides technical solutions and insights to our customers.

GAIL has partnered with Indian Centre for Plastics in the Environment (ICPE) to promote product responsibility & research to propagate the positive impacts of plastics in comparison to other alternatives both in terms of utility as well as environmental impact.

GAIL has played its role in advocacy through various channels including industry bodies and influential groups. GAIL is the principal sponsor of Asia Gas Partnership Summit (AGPS), a Biennial event which is attended by major producers, traders and consumers of Natural gas across the world.



## **S. Venkatraman**

*Director – Business Development*



This being our third year in Sustainability reporting, “Energising Tomorrow Responsibly” highlights our initiatives and milestones achieved in our Sustainability journey so far.

Energy is considered as a catalyst for economic growth. India is currently the fourth largest energy consumer in the world and together with China will account for the biggest share of Asian energy demand growth through 2035. While 75% of hydrocarbon energy requirements are met through imports in India, it becomes imperative to secure cleaner energy to fuel India’s growth story. We are committed to augmenting the energy supplies for the nation through responsible sourcing thereby Energising Tomorrow.

Natural Gas, with an inherent environment friendly nature along with greater efficiency and cost effectiveness, has emerged as the fuel of the 21st century. In comparison to the world average of 24%, the share of Natural Gas in India’s energy mix is around 10%, providing a huge scope for increased utilisation of Natural Gas in India. As India’s premier integrated Natural Gas Company, we believe that GAIL has a major role to play in ensuring energy security for India. To meet the exponentially growing demand of Natural Gas, we are aggressively expanding our pipeline infrastructure and exploring

opportunities of LNG sourcing. We plan to import LNG into the country through the conventional route and also acquire equity in producing assets / liquefaction facilities to source equity linked LNG. The highlights of our efforts in this regard are shared in relevant sections of this report. As we understand, taking necessary steps today in the right direction for securing energy is by considering the long-term perspectives of responsibly safeguarding the future supplies.

Being an energy company we have taken strategic steps to improve our technological capabilities. We are significantly investing in R&D for exploring new opportunities for harnessing the fuel potential of solid municipal waste and waste plastics. We are working towards exploring cleaner technologies such as hydrogen gas storage, gas hydrates, shale gas etc. Further, we are actively exploring on reducing our GHG emission, one such R&D initiative being capturing of CO<sub>2</sub> through the Microbial route. We have also created a significant footprint in renewables through the wind and solar route, which we plan to increase during the coming years.

The essence of Sustainability is ingrained in our vision statement and we believe in being environmentally responsible. We have shown our commitment by setting targets for ourselves through “Sustainability Aspirations

2020”. The targets are in aspects of reducing our GHG Intensity, Water Intensity, Specific Energy Consumption and increasing our waste water recycling and Awareness on Sustainability. We have taken up training of employees on sustainability aspects to truly sensitize, develop understanding & appreciation. Further we have taken steps to mesh our sustainability initiatives within the existing systems. One such step has been taken through our Internal Memorandum of Understanding between the HoD’s and the concerned Directors which also lists down targets for Sustainability Aspirations 2020. In addition, we have taken several projects in aspects of energy management, biodiversity conservation around heritage sites of Maharashtra, Waste Water recycling and in reduction of GHG emissions etc.

Giving high priority to safety of employees and workers, high standards on health and safety are ensured before we conduct any business activity. We have been consistently outperforming our HSE target agreed within the MoU with the Government of India. Over the last three years, our HSE Index is above 98.8 %.

As we march ahead in our journey towards achieving and exceeding our targets through robust Sustainability governance, we remain committed and proactive in attainment of our goals.



## *P. K. Jain*

### *Director Finance*



Adequate availability of energy is one of the basic requirements for faster economic growth. We are actively pursuing business opportunities for securing energy supply and have taken major investments in this regard & would continue in doing so. With the direction from our Vision statement, our growth has been guided by being a responsible corporate citizen and creating long-term value for all our stakeholders.

We believe that stakeholder value maximization and strong business outcomes are only possible by embracing both risks and opportunities from economic, environmental and social perspective. This year, our turnover increased by 18% to INR 47333 crores and PAT increased by 10 % to INR 4022 crores.

We were also ranked 18th under the biggest wealth creator aspect for the period of 2007-12 by Annual

Motilal-Oswal Wealth Creation Study. Further, for FY-2012-13 the Board of Directors have recommended payment of total dividend at the rate of 96 % on the paid-up share capital of the Company.

This year we focussed a lot on building and retaining better Investor Relations. The motto has been to reach to maximum number of investors from both domestic and global markets and to ensure dissemination of financial and non-financial information about GAIL at regular intervals to the concerns of stakeholders.


The entire value chain of the Natural gas sector has huge investment potential thereby playing a crucial role in India's energy security. With a conducive environment policy its share in our energy mix will grow and will support India's Green growth.

With the transition in business dynamics, companies are assuming greater responsibility and going beyond business-as-usual mode. At GAIL, realizing the importance and greater role of businesses in the current environment, we have taken actions to prepare for a low carbon economy. In this direction we have taken several initiatives during the year which includes actions based on Global Methane Initiatives (GMI) recommendations, investments in R&D projects like CO2 utilization, etc. In addition, we have made investment in the renewable sector and recently commissioned a 5 MW Solar PV project.

As we progress further, we shall continue to align our business objectives in consideration with our responsibility towards environment and society and explore investment opportunities in this regard.

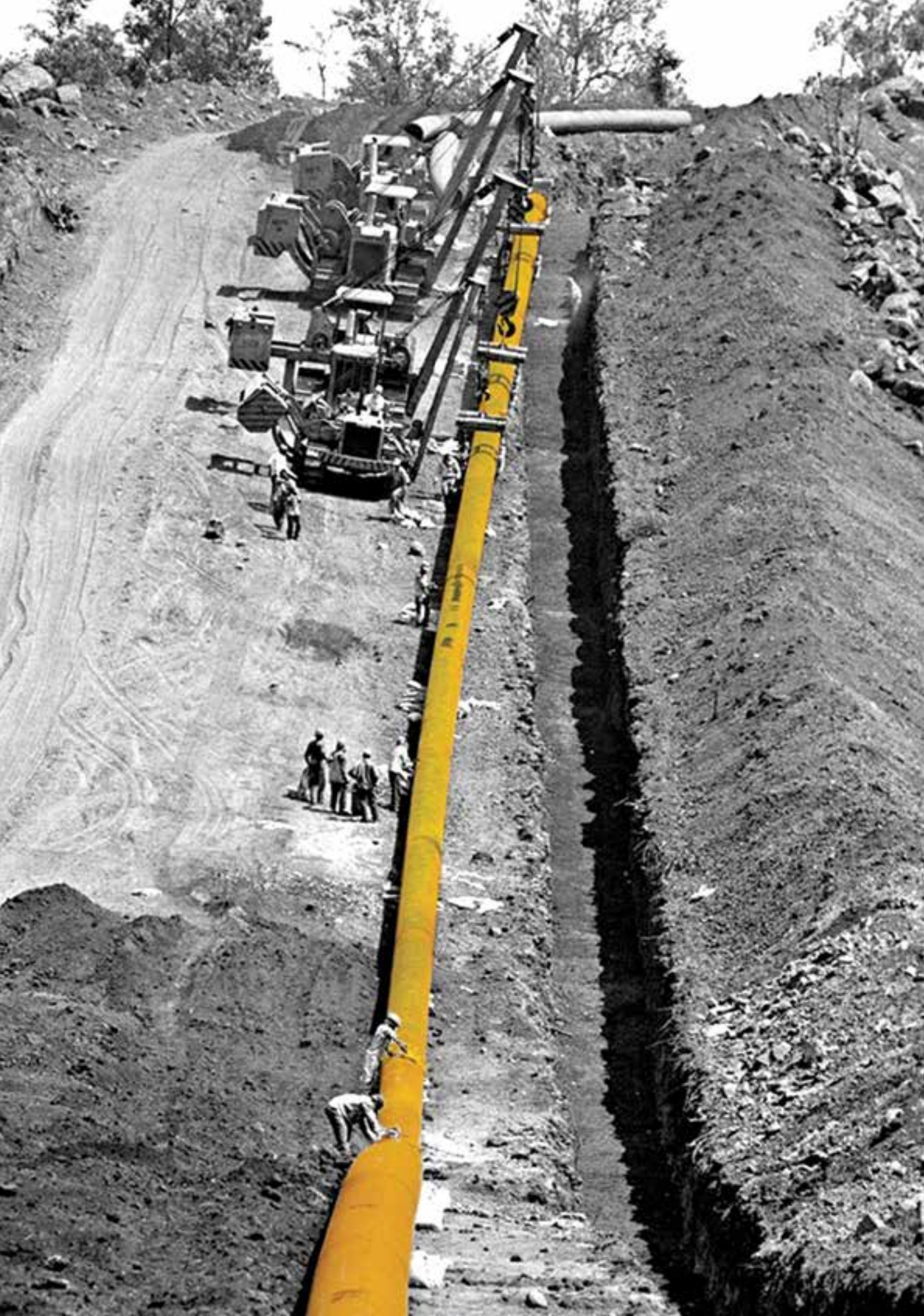


# *Business Profile*

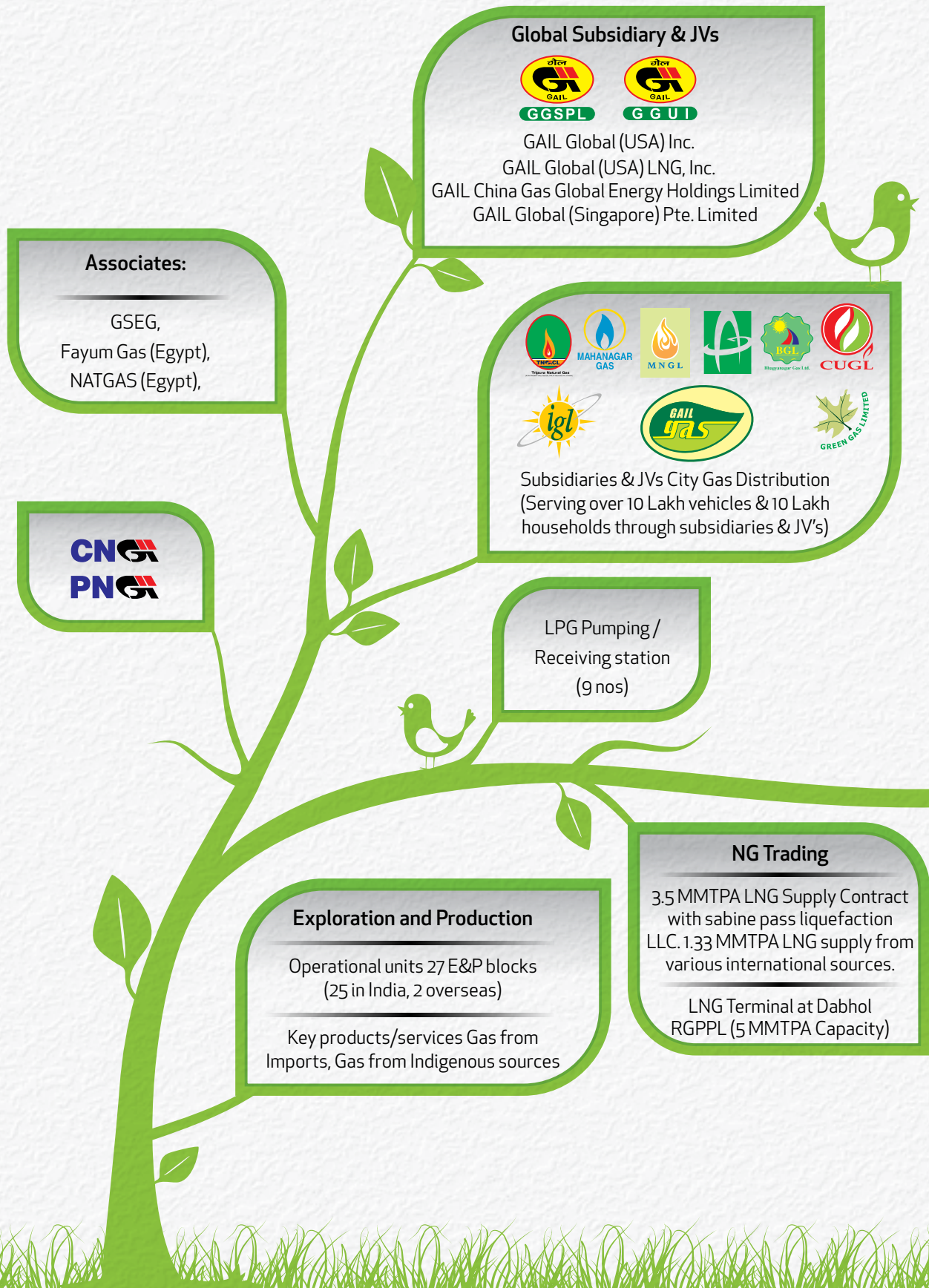
A photograph of an industrial facility, likely a gas processing plant. In the foreground, several large, yellow-painted pipes run parallel to each other across a green lawn. In the background, a large, multi-story building with a corrugated metal roof and concrete pillars stands prominently. To the left, more industrial structures, including towers and piping, are visible under a clear blue sky. The overall scene is well-lit, suggesting a bright day.

Spanning the last two-and-half decades since the late eighties, GAIL started as a natural gas transmission company and eventually transformed in to an integrated energy company along the Natural Gas value chain with global footprints. Today we have a network of Natural Gas pipelines covering a length of 10,500 km along with interests in the business of Natural Gas, LPG, Liquid Hydrocarbons, Petrochemicals, Exploration & Production, City Gas Distribution and Telecom.





# Our Businesses, Products and Services



**Subsidiaries & JVs**



**Gas Processing Units**



Operational units 7 (Vijaypur (2), Pata, Vaghodia, Usar, Lakwa, Gandhar)  
LHC Production 1.4 MMTPA

Key Products/ Services LPG, Pentane, propane, SBP solvents, napatha

**LPG Transmission**

2 LPG P/L of total length 2038 Km

JLPL (1415 Km) VSPL (623 Km)

Transport Capacity - 3.8 MMTPA

Transmission Throughput  
(Fy 12-13)-3.136 MMT

**NG Transmission**

10700 Km Pipeline N/W

210 MMSCMD NG P/L Capacity

**G-Lene**

**G-Lex**

**Renewable Energy**

Wind (Installed 117.95 MW)  
Solar (5 MW Solar Plant commissioned)

**Petrochemicals**

Operational units 1 (Pata)

Total production 497 TMT (FY 11-12)

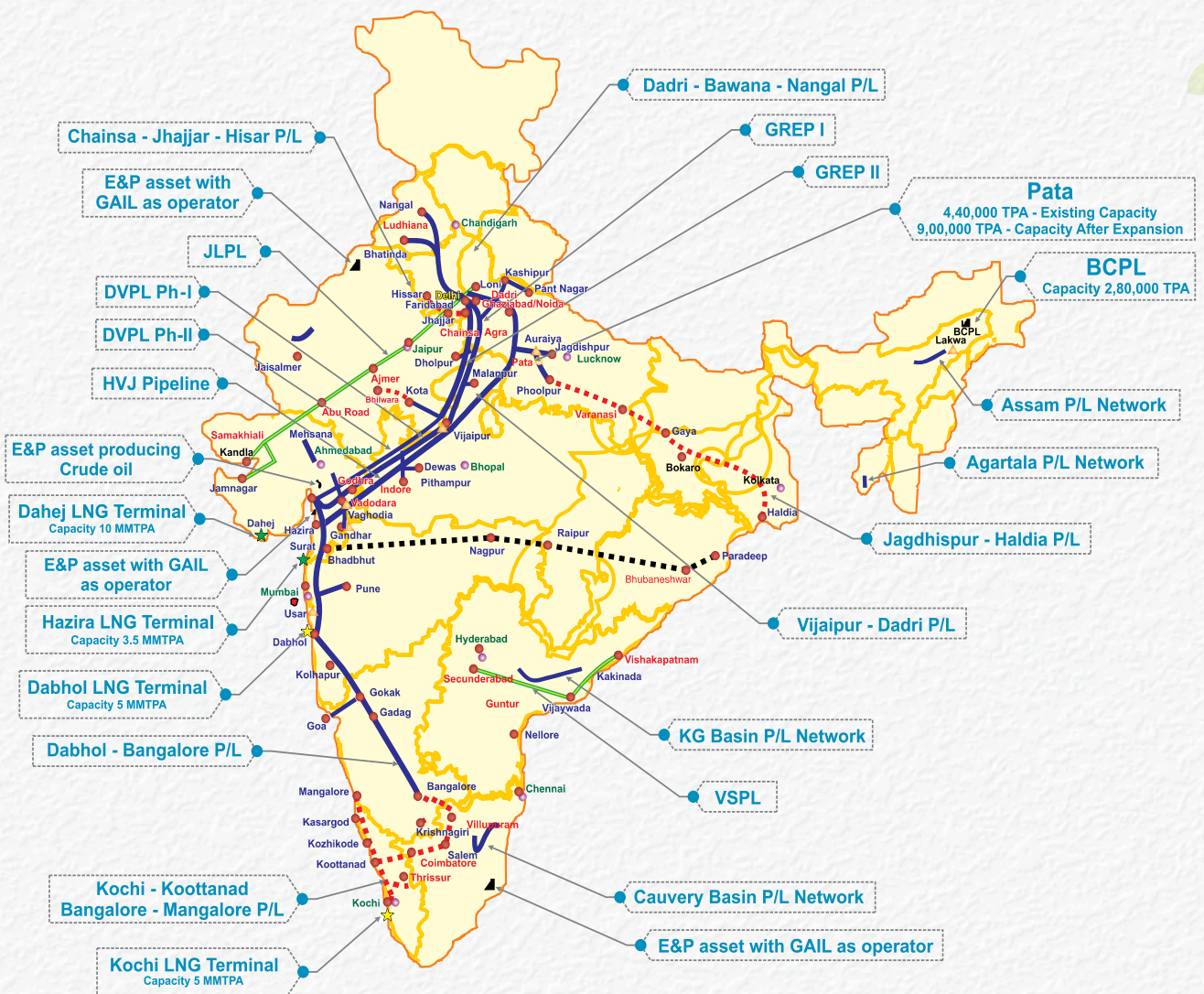
Total products/services HDPE/LLDPE pellets, LP flakes, PE shreds



1300 km of OFC network through cross country pipelines (1581 km) & state/national highway routes (1746 km)



# GAIL's Pan-India Presence



- EXISTING PIPELINES
- - - PIPELINES UNDER EXECUTION
- LPG PIPELINE
- - - - RECENTLY AUTHORISED PIPELINE

- PATA PLANT
- ZONAL OFFICE
- ▲ LPG PLANTS
- BRANCH OFFICE
- ★ LNG Terminal Under Operation
- ★ LNG Terminal Under Construction



# Accolades & Recognitions

GAIL has consistently been ranked "Excellent" by the Department of Public Enterprise (DPE), Government of India, ever since the introduction of the Memorandum of Understanding (MoU) based performance review system was introduced by the DPE. GAIL has received several accolades and became the youngest PSU among total 7 Maharatnas to be conferred the Maharatna Status by Govt. of India for its performance in its operational areas, some of which are mentioned below:

## CORPORATE AWARDS / ACCOLADES

- Ranked 1<sup>st</sup> among Gas utilities in Asia in the Platts Global Ranking of Energy Companies in 2012
- Platts Global Energy Award, 2011 for 'World's No. 1 Company in Downstream Operations'
- SCOPE Excellence Award FY 2010-11 (Institutional I: Navratna Category)
- MoU Excellence Award for Best Performing CPSE in the Petroleum Sector consecutively for second year for the year 2009-10.
- Corporate Governance Award 2012 by Indian Chamber of Commerce
- Commendation Certificate from SCOPE for Corporate Governance in 2010-11
- GAIL won 'Company of the Year' in the Environmental Sustainability category by PetroFed Awards 2012 (Rs 500 crore to Rs 2,000 crore category)

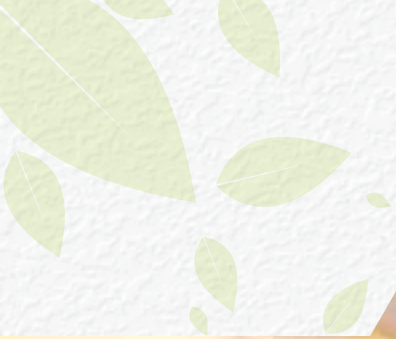




## HSE AWARDS

- ➔ International Safety Award for outstanding achievement in safety from British Safety Council, United Kingdom for Gas Processing Unit and Natural Gas Compressor Station, Vaghodia; Gas Processing Unit, Gandhar; Regional Natural Gas Pipeline Network, National Capital Region, Delhi.
- ➔ Sharvashrestha Suraksha Puraskar for Gas Processing Unit and for Natural Gas Compressor Station, Vijaipur from National Safety Council, MP chapter and National Safety Council Mumbai respectively for year 2010.
- ➔ GAIL Vaghodia bagged Gujarat State Safety Award from Gujarat Safety Council Vadodara.
- ➔ Golden Peacock Occupational Health & Safety Award- 2012 for GAIL, Khera from Institute of Directors, New Delhi.
- ➔ Golden Peacock Environment Management Award-2012 from Institute of Directors, New Delhi for GAIL, Vaghodia
- ➔ Safety Innovation Award from Institution of Engineers, New Delhi for Khera Compressor station and Regional Natural Gas Pipeline Network, National Capital Region, Delhi .









## *Corporate Governance*

Our focus on good governance ensures fulfilment of goals and business objectives in a way that not only creates value for the company in the future but is also beneficial for our stakeholders in long term. We conduct our business with integrity and fairness. Understanding our commitment and responsibility towards conducting business in an ethical manner, we truly believe that the key to sustainability is in being transparent and accountable towards the stakeholders.

GAIL being a Public Sector Enterprise, we ensure that all the applicable rules, regulations, laws and bye-laws of the land are adhered to. The management of the company believes in adhering to different statues in letter and spirit and adopting the best practices by going beyond adherence of statutory framework to bring transparency, accountability and equity in all facets of its operations and in our engagement with all stakeholders. In this dynamic and evolving business scenario, we constantly improvise our systems and processes to ensure effectiveness. The founding principles of our corporate governance framework<sup>1</sup> stress on proactive flow of information to Board members, compliance to applicable laws and timely disclosure of information etc. Our Board is responsible for defining company policies and overseeing their implementation. Being a Central Public Sector Enterprise, our Board is directly appointed by the President of India, through the Ministry of Petroleum and Natural Gas (MoPNG). As on 31<sup>st</sup> March 2013, there were 11 Directors on the Board comprising of 6 whole time directors including The Chairman and Managing Director, 2 part time Directors (Government Nominees) and 3 part time Independent Directors.

We are compliant to Clause 49 of the equity listing agreement with stock exchanges and the DPE guidelines on corporate governance that are applicable to us except composition of Board of Directors. We have created a number of sub committees under

the Board of Directors to oversee implementation of our vision, strategy and business plans, take corrective measures whenever required and protect the interest of our stakeholders. Some of these include Audit Committee, Business Development and Marketing Committee, Corporate Social Responsibility Committee, Employee Disciplinary Committee, Empowered C&P Committee, Empowered Committee (Natural Gas, LNG and Polymers) for import of Natural Gas / LNG/ Polymers, Ethics Committee, HR Committee, HSE Committee, Project Appraisal Committee, Remuneration Committee, Shareholder/ Investor Grievance Committee, Share Transfer Committee, Stakeholders' Grievance Redressal Committee and Sustainable Development Committee. For additional details on our corporate governance framework, please refer to our Annual Report FY 2012-13

### SUSTAINABILITY GOVERNANCE AT GAIL

GAIL has followed a top-to-bottom approach in sustainability governance. We have consciously undertaken sustainability as a part of Corporate Planning and Strategy that shows the level of importance accorded to it by the management. The idea is to facilitate assessment of our impacts and subsequent value generated for our stakeholders by embedding aspects of sustainability in long-term strategy and day-to-day business decision making. In order to establish a common understanding of terms,

standards and goals; we developed a Sustainability Policy<sup>2</sup> to act as a fundamental building block for propagating responsible behaviour at GAIL. This policy integrates our vision and aspirations on economic, environment and social bottom-lines.

We have been proactive in taking up our sustainability issues and have shown commitment through a well-defined structure that spans across various critical functions to effectively manage the organizational complexities - a Sustainable Development Board Sub-Committee (SDBC) chaired by Shri Arun Agarwal (Independent Director) and supported by Director – Projects and Director – Business Development. This committee has been instrumental in driving sustainability across GAIL's operations. Based on the overarching functions of this committee, we have recently included all other functional Directors viz. Director – Finance, Director – Marketing and Director – HR as its members. This has helped us embed sustainability across our operations.

In 2012-13, the committee met four times and following are some of the key decisions taken by the members:

- ➔ Designation of nodal departments for each of the NVG Principles in order to ingrain sustainability into GAIL's business processes.
- ➔ Strict monitoring and review of Sustainability MoU projects for target completion in all respect.

<sup>1</sup> Please refer to Corporate Governance section of Sustainability Report FY 11-12 for details.

<sup>2</sup> Please refer to Sustainability Report for FY 11-12 for detailed policy.



- ➔ Roll-out of GAIL's e-sustainability module for effective data collection & collation with appropriate data authorization at senior management level, across operations and sites.
- ➔ Develop a communication strategy for prioritised stakeholder groups.

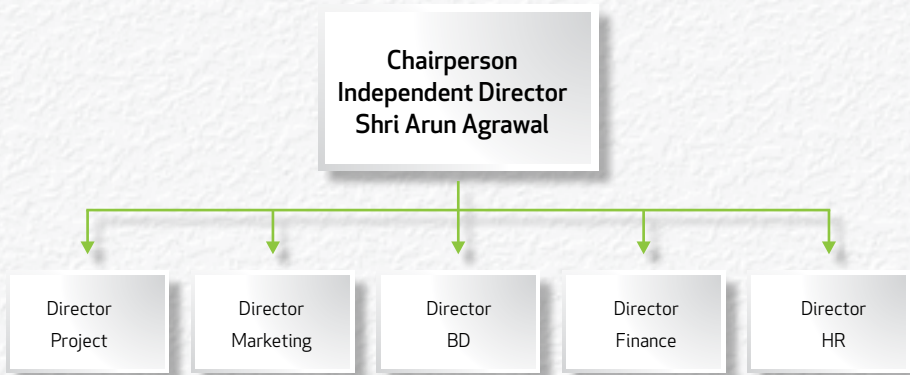
A Sustainable Development Steering Committee (SDSC) headed by Director – Business Development has also been constituted to provide impetus and

direction to achieve sustainability goals, targets and monitor on-ground implementation of projects. To effectively implement the initiatives at site level, we have multi-disciplinary site-level committees. In addition, we have a focused Sustainability Core team working at the corporate level. The principle activities of the Core team include supporting activities of SDBC and SDSC, working on new sustainability initiatives, training of employees on aspects of sustainability and development of GAIL's sustainability report.

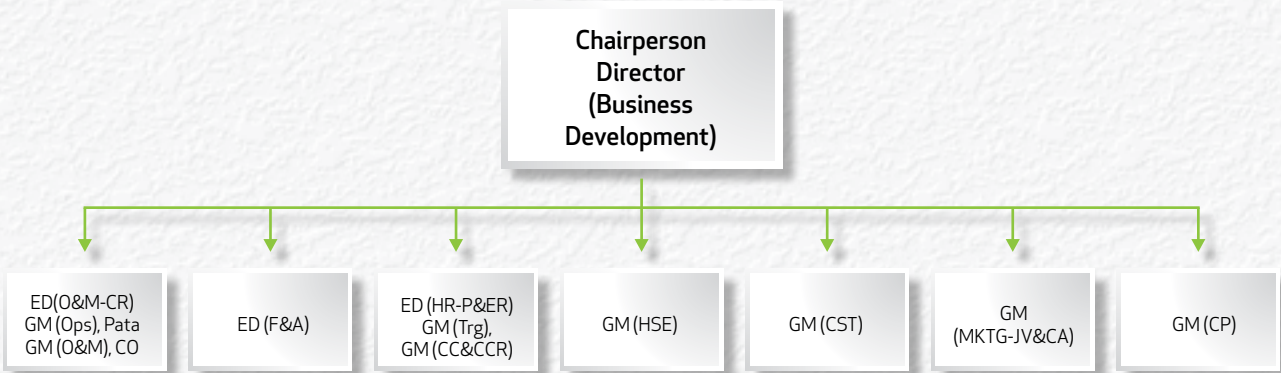


Roll-out of GAIL's e-sustainability module

**SUSTAINABLE DEVELOPMENT BOARD COMMITTEE**



**SUSTAINABLE DEVELOPMENT STEERING COMMITTEE**



<sup>3</sup> Please refer to section Sustainability strategy of this Report.



Going beyond the mandatory requirement, last year we developed GAIL's Sustainability Aspirations 2020 under the guidance of the Steering Committee. Sustainability Aspirations 2020<sup>3</sup> enable us to set clear targets towards improving our sustainability performance related to GHG Emissions, Water Consumption, Energy efficiency and Training / Awareness on Sustainability.

### RISK MANAGEMENT

Environmental and social issues are of imperative concern and can present risk and opportunity for a business. We have an integrated Risk Management Framework to protect and add value to the organization and its stakeholders ensuring sustainable business growth. This framework covers the Gas Transmission and Trading facilities, LPG Transmission facilities and LPG / Liquid Hydrocarbon / Petrochemical Processing facilities. The Board along with the Audit Committee oversees the effectiveness and performance of risk management across our operations.

The risks are evaluated, quantified, prioritized and mitigation plans that are prepared are reviewed and monitored at various stages. After the identification and assessment of environmental and social issues relevant and significant to our operations, the outcome is then scrutinized by a site Level committee on site and then by a steering committee at the corporate office consisting of key officials. The recommendations of these committees are then forwarded to the Board of Directors through the Audit Committee for necessary actions. An exhaustive list of Key Risk



Risks related to social and environmental aspects of sustainability are pre-identified for new business plans/activities

Indicators and their mitigation plans have been prepared and are being assessed at different levels on quarterly basis and overseen by the Board of Directors annually. To further strengthen the mechanism for assessing social and environmental aspects of sustainability, risks related to new business plans, capital projects, mergers & acquisitions, are pre identified and are approved along with detailed feasibility reports. All statutory compliances with respect to preventive maintenance schedule and environmental clearances through respective Pollution Control Board are taken in due course, along with creation of separate budgets for compliances. Proactive steps for certifications like ISO 14001 and OHSAS 18001 have been taken to address issues related to environment and safety. Further, well planned and coordinated CSR activities are being undertaken to address social issues in the area of presence.

### ETHICS, TRANSPARENCY AND ACCOUNTABILITY

We believe in adhering to all applicable statutes in letter and spirit and endeavour to adopt best practices to go beyond adherence of statutory frameworks and bring transparency, accountability and equity in all facets of our operations. We have adopted several initiatives in furtherance of goals for ethics, transparency and accountability

like e-Business, Bill Watch System, File Movement System, Customer Relation Management, Customer Grievance Redressal System, Online Recruitment, e-Performance Management System (e-PMS), Online Vigilance Complaint Registration System and e-Budgeting System. Our management information systems are in place for efficient and effective decision making including generation of exception reports, which are monitored by the top management. We have also put in place various initiatives like e-Receivables, e-Invoicing and e-Ledger to enable electronic transaction. Various policies and manuals like Contracts & Procurement Manual, HR Manual, Internal Audit Manual, Liquid Hydro Carbon Products Pricing Policy and Polymer Pricing Policy help our departments in transparent and uniform decision making.

With the objective of ensuring proper conduct and discipline, besides a code for employees, we have framed a Code of Conduct for Board members and Senior Management. All the Board Members and Senior Management Personnel annually affirm compliance with this Code of Conduct. We have also framed the GAIL Employees' (Conduct, Discipline and Appeal) Rules, 1986 for our employees to ensure conduct and discipline at workplace and beyond. These include rules on Gift, Sexual Harassment and Misconduct, amongst others.

GAIL has adopted the Government of India resolution pertaining



to 'Public Interest Disclosure and Protection of Informer' and implemented the same under the umbrella of our 'Whistle Blower Policy'. This policy encourages employees to report to the management in writing, complaints or disclosures on any allegation related to corruption or mis-use of office. The policy provides adequate safeguards against victimization of employees who avail this mechanism. Further, it also allows direct access to the Chairperson of the Audit Committee in exceptional cases. As a CPSE, we follow the guidelines of Chief Vigilance Commission (CVC) that is communicated to our vigilance department that oversees governance related issues. Recently, we have framed the Fraud Prevention Policy to create a system for detection, prevention and reporting of frauds and also effectively handling and managing such matters.

An MoU was signed with M/s Transparency International India in the year 2007 for implementation of Integrity Pact in GAIL thereby bringing transparency in the procurement processes. Independent External Monitors have been appointed, who are responsible for overseeing the implementation of Integrity Pact Program to prevent corruption, bribery or any un-ethical practices at GAIL. Further, GAIL has formed an Ethics Committee; a sub-committee of the Board of Directors headed by an Independent Director who addresses all aspects of ethics across our operations.

In order to establish adequate procedure for satisfactory redressal of stakeholder complaints, we have put in place grievance mechanisms for different stakeholders like vendors, customers, shareholders,



employees, etc. Customer and vendor meets are organized during the annual Vigilance Awareness Week, to discuss and resolve their concerns. Further, A Settlement Advisory Committee has been formed for settlement of commercial disputes with the vendors. The Stakeholders Grievance Committee, a sub-committee of the Board has been formed for resolving the disputes referred to it for amicable settlement. Further, shareholders/ Investors Grievance Redressal Committee has been formed for looking into investor's Grievances and matters relating to Registrar & Share Transfer Agent.



**Project VIGEYE (Vigilance Eye) - Front runner to adopt a unique complaint lodging procedure of the Central Vigilance Commission (CVC)**

Steps have been taken to increase transparency between business functions and divisions at GAIL. We also have an Internal Memorandum

of Understanding (IMoU) that is signed by different business units driving them towards better performance management and accountability to goals set under the MoU.

### **PROJECT VIGEYE (VIGILANCE EYE)**

GAIL has been the front runner to accept and follow a unique complaint lodging procedure through Project VIGEYE of the Central Vigilance Commission (CVC). This project is a citizen-centric initiative, wherein citizens join hands with the Central Vigilance Commission in fighting corruption. It is a platform through which vigilance information flows freely from the common public to the commission, making it possible to provide easy access for sending sensitive information in complaints quickly. Our Vigilance department ensured that all work centre in-charges communicate instructions regarding this project to all employees working under them. We have also ensured that the information related to the complaint lodging procedure was displayed at all prominent locations to promote and create awareness about this project. It can be accessed through

<http://vigejegpms.in/vigeeye>





संवाददात  
PRESS CO

May 28, 2013

R. D. GOYAL

B. C. TRIPATHI



(इंडिया) लिमिटेड

# सम्मेलन CONFERENCE

New Delhi



## Stakeholder Engagement and Materiality

With an objective to understand the material sustainability issues for GAIL for FY 2012-13, we undertook a series of stakeholder engagement initiatives. Based on an internal analysis, we prioritized employees, suppliers, customers and NGOs as those stakeholders with whom we could have a two-way dialogue and embark upon meaningful sustainability initiatives. Government of India is our major stakeholder. We consistently interact with Government bodies like MoPNG, MoCA, PNGRB, DPE, DGH, Planning Commission, etc. Further, we regularly engage through various MoUs with Central and State Government authorities.

## STAKEHOLDER ENGAGEMENT

We assessed the perceptions of each stakeholder group through a structured questionnaire specifically designed for each stakeholder group. Before assessment, the stakeholders were sensitized on elements of sustainability, followed by direct interaction with them and subsequently seeking their response on the questionnaire. Specifically for our employees, we also hosted an online questionnaire on our intranet to ease the process and seek maximum feedback. In all, we interacted with more than 800 stakeholders across various groups spread across our operations. Following is a brief snapshot of the stakeholder engagement feedback:

### EMPLOYEES:

Employees are our most important stakeholders, since they are the one who drive this company and help realize our dreams and goals. Our employees perceive GAIL as a leading natural gas company that focuses on employee welfare, customer satisfaction and an environmentally & socially conscious respected brand. Attractive remuneration,

excellent employee welfare measures, adequate learning and development opportunities, efficient human resources, effective social responsibility programs, appropriate customer relationship management and robust corporate governance mechanisms have been highlighted as key strengths by our employees. Most of our employees have supported creation of department level and individual level sustainability specific KRAs along with allocation of fixed employee volunteering hours as some of the key measures to ensure awareness and increase employee involvement in GAIL's sustainability initiatives. From the employees' point-of-view, sustainability risk mapping, research and development, biodiversity, life cycle assessment, material substitution, local vendor development and sustainability branding are the most important focus areas.

More than  
**70%** Supplier



interacted with knew sustainability initiatives

### SUPPLIERS:

Our suppliers are the lifeline of our operations. It is on account of their on-time and quality performance that we can satisfy the demands of our customers. Most of the suppliers perceive GAIL as socially and environmentally responsible, quality conscious and a customer oriented company. More than 70% of the suppliers, we interacted with knew about our sustainability initiatives, indicating their high maturity levels. Further, it is a matter of pride for us that none of the suppliers said that they had an unsatisfactory experience in dealing with GAIL, while more than 70% indicated an 'excellent' experience. The suppliers have lauded our file clearance management system, dispute settlement mechanism, communication on future business plans, quality and safety and health practices. From their point-of-view, energy conservation, water conservation, biodiversity, social responsibility, research and development and business diversity are most important focus areas.

### CUSTOMERS:

We exist on account of our customers. Their belief and trust in GAIL and our products helps us grow our business. Most of the customers perceive GAIL as a company that is socially responsible, quality conscious and customer oriented. More than 80% of the customers did





not know about our sustainability initiatives. We have considered this fact seriously and are planning several high level interactions with our customers to make them aware about GAIL's sustainability initiatives. On the customer's front as well, we proudly state that none of them said that they had an unsatisfactory experience in dealing with GAIL, while more than 64% indicated an 'excellent' experience. For our customers, energy management initiatives, cost competitiveness, reliability of product provided, customer relationship management, climate change agenda, strong financial performance, futuristic vision and social responsibility programs are areas of strong performance. While for them, energy conservation,

social responsibility, customer satisfaction, vendor management, waste management, biodiversity, life cycle assessment, air emissions, research and development and sustainability risk mapping are most important focus areas

**NON-GOVERNMENTAL ORGANIZATIONS:**

NGOs are our most critical partners when it comes to delivering successful social responsibility programs. We interacted with some of our NGO partners across operations with a view to understand their experience of working with us and with a vision to make these partnerships more effective and efficient. These NGOs work with us on a gamut

of initiatives around health care, education and infrastructure development. None of the NGOs we have worked with indicated an unsatisfactory experience while 50% indicated an 'excellent' experience while working with GAIL. The NGOs highlighted the following strengths of GAIL: adequate provisioning of resources, properly designed social responsibility programs, clear cut social responsibility agenda, futuristic vision, effective hand holding and knowledge sharing, effective explanation of expectations and end results and appropriate stakeholder relationship management.

Our engagement goals with a broader set of stakeholders along with the frequency and mode of engagement have been described in the table given below:

Customers	
<b>Goals</b>	<ul style="list-style-type: none"> <li>→ To understand customer requirements</li> <li>→ To understand their satisfaction levels</li> <li>→ To address operational concerns</li> <li>→ To get feedback on new product development</li> </ul>
<b>Frequency</b>	Annual, Quarterly
<b>Method</b>	Customer Meets

Government & Regulators	
<b>Goals</b>	<ul style="list-style-type: none"> <li>→ Relationship building</li> <li>→ Performance appraisal through MOUs</li> <li>→ Submission of progress reports</li> <li>→ Discussions on major investment plans</li> </ul>
<b>Frequency</b>	Annual, Quarterly
<b>Method</b>	MOUs, QPR



### Industry Associations

<b>Goals</b>	<ul style="list-style-type: none"> <li>→ Share performance data</li> <li>→ Inform on key decisions and projects</li> <li>→ Participate in conferences and seminars</li> <li>→ Engage in public policy advocacy</li> </ul>
<b>Frequency</b>	Need-based
<b>Method</b>	Seminars, Conferences, Industry Expo, Interviews

### Investors

<b>Goals</b>	<p>The motto of Investor Relations Management is to reach to maximum number of Investors from both Domestic and Global Markets and ensure dissemination of Financial and Nonfinancial information about the company at regular intervals to the concerns of stakeholders.</p> <ul style="list-style-type: none"> <li>→ Clearly communicating the company's values, business plan, strategy, risks, growth prospects, etc.</li> <li>→ Highlight the company's performance vis-à-vis previous periods</li> <li>→ Present the company as leaders in compliance, disclosures, transparency and corporate governance.</li> <li>→ Communicate to the investing community, what makes the company unique for the investor to invest their money.</li> <li>→ Address the concerns of investors with respect to the future challenges.</li> </ul> <p>Investor relations serve as a bridge between the management and investors. Investors and regulatory requirements today demand much greater transparency where timely and accurate information is of utmost essence.</p>
<b>Frequency</b>	Annual/ Quarterly/ as and when necessary
<b>Method</b>	Annual General Meeting, Investor Meets, Investor Conferences, Conference Calls, Website hosting of financial information

### Employees

<b>Goals</b>	<ul style="list-style-type: none"> <li>→ Communication on GAIL's business goals, values and principles</li> <li>→ Action planning on major projects</li> <li>→ Implementation of best practices</li> <li>→ Facilitating learning and developing</li> <li>→ Track key performance indicators and action plans</li> <li>→ Understand and address concerns</li> <li>→ Idea generation, sharing and learning</li> </ul>
<b>Frequency</b>	Annual, Quarterly, Monthly, Daily
<b>Method</b>	Satisfaction surveys, Grievance Redressal, Suggestion schemes, CMD open house, Various committees, GAIL Day celebration, Emails, Journals, Meetings with employee associations and unions;



## Media

<b>Goals</b>	<ul style="list-style-type: none"> <li>→ Relationship building</li> <li>→ Appraising on performance highlights and lowlights</li> <li>→ Point-of-view on major sectoral developments</li> </ul>
<b>Frequency</b>	Need-based
<b>Method</b>	Press Meets, Interviews

## NGOs

<b>Goals</b>	<ul style="list-style-type: none"> <li>→ Executing social responsibility initiatives /projects.</li> <li>→ Understanding and addressing their concerns on critical incidents</li> </ul>
<b>Frequency</b>	Need-based
<b>Method</b>	Project Meetings, Annual Reviews

## Suppliers

<b>Goals</b>	<ul style="list-style-type: none"> <li>→ Communicate operational decisions</li> <li>→ Seek their performance data / information</li> <li>→ Understand and address their concerns</li> </ul>
<b>Frequency</b>	Annual, Quarterly, Monthly, Daily



## MATERIALITY

Our assessment also revealed other sustainability issues that we feel have the potential to emerge as material issues in the future. The other issues are energy conservation, biodiversity, life cycle assessment, research & development, sustainability risk mapping and vendor management

### GAS SOURCING:

Energy plays an important role in India's rapid growth. Ensuring adequate supplies of energy will determine how we can contribute towards this growth. Natural Gas is an important component of the country's energy requirement and considering its environmental and economic implications, it is undoubtedly the fuel of choice amongst other fossil fuels. Thus sourcing gas supplies that meet the requirements of quality, quantity and cost plays an important role towards sustaining business at

GAIL. We are the leader in Natural Gas transmission in Asia with a presence in 5 countries and with pipelines that run over 10,500 km and continue to strategically increase our investments in the oil and gas exploration and production in India and internationally. LNG is the purest form of fuel or gas and in order to provide long-term security; we are trying to secure LNG supplies from diversified supply sources to mitigate geo-political and pricing risks. By process of liquefaction, all forms of impurities like CO<sub>2</sub>, Nitrogen are practically eliminated. We are also increasing our presence in natural gas trading,

### BUSINESS GROWTH:

Petroleum sector reforms in India opened the sector for domestic and multinational companies, thereby increasing competition in the market. This increased the pressure on our operating margins and created business growth as one of the critical factors to

monitor and review. Our track record and sustainable profitability levels will determine the amount of investment GAIL attracts. Predictable earnings stream and growth trajectory, corroboration of profit and loss account by strong and predictable cash flow, market position in terms of control over the product / service pricing power, barriers to competitive entry, levels of market share, price-to-earnings ratio and EBIDTA are key economic factors dependent on business growth. Further, with recent developments in the Natural Gas sector and GAIL with respect to the decrease in KGD6 production, high level of under-recoveries shared by GAIL, decreasing return ratios due to high capex and low physical growth and reduced tariff due to PNGRB orders has led to a near stagnant performance. We are focussing on unlocking the value from our gas infrastructure through alternative fuels and also focus on increasing our petrochemical production. Our 2020 strategy complemented by Sustainability Aspirations 2020 will help us accelerate GAIL's growth in a steady and sustainable manner.

### CUSTOMER SATISFACTION:

GAIL's gas customers are industries as diverse as power plants, fertilizer plants, sponge iron plants, ceramic tile manufacturers, tea gardens, processors, refineries and glass manufacturers. Managing their equally diverse expectations is essential for our business growth. We always endeavour to keep our customers satisfied by delivering quality products that are on time and at an affordable cost. We keep track of the customer satisfaction index across our businesses and work closely with our customers towards addressing their concerns. We have a very strong customer relationship management approach built into our petrochemical



marketing process and the same is being replicated into the gas marketing business. We handle every customer feedback with equal seriousness and have developed efficient systems for handling their grievances, complaints and concerns. Some of these include the Customer Relationship Module, e-ledgers for keeping a tab on financial transactions and the Customer Value Management program. While our growth is partially due to meticulous planning with adherence to norms, and procedures and our emphasis on business with ethics, the real credit goes undoubtedly to all our customers who have put their trust in us.

#### **SAFETY & SECURITY:**

The nature of our business drives us to rigorously practice safety procedures across operations. We are aware that it is our responsibility to maintain safe and healthy working conditions for all relevant stakeholders. Further, safety and health play a very important role in keeping a high employee morale as well as productivity and in times to come have the potential to become a business maturity differentiator in the domestic markets. Considering the large scale of projects and O&M activities being under taken by us across the nation and the inherent hazards associated with our business operations, it is pertinent that observance of all the safety guidelines and regulations are of prime importance. Security is given a high priority and all our operating locations have state-of-art security systems along with trained security staff in place to avoid and handle any external or internal threat. Most of our assets are of national significance and any incident related to these assets is bound to have social, environmental and economic ramifications. As

these installations and pipelines face threats of protests, sabotage and even potential terror attacks, we continue to invest heavily in securing them through technological and human interventions.

#### **CLIMATE CHANGE:**

Climate change for GAIL is a business opportunity. We are in the business of providing a relatively cleaner form of energy and thereby helping end-users reduce their GHG emissions. With the Indian Government voluntarily accepting emission reduction targets, impending climate change related implications will pose a challenge to our operations. Climate change is an integral part of our Sustainability Aspirations 2020 and we are extensively focussing on increasing energy efficiency and rationalising energy use. We are also focussing on using renewable energy for own operations and making it available to others as well. This is evident from our strong wind energy portfolio and a growing solar energy portfolio. Additionally, we are also focussing on conversion of landfill gas and R&D project of CO<sub>2</sub> utilization as steps towards tackling climate change.

#### **SKILLED MANPOWER AVAILABILITY:**

There is an ever increasing need to tap qualified personnel suitably equipped with knowledge, skills, attitude and a practical exposure to highly specialized jobs in the Oil & Gas sector. It is imperative that we acquire the right talent to fuel our growth and give them the right exposure and opportunity for their overall development. Our people and associates are at the heart of our transformation agenda and also the key facilitators in helping us achieve our 2020 goals. We have provided our employees and

associates with a work environment that is fair and just and one that promotes an appropriate work life balance. Our HR policies, systems and processes have been customized to give our employees and associates the freedom to innovate and realize their full potential. At the same time due importance is given to protect the rights of all employees including safety and health at workplace, grievance redressal, freedom of association, transparency in communication and action, uniform code of conduct and equitable and just treatment.







## *Sustainability Strategy*

As a responsible corporate citizen, we plan to contribute towards a low carbon economy and create a path for sustainable growth. Over the years, we have diversified into cleaner business segments like renewables.



On the wind energy front, we plan to set up 500 MW wind power capacity in the next 5 years of which 118 MW capacity has already been commissioned across states of Gujarat, Tamil Nadu and Karnataka.

Further, 5 MW solar project has been set up in Rajasthan and we plan to set up additional capacities over the coming years.

We believe that technology shall be an important focus area that presents opportunities and has a vast potential in the future. This can aid in resource optimization in operations and processes and development of alternate sources of energy. We focus on research and development in line with our identified thrust areas. We are actively exploring technologies that can aid in utilizing various alternate sources of energy for augmenting the energy supplies and thereby energising tomorrow.

### SUSTAINABILITY ASPIRATIONS 2020

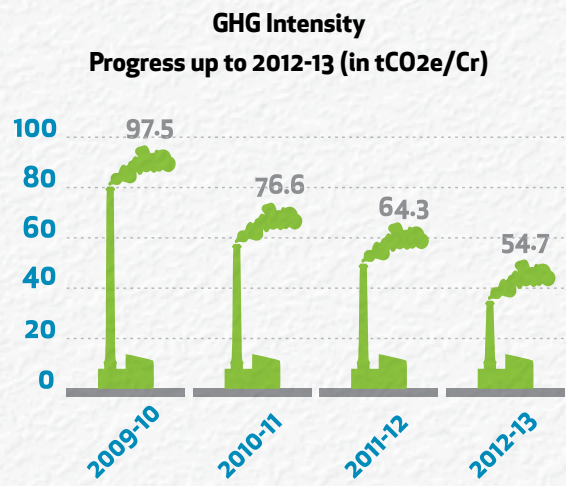
We realize that it is imperative to track our sustainability performance. At the outset, we have set concrete targets in

the identified priority areas as our phased approach towards sustainability strategy. The Sustainability aspirations were drafted after an intensive consultation with internal and external stakeholders concerned with on-ground implementation and were subsequently approved by the Management. The aspirations include areas where we would provide maximum thrust and achieve well-defined tangible targets. To begin with, we have selected aspects for reducing our GHG Intensity, Water Intensity, Specific Energy Consumption and increasing our waste water recycling and Awareness on Sustainability. We would like to transparently share the progress made by us in the last two years:





<b>Sustainability Focus Area</b>	Reduction in GHG emissions intensity (Scope 1 and Scope 2)
<b>Aspiration 2020</b>	33% reduction in GHG emission intensity (Total GHG emission/ Gross sale) in comparison to the baseline year (FY 2010-11)
<b>Action Plan</b>	<ul style="list-style-type: none"> <li>➔ Process optimizations</li> <li>➔ Adoption of ISO 14064 GHG management systems</li> <li>➔ Reduction in fugitive emissions and venting of Green House Gases in our operations</li> <li>➔ Afforestation to sequester GHG emissions from our operations</li> </ul>

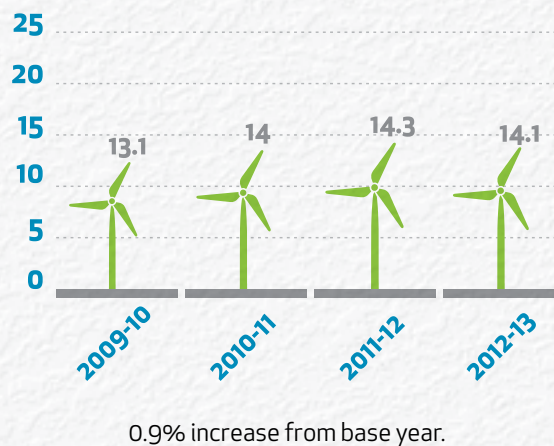


28.65% reduction achieved from base year.



<b>Sustainability Focus Area</b>	Energy efficiency
<b>Aspiration 2020</b>	5% reduction in specific energy consumption in comparison to the baseline year (FY 2010-11)
<b>Action Plan</b>	<ul style="list-style-type: none"> <li>➔ Adoption of Integrated Energy Management Systems</li> <li>➔ Incubation of Internal energy audit groups at corporate and site level</li> <li>➔ Focused energy audits</li> <li>➔ Adoption of energy efficient technologies</li> <li>➔ Enhanced adoption of renewable energy</li> <li>➔ Reduction of flare and flare gas recovery</li> </ul>

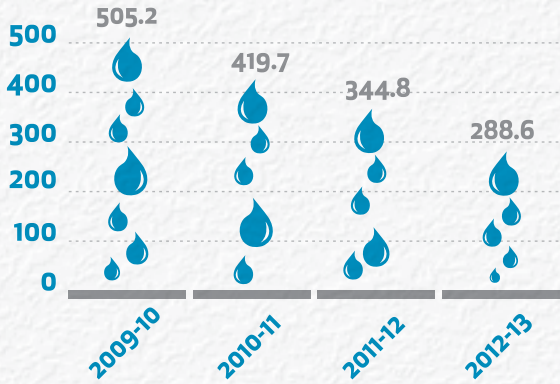
**Specific Energy Consumption**  
Progress up to 2012-13 (in GJ/MT of LHC & PC)



<b>Sustainability Focus Area</b>	Fresh water consumption and Waste Water Recycling
<b>Aspiration 2020</b>	<p>45% reduction in water consumption intensity (Total water consumption/ Gross sales) in comparison to the baseline year (FY 2010-11)</p> <p>5% increase in waste water recycling from current levels of 45% in the baseline year (FY 2010-11)</p>
<b>Action Plan</b>	<ul style="list-style-type: none"> <li>➔ Establish a robust water accounting systems at all operational units</li> <li>➔ Increased focus on utilizing treated waste water to meet plant process requirements</li> <li>➔ Impetus on Rain water harvesting at all sites</li> <li>➔ Robust water audits to establish improvement opportunities and minimize losses</li> </ul>

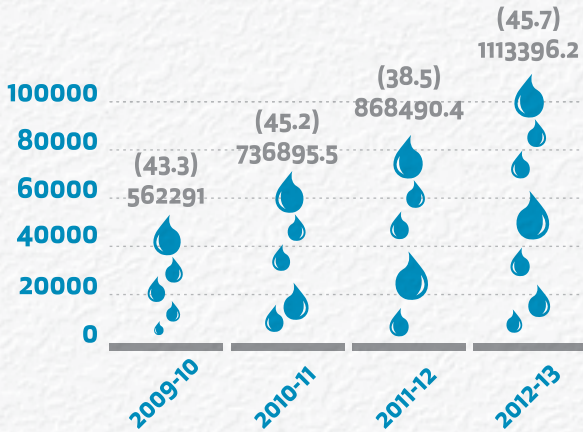


**Water Consumption Intensity Progress up to 2012-13**  
(in m3/Cr)



31.2% reduction from base year.

**Waste Water Recycling Progress up to 2012-13**  
(in m3 & %)



0.5% increase from base year.

<b>Sustainability Focus Area</b>	Awareness on sustainability
<b>Aspiration 2020</b>	100% of our employees will have awareness on sustainability
<b>Action Plan</b>	<ul style="list-style-type: none"> <li>➔ Organization wide Sustainability training need identification program</li> <li>➔ Sustainability training calendars for executive and non-executive employees</li> <li>➔ Train the trainer programs on Sustainability</li> <li>➔ Mandatory sustainability modules for new joiners during induction</li> </ul>

Recently, these targets have been drilled down at an individual departmental level performance through Internal Memorandum of Understanding signed between the HoD and the concerned Director, driving towards better performance management and accountability. This shows the level of importance and seriousness accorded by the Management in achieving the Sustainability Aspirations 2020. Going forward, we plan to create aspirations for other aspects of sustainability as well.



Asia  
Gas Partnership  
Summit 2012

Asia Gas Partnership

March 23-24

India's premier biennial





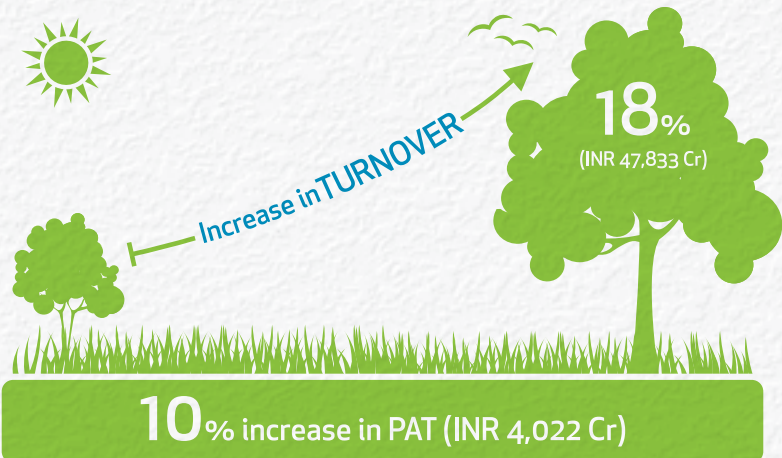
## *Shareholders / Investors*

Investor Relations is an on-going activity at GAIL where we communicate with the investment community comprising of existing shareholders, potential investors, analysts and media, on matters related to regulatory and voluntary activities across our operations.

This communication happens through various channels meetings with investors, company news-releases, press meetings of senior management, annual reports and websites. The idea is to transparently share information with the stakeholders so that they can gain a greater understanding about our business, governance, financial / non-financial performance and prospects. The aim of embarking on an on-going investor relations programme is that it enables the investor community to make a cautious investment decision without compromising on ethics and values.

Some of the major activities conducted by GAIL's investor relation function are as follows:

- Clearly communicating our values, business plan, strategy, risks and growth prospects.
- Highlighting our performance vis-à-vis competition.
- Demonstrating GAIL's activities related to compliance, disclosures, transparency and corporate governance.
- Communicating to the investing community, what makes GAIL unique for them to trust us and invest their money.
- Addressing the concerns of investors with respect to the future challenges.
- Serving as a bridge between the management and the investors.
- Ensuring dissemination of timely and accurate information.



## BUSINESS GROWTH

Amidst declining margins on account of pressure from the Government subsidies and the pipelines suffering from a declining throughput, GAIL's turnover increased by 18 % to INR 47,333 crores and Profit After Tax increased by 10 % to INR 4,022 crores, in this year. Higher sales

w.r.t. increase in average exchange rate from about INR 47/\$ for FY 11-12 to about INR 54/\$ for FY 12-13 and higher price realizations on Spot, LHC & Petrochemicals have led to this increase. Further, the economic value retained (calculated as economic value generated less economic value distributed) was INR 27306 Million.

	(INR) Millions
<b>A. Economic Value Generated</b>	<b>483572</b>
→ Net Sales / Income from Operations	474027
→ Other Operating Income	1900
→ Other Income	7645
<b>B. Economic Value Distributed</b>	<b>456266</b>
→ Operating cost	410649
→ Employee wages and benefits	10674
→ Payments to providers of capital	17240
→ Payments to Governments	17056
→ CSR initiatives	647
<b>Economic Value Retained (A - B)</b>	<b>27306</b>





LNG Terminal at Dabhol, Maharashtra

Fund managers, analysts and investors seek to understand the dynamics of the business in which we operate and in particular, potential growth prospects of GAIL into the future. Our track record and sustainable profitability levels will determine how much a fund manager will invest in GAIL. Predictable earnings stream and growth trajectory, corroboration of profit and loss account by strong and predictable cash flow, market position in terms of control over the product / service pricing power, barriers to competitive entry, levels of market share, price-to-earnings ratio and EBIDTA are the factors key to investors. With recent developments in the Natural Gas sector and GAIL with respect to the decrease in KGD6 production, high-level of under-recovery shared by GAIL, decreasing return ratios due to high capex and low physical growth and reduced tariff due to PNGRB orders, there is a bit of scepticism regarding GAIL's short term performance. This has also led to a near stagnant share price performance for GAIL during the year. The major steps in ensuring business growth are as follows:-

#### → ENSURING LNG IMPORTS

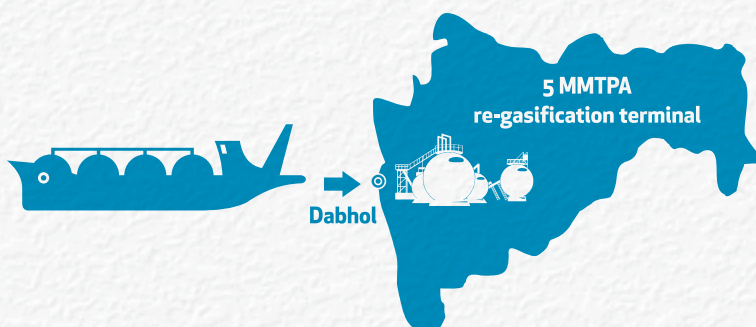
We have been striving hard to meet the growing demand for natural gas in India through import of spot cargoes. During this year, we imported 11 cargoes from Egypt, Qatar, Yemen, Spain amounting to 0.62 MMTPA of LNG. In the short and medium term, GAIL has executed LNG agreements with Marubeni, GDF Suez, and GNF for a combined 4.9 MMSCMD of Natural Gas. In order to provide long-term security, we are trying to secure LNG supplies from diversified supply sources to mitigate geo-political and



pricing risks. Accordingly, we have executed two contracts for cumulative 6 MMTPA (3.5 MMTPA from US and 2.5 MMTPA from Russia) supply over a 20 year horizon. Further, we have also executed a gas sales agreement with TurkmenGaz for importing 38 MMSCMD of Natural Gas through the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline for a 30-year period.

### → DEVELOPING RE-GASIFICATION CAPACITY

We are planning to set up an offshore Floating Storage and Re-gasification terminal (FSRU) in the east-coast of India. We are currently undertaking a feasibility study for setting up that project. In January 2013, we commissioned the 5 MMTPA re-gasification terminal at Dabhol in the state of Maharashtra that will act as a gateway to meet the growing demand of consumers in Maharashtra, Goa and Karnataka. The implications are humungous as it would translate into tying up more LNG volumes, shipping arrangements, upstream asset acquisition and more so enabling GAIL to unleash its expertise for foraying more vigorously into other re-gas opportunities and emerge as a dominant natural gas global



player. We are also planning to commission a 3.5 MMTPA FSRU capacity at Kakinada in Andhra Pradesh to meet the energy requirements of the states along the Eastern Coast.

### → PLASTIC PARK AT AURAIYA

GAIL signed a MoU with UPSIDC on 5<sup>th</sup> September 2012 for facilitating development of a Plastic Park at Auraiya, Uttar Pradesh. This initiative of setting up an industrial belt for plastic processing units shall provide much needed boost to overall economic development of the region. The total area earmarked for this industrial belt is about 314 acre, with UPSIDC making substantial investments towards cost of land and its development. For the growth and development of these industrial units, GAIL will contribute towards the

regular supply of raw material at competitive market prices, provide technical support to plastic processors and establish a polymer warehouse to cater to the needs of the industrial units. Entire basic infrastructure including land at attractive rates, road transport arrangement, water supply and adequate safety & security to the prospective industrial units in this plastic park will be arranged by UPSIDC. Through the All India Plastic Manufacturers Association (AIPMA), we ensure special invitations to entrepreneurs in this park.

The major drivers of performance in each business segment of GAIL are as given below:

### NG TRANSMISSION AND TRADING

GAIL controls almost 75% of the gas transmission business and around 60% of the gas trading business in India given our wide pipeline coverage, last-mile connectivity and increasing demand RLNG. Further, the proactive pipeline expansion has helped to address the ever increasing demand for gas in India. Our trading business has witnessed a strong growth on account of the administered pricing mechanism





gas combined with increased demand for LNG. This year, GAIL has signed a Terminal Service Agreement (TSA) with Dominion Cove Point LNG LP in USA for a commitment of 2.3 MMTPA liquefaction capacity in the Cove Point LNG liquefaction terminal project in US. GAIL has tied-up 5.8 MMTPA of LNG linked to Henry Hub pricing, which is the largest volume tied up by a single Company in North America. Our short-term and long-term association with GDF, Gazprom, GNF and Cheniere for RLNG supply will play a pivotal role in ensuring RLNG supply in India. We anticipate signing of similar LNG import agreements in the next five years, which would gradually improve the utilization of new pipelines to 55-60% by 2018-19.

As the tariff for the key pipelines have been approved by the PNGRB, there is a low regulatory risk for the transmission business further coupled with faster than anticipated ramp up of domestic gas supplies and implementation of reforms in the downstream oil sector by the Government positively impacting the performance. Finally with commissioning of the Dabhol terminal, we begin LNG contracts in excess of 4 MMSCMD that would contribute to larger transmission volumes and higher earnings. While the future looks bright, there are a few factors that have the potential to dampen the growth. Even as we are in the process of expanding our transmission capacity to 228 MMSCMD by 2015-16, the declining domestic production of gas and near stagnant LNG imports can result in to lower pipeline utilization. Tariff cuts by the regulators combined with reimbursements made for excess tariffs have impacted the earnings. Further, with increasing competition any delay in completion of the expansion

projects will have a direct bearing on the financial bottom-line.

### LIQUID HYDROCARBONS

We bear a part of the under-recovery incurred by the oil marketing companies on sales of Petroleum products such as Diesel, Kerosene & LPG, along with Government and other Government-owned upstream companies such as ONGC & Oil India Ltd. The mechanism of sharing subsidy amongst the upstream companies is ad-hoc and is determined based on a combination of the Government's fiscal position, extent of under-recovery, and ability of oil marketing companies to bear the loss which plays a serious dampener for any investment. With overall industry fuel under-recoveries higher and controlling fiscal deficit the Government's high priority, upstream companies are vulnerable to a higher subsidy share this year. The share of upstream companies towards subsidy sharing has increased from 33% in FY 08 to almost 37% in FY 13. Capping of subsidized LPG cylinders by the Government is expected to translate into lower under-recovery, however the full benefit will reflect in 2013-14 depending on Government's subsidy sharing formula.

### PETROCHEMICALS

Our planned expansion of 450,000 TPA at Pata has the potential to be one of GAIL's highly profitable ventures. With the upcoming volume growth in petrochemicals, we could possibly have Asia's highest petrochemical margins. Further, the 280 KPTA cracker in Assam in a JV (70% stake of GAIL) along with Oil India, NRL (Numaligarh Refinery Limited) and the Government of Assam and the 38% marketing share in ONGC's 1.1 MMTPA OPAL (ONGC Petro

Additions Ltd) will give us a higher market share in the petrochemical business in India.

We use Natural Gas from the Panna-Mukta-Tapti fields as feedstock for our petrochemical plant. As the gas price is fixed we get a high operating leverage and any increase or decrease in the international price of polyethylene is passed on to the bottom-line. Further as the cost of gas is less than one-thirds the cost of naphtha (used by other producers), our EBITDA margins are around 30% higher than our peers. However, with the new expansion we will double our gas requirement. Replacing Natural Gas with LNG on account of declining availability of the former can negatively affect the profitability. This combined with slow demand and declining international prices can seriously affect our margins.

### LPG TRANSMISSION

During the financial year 2012-13, PNGRB had revised the LPG transmission Tariff w.e.f 20.12.2012 based on railway tariff effective from 06.03.2012. This has a positive impact on the LPG pipeline tariff revenue of approximately by Rs. 14 Crores for JLPL & by Rs. 3.5 Crores for VSPL.

### FOCUSSING ON RENEWABLES

Climate change is a material issue for GAIL and we have been supporting the Government of India (GoI) National Action Plan on Climate Change (NAPCC) introduced in 2008. Now that India has committed to voluntarily reduce its carbon emission intensity (GHG emitted per unit of GDP) by 20-25% by 2020 over the emission intensity of 2005, we have developed our own action plan in order to contribute to this commitment. Apart from Natural Gas, which is a relatively cleaner fuel, we have successfully





GAIL CMD addressing during conference on Trans National Gas Pipeline - Win Win Situation for all

ventured in to wind power and solar power generation.

We commenced wind power generation in 2010 through a wind power project setup in Gujarat. Over a period of time, we have increased our wind energy portfolio to 118 MW comprising 14.7 MW in The State of Gujarat and 98.75 MW together in The States of Karnataka and Tamil Nadu, with a total investment in excess of INR 700 crores. Till date, we have generated around 34 million KWH of wind energy which is equivalent to a savings of around 26,520 tons of carbon dioxide.

This year we have commissioned our first PV based solar power plant at Raghwa village, Jaisalmer district (Rajasthan) having a capacity of 5 MW. The power generated through this plant is exported to NVVN (NTPC Vidyut Vypar Nigam Limited) as per a long term power purchase agreement (PPA) signed with the company. The plant was built at a cost of INR 51.0 crores. The total power generated and exported to NVVN during the year 2012-13 was 8,38,581 units with a corresponding revenue generation of around INR 78 lakhs. The total solar energy generated during this year has resulted in a savings of around 654 tons of carbon dioxide.

### SOCIAL CONTRIBUTION

Since inception, our focus has been not only to create value for our shareholders but also become a key contributor in the growth of "spaces" in which we operate. This is reflected in the community-centric CSR initiatives of the company. The initiatives that we have taken towards empowerment of society are discussed in detail in the communities section. In the FY 2012-13, GAIL has committed an amount of Rs. 92.19 Crores towards various CSR initiatives, spread across different thrust areas like healthcare, livelihood generation, education, community development, infrastructure, drinking water and sanitation and environment protection. An amount of Rs. 30 Crores (approximate) has been invested in Community Development and Infrastructure related projects, out of the total sanctioned amount for CSR. We continue to contribute towards national development and well-being by

- ➔ Providing access to clean energy alternatives through our gas pipeline networks to various sectors of Indian economy.

- ➔ Development of high grade steel industry in India.
- ➔ Substituting road transportation of LPG
- ➔ Reducing vehicular emissions in cities by offering cleaner fuel in the form of CNG thereby replacing Diesel and motor spirit.
- ➔ Reducing GHG emissions from flaring.

### OUR 2012-13 MOU

The Memorandum of Understanding is a negotiated document between the Government and the Management of a Central Public Sector Enterprise clearly specifying the objectives of agreement and obligations of both parties. The main purpose of the MoU system is to ensure a level playing field to the public sector enterprises vis-à-vis the private corporate sector. The MoU consists of mutually agreed targets on financial (50%) and non-financial parameters (50%). The financial parameters include Gross Sales, Turnover, Gross Margin, Net Profit and Net Worth. The non-financial parameters include performance under Corporate Social Responsibility, Research & Development, Sustainable Development, Human Resource Management and Corporate Governance.



### PERFORMANCE UPDATE ON THE SD ASPECTS OF GAIL'S 2012-13 MOU

Criteria	Unit	Excellent Performance Target	Actual Performance Achieved
Publication of Sustainability performance Report	Date	28.02.2013	28.02.2013
No. of meetings of Board Level SD Sub Committee	Nos.	4	4
Implementation of Burner Management System in Hot Oil Heater of GPU Vaghodia	Date	30.11.2012	22.06.12
Usage of Treated Sewage wastewater for Vivekanand Sports Complex and horticulture purposes at GAIL, Pata	No. of Milestones achieved on or before 31.03.2013	5	5
Preparation of 'Green House Gas Accounting Report' for installations of GAIL (India) Ltd.	Nos.	3	4
Dharohar : Conservation of Native plant species at GPU Usar	No. of Milestones achieved on or before 31.03.2013	6	6
Training of Employees on Sustainability Aspects	Manhours	1,600	2,000
External Evaluation of Projects	Nos.	4	5
SD Expenditure (Rs. 50 lacs plus 0.1 % of previous year PAT exceeding Rs. 100 crore)	%	100%	267%
Project on CO <sub>2</sub> utilisation	Milestones	7	7
Specialized Coaching for IIT / Engineering Entrance Exam for children of underprivileged section (Project - GAIL UTKARSH)	No. of Children	100	102
Setting up of Non-formal education (NFE) centres for mainstreaming out of school slum children to Govt. schools (Project - PADHO AUR BADHO)	No. of NFE centres	225	250
Job Linked Vocational Skill training to youth of underprivileged rural / semi-rural families (Project - GAIL - IL&FS SKILL SCHOOLS)	No. of youth	700	2880



Medical outreach programme for the local villagers in the rural areas adjoining major GAIL work centres through mobile health care vans	No. of Persons covered	50,000	2,28,033
Total Sanitation campaign in 5 villages covering individual houses	No. of sanitation units	250	386
CSR Expenditure as % of previous year PAT	%	0.85	1.77
Health, Safety & Environment Index	%	98.5	98.89
Attrition as % of total employees	%	<7	1.1
Effectiveness of Grievance Redressal system - % of grievances settled vis-a-vis received during the year	% settlement	80	93.75
Pension, Medicare, Yoga classes to reduce stress where the job is stressful, setting up of wellness centre such as Gym etc.	Number of programs / date of implementation of scheme	7	13
Employee satisfaction survey - ESI measure in %	%	>55	72.43
Formulation & Implementation of social security scheme	Yes / No	Yes	Yes
Number of structured meetings with employees' representatives	Number of meetings	10	12
Training Sessions on Health, Safety & Environment for field level Employees	No. of training sessions	40	59



## SD ASPECTS OF GAIL'S 2013-14 MOU

Criteria	Unit	Excellent Performance Target
Training of Employees including Senior Management on CSR & Sustainability Aspects through Seminars / Workshops / trainings in internalizing the CSR and Sustainability agenda within the organisation.	Manhours	1,700
Recycling of waste paper generated	Kg	2,000
NG Powered CCVT Replacement by Solar Power	No. of RR Stations covered	5
Meetings / Consultations held with Key Stakeholders	No. of Meetings	4
Publication of Externally assured Sustainability Report as per latest GRI standards	Date	30.09.2013
Job Linked Vocational Skill training to youth of underprivileged rural / semi-rural families under Project 'GAIL - IL&FS SKILL SCHOOLS' at 3 locations (Continued Flagship Programme)	No. of Youth trained	2,000
Enrolment for Specialized Coaching for IIT / Engineering Entrance Exam for children of underprivileged section under Project - GAIL UTKARSH (Continued Flagship Programme)	No. of Children enrolled	100
Project Jaldhara - Integrated Watershed Management Project in villages of District Jhabua, MP	No. of Milestones achieved	6
Expenditure incurred on CSR and Sustainability activities as % of previous year PAT	%	1
Existence of two-tier organisational structure with mandatory membership of an Independent Director on the Board level committee	Yes / No	Yes
Health Safety and Environment Index	%	98.5
Customer Satisfaction Index	%	88
Attrition as % of total employees	%	<5
Effectiveness of Grievance Redressal system - % of grievances settled vis-a-vis received during the year	% settlement	80
Yoga / meditation classes to reduce stress where the job is stressful	Number of programs	7
Number of structured meetings with employees' unions	Number of meetings	10



### DECLARATION ON COMPLIANCE

While pursuing business excellence goals we ensure that all our operations are in compliance to the national and international regulations applicable to us.

### RESEARCH AND DEVELOPMENT

We have identified thrust areas of R&D in line with our business areas –Natural Gas transportation and storage, fuel cell and nano composites, CO<sub>2</sub> utilization and Unconventional energy and follow a focused strategy to initiate projects in such areas. Many basic / fundamental / applied research projects have been taken up through various reputed engineering institutes and laboratories this year in these major thrust areas. We are also actively exploring technologies that can be used to exploit various non-conventional energy sources like Peat Gas, Gas Hydrates and Underground Coal Gasification (UCG) to develop alternate sources for augmenting the energy supplies in the country. Bio-fixation of CO<sub>2</sub> using micro-algae and the possibility of extracting various value added products are also being pursued by our R&D department.

We are setting up a unique and first-of-its kind pilot project for extraction of land fill gas (LFG) and its conversion to CNG after purification. LFG is generated by anaerobic digestion of municipal solid wastes (MSW) and contains nearly 50% methane. Methane is a Green House Gas (GHG) and is 21 times more potent than CO<sub>2</sub> in causing global warming. It also causes smog and poses safety and health risks. Methane emissions from landfills in India are estimated at 16 MT CO<sub>2</sub> eq. per year and are predicted to increase to 20 MT CO<sub>2</sub>

eq. per year by 2020. This project is being implemented at Ghazipur landfill site in Delhi. This project is expected to demonstrate the possibility of extraction of LFG from an un-scientifically managed landfill site and to convert it in to a clean fuel. The success of this pilot project would open up the possibility of replicating its success all over the country. The project is being carried out in two phases. First phase comprising landfill closure, LFG extraction and flaring. And the second phase comprising purification of LFG and subsequent conversion to CNG. The Phase-1 of this project is already completed and in the process of firming up the design basis for Phase-2 of the project.

In association with Indian Institute of Petroleum (IIP), Dehradun, we have conducted bench scale studies to assess the potential of converting waste plastic into fuel with these studies yielded encouraging results. After establishing bench scale operations, on continuous basis, we are establishing the feasibility of setting up a Pilot Project as the next phase.



### OPERATIONAL EXCELLENCE

The concept of 'excellence' is well-integrated into our way of working. We follow a top-down bottom-up approach, first to nurture our employee capabilities to think innovatively and then to identify, develop and pursue opportunities that reduce our operational footprint and costs. We have adopted a robust approach on TQM that focuses on developing small yet effective quality control circles at each of our operating units. A Total Quality Management group has been set up at the corporate level to centrally co-ordinate all quality and performance improvement initiatives across GAIL's operations. This year, 112 Quality Circle projects have been taken up resulting in saving of INR 15.68 crores through various projects. Several measures have been undertaken to enhance employee awareness and capabilities to deliver quality projects and inculcate a culture of continuous quality improvement. In addition to quality circles, suggestion schemes have also been introduced to encourage innovation and creativity amongst employees. The program is a reward scheme for individuals who can come up with performance improvement

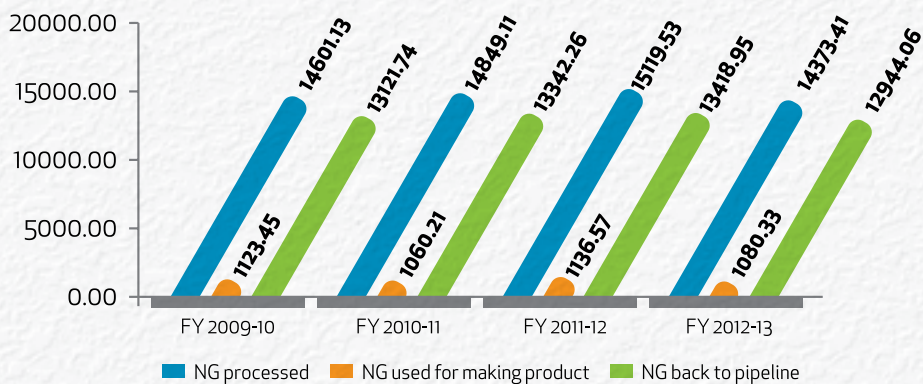


ideas in their areas of work. An annual award for the most effective suggestion is presented with a reward of INR 1,00,000 by our C&MD.

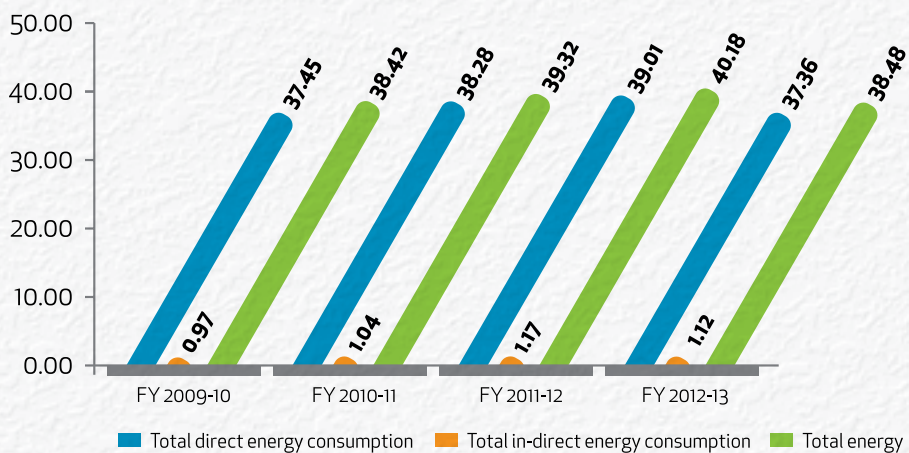
Energy conservation and improvement in energy efficiency have been one of the top operational improvement areas for GAIL. Under our Sustainability

Aspirations 2020, we have committed to reduce our specific energy consumption by 5% by 2020 in comparison to 2010 baseline. We plan to achieve this by developing an organization-wide integrated energy management system and strengthening our energy audit procedures apart from other technical interventions.

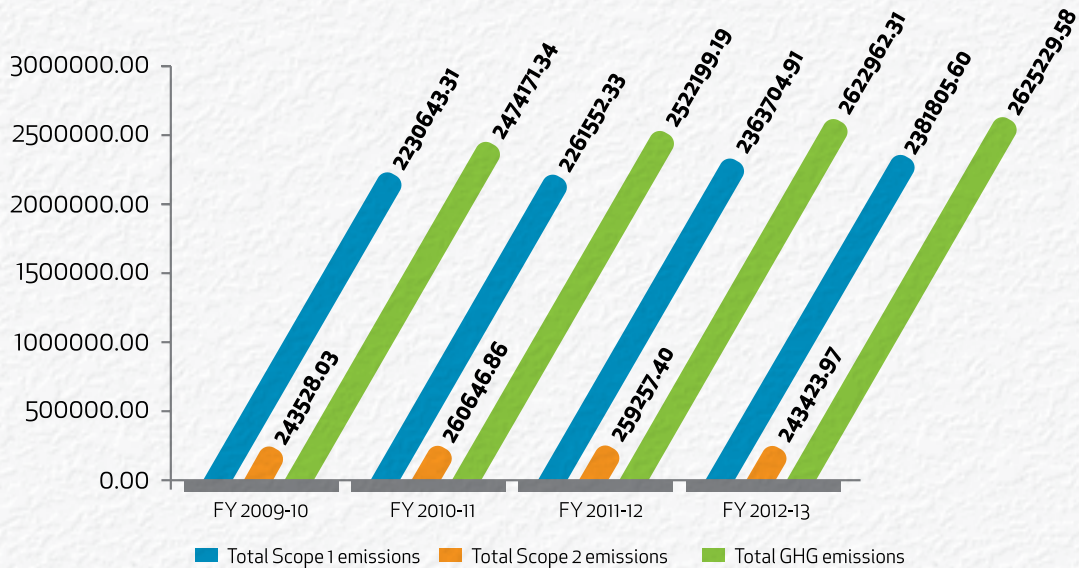
### NATURAL GAS (NG) PROCESSING IN OUR OPERATIONS (MMSCM)



### OUR ENERGY CONSUMPTION (MILION GJ)



## GHG EMISSIONS FROM OUR OPERATIONS

(tCo<sub>2</sub>e)

## ENERGY AUDIT AT USAR

As part of sustainable development initiatives taken across GAIL plants to improve energy efficiency and reduce overall wastage, an internal team from O&M having the credentials of Certified Energy Auditors (CEA) from the Bureau of Energy Efficiency conducted an energy audit at Usar. The major observations and findings of the team are:

- Opportunity to reduce gas venting and leakages from seals of feed gas compressor to reduce energy loss in terms of natural gas as well as reduce the environmental impact due to GHG emission.
- Scope to reduce energy consumption in utilities like nitrogen and compressed air by simple modifications, leak reduction and some interlock arrangements.
- Reducing water losses in fire water network to reduce the

pump energy consumption.

- Monitoring of cooling tower effectiveness, heat exchangers and related parameters to optimize the specific energy consumption.
- Directed maintenance and replacement of worn-out parts to improve pump efficiencies.
- Gas turbine Waste heat recovery has substantial potential to increase the utilization of waste heat generated.
- Use of star rated ACs to reduce electrical consumption in air conditioning.
- Reducing energy consumption in street lighting systems by use of optical switches.

## UP-GRADATION OF GAS TURBINE CONTROL SYSTEM AT KHERA

Khera Compressor Station, placed along the Hazira-Vijaipur-

Jagdishpur (HVJ) pipeline, dwells three Gas Turbine Compressor Packages comprising of Cooper Bessemer – RF4BB30 gas compressor and Roll Royce RB211 Gas Generator (drive). Requirement of up-gradation of integrated control systems for all the three RB-211-24G GTCs was of prime importance to ensure availability of these machines for uninterrupted gas supply along the HVJ pipeline. The existing control systems of the packages at the Khera were very old and had become technologically obsolete; causing difficulty in procurement of spares as well. These existing systems were liable to cause unscheduled tripping during start/stop of the machine and even while in running state. Hence the control system of these GTC packages were upgraded during the FY 2012-13 in order to enhance the availability and start-up reliability, reduce tripping, ease the maintenance and improvise remote trouble shooting facilities, against the technological obsolescence.



### UTILIZATION OF FLARE GAS FOR PNG (PIPED NATURAL GAS)

In the LPG plant at Vijaipur, approximately 1,200 SCM per day natural gas from dry seal gas vents of LEF compressors and from depressurization of equipments before handing over for maintenance or small passing of valves is flared. The total PNG demand of GAIL Vijaipur Township which has 560 quarters apart from public buildings like bachelor hostels, guest house and canteens was estimated to be around 336 SCM per day. With this in the background, it was planned to use flare gas in the township as PNG instead of existing LPG. The project was initiated with an investment of INR 2.04 crores and is under the final stage of implementation. This initiative at GAIL Vijaipur is expected to result in reduction of 275.4 tons of carbon dioxide into the atmosphere.

### ENERGY EFFICIENCY INITIATIVES AT VAGHODIA

Several energy efficiency initiatives were adopted at Vaghodia in line with the requirements of GAIL's Sustainability Aspirations 2020. Following are some of the major initiatives:

- A Waste Heat Recovery Steam Generation system (WHRSG) was installed to recover waste heat from exhaust of Gas Turbine Compressor (GTC). The total investment incurred was INR 62 crores while the total savings amount to around INR 15.65 crores per year on account of 52 MT/Hr of steam generation. A scheme was developed to utilize the cold generated due to pressure reduction of RLNG supplied to South Gujarat pipeline, for cooling of feed gas supplied to the GPU. The total investment for this project was INR 2.35 crore resulting in saving around 5,600 MWH/annum of energy and an additional recovery of

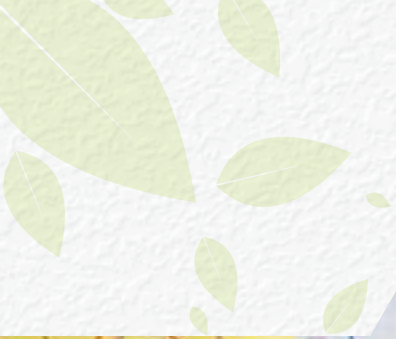
1,340 MTPA of LPG equivalent to INR 1.94 crore.

- An improved automated burner management system was installed in Hot Oil Heaters. This system enabled fuel saving due to stoppage of pilot burner and enhanced efficiency due to better air-fuel ratio control along with enhancing operational safety and environmental impact. The total investment for this project was INR 83.44 lacs resulting in a 12.79% reduction in fuel gas consumption equivalent to INR 28 lacs/annum.

### REDUCING DE-RIMMING FREQUENCY AT PATA

Engineering modifications were carried out at the Nitrogen plant in order to reduce the frequency of de-rimming. This project resulted in an annual savings of 4,48,560 KWh of electrical energy equivalent to INR 22.43 lacs along with an equivalent reduction in production loss of 900 MT of Liquid Nitrogen.







## *Communities*

GAIL's commitment towards our communities has come a long way from rehabilitation activities in the 1990s to a distinct business function focussing on creating sustainable livelihoods. Like many other Indian companies with activities spread into the interiors of the country, CSR at GAIL started with community outreach and community development programmes. Over time, GAIL started undertaking long term programmes having wider social impact.

We are governed by our CSR policy to augment GAIL's involvement and commitment towards community initiatives. A compassionate approach towards the community lies at the heart of our operations at GAIL. We have in place a comprehensive system to undertake such initiatives. In alignment with vision of the company, CSR initiatives strive to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community. CSR performance indices have been included in the MoU signed with the MoPNG.

In adherence to Government guidelines, GAIL allocates two percent of its Net Profit after Tax (PAT) of the previous financial year for its CSR activities. GAIL executes its CSR initiatives in seven identified major thrust areas, viz- **Education/ Literacy Enhancement, Community Development, Infrastructure, Skill Development/ Empowerment, Drinking Water/ Sanitation, Healthcare/ Medical Facility and Environment Protection/ Horticulture**. For the F/Y 2012-13, the Company had allocated a budget of INR 92.19 Crores towards CSR activities in and around its major work centres (2% of its PAT for the year plus carry-over of unutilized amount from previous year). CSR activities at GAIL can be categorized in two broad areas : (i) Community outreach and community development which focuses around its work centres and (ii) Flagship programmes for wealth and value creation which are aimed towards capability development and empowerment of the under privileged. Though the Company has identified above mentioned seven major thrust areas for CSR interventions,

over the last few years, its focus has been in the domain of Education, Skill Development for Livelihood generation and Health, more specifically in the rural domain. Most of the flagship programmes which involve long term commitment by the company, have been taken up in these areas with the objective of creating a long term and sustainable impact by empowering and enabling the communities.

The key to reaching the goals of sustainable growth is to be able to foresee and perceive the aspirations and needs of the disadvantaged sections. It is with this very objective in mind that the company has realigned its systems, processes and activities to enable holistic development for all sections. The projects implemented are monitored and reviewed by the CSR sub-committee at the Board level. CSR in GAIL has also evolved into a distinct function, with a dedicated team, operating within the framework of a well-structured CSR Policy. In an effort to achieve these goals, GAIL collaborates with communities, governmental and nongovernmental organisations, academic institutions and others to identify emerging issues, develop projects and effectively respond to challenges. We follow global best practices in identifying, implementing, and monitoring its CSR projects.

The systematic and meticulous approach of planning and implementing our CSR projects comprise of the following steps:

A **project based approach** in implementing CSR projects which are largely undertaken in and around the rural areas adjoining its major work centres/installations

- ➔ Systematic identification of programs through needs assessment

- ➔ Creation of project-based accountability approach with well-defined timelines and project milestones, in terms of a standardised Agreement signed with every external executing partner
- ➔ Implementation through various agencies as listed under Section 4.9.1 of GAIL CSR Policy and as per the Guidelines on CSR issued by DPE
- ➔ Monitoring and feedback including internal and external assessment on concurrent and project completion basis, in form of thorough Impact Assessment Studies conducted by a Third party
- ➔ Robust implementing mechanism, through a 3-tier approval system. The Sub-Committee of the Board approves the total quantum of CSR activities to be in a particular financial year, it is headed by the C & MD GAIL
- ➔ In addition to allocation which is primarily meant for the CSR projects for the disadvantaged segments residing around GAIL Work Centres, the GAIL CSR policy also provides for CSR allocations under the following heads:
- ➔ Contribution towards Corpus of GAIL Charitable and Education Trust. In FY 2012-13, an amount of Rs. 5 Crores was allocated for the activities of the GAIL Charitable and Education Trust, which is a registered body under Societies Registration Act, 1860. GAIL Charitable & Education Trust extends Scholarship to students on merit cum means basis both at School level and for higher Education from the interest



earned on the contribution towards the Corpus.

- Contribution towards Relief for Natural Calamities or Disasters: Allocation is also made each year for rendering relief/contribution in the event of Natural calamities or disasters affecting the communities in & around the areas where GAIL has its operations. Any unutilized amount under the annual allocation against this head is carried forward to the next year. In FY 2012-13, 10% of the CSR budget was earmarked for the same.
- Need Identification, Impact Assessment and Sponsorship of CSR events/publications: Certain component of the annual CSR Allocation is earmarked towards cumulative expenditure on Need Identification, Impact Assessment Studies, Capacity building/training and Sponsorship of CSR events/publications. GAIL earmarks 3% of the CSR budget towards the same.
- Allocation towards MoP&NG/ Govt. Schemes: In adherence of the Govt. /MoP&NG instructions, GAIL earmarks 20% of its annual CSR allocation for participation in common CSR programmes undertaken collectively by oil PSUs. For the last few years, GAIL has been extending financial support to BPL families for providing them with LPG connections through Rajiv Gandhi LPG Vitran Yojana.

In light of the Revised DPE Guidelines on CSR & Sustainability issued in December 2012, the abovementioned allocations have been revised and modified for the FY 2013-14

## BEING RESPONSIVE

GAIL, as a socially responsible corporate entity, recognises its responsibility towards the various stakeholder groups, especially towards the community at large and the disadvantaged sections in particular. This is reflected in the choice of CSR Programmes being implemented by the company. GAIL is particularly sensitive to the fact that the programmes must address the needs of the people and the area so that there is a holistic development within the area takes place, while also improving the living standards of the people.

## EDUCATION/LITERACY ENHANCEMENT

GAIL through its Education/Literacy Enhancement Initiatives is engaged in changing the world for children and young adults who have been deprived of the opportunity to acquire knowledge and education due to acute poverty. A multitude of projects have been implemented to address critical issues such as school dropout rate, literacy rate, education for out-of school children, equipment and infrastructure for schools, among others. To facilitate access to quality education by the less privileged children, the

GAIL Charitable and Education Trust was set up in 2009 to award scholarships to meritorious students from weak financial background.

One of GAIL's earliest and most effective interventions in the education sector was the introduction of *the E-Shiksha Programme*. As part of this project, computer labs were set up in a power equipped mobile vehicle alone with one qualified instructor and teaching aids. The programme initiated in 2008, as a pilot project in Vijaipur (M.P.), has benefitted more than 4500 students. The programme has helped in making computer education accessible to government schools and facilitated students to accomplish their regular computer school curriculum through the mobile computer aided lab. After school hours, the computer vehicles were available to the villagers of Vijaipur for the adults to take up a course in typing and basic computer literacy.

By far the most inspiring and enriching initiatives, for the beneficiary population and GAIL, have been two flagship projects- *Utkarsh* and *Padho Aur Badho*.

GAIL *Utkarsh* is aimed at securing the future of brilliant students whose dreams may have otherwise



perished due to lack of finances. This pioneering project provides all-expense paid, specialised residential coaching/intensive mentoring so that bright students from under privileged can compete for engineering entrance examinations such as IIT/JEE, AIEEE, UPTU etc. This programme is operated under the able mentorship of Sh. Abhayanand, IPS. For the year 2012-13, 100 students were identified for this programme through a meticulous selection process out of which **83** have been selected in prestigious Engineering Colleges and Technical Institutions including **23** students who have secured admission in various IITs.

Urban slums can wreak devastation on childhood. As the struggle for survival takes precedence, children in urban slums are deprived not just of opportunities to study but also of the joys and pleasures of childhood. GAIL's **Padho Aur Badho** project strives to bring some degree of succour to these children by fulfilling their dreams of getting an education. Since 2009, the project has been instrumental in setting up 250 Non-formal Education centres in slums of Delhi/NCR. So far more than **8900** students have been mainstreamed into the government education system and the mainstreaming process for the **7500** students covered in **250 NFE Centres** in 2012-13 is underway.

To further boost the outreach of education among the lesser privileged, GAIL has contributed for creation of infrastructure, provision of equipment, furnishing and stationery to schools to enhance creativity among students and improve attendance of children in schools. GAIL's inclusive development philosophy makes education for children with special needs a possibility, through provisioning of hearing aids and other assisted aids to

help such special children join the mainstream.

### SKILL DEVELOPMENT/ EMPOWERMENT

Enabling and empowering the underprivileged so that they become agents of change, lies at the very heart of GAIL's CSR initiatives. The organisation seeks to address the crucial issues of employability by providing skills to the disadvantaged so that they gain sustainable employments, as well as social respect, self-reliance and self-confidence. GAIL through its CSR initiatives is bridging this ever increasing disparity by extending employment linked skill Development Training to rural youth of the country. The Multi-skill schools established in M.P. (Guna), A.P. (Tandur) & Gujarat (Dediapada) under Project **Swavalambh** have been imparting skills based training in retail, hospitality & facility management to rural & youth of country along with placement support. In the FY 2012-13, over **2800** youth were trained in the sectors of retail, sales, hospitality, BPO Service, Facility Management etc. The integrated 'Backward and Forward' linkages pertaining to training and employment provided through these schools make them unique and inimitable in its approach towards creation of sustainable livelihoods.

Aimed primarily towards enabling self-reliance and providing livelihood opportunities for the disadvantaged tribal population; concentrated in the Jhabua district of Madhya Pradesh, Project **Anhad Gram** is an intervention introduced by GAIL to provide skill based training, better technology and market access for the local produce, to provide an alternative and sustainable livelihood. The project was undertaken in 25 identified villages (identified through

baseline survey) and focussed on development of organic farming, agro and bio waste briquette as low cost fuel, animal husbandry and water management in the selected villages, for a holistic development model. Through formation of SHG and thereby promoting Micro Enterprise Creation among the population, the programme aims to check migration to urban spaces, and instead promote the rural spaces as hubs of sustainability. Watershed Management Initiatives such as deepening of ponds and construction of check – dams have also been undertaken to augment villager's access to water. The success and goodwill generated from the initiative has inspired your Company to take up an Integrated Watershed Development and Management Project, Project **Jaldhar** in the FY 2013-14, in the otherwise water scarce region covering nearly 40 villages in the region to make them water sufficient and environmentally sustainable.

GAIL has sought to empower the mothers and sisters of the children associated with Padho Aur Badho programme through its project, **Garima**. This serves the dual purpose of extending income generation opportunities to these women as also preventing the children from falling back into the ambush of child labour. In the year 2012 – 13, more than 1400 women have already been provided Skills Training in embroidery, stitching and tailoring, apparel/dress making, handicrafts and beauty culture etc. to promote income generation through self-employment.

Livelihood opportunities are also being afforded to the people from underprivileged and tribal regions in the form of specialized vocational training with employment linkages in the form of training in Dari designing, blanket weaving,



plumbing, house wiring, bee keeping, mushroom production etc., for effective empowerment and self-reliance. The fact that all these training are eventually linked to income generation renders them effective and much sought after among the beneficiaries.

Empowerment of the differently abled and physically challenged is another area where GAIL is proactively involved through provision of essential medical aids, equipment and infrastructural support. GAIL's endeavours in this direction include initiatives like distribution of specialised motorised vehicles to the physically challenged to promote their self-reliance.

### HEALTHCARE/MEDICAL

Since most of GAIL's operational plants and pipeline stations are in rural India, the organisation has devised and implemented projects to bring health care facilities to the doorsteps of local communities. The critical area of Healthcare, and its relevance in the lives of the disadvantaged, is addressed by the GAIL's Project Arogya, in partnership with Wockhardt Foundation, which caters to the gap in the primary health care system delivery by operating Mobile Medical Units in various

villages of Auraiya, Guna, Jhabua and Khera. A unique programme under the umbrella of GAIL CSR is Project Anhad Gram, operational in the tribal region of Jhabua, which aims at overall development of the tribal community by making them financially independent and also empowers them socially.

GAIL has organised numerous outreach medical/ Health camps in rural areas for TB, cancer patients, Thalassemia screening, Eye screening & spectacle distribution. Also, it has contributed towards augmentation of Cancer treatment services, as also provisioned for improved bio mass based cook stoves to under privileged households in Tehri- Uttarakhand Region to improve the respiratory health conditions of the women of that region. Additionally, GAIL has also made a provision of ambulances, diagnostic equipment, Computerised ECG equipment, bio-chemistry analyser to various hospitals. Your Company has also distributed free medicines to Epilepsy patients and has established a Vitreo - Retinal Unit in Eye Hospital in MP. GAIL understands the role and significance of Transporters/ Drivers/Truckers in furthering their business operation. In order to address the perennial problem

of HIV/AIDS associated with this segment of the population, GAIL has been running an STI Clinic in Madhya Pradesh and also organised HIV/AIDS Awareness Camps in U.P. and M.P. GAIL realises the significance of expert advice as required in certain specific cases. In order to provide for the same, it has upgraded the Telemedicine Centre in a Government Hospital in UP, wherein the patients and the doctors can seek expert advice from the most reputed hospitals and medical experts of the country.

### DRINKING WATER/ SANITATION

Scarcity of water is a global concern, and GAIL places a premium on the value of water as a depleting natural resource. To enable access and increase the supply of potable water, an integrated water management strategy that supports responsible water management and environmental stewardship has been adopted under the Drinking water/ Sanitation thrust area. GAIL has facilitated installation of bore-wells, tube-wells, hand pumps, overhead tanks, submersible pumps as well as storage facilities and promoted rain water harvesting and check dams/ irrigation systems in villages, as part of this intervention. GAIL believes in the philosophy that clean and sanitised surroundings are the cornerstones for leading a healthy and fruitful life. For the disadvantaged this is even more important as they inhabit areas that are unhygienic, far-flung and with no proper access to drainage systems or toilets. This need is addressed through Holistic Village Development Programmes and Total Sanitation Programmes in the states of Uttar Pradesh and Madhya Pradesh. The organization has also initiated projects that contribute to improve local hygiene and sanitation practices



through construction of nallahs and pipelines and reconstruction of drainage systems in rural areas near its project offices.

### INFRASTRUCTURE

GAIL, among other interventions has also lent a helping hand towards boosting rural infrastructure, aimed at the welfare of communities that live close to its work centres. Rural infrastructure or rather the lack of it has been a perceptible need felt by many. For holistic and sustainable development of all stakeholders, GAIL has stepped in to invest in "common resources" for the greater good and utilization by a cross section of stakeholder groups. Taking a collaborative approach, we work with our partners to identify and assess needs to determine the scale and nature of investments. These include projects improving connectivity between villages and/to towns and cities through construction of village approach roads, village adoption programmes, construction of community centres, community toilets, Aanganwadi centres, school building and libraries to benefit the community at large. The construction of check dams and water catchment areas in the villages adjacent to the GAIL plant, Vijaiapur, Madhya Pradesh, has successfully transformed farming practices and farmers lives. The physical asset creation has led to improvement in the physical access the disadvantaged communities have to resources and thereby improved their social mobility in life.

### COMMUNITY DEVELOPMENT

For sustainable and holistic development, GAIL is guided by the Triple Bottom line, i.e. people (community), profit (business) and plant (environment) and

clearly recognises that its society's economic competitiveness is linked to its social and environmental health which is feasible only by strengthening it at the grassroots level. Embedding sustainability into the framework of community development, GAIL has supported integrated development programmes in villages by extending its support for reconstruction & renovation of various public utilities/buildings resulting in improved conditions of living. A few among these are construction of Junior College Building at Madgul, Mahbubnagar, Andhra Pradesh and construction of Public Library Building at Chikballapur in Karnataka, construction of village roads, boundary walls for ponds, installation of solar lights and provision of clean drinking water. For sustainable development of the whole community, GAIL is also supporting livelihood programmes in villages especially for small and marginal farmers. It has also undertaken a project for Development Works in the backward district of Bhandara.

### ENVIRONMENT PROTECTION/ HORTICULTURE

Commitment towards the Environment forms an implicit part of GAIL's Vision statement and through its CSR initiatives; it has promoted this cause through specific environment-friendly programmes. As part of the bigger Sustainability ambit, we remain conscious of sensitivities associated with natural habitats and ecosystems and therefore restrict our activities to cause minimum damage to the surroundings. GAIL has tried to mitigate the damage to the environment and reduce its footprint by - effectively ensuring zero discharge of harmful effluents,

adopting recycling practices of rain water harvesting, water recharging and ground water reuse systems, increasing the green cover of the areas in proximity to the work centres through extensive soil treatment of correcting alkalinity and restoring the soil balance, afforestation and other biodiversity management activities. Specific interventions undertaken under this thrust area include Mobile Veterinary Services (MVS) units in the North-East, improvement of drinking water facilities in the Vedaranyam Range in Kodiakarai Wildlife Sanctuary, Tamil Nadu having endangered species and wildlife conservation of cultivated land of Khadar area on Sonali River, Haridwar, Uttarakhand through flood protection activities, contributing a van to District forest Department in Badaun, U.P.

### INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

GAIL believes that the key to economic growth lies in social investment. For a business to prosper and sustain it is but natural that the "space" it operates in also prospers and develops alongside. To achieve the objective of inclusive growth and equitable development, GAIL has adopted multi-stakeholder partnerships approach to provide innovative yet viable socio-economic investment models. The company has a proper system in place for ensuring the same, which is guided by the GAIL CSR Policy. The projects are implemented by the involvement of all stakeholder groups. The dedicated CSR team at GAIL coordinates their efforts in identifying CSR projects, assessing their intrinsic value to the principles of Inclusive Growth





and Equitable Development. The programmes are executed through external agencies, with the internal CSR Department(s) ensuring smooth execution of the process in alignment with the principles and procedures as laid down in the GAIL CSR Policy. GAIL carries out an annual exercise of the Third Party Impact Assessment Study of its major CSR initiatives. The same is carried out through External agencies, NGOs, academic institution like Delhi School of Social Work, Tata Institute of Social Sciences etc.

For the year 2012-13, GAIL has engaged the services of Tata Institute of Social Sciences to assess the impact of its major CSR initiatives. The company has invested over INR 30 Crores in Community Development Initiatives during FY 2012-13 in the form of projects that create physical

infrastructure (schools, colleges, roads etc.), drinking water facilities and proper drainage systems, Holistic Village Development Initiatives etc. The company also has a system of regular monitoring, review and interaction with the community stakeholders, along with their implementing partners, to ensure that these community development initiatives are successfully adopted by the target community and help them in reaping the true benefits of these programmes.

Finally, GAIL's responsiveness towards all stakeholders esp. disadvantaged, is reflected in the geographical location of the GAIL CSR Projects. Most of the CSR initiatives are carried out in remote areas of the country and also with a significant proportion of the disadvantaged population, in economic and social terms.

GAIL pays special attention to disadvantaged groups viz tribals, women, marginalised youth, persons with disability etc.

## COMMUNITY DEVELOPMENT AND INFRASTRUCTURE

GAIL has committed Rs. 60.00 Lacs (approx.) towards programmes that improve energy access of the local communities, directly or indirectly. These initiatives include Installation of Solar Lights in areas of Uttar Pradesh and Madhya Pradesh and Provision of improved Biomass based cook stoves to under privileged households in Tehri/ Uttarakhand region.

Overall, the total spending on CSR as % of profit after tax in FY 12-13 was 1.77% (as per the Audited Accounts of GAIL for the FY 2012-13)

Sl. No.	Thrust Area	CSR Allocation (Rs. In Crores)	CSR Expenditure (Rs. In Crores)
1	Education	11.33	9.75
2	Community Development	23.45	17.67
3	Infrastructure	8.85	6.34
4	Drinking Water/ Sanitation	4.07	1.09
5	Skill Development/ Empowerment	24.68	16.23
6	Environment Protection/ Horticulture	0.60	0.20
7	Healthcare	9.72	4.50
<b>TOTAL</b>		<b>82.70</b>	<b>55.78</b>

*\*In addition certain amount has also been allocated towards Need Identification/ Impact Assessment Studies and Sponsorship and Relief against Natural Calamities Fund*

GAIL has invested approximately Rs. 23.50 in Community Development and Infrastructure projects. It is also important to mention that the other projects being implemented under the other thrust areas also impact the community in one way or the other and thus enrich the lives of the people in the community.

The 7 thrust areas have been decided upon keeping in mind GAIL's business operations, its social responsibility to the community and people.

Programmes dealing with Community Development are mostly focussed on resource

creation for the community as well as improving the overall quality of life of the people residing around the GAIL work centres. The Community Development projects and the Infrastructure projects focus on construction of Hospitals, Schools, Community Centres, Stadiums and other "common



resources" that can be used by all members of the community. Construction of roads, bus stands is also a part of these programmes.

Sanitation and Drinking Water programmes also form an integral part of GAIL's Community Development initiative. As a part of this particular exercise construction of toilets, provisioning of clean drinking water facilities in undertaken.

Some of the major Community Development and Infrastructure projects undertaken in the FY 2012-13 include:-

- ➔ Installation of Solar Lights and promotion of non-conventional sources of energy in various villages of Uttar Pradesh.
- ➔ Provision of Drinking Water through installation of hand pumps, water coolers, Bore wells etc. in villages of Madhya Pradesh and Uttar Pradesh.
- ➔ Holistic Development of Villages in Auraiya and Guna through Total Sanitation Campaigns
- ➔ Construction of village roads, culverts, drains and other physical infrastructure like bus stops etc.
- ➔ Augmentation of public infrastructure in form of libraries, developing school infrastructure and medical infrastructure in states of Rajasthan, Uttar Pradesh, Madhya Pradesh, Andhra Pradesh, Delhi and Gujarat.
- ➔ Development works in District Bhandara\*, Maharashtra
- ➔ Setting up of a Skill School Campus at Guna, M.P.

\*A notified backward district.

## PROJECT EXECUTION AND IMPACT ANALYSIS

As provided in the CSR Guidelines issued by DPE, GAIL makes use of various specialised agencies for implementing its CSR projects. As GAIL has a wide range of CSR Activities being carried out, which are not only spread across a wide geographical areas, but are also varying in nature, requiring specific knowledge and skill sets, its executes its CSR projects through specialised agencies which have the expertise required to carry out a particular project. These specialised agencies include Government Departments, NGO's, Consultancy Organisations and other service delivery organisations specific to a particular project or need. The in-house team at GAIL helps in the smooth implementation of all the CSR projects by extending all cooperation to the various service delivery agencies or implementing partners. All effort is made by the in-house team to verify the antecedents and track records of the implanting partners before awarding of jobs, to the best extent possible at the Company's end. These agencies are selected in adherence to the provisions of the GAIL CSR Policy, which requires fulfilment of certain basic and desirable criteria. Further, it is also ensured that these agencies seek clearance and/or empanelment with the National CSR Hub (as listed down in the DPE Guidelines). The Registration Certificates and the Audited Accounts of the agencies are also verified. The earlier work experiences of the agencies with other PSUs or large organisations, as well as their empanelment with Government organisations or the Ministries is also taken into account while selecting the implementing partners.

Till the FY 2012-13, every year an amount of Rs. 5 Crores was earmarked for activities of the GAIL Charitable and Education Trust, which is a registered body under the Societies Registration Act, 1860. This trust extends scholarships to students on merit cum means basis both at School level and for Higher education from the interest earned on the contribution towards the Corpus.

The CSR Projects of the company are evaluated and their impact is assessed periodically at multiple levels. At the end of the project, the implementing partner submits a report pertaining to the impact of the programme, specifically highlighting the project milestones achieved and the quantitative and qualitative benefits generated. The project is also evaluated on milestones achieved by the Cross Functional CSR Committee formulated at every GAIL work centre. Independent Third Party Assessments are also conducted for major CSR initiatives of GAIL at regular intervals. . The agencies engaged for these studies are primarily academic in nature and have ranged from Tata Institute of Social Sciences (Mumbai), Department of Social Work (DSW), University of Delhi to Jamia Millia Islamia, Delhi. TISS has undertaken a Third- party Impact Assessment Study for 5 major CSR initiatives of GAIL in the FY 2012-13, across various work centres. The findings and observation of the third party help GAIL to modify their CSR initiatives and innovate for the better.

All necessary steps are taken in order to build a sense of "ownership" within the community with regards to the particular community development initiative being undertaken. All CSR initiatives and Community Development initiatives, specifically the people-centric ones, try and incorporate a dimension



of community involvement/ interaction, awareness generation, engagement, stakeholder interaction and capacity building. Through these mechanisms, the aim is to develop a sense of “we-ness” within the community. Also all the community development initiatives are long term in nature and with a sustainable component. The initiatives are taken up through a collaborative effort and a process of engagement with the local community, including local governance structures and institutions. The company also insists on the implementing agency to participate in the community in a phase wise manner, while simultaneously building the community motivation and capability to operate the programme or the service on their own.

### DEVELOPMENT OF ONLINE EXECUTIVE TRAINEE ASSIGNMENT MONITORING SYSTEM

GAIL recruits about 150 executive trainees each year who undergo training across our operations. The performance reports submitted by these trainees were in the form of hard copies. We introduced software, developed in-house at GAIL to make this process online and reduce use of the papers. This system has helped reduce the annual paper consumption at GAIL by approximately 18000 sheets.

### ENVIRONMENTAL PERFORMANCE OF OWNED OPERATIONS

GAIL (India) Limited is committed to Environment Protection. There

have been various measures adopted across GAIL business lines for Environment Protection & its conservation. GAIL has entered into new businesses over the past few years with a focus on Triple E approach i.e. Ethics, Economy & Environment. Amongst the new businesses, GAIL's CGD business is helping many cities to keep their environment clean. GAIL's supply of Natural Gas to its customers is helping them meet the statutory norms. Continuous endeavours towards energy conservation measures in our existing operations helps us in conservation of precious natural resources.

GAIL is an inherent, naturally environment friendly organization. Not only do we take care of our own environment, but also help our customers during their course of business through Natural Gas. Our products i.e. the polymer has played an instrumental role in reducing the demand for Wood. GAIL has always contributed toward sustainable development through various green initiatives including installations which are testimony towards our endeavour to be seen as an environmental responsible company. Some of the salient features are:

#### → GHG EMISSIONS MANAGEMENT

Green House Gas Accounting was undertaken at GAIL Pata, Vijapur, Gandhar, Vaghodia and Hazira and completed as per ISO 14064 and WRI GHG protocol. Green House Gas accounting has now been taken up internally for four additional sites of GAIL. Global Methane Initiative (GMI) program has been undertaken at Vijapur, Jhabua and Hazira through the signing of a MoU between GAIL (India) Ltd. with the United States – Environment Protection Agency (US-EPA) making it a partner in the Natural Gas STAR

Program so as to carry out a study regarding fugitive and vented Methane emissions. The study has been taken up for Vijapur, Hazira & Jhabua facilities by US EPA. Flares have been designed and operated for smokeless burning.

#### → OTHER AIR EMISSIONS MANAGEMENT

Dry Low Emission (DLE) gas turbines for gas transmission through VDPL Pipeline were installed to reduce the emissions footprint. At all major locations of GAIL Natural Gas is used as feedstock & fuel stock to virtually rule out Suspended Particulate Matter (SPM) and Oxides of Sulphur (SOx) emissions. Likewise Low NOx burners have been installed and operated to control oxides of Nitrogen (NOx) emissions. Provision of adequate stack heights and their monitoring for dispersion of flue gas emissions and keeping the ground level concentrations (GLCs) well under limits specified in National Ambient Air Quality Standards (NAAQS) were ensured at all operations of GAIL. At GAIL's Petrochemical unit for continuous monitoring of Ambient Air Quality not only Fixed Monitoring stations are used but Mobile Monitoring stations were also used. Similarly Online analyzers were installed in all the stacks for continuous monitoring of stacks and provision has been made for all upcoming projects Installation of gas detection system is being done at major plant operations to ensure quick detection and control of a gas leak. Similarly comprehensive mechanical preventive maintenance practices are in place to arrest fugitive emissions.

#### → OTHER ENVIRONMENT INITIATIVES

This year GAIL observed Earth Hour - a global initiative by WWF besides



observance of World Environment Day and the Oil and Gas Conservation Fortnight at all GAIL's operations and major work centres. In our continuous endeavour towards safety we ensure all safety valves, pressure controlled valves etc. discharging hazardous substances are connected to a highly reliable flare system where the relieved gases and liquids are burnt at controlled safe points. Periodical monitoring of the sound levels are carried out at all plants of GAIL to ensure correct operation of equipment. In order to curb noise at our locations the provision of acoustic lining was done in burner assembly to reduce excessive sound. In major GAIL locations installation of silencers were being done in steam lines to reduce noise during unexpected venting and various other measures are taken to control the noise pollution.

### ENVIRONMENTAL MANAGEMENT SYSTEMS

A large majority of the installations of GAIL are certified with Environmental management Systems i.e. ISO 14001:2004 (EMS).

These are voluntary Standards adopted by an organization to showcase and continually improve its Environmental Performance. The certification of EMS is testimony to our legal compliance to all applicable Environmental Rules at all times. Under ISO 14001 Systems, definite objectives & targets are taken up every year & Complied. Periodic internal audits are done by qualified auditors and yearly surveillance audits are also carried out by external agencies.

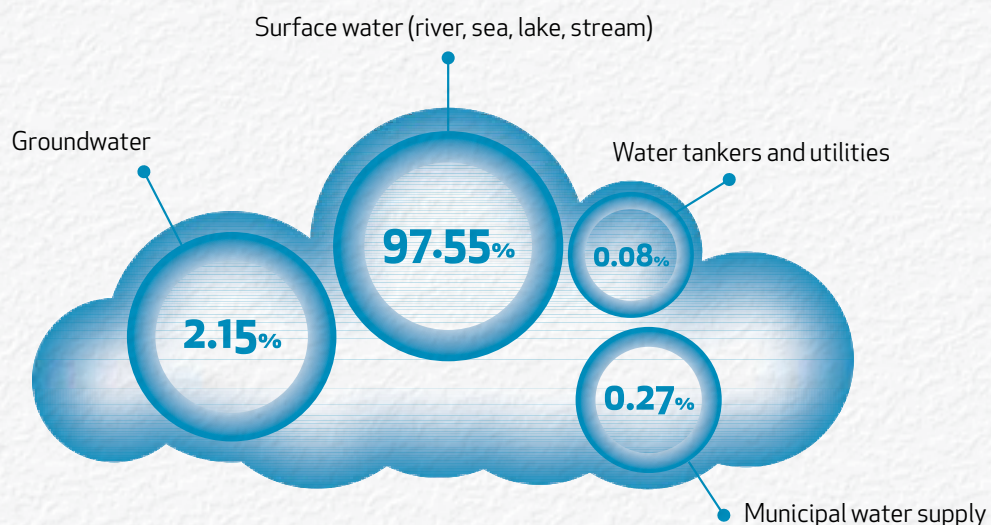
### WATER CONSERVATION

- All major GAIL Installations have comprehensive wastewater treatment facilities. The treated wastewater is recycled and reused fully making the Installations zero discharge units. Constant endeavours are made to harvest this precious resource and reduce water consumption; thus indirectly reducing wastewater to be treated.
- Setting up of Wastewater Treatment Plants to treat waste water and meeting

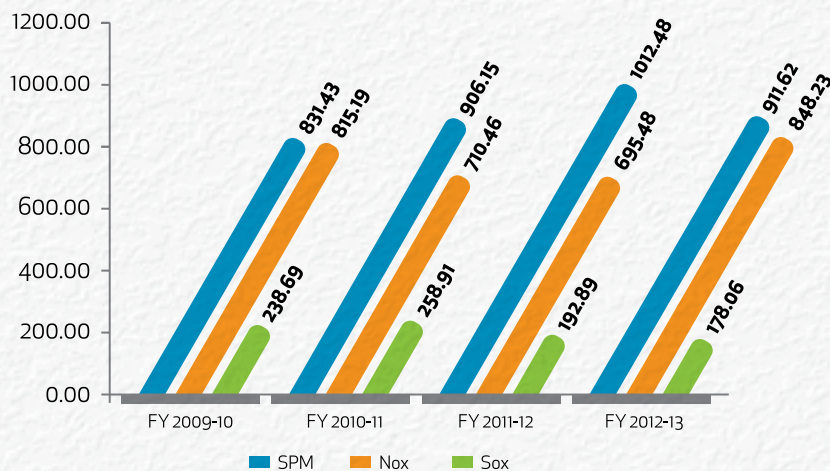
discharge standards at all times.

- Maximizing reuse of treated waste water for horticulture purpose and other purposes. GAIL reuses about 46 % of total wastewater generated annually.
- Rain water harvesting measures at all plants to increase ground water levels and reduce our water consumption.
- Celebration of Water Day across GAIL's operations.
- The average value of discharge water quality parameters for the March, 2013 at our Pata Site are:
  1. TSS : 64.5 mg/l
  2. BOD: 13.2 mg/l
  3. COD: 177 mg/l
  4. Sulphide: 1.3 mg/l
  5. Oil & grease: <10 mg/l
  6. Phenolics: 0.018 mg/l
  7. pH: 7.45

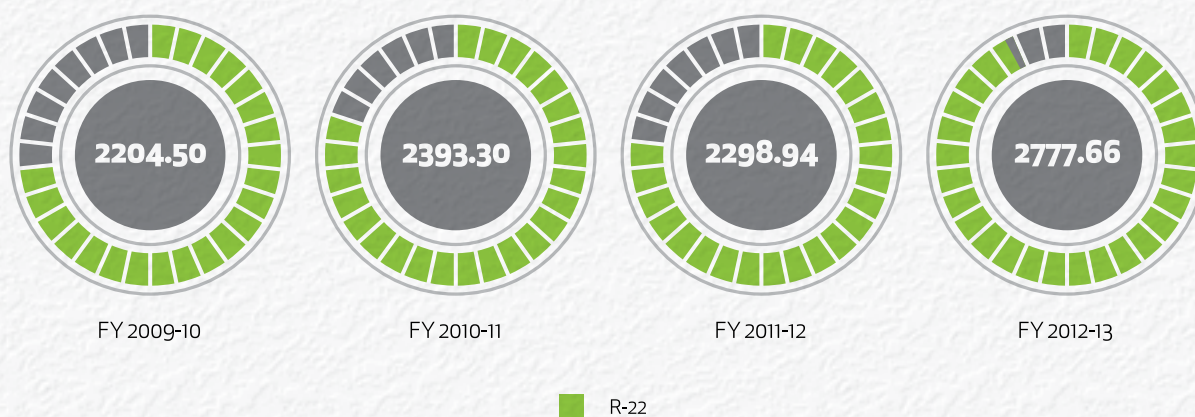
### OUR WATER CONSUMPTION (MILLION M3)



### OTHER AIR EMISSIONS FROM OUR OPERATIONS (TONNE / YEAR)



### ODS GAS CONSUMPTION (KG)



### BIODIVERSITY MANAGEMENT

Apart from our core operations; in particularly the pipelines we are aware that they pass through areas of rich biodiversity. For this we are committed to preserve them in their natural form and regularly assess as well as manage the risks in respect to flora and fauna. In practice all our operations are preceded by stringent procedures of environment impact assessments and all actions including corrective measures are very well planned taking into account these issues from the very beginning itself. Thus it leads to minimum impact on the

environment. Although none of our core operations are close to protected or reserved biodiversity areas as defined under National norms, as a procedure, GAIL mandates all its OIC's to provide a declaration on clearance of their individual locations on presence / emergence of biodiversity hotspots. We have initiated number of biodiversity management activities across our work centres as listed below.

- ➔ Extensive Green Belt developed at all locations across the country to mitigate pollutants, if any. And to mitigate noise & odour. This

has been achieved even in difficult terrains with hostile climate & soil conditions. At GAIL, Petrochemical Plant, a good acreage of our land is covered by water bodies and green belt attracting rare species of flora & fauna.

- ➔ The Total Green belt area of total land holdings of GAIL is approximately 41%. The Green belt area is about 17.2 million square metres.
- ➔ Creation of water bodies, green belt, lawns, parks, ecological parks to enhance habitat and attract flora and fauna in the region.



### PROJECT DHAROHAR – PREPARE, CARE AND SHARE

“Native Plants Conservation Landscaping” refers to landscaping by native plants with specific goals of reducing pollution and improving the surrounding environment. Native plants along with their surrounding habitats are tremendous resources. GPU Usar with its available land and other resources intends to conserve these treasures for our coming future generations. This Project falls in line with “National Mission for Preservation of Ecological Balance and Maintenance of Biodiversity”.

One of the hot spots of Biodiversity i.e. Western Ghats runs along the Konkan Region. Konkan, is a charming stretch of land on the west coast of India, endowed with beautiful seashore, picturesque

mountains and scenic natural beauty, and is known for tropical fruits like the delicious golden Alphanso mango, cashew, jackfruit, spice crops, coconut, areca nut and kokum. Over recent years, anthropogenic threats like population expansion, deforestation and forest fragmentation, mining, dam construction and inefficient land-use practices are shrinking and isolating ecosystems. These factors pose a serious threat to the native plant species of the Ecologically Important Western Ghats.

To meet the increasing demand of market the exotic species was became famous in the region. Such exotic varieties do not fit into the local situation. The dynamics of the environment have been distorted leading to the depletion of the water table, reduced soil fertility, migration of native birds and wild animals. The problems are

compounded by Global Warming, which is being experienced across the world. Every government is under pressure to act and control the global environmental crisis. However we believe it is not just for the government, but also for each and every responsible individual to act save our mother earth.

One of the most important measures we can take is to bring back the green cover. But green cover using exotic species is not the only solution; the green cover can be made up of local species as well. As a humble action to save the planet in its own limited capacity the LPG Recovery Plant, GAIL USAR has thought of a project called “Dharohar – Prepare, Care and Share”.

Under the project, part of green belt area of GAIL USAR would be set aside to:

#### Prepare

- Create comprehensive list of native plant
- Select plants which will be used in project
- Study Existing land use pattern
- Prepare re-vegetation plan

#### Care

- Construction and establishment of Nursery
- Selection and maintenance of mother plants
- Mass propagation for plantation
- Re-vegetation with native plants

#### Share

- Dissemination of knowledge and capacity building among local people and farmers
- Supply the native varieties of plants to interested people and farmers in and around USAR with the intention of reviving them in the area.

### AUGMENTATION OF EXISTING STP AT GAIL GAON, PATA

The irrigation of lawns and the green belt at GAIL GAON was being done by bore well, thereby depleting the ground water level. Further, the planned expansion of the township would have exerted extra load on existing STP (Sewage Treatment plan) and an additional STP was being proposed, resulting

in additional treated effluent being generated at the location. It was decided by the management to have a sewage treatment plant whose effluents have parameters that would be suitable for horticultural works such as irrigation of lawns. The technology chosen for this purpose was MBR (Membrane Bioreactor). The MBR system requires lesser area because of more MLSS concentration in

Aeration basin. It does not require a secondary clarifier for biological sludge separation or tertiary treatment because of 0.1-micron size pore of membranes. The quality of water is much superior to any other technology and ensures removal of coliform and other pathogens to a large extent thus reducing the requirement of disinfection. The number of treatment units is less leading to



fewer breakdowns in operations. The efficient sewage treatment process ensures an odourless and clean environment as well as improved quality of treated water which adds to the hygiene level. The most important challenge while execution of the project was to install the MBR without stopping the running process. The benefit to have a MBR based STP was that the entire effluent was useable and there was zero wastage of sewage water. The total cost of this project was INR 4.43 crores.

### FUGITIVE EMISSION IDENTIFICATION AND LEAK SURVEY

In September 2011, GAIL became an international partner of natural gas star program of US-EPA (United States environment protection agency) and is only the second partner from India after M/s ONGC. Under the program, US-EPA conducted site survey for identification and quantification methane fugitive emissions. During the site survey infrared cameras and ultrasonic leak detectors were used for identification of even minor methane emissions from valves, vents, instrument fittings & tubing's and pipe flanges that often go unnoticed. After the identification of methane emission sources, quantification of methane emissions was done using calibrated bags, hi flow sampler, turbine meter and video estimation. Total annual methane emission from both LPG Plant and Compressor station was estimated as 8.95 MMSCM of which 3.32 MMSCM was accounted to leaking components and thus was possible to be stopped with directed inspection and maintenance. Out of this 3.32 MMSCM, methane emissions of 2.45 MMSCM (74% of the total 3.32 MMSCM emission accountable to leaking components) have been attended



Utilisation of Treated Waste Water Sustainability Project at GAIL's Petrochemical Plant at Pata, U.P.

based on feasibility while others required plant/station shutdown. The other fugitive emissions over 2.89 MMSCM were mainly due to compressor wet seals which required major modification and substantial capital investment to arrest the same and is now a part of a long term action plan based on the feasibility of the proposed modification.

### INSTALLATION OF PORTABLE VAPOUR RECOVERY COMPRESSOR DURING STATUTORY INSPECTION OF LPG SPHERES

As per statutory requirement, LPG spheres for storage of LPG are to be inspected and hydro tested every five years. For the inspection, these spheres are to be emptied out of all LPG vapours. Previously before usage of vapour recovery compressor, during inspection of LPG spheres (GAIL Vijaiapur has got 8 numbers of LPG Spheres and 3 Propane Spheres), the LPG vapours used to be diverted to the flare. However with the installation of portable vapour recovery compressor, LPG vapours recovery up to 2.0 Kg/cm<sup>2</sup> residual pressure in the spheres (full LPG sphere

pressure is 9.0 Kg/cm<sup>2</sup> on an average) is done. This initiative has resulted in the recovery of approx. 15 Ton LPG per sphere inspection which earlier contributed to CO<sub>2</sub> emissions due to directing it into the flare. A similar initiative has been undertaken in Gandhar.

### SOLID WASTE DISPOSAL THROUGH POLLUTION CONTROL BOARD APPROVED AGENCY

At GAIL's process plants, hazardous solid waste is stored and disposed off as per the best available environment practices. The solid wastes in the GAIL plants are collected, stored and handled in a manner that has no detrimental effects on the ground water or any other part of the environment. Care is taken even for the aesthetics. In this regard, GAIL Vijaiapur has obtained the Membership of Treatment, Storage and Disposal facility (CHW-TSDF) of Authorized Nodal agency M/s MPWMP (RAMKY Environ Engineers Limited) of the State Pollution Control Board, for the disposal of solid waste being generated within plant premises hence conforming to the role of environmentally responsible Maharatna Company.









## *Customers*

Customers are one of our key stakeholders. We constantly endeavour to address our customers' needs, expectations and concerns. We are committed to provide superior service to our customers. With the intent to provide connectivity to our customers ensuring supply of clean energy, we deliver value and benefits to our customers that are beyond their expectations.

GAIL's gas customers are industries as diverse as power plants, fertilizer plants, sponge iron plants, ceramic tile manufacturers, tea gardens, processors, refineries, and glass manufacturers. Earlier, gas markets were limited to the states where gas sources were found. We have been instrumental in expanding the gas market in India across states through our pan-India pipeline network providing connectivity to our customers that ensures supply of cleaner fuel. This not only boosts economic activities in these States but also generates revenue and employment opportunities for people with a relatively low impact on the environment. Today, industries are shifting to cleaner energy sources. This combined with the increasing cost of coal and crude oil has paved way for Natural Gas – a cleaner and cheaper source of energy.

Our petrochemical business segment is an important element of our overall growth. This segment addresses the raw material requirements of the plastics industry by providing HDPE and LLDPE pellets, LP flakes and PE shreds. Plastics play a very important role in today's modern world towards transforming the quality of life from clothing to shelter, from transportation to communication and from entertainment to health care. They have replaced several materials on account of better properties like being lightweight, durable, flexible, easy to process and also having high strength; all of this at a lesser cost and a lower environmental impact. Plastics in many cases have been used to conserve natural resources. For example: aseptic packaging of food in barrier films that saves on refrigeration and energy costs; packaging of edible oils and milk in flexible packages eliminating the use of tin and glass



## CGD Joint Venture

one wholly owned subsidiary  
(M/s GAIL Gas Ltd)



Gas Sales Agreement with Kanpur Fertilizers and cement limited

containers; rigid HDPE barrels for bulk chemical storage instead of steel drums; drinking water in PET bottles; etc.

The fact that plastics are made from hydrocarbons derived from petroleum, which is non-renewable, has raised questions concerning its sustainability. However the issue is on account of inappropriate disposal to which the solution being responsible management of end-of-life of plastics. We have partnered with Indian Centre for Plastic in the Environment (ICPE) on educating and building awareness of consumers on the benefits of plastic products and the need to – create a secure plastic waste management system and also to maximize recycling of plastic waste back into the system. At GAIL, we are committed towards developing safe, environment friendly and economical products. As an ISO

9000 certified company, we pursue this through our Total Quality Management (TQM) System. However, understanding the challenges associated with end-of-life management.

GAIL has established 8 CGD Joint Ventures (IGL, MGL, CUGL, GGL, AGL, BGL, TNGCL, MNGL) and one wholly owned subsidiary (M/s GAIL Gas Ltd) to ensure energy access to all sections of the society. At present the CNG network is functional in 9 states (MP, UP, AP, MH, Tripura, NCR, Rajasthan, Haryana, Gujarat) of India having 190 mother stations, 277 online stations, 120 daughter boosters/daughter stations with a total of CNG retail outlets catering to more than 10 lakh vehicles; while the PNG network is functional in 21 cities across 8 states (MP, UP, AP, MH, Tripura, NCR, Rajasthan, Haryana).



## CUSTOMER INTERACTION AT GAIL

We always endeavour to keep our customers satisfied by delivering quality product that are on time and at an affordable cost. We keep track of the customer satisfaction index across our businesses and work closely with our customers towards addressing their concerns. This year we improved our CSI score to 90.47 from 89.44 compared to the previous year. As a key element of customer commitment to maintain a regular and direct contact with them, we organise regular customer visits across all businesses throughout the year. Such visits provide us with a platform to understand on-ground customer concerns on a one-to-one basis. During FY 2012-13, 45 customer meets were conducted across India through our Zonal Offices wherein a wide range of topics concerning existing and potential customers of various products and services were addressed. In FY 2012-13 we tried to integrate the aspects of Sustainability by arranging a session on Sustainability and GAIL in some of our Customer meets. Apart from the customer visits and meets, we also have a customer complaint handling policy related

Customer Satisfaction Index score



to Gas, Petrochemicals and Liquid Hydrocarbons. Over the years, we have developed efficient systems for handling grievances, complaints and concerns of customers by leveraging state of the art technologies. Some of the key initiatives are:

- Customer Relationship (CRM) Module through which our Customers can register a service request or a complaint without a timing constraint through the internet.
- Online Customer Suggestions System to facilitate suggestions from our customers enabling us to make our products and services more efficient and effective.
- Grievance redressal: Any person can air grievances and complaints, related to corruption, by lodging the same on the website of the CVC or through our website. Further, if the individual desires, his / her identity can be kept anonymous under "Public Interest Disclosure and Protection of Informers Resolution". We also follow the principles and provisions of the RTI Act 2005 for information disclosure.

## LEVERAGING IT FOR CUSTOMER'S CONVENIENCE

We are aware about the deployment and use of IT towards ensuring transparent and timely information sharing, resulting in a robust decision making for our customers. Some of the IT enabled services that we have created for our customers include:

- e-Receivables, e-Ticketing and e-Invoicing

- e-Ledger for viewing their updated customer ledgers
- On-line polymer product prices
- On-line product dispatch details

## PUBLIC POLICY ADVOCACY

We believe in supporting advocacy and lobbying towards development of policies that encourage betterment of public goods. To achieve this we have associated ourselves with various associations, industry bodies and influential groups. We are the principal sponsor of Asia Gas Partnership Summit (AGPS), an event attended by major producers, traders and consumers of Natural Gas across the world along with high ranking officials from the Government of India and other countries. AGPS is a flagship biennial event of the natural gas industry in South Asia and is promoted by GAIL. AGPS is an effective platform to discuss a plethora of issues surrounding gas and gas based infrastructure industries. Under the aegis of AGPS multiple committees have been formed to look into a diverse range of issues such as energy security, sustainability, regulations, taxation, infrastructure bottlenecks, LNG, exploration and production regime, etc. Recommendations of these committees play an important role in the formulation of Government policies. The 7th AGPS was organized during March 23-24, 2012 and witnessed an overwhelming response from the industry. This summit involved 46 high level speakers from 14 countries, over 1000 participants from 21 countries, and more than 45 event partners.

We contribute to the various working level committees under the aegis of MoPNG toward the formulation of key government





policies. GAIL regularly responds to queries raised by Government / MoPNG on issues related to supply of Natural Gas. For e.g. Chawala Committee on allocation of natural resources, Rangarajan committee on Natural Gas pricing, etc. We also participate in the formulation of Government policies on multiple aspects of gas allocation, gas pricing, regulation, gas pooling, taxation, gas swapping, etc. We also partner with various State Governments through MoUs on a plethora of projects aimed at

bringing energy to the consumers in those states.

We are a member of the Association of Oil and Gas Operators, a registered body representing Oil & Gas companies in India. AOGO was formed to network, exchange information on operating issues that are upstream, find common solutions and if necessary approach the authorities to facilitate the changes which shall encourage exploration in India. The association today has six working groups comprising of 22 members companies. We are also a member of GIIGNL, which provides its members with overviews of the general economic condition of the LNG industry, as well as current state-of-the art LNG technology, operations and best practices. This information enhances facility operations, diversifies contractual techniques, and supports industry positions with international agencies. To this end, GIIGNL members also share information about commercial and technical developments in LNG, including safety incidents at member facilities. Activities of

shared interest to GIIGNL members include: LNG purchasing, importing, processing, transportation, handling, re-gasification and uses of LNG around the world.

Natural Gas is a cleaner alternative amongst fossil fuels, and GAIL being a leading natural gas company in India, has submitted representations/ memoranda through various trade associations for effectively taking up appropriate authorities for grant of fiscal benefits and rationalisation of tax structure. The representations cover issues relating to direct and indirect taxes as follows:

- ➔ Additional deduction under section 35AD of the Income Tax Act, 1961 to business of laying and operating Natural Gas pipeline transportation business.
- ➔ Additional tax incentives to Natural Gas Exploration and Production (E&P) business under section 80IB and section 42 of the Income Tax Act, 1961.
- ➔ Inclusion of Natural Gas in the category of 'Declared Goods' under CST Act 1956 so that VAT



GAIL's Flagship Event- Asia Gas Partnership Summit





on Natural Gas is restricted to 5% which ranges from 5% to 26% in different states.

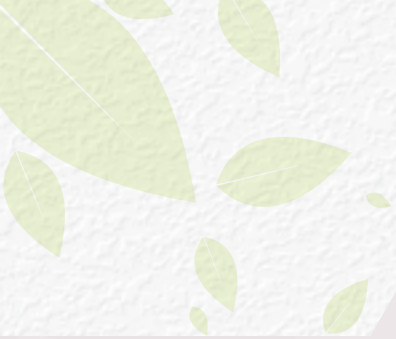
- Exemption to Liquefied Natural Gas (LNG) used by Power sector from payment of custom duty.

Further, in the area of Shale Gas, we have participated in the consultative process of Government of India seeking comments on its draft Shale Gas Policy. We have submitted our comments on the said draft policy and discussed the same with various industry associations for ensuring speedier promotion of Exploration and Exploitation of Shale Oil & Gas in India in a responsible manner.

#### **SOME OF PROMINENT ASSOCIATIONS INCLUDE:**

- British Safety Council
- Chemical Petrochemical Manufactures Association
- Confederation of Indian Industry, New Delhi
- Federation of Indian Chambers of Commerce and Industry, New Delhi
- Global Compact Network, New Delhi
- International Market Assessment- The India CEO Forum
- India Energy Forum
- India Society for Training & Development
- Institute of Public Enterprises, Hyderabad
- International gas Union, Norway
- International Group of Liquefied natural Gas Importers (GINGNL), France
- National Association of Corrosion Engineers International, USA
- National Fire Protection Association
- PetroFed
- Petrotech Society
- PHD Chamber of Commerce
- Project management Associates
- Standing Conference of Public Enterprise (SCOPE)
- TERI- Business Council for Sustainable Development
- The Institute of Internal Auditors, USA
- World Energy Council- Indian member Committee, New Delhi
- World Environment Foundation
- World LPG Association (WLPGA), France







## Suppliers

Our vendors, contractors and other business partners support our operations by delivering high quality raw materials and services that are vital for our operations. It is this support that enables us to develop products that create value for our customers.



L N GUPTA



Supply chains are highly prone to business misconduct and hence we take complete responsibility to promote effective vigilance amongst our vendors and employees to ensure ethical and transparent business transactions. We have created a supplier procurement policy that enlists the roles and responsibilities of both our employees and our suppliers.

## SUPPLIER MANAGEMENT AND ENGAGEMENT SYSTEM

To attain the highest levels of transparency and accountability with our suppliers across operations, we have created a Board level Audit Committee comprising of three Independent Directors, four full-time Directors and the Company Secretary to ensure transparency in all aspects of business. To maintain and go beyond compliance we have ensured that all awarded tenders include clauses related to child and forced labour.

We organize vendor meets and regular business review meetings so as to address the key concerns of vendors. We have also conducted sustainability workshops for our vendors to create awareness on sustainability and promote GAIL's initiatives. We have encouraged vendors to inculcate sustainability in their day-to-day business so as to focus on producing environment friendly products.

We are conscious about the rapid industrial development of our country and are committed towards developing a sound local supplier base. It is our responsibility to guard their business interest so as to facilitate economic development in the areas where we operate. We have increased our procurement



Director Projects(right) giving award to vendors during the Vendor Meet

from local suppliers to 83.84 % from 79.50 % during the previous year amounting to INR 6,814.93 crores. We also support the local suppliers by giving them preference for conducting basic jobs across operations.

GAIL has appointed Independent External Monitors (IEM) of high repute to lend transparency to our procurement procedures. IEMs strengthen vigilance in contracts and procurement procedures by providing a transparent way for vendors to put forth their grievances and get them redressed in an effective manner. While we have taken stringent measures to curb corruption and promote transparency in our operations, there were seven cases of corruption reported during the year. Necessary action was taken by the vigilance department, based on the outcome of their investigation. We have signed an integrity pact with Transparency International and have adopted several initiatives like the bill watch system, file movement system, reverse auction and tender monitoring system to ensure a high level of satisfaction amongst vendors during their association with GAIL. Our day-to-

day business deals with a number of domestic and international bidders / contractors / vendors. The integrity pact is a tool developed by TI to ensure all activities and transactions between company and their suppliers are handled in a fair and transparent manner. The integrity pact is also mandatorily signed by vendors / suppliers having high value contracts that are above INR one crore.

## BILL WATCH SYSTEM

We have deployed a bill watch system - a web based bill tracking system that increases transparency for our vendors enabling them to track their payment and further enhancing their trust on us. This has resulted in timely payment of bills and a reduction in the time required for processing the bills from eight days to six days. To further strengthen and improve efficiency of this system, we have incorporated this system in SAP so as to provide warning messages in case of duplicate bills, notification of next billing date for GAIL supervisors thereby helping us in bringing tender consistency of the same job across different locations.





## FILE MOVEMENT SYSTEM

To expedite the decision making process at GAIL, we have implemented a file movement system. This is an e-monitoring tool which tracks and pinpoints the reasons and the location where a particular file has been held up in the system. The top management oversees the process and monitors the files that are pending. To further strengthen the process, a system of tracking the file continuously marked to an employee (5 times or more) has been introduced. In case hindrance by any employee was caused due to unnecessary delay / indecisiveness, Management will take action against that particular employee. Due to close monitoring of the files, pending or in transit for more than 90 days in FMS have reduced from 503 files to 227 files, which is about 45.13 % reduction from 2008 levels.

## REVERSE AUCTION

Reverse auction is a live process that ensures transparent and competitive pricing provided by vendors. GAIL has made it mandatory to conduct reverse auction for all procurements valuing more than INR 50 Crores. This year we have already conducted 10 such auctions against one tender which has resulted in a total savings of

INR 8.07 crores thereby giving us significant savings in procurement cost over the estimated costs.

To enhance further transparency in the procurement process, we have also developed a robust tender monitoring system which provides complete information on the procurement cycle involving requisition, tendering, ordering, execution, payment, completion and closure available in a single click.

## CONTRACT CLOSURE INITIATIVE

Many contracted works which had been completed several years ago had not attained closure and retention money deposited by vendors had not been returned after necessary deductions. Taking a note of this situation, Vigilance department asked concerned departments to launch a special campaign for the closure of contracts. As a result of this campaign, the percentage of contracts attaining closure improved from 84 % to 89 % during the year. The overall retention amount of INR 1.84 crore during the start of the year could be reduced to INR 1.31 crore under this campaign. To extend the benefit of this campaign on a permanent basis, it has been decided that all contracts should be monitored right up to the final closure stage

by all HODs/OICs and Directors through SAP and a quarterly MIS report should be put up to CMD for perusal. BIS has introduced fields in SAP for this purpose and has made a provision of Exception report in SAP for capturing the status of POs/ WOs by displaying the actual completion date, status of PO closure, due date of warrantee expiry & retentions with reasons for retentions in one screen in SAP.

## SUPPLY CHAIN MANAGEMENT

We continue with the Supply Chain Management system managed by the Contract & Procurement department that was launched as a pilot project in Vijapur and Pata site during the previous year. Based on the performance of this system, we will replicate the system across other locations. This system is responsible for complete handling of the tendering process and handling of materials till it reaches the site. It comprises of a team from various disciplines like electrical, mechanical, instrumentation, the chemical and petrochemical expansion project which ensures in expediting the work by vendors and sub-vendors at all stages of manufacturing, logistics monitoring and port clearances.







## Employees

Our employees help us create a competitive advantage, it is through their dedicated and sincere efforts that we achieve and exceed our goals. Employees are the drivers of sustainable growth; we believe in nurturing of quality talent and providing a rewarding career with development opportunities for all employees thus ensuring a brighter tomorrow for all.

*The Executive trainees at GAIL along-with CMD and Existing & Retired Employees on the occasion of GAIL Foundation Day Celebration.*



**M. Ravindran**

*Director - HR*  
from 1.6.2013

We take immense pride in our most valuable asset, the employee. As we are committed to mainstreaming sustainability within the organizational culture and working, we see our employees as the front-runner in attainment of this goal. For making sustainability the most sought after in the organization, all employees at various levels would need to be acquainted to the need of conducting business

in a manner that is economically, socially and environmentally sustainable. Specific parameters have been incorporated in the Internal Memorandum of Understanding linking sustainability with departmental / individual performance through KPIs and KRAs. Although Training and Awareness to all our employees is a part of our Sustainability Aspirations 2020, we are committed

to achieving the target and would strive for many more programmes that would aid them in improving their skills. Employees are the core of our business operations, and with their untiring and sincere efforts towards internalizing sustainability, we are confident that the journey ahead would lead us to achieving the sustainability targets.



A happy and satisfied workforce is the key to GAIL's success. Our people and associates are at the heart of our transformation agenda and also the key facilitators in helping us achieve our 2020 goals. We endeavour to create a workplace that will be the most sought after, making us an employer of choice for the right talent. We have provided our employees and associates with a work environment that is fair, just and one that promotes an appropriate work life balance. Our HR policies, systems and processes have been customized to give our employees and associate the freedom to innovate and realize their full potential. At the same time due importance is given to protect the rights of all employees including safety and health at the workplace, grievance redressal systems, freedom of association, transparency in communication and action.

## MANAGING OUR HUMAN CAPITAL

### CREATING A BETTER WORKPLACE

In order to have a pulse check of our employees, an engagement survey was conducted during the year 2010. Through the survey, valuable inputs from employees were sought on several aspects related to their job like work assignments, work environment, team work, company policies and practices, managerial effectiveness, culture, etc. The employee engagement survey apart from indicating engagement levels of the employees also revealed the key drivers having a significant positive and negative impact on the engagement level of the employees. The overall score was 71 % with co-workers, benefits and work tasks being the best areas while performance

assessment, recognition and people HR practices emerged as areas of improvement. We have been working these areas of improvement and have adopted several measures, some of the major being:

- The Performance Management System for executives (up to DGMs) is being further improvised by including elements of competency – functional, cross-functional, and behavioural. The objective is not only to assess the present performance but also to gauge the potential of our executives for taking up higher roles and responsibilities.
- In order to foster a culture of appreciation, a draft comprehensive Rewards Scheme consisting of several new awards for employees with addition to the existing ones such as Women's award has been prepared after obtaining views of cross-section of employees.
- The Mentorship programme at GAIL assigns a mentor who is a senior level executive at GAIL, to all the ETs joining GAIL.
- Individual Development Programme (IDP) has been implemented for all the senior executives covered under SMDC exercise. The IDP consists of distribution of books, e-learning courses from Harvard Manage Mentor and customized trainings at IIMs, ISB and other reputed institutions.
- A section on Frequently Asked Questions (FAQs) on HR policies has been prepared and hosted on the GAIL intranet for ease of understanding of all the employees.

Apart from above mentioned initiatives which have been taken as part of the survey outcome, many other policy level reviews have been adopted to make GAIL a better workplace including:

- GAIL's recruitment policy
- General Terms and Conditions of deputation/posting of employees on foreign assignments
- Financial assistance in case of Death/Total Permanent Disablement (TPD) of an employee while in service
- Rate of interest for various advances
- General Terms and Conditions of Secondment of GAIL Employees to Joint Ventures/ Subsidiaries.
- Rates of Daily Allowance admissible under Travelling/ Daily Allowance (TA/DA) Rules of GAIL
- Superannuation Benefit Fund Scheme to Defined Contribution Scheme
- Deputation Allowance
- Rates of House Rent Recovery for leased accommodation and License Fee Recovery for Company owned accommodation
- GAIL Employees' (Conduct Discipline and Appeal) Rules 1986
- Guidelines for issuance of Safety kits Liveries

### IMPROVING QUALITY OF LIFE AT GAIL

Employee welfare is one of the key foundations of GAIL's HR Philosophy. There is a deep rooted belief in our value system that corporate growth is an extension



of employee's growth and development. In other words, GAIL's growth, prosperity and intellectual competence is reflection of the value it has added to its employees. Premised on the above philosophy, we have evolved and implemented various welfare policies with an aim to improve the Quality of Life and maintain Work-Life balance. Some of them include:

- We allow Maternity Leave of upto 180 days to our female employees.
- We have introduced paternity leave for male employees up to a maximum of 15 days. We also grant a Child Care leave for a period of maximum of two years (730 days) for female employees having up to two minor children in order to take care of them. Further, a provision for Disability leave has been introduced for up to a maximum of 24 months to cover instances of absence due to accidental injury contracted out of and in the course of employment.
- We provide our employees with company owned accommodation at their place of posting. Wherever, such accommodation is not available, employees are allowed to avail HRA/ Lease benefits, as applicable. GAIL also provides House Building Allowance to employees. Across locations, club facilities are made available to our executives for them to benefit from use of sports and entertainment facilities. At our major work locations – Pata and Vijaipur, we have created schooling facilities for our employees within the township. Further wherever possible, hospital facilities have been provided either within the



Director Projects(right) giving Long Service award to Employee

- township or at nearest possible locations.
- Employees superannuating from the Company are allowed following benefits:
  - Leave encashment commensurate with leave at their credit.
  - Gratuity upto Rs. 10 lakh based on service in the Company
  - PRMS (Post-Retirement Medical Scheme) subject to stipulations
  - Memento equivalent to one month's Basic Pay and DA
  - Pension in terms of Superannuation Benefit Fund (SBF) Scheme of the Company
  - Long Service Award
- Employees posted at Work centres in cities/towns, are allowed the facility of OPD and indoor procedures at Company Empanelled hospitals.
- Employees are a part of GAIL family wherein events like GAIL Foundation Day, Independence Day, Republic Day and many

other events are celebrated that inculcates a feeling of belongingness among employees.

### GENDER MAINSTREAMING AT GAIL

GAIL is an Equal Opportunity employer that promotes and leverages from its workforce diversity. GAIL complies with Equal Remuneration Act, 1976 and there is no discrimination in wages based on gender. Our HR policies are notified and widely circulated for information of all employees. These are also made available to all employees through e-mails and various media like HR Circulars, HR Handbook, Personnel Manual and Employee Forms. We have a well-defined policy for prevention of sexual harassment at the work place. While formulating this policy we have also incorporated relevant amendments to our Conduct, Discipline and Appeal (CDA) Rules and Certified Standing Orders to prevent such kind of situations at the work place. With a view to assign due importance to representation of female employees, we have created a Women Cell. The GAIL Women Cell is responsible to review the planned schemes and other programmes



GAIL Cricket team during Inter Unit Cricket Tournament



of the company in respect of women employees and ensure, wherever possible, the aspect of women's development through such schemes and programmes. This cell also liaisons with National Commission for Women; SCOPE and Women in Public Sector (WIPS) forums for the cause of Women's development. With an aim towards recognising and encouraging the women employees of GAIL for the services rendered, the GAIL Women Employees Award Scheme (GWEAS) was conceptualized, comprising a cash reward of INR 1 lac, certificate, trophy and citation. The scheme comprises of two awards – one each for the Executive and Non-Executive women employees for exemplary performance in the fields of functional management, social and cultural initiatives. An external jury panel consisting of one representative each from Ministry of Women and Child Development, National Commission for Women and leading academicians evaluate the nominations. We also celebrate International Women's Day on 8<sup>th</sup> March every year to emphasise on the role and importance of women in the society.

### ONLINE GRIEVANCE REDRESSAL SYSTEM

GAIL Management is committed to putting in place a system which is well-structured, prompt, accountable, time-bound and easy from an analytical point of view. This led GAIL HR Team to design and establish its 'Online Grievance Redressal System'. This web based application was designed in-house. The model was very simple in modality as below:

**Step I:** By making use of Online Grievance Redressal Mechanism, an aggrieved employee can register his / her grievance to the concerned HR In charge who is expected to settle the same within a period of 10 days from the date of registration of the grievance. On expiry of the stipulated time-period, the instant grievance will automatically get transferred to the Corporate HR Deptt. for disposal at its end.

**Step II:** in case, an aggrieved employee is not satisfied with the response given by his concerned HR In charge he/she may take up the matter with the Corporate HR Dept. for such appeals. The General Manager (HR) from the Corporate Office is the designated officer

who will respond to the employee concerned within a period of 15 days from the date of receipt of the grievance.

**Step III:** In case an aggrieved employee is not satisfied with the response given by the Corporate HR Deptt., he / she may prefer an Appeal to Director (HR) by using the Online Grievance Redressal System. Director (HR) may take feedback from the concerned executive(s) and respond to the employee concerned within a period of 15 days from the date of receipt of the appeal. Such a settlement of grievance by Director (HR) will be final and binding to all the concerned.

In the last one year, the System has been improved further in order to ensure expeditious redressal of the grievance of the employees registered in the Online Grievance Redressal System. In order to achieve the same a fortnightly report on the status of redressal of grievances is to be put up by all HR In charges of GAIL for onward submission to the CMD through Director (HR). This has resulted in a better tracking of employee grievances.



### FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

GAIL upholds the freedom of association and collective bargaining rights of our employees through recognition and promotion of the Workers' Union, Officers' Association, Women's Forum, SC/ST Employees Association and other similar bodies. Transparency in work, sharing of work performances, strategies and business plans are also actively pursued through such forums. Regular interaction with the association and the Unions are held to maintain a cordial and harmonious industrial relationship. The following methodologies are adopted for effective collective bargaining in GAIL:

- Regular interactions with employee collectives
- Coordination with labour authorities
- Settlement of industrial disputes
- Grievance redressal systems
- Issues pertaining to Contract Labour/PAPs/ Co-operative Societies
- Labour law compliances
- Records/ analysis of work centre level issues of collectives
- Negotiations with Unions for long-term settlement

We believe in voluntary labour and right to work. As per the directives of The Government of India, we ensure payment of minimum wages along with statutory payments including social security benefits to labour. There are in-built provisions in the company policy, well supported by regular compliance checks for ensuring payment of minimum wages, Provident Fund and coverage of contract labour

under Employees State Insurance Scheme, Workmen's Compensation Act, other statutory benefits / payments, etc. At GAIL, it is compulsory for the contractors to cover their respective labour under accident insurance. The payment to various contractors is made subject to their fulfilling the aforementioned conditions besides other statutory obligations. Engineer In-charge at every work centre ensures that relevant labour legislations are strictly adhered to by contractors and suppliers. We also have a policy whereby minimum age for employment is prescribed and child labour is strictly prohibited.

At GAIL, there are two Unions representing the interests of workmen and staff. GAIL Employees Association (GEA) is a representative body of non-executives posted at various Field Offices/ Plants/ Installations across the Country except Corporate Office, while the non-executive employees posted at The Corporate Office are represented by the GAIL Karamchari Sangh (GKS). The officers of GAIL are represented by GAIL Officers Association (GOA).

It has been the HR Directorate's consistent endeavour to keep Employee's Collectives associated with the progression of various HR Issues along with policy review and introduction of new schemes. For purposes of discussions with Unions and Associations on various on-going issues at The Corporate level, a Committee consisting of senior level executives nominated from various groups, functions and work centres has been constituted by the HR Directorate. At the Work Centre level, the Committee consists of an Officer-in-charge, Heads of HR and other Departments. Discussions with employee collectives are held through Monthly/ Bi-Monthly/

Quarterly Meetings, both at Work Centre and Corporate levels. The record notes of discussions held at various Work Centres are collated at the Corporate Office on a monthly basis for effective monitoring by the Director (HR). Issues pending at and meriting the Corporate Office support/ intervention are resolved and communicated to Work Centres under the guidance of the Director (HR). Various issues in terms of discussions held at the corporate level are also recorded and addressed expeditiously.

A Number of sessions/ meetings have been conducted with various Employee Collectives i.e. GOA/ GEA/ GKS/ GSEWA at the Corporate Level and almost all the issues raised by them are diligently resolved and settled. Employee participation in Management and their effective inclusion in the decision making process has been an integral part of our company philosophy. As a guardian of key organizational culture, aspects like open communication and progressive industrial relations, have been taken up as initiatives by the HR Directorate in order to bring about significant improvement in these areas. Our Open Door Policy, Informal Communication Channel and easy accessibility of Senior Executives, including CMD and Functional Directors, ensures inclusion of employee feedback for consideration/incorporation in the decision making process. There is absolutely no embargo on any employee who might prohibit them from establishing dialogue with Senior Executives.

There are numerous forums in GAIL for promoting employee participation in organizational decision making, as well as on issues related to employee welfare. Some of them are listed below:





- Employee Welfare Committee (EWC)
- Canteen Committee
- Quality Circles
- House Allotment Advisory Committee
- GAIL Employees' Contributory Provident Fund Trust
- Gratuity Trust
- GAIL Employees Superannuation Benefit Fund Trust

## HUMAN RIGHTS AT GAIL

GAIL understands the human rights content of the Constitution of India, national laws and policies and the content of International Bill/treaties on Human Rights. We appreciate that human rights are inherent, universal, indivisible and interdependent in nature. We recognize and respect the human rights of all our stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups. We have made a global commitment to support human

rights by becoming a signatory to UNGC principles in May 2011. Our policies are suitably designed and fully informed by human right principles as per Human Right Act, 1993 (with amendment act, 2006), the Constitution of India and labour laws. We support the Government of India's efforts in development of minorities and economically underprivileged sections of the society. For the welfare of the weaker and backward sections of the society, we run a special recruitment drive, in addition to the normal recruitment exercise, through open and campus recruitment. GAIL employees are covered by CDA (Conduct, Discipline and Appeal) Rules, 1986 and the same embeds the principles of protection of Human Rights.

All employees when inducted are trained on CDA Rules to develop their understanding on the subject. Through our **Padho aur Badho** initiative, we have been striving to eliminate child labour and restore childhoods. Every year on 12<sup>th</sup> June, Anti Child Labour Day, under the aegis of Padho aur Badho Nanhe Munne Bachche Teri Muththi Mein Kya Hai is organised. The programme underscores the need to protect child rights by making a

collaborative effort to abolishing the child labour and attempt to bring focus to these lives of deprivation.

## INCLUSIVENESS AND AFFIRMATIVE PROGRAMMES AT GAIL

GAIL has a well-defined recruitment policy which is in line with the Government of India guidelines on reservation for SC/ ST/ OBC/ PH enabling us to bring in the inclusiveness and diversity in the organization. We are in compliance of the Government norms as far as reservation during recruitment for various positions in the organization is concerned. As a model employer and socially responsible corporate citizen we are committed to the cause of social, health and ethical issues confronting our employees, their families and public at large. We support the fight for prevention and control of HIV/ AIDS among our stakeholders through various initiatives. We have created a work place policy on HIV/ AIDS prevention and control. The broad objectives of this policy are in line with the National Policy on HIV/ AIDS of Government of India, to guide the national response to HIV/ AIDS pandemic in reducing and managing the impact of the world of work.

## HEALTH AND SAFETY AT GAIL

We rigorously practice safety procedures across our operations and strive to maintain safe and healthy working conditions for all relevant stakeholders. The aspects of safety and health play a very important role in keeping high employee morale as well as productivity. Ensuring safety as a prominent part of the code of



CMD & Functional Directors during Annual HSE Workshop



operation and promoting safety culture across operations is a major focus area for GAIL. Considering the large scale of projects and O&M activities being under taken across the nation and the inherent hazards associated with the business operations, it is pertinent that observance of all the safety guidelines and regulations is of prime importance.

At GAIL, the HSE Sub-committee of Board monitors and reviews the health, safety and environmental performance of our operations. The committee meetings are held three times during the year to deliberate and take action on HSE issues. This year we also organized the 13<sup>th</sup> HSE workshop of GAIL with the theme as "Disaster Management". The workshop was inaugurated by our CMD and attended by all functional Directors and as well as the Chairman of the HSE Sub-committee. The workshop focused on creating awareness amongst the employees regarding methods and measures to tackle any disaster. Leading experts of the country from National Disaster Management Authority (NDMA) and Oil Industry Safety Directorate (OISD) were called and they closely

interacted with our employees during the workshop. On 8<sup>th</sup> October 2012, an online HSE reporting system was launched by Director (BD).

Like every year, the CMD Trophy for "Best HSE performance" for the year 2011-12 was announced. The winners of CMD Trophy in this year are as follows:

**Category-I:** Gas Processing & Petrochemical Unit: Gas Processing Unit Vaghodia

**Category-II:** NG Compressor Stations and LPG Booster Stations: Compressor Station Vijaipur

**Category-III:** Natural Gas and LPG Terminals: Cherlapalli, VSPL LPG P/L

We organise regular safety training sessions for all our employees. Some of the major trainings organised this year included a technical interactive session by The British Safety Council on "Safety Leadership" and "Safety Leadership and Culture Transformation". Moreover we also completed a Safety Perception Survey and a Gap Analysis across GAIL installations.

More than 60 visits to various GAIL installations were undertaken by corporate HSE officials for monitoring the implementation of HSE management systems.

In January 2013, a Comprehensive Fire Safety Policy of GAIL was launched by our CMD. This policy is well supported by an Integrated Fire Protection Manual released for all GAIL sites. The Emergency Response and Disaster Management Plan (ERDMP) of all GAIL sites were submitted to the Petroleum and Natural Gas Regulatory Board (PNGRB). The PNGRB cross checked those plans and also our emergency preparedness levels through mock drills conducted by approved Third Party Inspection Agencies. The GAIL fire crew actively participated in the fire fighting activities at IOCL Hazira on 5th January 2013 during the fire. These efforts were appreciated by District Administration of Surat, Gujarat.

We have a corporate Occupational Health Committee supported by 6 local level Occupational Health Committees that meet every quarter for continuous monitoring and improvement of

**HSE PERFORMANCE TRENDS  
(HSE INDEX FOR LAST 5 YEARS)**



the occupational health of the employees. The occupational health facilities and their management at Pata were checked by The Corporate HSE department along with an occupational health expert. During the year, occupational health committee meetings were held every quarter. Occupational health committee members comprise of representatives from the Corporate as well as from major sites.

## ENSURING SECURITY AT GAIL

State of the art security systems have been installed at all our operating locations along with a well trained security staff. These precautions are taken in order to avoid and also to be able to handle any unforeseen internal or external threat. Most of our assets are of national significance and any incident related to these assets is bound to have social, environmental and economic ramifications. As these installations and pipelines face threats of protests, sabotage and even potential terror attacks, we continue to invest heavily in securing them through technological and human interventions. GAIL's security team

along with the Central Industrial Security Force (CISF) personnel and Ex-Servicemen recruited through the Directorate General Resettlement (DGR), Department of Ex-Servicemen (Ministry of Defence), Government of India, ensure the security of all our installations and pipelines.

We are developing a comprehensive training module for our security personnel on aspects of human rights covering various applicable national and international human rights norms. Our aim is to ensure that we respect and uphold people's rights; avoid discrimination on the basis of race, religion, caste, creed, gender, language, or colour; do not encourage arbitrary interference with any person's privacy; prevent any inhuman or degrading treatment and have strict guidelines of use of force or firearms.

We also plan on approaching The National Human Rights Commission (NHRC) for imparting training to our security personnel. We are committed to ensuring the security of company assets, personnel and operations in a manner that respects human rights and the fundamental right to freedom.

## SECURITY AWARENESS

The 11<sup>th</sup> Security Awareness Week was observed in GAIL from 13 - 18 December 2012. Various competitions and events were organised during the week. A Security Emergency Response Drill (SERD) among all the 06 CISF units deployed at GAIL, was organised in simulated situations of "Bomb Explosion" and "Militant firing". Based on the performance and effective response to the mock situation, a panel of observers adjudged GAIL, Lakwa as the best unit. A rolling trophy was presented to OIC & CISF head, GAIL, Lakwa by C&MD GAIL on the inaugural day of the awareness week.

Two Security Review Meetings (SRM) were held during the year, chaired by Director (HR) and attended by all security in-charges and HR in-charges looking after security duties. Various security issues were discussed along with initiation of action plans for improving the security effectiveness at GAIL.



Commencement of Security Awareness Week



## SECURITY SENSITIZATION WORKSHOPS

Corporate Security Department initiated and conducted two day comprehensive workshops through GTI, Noida on "Security Management" covering all 34 security executives and non-executives. These workshops covered topics like

- Global, Regional and National Security Scenario
- Impact and expectations from security
- Security Architecture-design systems and operations
- Conflict and stress management
- Principles of Self-Defence
- Security criticality, Risk analysis and loss prevention
- Personal Safety, Security and Demonstration on Self-Defence measures
- Petroleum & pipe line Act, Essential commodities Act,
- Prevention of Anti-social Activities, Arms & Explosives Act
- Use of electronics in Security
- Emergency response and role of security
- Security survey and Audit
- Kidnap & Hostage Incident Management

Security briefing sessions for senior officials of GAIL posted at

Corporate office, Noida and NCR were also organised through the Intelligence Bureau. Apart from such workshops and sessions, our security executives are nominated twice a year to various work centres to conduct security training to GAIL employees. All employees are thus briefed on security related subjects, twice a year. In this year, a total of 898 employees have been trained on security matters.

## SECURITY TRAINING FOR CONTRACT SECURITY PERSONNEL

The security personnel from DGR, though trained in service, are provided with continuous training to improve their skills. Security training for contract security personnel is conducted twice a year by a security executive nominated to carry out ISO audit and once in 3 months by the local security-in-charge of the installation. Thus, in all, there are six training sessions organised for our contract security guards each year for each unit. The topics of these training include access control, discipline, industrial security, use of gadgets, patrolling, report writing, role of security during emergency situations, do's & don'ts, basic fire-fighting, Standard Operating Procedure, pipeline foot patrolling, amongst others. This year, a total of 2115 personnel have been trained.

We have a security workforce of 4300 personnel comprising of 800 from CISF and 3500 personnel through DGR(The figure is for total

security staff in GAIL). CISF, which is directly under the Ministry of home affairs, has a laid down a procedure for imparting training during the entire service at its various training centres on all aspects of industrial security and safety including human rights and gender sensitization.

## WOMEN'S SECURITY INITIATIVE

This year we have focussed on security of women and various initiatives were taken for sensitising the women employees as well as women residents / spouses / adult girl children on various aspects of their personal safety and security. A one-day workshop on "Self-Defence" was conducted covering almost all residents of colonies / societies in different batches. These workshops were conducted through an external agency and were based on the lecture-demo concept. Further, an exclusive lecture session was organised for women employees at the Corporate Office as well for other women posted in other major work centres through Video Conference on personal safety. This year we undertook a unique initiative of distributing Pepper Sprays- a handy self-defence tool, to all women employees working in GAIL. Apart from this, all female residents of the 14 GAIL townships continue to undergo security briefings by various security internal auditors during their bi-annual visits.



# Performance Snapshot

## OUR ENVIRONMENTAL PERFORMANCE

### MATERIAL CONSUMPTION

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
NG processed	MMSCM	14601.13	14849.11	15119.53	14373.41
NG used for making product	MMSCM	1123.43	1060.21	1136.57	1080.33
NG sent back to pipeline	MMSCM	13121.74	13342.26	13418.95	12944.06
Other material <sup>1</sup>	MT	8869.86	10412.00	9916.43	10630.56
Packaging material	MT	2128.00	2112.00	2249.00	2208.00

### ENERGY CONSUMPTION

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Direct Energy <sup>2</sup>	GJ	37452841.61	38281008.47	39012486.03	37359155.95
Indirect Energy <sup>3</sup>	GJ	971397.52	1039694.31	1166546.11	1118455.42
Renewable Energy	GJ	546.36	33784.30	54880.74	838594.00
Energy from NG flaring	GJ	393032.80	379338.37	337453.16	367375.07
Energy from LPG flaring	GJ	892.98	987.43	4922.70	2472.37
Energy from NG venting	GJ	97180.46	115026.50	133305.52	444484.41
Energy from LPG venting	GJ	4283.81	2789.28	3738.54	2618.53
Total energy saved	GJ	--	672231.73	1174649.79	155608.85

### EMISSIONS

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total Scope 1 emissions <sup>4</sup>	tCO <sub>2</sub> e	2230643.31	2261552.33	2363704.91	2381805.60
Total Scope 2 emissions <sup>5</sup>	tCO <sub>2</sub> e	243528.03	260646.86	259257.40	243423.97
Total GHG emissions	tCO <sub>2</sub> e	2474171.34	2522199.19	2622962.31	2625229.58



**WATER**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Water consumption	m <sup>3</sup>	12818938.09	13811971.82	14077208.93	13855143.06
Waste water generated	m <sup>3</sup>	1298756.40	1629270.27	2255076.53	2437812.64
Waste water discharged out of unit	m <sup>3</sup>	710547.00	854256.62	1331330.45	1200865.63
Water recycled	m <sup>3</sup>	562291.03	736895.45	868490.41	1113396.22

**HAZARDOUS WASTE GENERATION**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Used oil	Litres	21126.00	42588.08	58150.00	10410.00
Used batteries	Nos.	225.00	610	138.00	849.00
Basket filter waste	MT	2.82	3.52	84.48	4.75
ETP Sludge	MT	0.00	0.00	6.00	0.00
Tar	MT	3.35	19.50	2.45	17.40
Tar ash	MT	0.00	15.20	10.02	0.00
Oily sludge	MT	300.00	282.00	343.43	341.07
Used lube oil	Litres	141487.97	168604.93	94779.57	82411.00
Empty drums	Nos.	213.00	220.00	8694.00	6199.00
E-waste	MT	35.20	45.19	312.25	2.22
Bio-medical waste	MT	0.15	0.23	0.21	0.58
Slop oil	Litres	117226.70	136237.05	446603.00	325027.73

**NON-HAZARDOUS WASTE GENERATION**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Used consumables	MT	0.48	0.56	0.00	0.06
Used bag filters	Nos.	1090.00	869.00	982.00	2202.00
Empty barrels	Nos.	419.00	257.00	253.00	0.00
Metal scrap	MT	264.73	385.18	631.74	642.50
Plastic scrap	MT	15.78	17.18	46.80	164.72
Wooden scrap	MT	12.60	0.70	235.74	442.21
Spent Alumina	MT	1168.51	1221.73	1151.70	1196.89
Silica Gel	MT	24.01	45.51	45.01	45.05
Cellulose Sludge	MT	0.28	0.14	0.16	0.21
Canteen waste	MT	10.60	11.20	12.57	41.52
Molecular Sieve	MT	0.00	100.00	0.43	223.19
Ceramic Material	Nos.	116.00	0.00	0.00	19.15
Aluminium Scrap	MT	1.05	0.36	0.74	0.00
Miscellaneous Waste	MT	--	13.81	24.88	9.30



**AIR EMISSIONS**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
SPM	tons / annum	831.43	906.15	1012.48	911.62
NOx	tons / annum	815.19	710.46	695.48	848.23
CO	tons / annum	0.02	0.04	0.03	0.00
SOx	tons / annum	238.69	258.91	192.89	178.06
VOC	tons / annum	0.02	0.01	0.01	0.02

**ODS GAS CONSUMPTION**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
R-22	Kg	2204.50	2393.30	2298.94	2777.66

**TOTAL ENVIRONMENT PROTECTION INVESTMENT AND EXPENDITURE TYPE**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Show cause notices received	Nos.	0.00	0.00	1.00	0.00
Environmental Fines	INR crore	0.00	0.00	0.00	0.00
Environmental expenditure	INR crore	3.73	5.89	6.34	5.39

**OUR SOCIAL PERFORMANCE****HEALTH AND SAFETY COMMITTEE**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Management representatives in safety committees	Nos.	218.00	235.00	245.00	247.00
Non-Management representatives in safety committees	Nos.	126.00	170.00	172.00	182.00

**HEALTH AND SAFETY EMPLOYEES**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Near miss cases	Nos.	173.00	179.00	156.00	157.00
Minor injuries	Nos.	5.00	2.00	0.00	0.00
Reportable injuries – Male	Nos.	0.00	2.00	0.00	0.00
Reportable injuries – Female	Nos.	0.00	0.00	0.00	0.00
Lost days due to reportable injuries	Nos.	0.00	115.00	0.00	0.00
Fatalities – Male	Nos.	0.00	1.00	0.00	0.00
Fatalities – Female	Nos.	0.00	0.00	0.00	0.00
First aid cases	Nos.	8.00	20.00	17.00	11.00
Manhours worked	Manhrs	6280243.00	6355332.00	6584731.00	5603054.00



LTIFR	per million manhours worked	0.00	0.74	0.00	0.00
Severity rate	per million manhours worked	0.00	42.30	0.00	0.00
Fatality rate-male	per million manhours worked	0.00	0.37	0.00	0.00
Fatality rate-female	per million manhours worked	0.00	0.00	0.00	0.00

### HEALTH AND SAFETY CONTRACT LABOUR

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Near miss cases	Nos.	177.00	189.00	208.00	184.00
Minor injuries	Nos.	12.00	28.00	3.00	0.00
Reportable injuries – Male	Nos.	0.00	1.00	0.00	0.00
Reportable injuries – Female	Nos.	0.00	0.00	0.00	0.00
Lost days due to reportable injuries	Nos.	0.00	0.00	0.00	0.00
Fatalities – Male	Nos.	1.00	2.00	0.00	0.00
Fatalities – Female	Nos.	0.00	0.00	0.00	0.00
First aid cases	Nos.	120.00	110.00	73.00	57.00
Manhours worked	manhours	16886211	20145368.00	30669256.00	16682966.00
LTFIR	per million manhours worked	0.00	0.11	0.00	0.00
Severity rate	per million manhours worked	0.00	0.00	0.00	0.00
Fatality rate – male	per million manhours worked	0.12	1.87	0.00	0.00
Fatality rate – female	per million manhours worked	0.00	0.00	0.00	0.00

### TRAINING

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Management employees (direct) – Male	Training Manhrs	92691	99218	107250	129831
Management employees (direct) – Female	Training Manhrs	3960	5974	5445	7210
Workmen (Direct employees) – Male	Training Manhrs	47102	48595	29071	26493
Workmen (Direct employees) – Female	Training Manhrs	1656	1392	1520	1268
Contractual labour (operations) – Male	Training Manhrs	30197	28617	38944	41835
Contractual labour (operations) – Female	Training Manhrs	5	0	0	670





**EMPLOYEE CATEGORY<sup>6</sup>**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Senior Management	Numbers	164	192	208	225
Middle Management	Numbers	1237	1275	1317	1336
Junior Management	Numbers	1291	1429	1501	1525
Non-management workers	Numbers	1002	973	911	868
Employees-male	Numbers	3495	3652	3715	3720
Employees-female	Numbers	199	217	222	234
Attrition Rate-male	%	0.69	0.49	0.70	1.13
Attrition Rate-female	%	0.50	0.92	0.0	0.85
Security staff male	Nos.	--	--	--	2129.00
Security staff female	Nos.	--	--	--	161.00
Contact Worker Male	Nos.	--	--	--	6999
Contact Worker Female	Nos.	--	--	--	518

**OUR ECONOMIC PERFORMANCE****ECONOMIC VALUE GENERATED AND DISTRIBUTED**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Revenues	INR crore	2,55,572	3,29,837	4,11,745	4,83,572
Operating cost	INR crore	2,02,879	2,70,115	3,54,441	4,10,649
Employee wages and benefit	INR crore	6,212	7,527	7,208	10,674
Payments to providers of capital	INR crore	10,343	10,700	14,352	17,240
Payments to government	INR crore	16,478	15,530	17,769	17,056
Financial assistance from government	INR crore	0.00	0.00	0.00	0.00

**LOCAL SUPPLIERS**

	Unit	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
Total procurement of goods and supplies	INR crore	6286.00	4667.00	8128.48	5106.94
Total procurement of goods and supplies from local suppliers	INR crore	3999.00	4046.00	6814.93	4060.49

<sup>1</sup> This year we have started monitoring other material data for our LPG pipeline, NG pipeline & Compressor Stations.

<sup>2,3</sup> This year we have increased our level of accuracy of data monitoring & reporting. Data has been corrected for Diesel, Fuel gas & Electricity consumption in few sites.

<sup>4</sup> Our scope-1 emission has been corrected taking the basis of carbon content for individual gas stream (like residual gas & flare gas). Earlier it was higher because IPCC standard emission factor for natural gas were being used for above two gas stream. Further venting emission calculation method has been corrected taking actual composition of methane gas for different gas stream.

<sup>5</sup> Our Scope-2 emissions has been corrected taking optimum GRID Emission factors given by Central Electricity Authority, India.

<sup>6</sup> Employees, Management, Non-Management data pertains to GAIL in line with Annual Report. Till last year we reported security staff & contract workforce data on man-hours basis. This year we have also included headcount basis reporting of security staff & contract workforce along with the gender.





## INDEPENDENT ASSURANCE STATEMENT



Sustainable  
Solutions  
for the  
Environment

GAIL (India) Ltd. has commissioned Emergent Ventures India Private Ltd. to undertake an independent assurance of its Corporate Sustainability Report for the year 2012-13. The assurance process has been conducted in accordance with AA1000AS (2008). The assurance principles of Inclusivity, Materiality and Responsiveness, as outlined in AA1000AFS (2008) and GRI G3.1 guidelines & GRI Oil & Gas Sector Supplement (OGSS) guidelines have been used as criteria against which to evaluate the Report.

The intended users of this assurance statement are the readers of GAIL's Sustainable Development Report 2012-13. The management of GAIL is responsible for engagement with stakeholders, identification of material issues and the collection and presentation of the information contained in the report. In performing the assurance activities, EVI's responsibility is to the management of GAIL only and in accordance with the terms of reference agreed with the company. We do not therefore accept or assume any responsibility to a third party for decisions, whether investment or otherwise, based on this assurance statement.

### SCOPE OF ASSURANCE

EVI has been engaged to provide Type 2 (Moderate level of assurance) as set out in AA1000AS (2008). The scope of the assurance includes the following:

1. Evaluate the adherence to the AA1000AFS (2008) principles of inclusivity, materiality and responsiveness and the principles of Global Reporting Initiative (GRI) guidelines & GRI Oil & Gas Sector Supplement (OGSS) guidelines.
2. Evaluation of the reliability of specified sustainability performance information for the period April 2012 to March 2013.

### OUR APPROACH

The assurance process was planned and carried out in June-July 2013. Our conclusions are based on a review of processes & practices for identification and collation of relevant information, report content and performance data, which included a review of the stakeholder engagement and materiality determination process followed by GAIL. Relevant documentation, our observations with respect to process and systems in place and interaction with respective departments engaging with different stakeholders have formed the basis of our assurance on the principles of Inclusivity, Materiality and Responsiveness required for assurance under AA1000AS (2008).

We undertook the following key steps:

1. **Site Visits:** The EVI team visited a representative set of GAIL's facilities comprising of three gas processing plants (Pata, Vijapur, Usal), one petrochemical plant (Pata), two gas compressor stations (Hazira, Vijapur) and one LPG pumping station (Abu Road) to evaluate the source of data and interview data owners. We also made visits to GTI & Infolab, NOIDA, and Corporate Head Quarters, in New Delhi.
2. **Interviews:** In addition to interviewing data owners at the sites we visited, we also interviewed the sustainability core team at head quarters to understand the process of stakeholder engagement and materiality determination at GAIL.
3. **Data Accuracy Checks:** The information disclosed under different indicators in the report was verified by way of collection and corroborating it with the source of the information. We have relied on a sample of various documents and sources like internal SAP system, invoices, work orders, reports submitted to regulatory bodies, utility bills, inter departmental communication, etc. as well as on-site inspection and observations. In certain places where we had to rely on company's internal documentation we have tried cross verification from two different sources, in order to minimize the chances of oversight.

### LIMITATIONS AND EXCLUSIONS

1. Scope of assurance is limited to the boundary defined in the report and the period of 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013.
2. Assurance is subject to no physical verification of things like inventory of material consumed, waste generated, emissions and effluents etc. Assurance relied on the documentation maintained by the company or provided to the company by another third party.
3. The scope of assurance does not cover the statements in the report that describe companies' approach, strategy, aim, expectation, aspiration or beliefs/intentions.





## CONCLUSION

Based on our review we have come to the following conclusions:

In our opinion, GAIL's third sustainability report gives an appropriate representation of the sustainable development initiatives undertaken by the company. GAIL has built processes that allow them to identify the material aspects of the company, collect performance data for majority of its facilities and report the information in adherence to the principles of GRI G3.1 guidelines and GRI Oil & Gas Sector Supplement (OGSS).

Our observation on the adherence of the three principles under AA1000APS (2008) is as follows:

**Inclusivity:** We have not come across any material evidence that would lead us to conclude that GAIL has not applied the principle of inclusivity in engaging with its stakeholders. Different departments engage regularly with their relevant stakeholders through multiple engagement channels.

**Materiality:** GAIL has followed a structured process of materiality determination. Based on our scope of work and the activities undertaken for the purpose like interviews and observations, we have not come across any material aspect of sustainability performance that has been excluded from the report.

**Responsiveness:** Based on our observation, interviews and documentation we believe that GAIL has applied the principle of responsiveness with respect to its stakeholders. We have not come across any material evidence that would lead us to believe that responsiveness principle is not being applied in dealing with the stakeholders.

### GRI G3.1 Guidelines & GRI Oil & Gas Sector Supplement

Based on the information in the report and the independent assurance sought from us we have found that the company meets the requirement of A+ level of reporting as specified by GRI G3.1 Guidelines, & GRI Oil & Gas Sector Supplement.

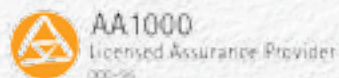
### Observations and Recommendations

Without affecting our overall conclusions on the sustainability report, we would like to bring to notice the following observations and recommendations for the report:

- As GAIL matures in its sustainability journey more focus on capacity building of stakeholders at site level on sustainability issues is recommended.
- GAIL has introduced a new data capturing process for managing information. The process needs further strengthening for better data management.

For Emergent Ventures India Private Ltd.

Ashutosh Pandey  
Chief Executive Officer  
Emergent Ventures India Private Ltd  
Gurgaon, 09th of July, 2015



# / Glossary

AIEEE	All India Engineering Entrance Examination
API	American Petroleum Institute
ASME	American Society of Mechanical Engineers
BPCL	Bharat Petroleum Corporation Limited
BOG	Boiled Off-Gas
BCPL	Brahmaputra Cracker & Polymer Limited
BD	Business Development
CS	Carbon Steel
CPCB	Central Pollution Control Board
CPSE	Central Public Sector Enterprise
CVC	Central Vigilance Commission
CMD	Chairman and Managing Director
CFC	Chloro-fluoro Carbons
CGD	City Gas Distribution
CBM	Coal Bed Methane
CRZ	Coastal Regulation Zone
CAGR	Compounded Annual Growth Rate
CNG	Compressed Natural Gas
CII	Confederation of Indian Industry
CSR	Corporate Social Responsibility
CSI	Customer Satisfaction Index
DVPL	Dahej-Vijaipur Pipe Line
DGM	Deputy-General Manager
DGH	Directorate-General of Hydrocarbons
DIN	Dutch Institute fur Normung
EVI	Emergent Ventures India Private Limited
EPA	Environmental Protection Agency
ED	Executive Director
E&P	Exploration and Production
FICCI	Federation of Indian Chambers of Commerce and Industry
FY	Financial Year

GTI	GAIL Training Institute
GPU	Gas Processing Unit
GREP	Gas Rehabilitation and Expansion Project
GM	General Manager
GJ	Giga-Joule
GRI	Global Reporting Initiative
GHG	Green-house Gas
GSPC	Gujarat State Petroleum Corporation
HVJ	Hazira-Vijaipur-Jagdishpur
HSE	Health, Safety and Environment
HSEMS	Health, safety and environment management system
HRSG	Heat recovery steam Generator
HDPE	High Density Poly-Ethylene
HR	Human Resources
HRD	Human Resources Development
IEM	Independent External Monitors
IIT-JEE	Indian Institute of Technology – Joint Entrance Examination
INR	Indian National Rupee
ISTD	Indian Society of Training and Development
ISRO	Indian Space Research Organization
IGL	Indraprastha Gas Limited
IT	Information Technology
ILFS	Infrastructure Leasing and Financial Services
IMS	Integrated Management System
ISO	International Organization for Standardization
IPIECA	International Petroleum Industry Environmental Conservation Association
JLPL	Jamnagar Loni Pipe Line
JNNSM	Jawaharlal Nehru National Solar Mission
JV	Joint Ventures



Km	Kilo-meters
KG	Krishna-Godavari
LPG	Liquefied Petroleum Gas
LHC	Liquid Hydro Carbon
LLDPE	Linear Low Density Poly-Ethylene
LP	Low Polymer
MDP	Management Development Programs
MBA	Masters of Business Administration
MoU	Memorandum of Understanding
MT	Metric Tons
MMSCMD	Million Metric Standard Cubic Meter per Day
MoEF	Ministry of Environment and Forests
MoP&NG	Ministry of Petroleum and Natural Gas
MoRD	Ministry of Rural Development
MFO	Mixed Fuel Oil
NCR	National Capital Region
NH	National Highways
NIT	National Institute of Technology
NG	Natural Gas
NELP	New Exploration Licensing Policy
NGO	Non-Government Organizations
NoC	No objection Certificate
NRL	Numaligarh Refinery Limited
OHSAS	Occupational Health and Safety Assessment Series
OIC	Officer-in-Charge
ONGC	Oil and Natural Gas Corporation
OIL	Oil India Limited
OISD	Oil Industry Safety Directorate
OMC	Oil Marketing Companies
O&M	Operation and Maintenance
OFC	Optical Fibre Cable
OBC	Other Backward Classes
NOx	Oxides of nitrogen
SOx	Oxides of Sulphur
ODS	Ozone Depleting Substances
PESO	Petroleum and Explosive Safety Organization
PNGRB	Petroleum and Natural Gas Regulatory Board
PCRA	Petroleum Conservation Research Association

PPAC	Petroleum Planning and Analysis Cell
PNG	Piped Natural Gas
PCB	Pollution Control Board
PUC	Pollution Under Control
PE	Poly-Ethylene
PAT	Profit After Tax
PPP	Public Private Partnership
RGIPT	Rajiv Gandhi Institute of Petroleum Technology
RGPPL	Ratnagiri Gas and Power Private Limited
RLNG	Re-gasified Liquid Natural Gas
R&D	Research and Development
RoU	Right of Use
RTI	Right To Information
SC	Scheduled Castes
ST	Scheduled Tribes
SMDC	Senior Management Development Center
SBP	Special Boiling Point
SH	State Highways
SCADA	Supervisory Control and Data Acquisition
SPM	Suspended Particulate Matter
SD	Sustainable Development
SGSY	Swarna Jayanti Gram Swarozgar Yojana
TISS	Tata Institute of Social Sciences
TERI	The Energy and Resources Institute
TMT	Thousand Metric Tons
tCO <sub>2</sub> e	Tons of Carbon Dioxide equivalent
TPA	Tons per Annum
TDS	Total Dissolved Solids
TI	Transparency International
TB	Tuberculosis
TAPI	Turkmenistan- Afghanistan- Pakistan- India
UNGC	United Nations Global Compact
US	United States
USD	United States Dollar
UP	Uttar Pradesh
UPTU	Uttar Pradesh Technical University
VHP	Very High Pressure
VSPL	Vizag-Secundrabad Pipe Line



# / GRI Content Index

Indicator Reference	Description	Reported	Response	UNGC Principles link	API/ IPIECA guidelines link
<b>1. Strategy and Analysis</b>					
1.1	Statement from the most senior decision-maker of the organization.	Fully	<ul style="list-style-type: none"> <li>➔ Refer page 6-7 for C&amp;MD's statement</li> <li>➔ Refer page 38-41 for targets under GAIL Sustainability Aspirations 2020</li> </ul>		
1.2	Description of key impacts, risks, and opportunities.	Fully	<ul style="list-style-type: none"> <li>➔ Refer page 26-27 for Risk Management</li> <li>➔ Refer page 34-35 for Materiality</li> <li>➔ Refer page 30-33 for Stakeholder Engagement</li> </ul>		
<b>2. Organizational Profile</b>					
2.1	Name of the organization.	Fully	➔ Front Cover		
2.2	Primary brands, products, and/or services.	Fully	➔ Refer Business Profile on page 16-17		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	<ul style="list-style-type: none"> <li>➔ Refer Business Profile on page 16-17</li> <li>➔ For more details see page 1-14 section of Annual Report 2012-13</li> </ul>		
2.4	Location of organization's headquarters.	Fully	➔ Back cover		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	<ul style="list-style-type: none"> <li>➔ All major operations under GAIL's full control (100% ownership) are based in India. For additional information please refer section on Business Profile on printed page no. 1-8 of Annual Report 2012-13</li> <li>➔ Also refer About This Report section on page 2-3</li> </ul>		
2.6	Nature of ownership and legal form.	Fully	➔ GAIL is a Central Public Sector Enterprise, listed on BSE, NSE and GDR on LSE		



2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	<ul style="list-style-type: none"> <li>→ Refer section on Business Profile on page 16-18</li> <li>→ Refer printed page no. 1-8 of Annual Report 2012-13</li> </ul>		
2.8	Scale of the reporting organization.	Fully	<ul style="list-style-type: none"> <li>→ Refer section on Business Profile on page 16-17</li> </ul>		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	<ul style="list-style-type: none"> <li>→ There were no significant changes. For changes in the scope of the report refer About This Report on page 2-3</li> </ul>		
2.10	Awards received in the reporting period.	Fully	<ul style="list-style-type: none"> <li>→ Refer chapter on Awards and Recognition on page 20-21</li> </ul>		
<b>3. Report Parameters</b>					
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	<ul style="list-style-type: none"> <li>→ Refer About This Report section on page 2-3</li> </ul>		
3.2	Date of most recent previous report (if any).	Fully	<ul style="list-style-type: none"> <li>→ This is GAIL's third sustainability report; the second report was released on 27 February 2013</li> </ul>		
3.3	Reporting cycle (annual, biennial, etc.)	Fully	<ul style="list-style-type: none"> <li>→ Annual</li> </ul>		
3.4	Contact point for questions regarding the report or its contents.	Fully	<ul style="list-style-type: none"> <li>→ Refer Way Forward on page 137</li> </ul>		
3.5	Process for defining report content.	Fully	<ul style="list-style-type: none"> <li>→ The report content has been defined based on our stakeholder engagement and selection of material issues. We have engaged with all major stakeholder groups of GAIL</li> <li>→ Refer sections on Energising Tomorrow, Responsibly on page 4-5</li> <li>→ Refer section Stakeholder Engagement on page 30-33</li> <li>→ Refer section on Materiality on page 34-35</li> </ul>		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	<ul style="list-style-type: none"> <li>→ Refer section on About This Report on page 2-3</li> </ul>		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	<ul style="list-style-type: none"> <li>→ Refer section on About This Report on page 2-3</li> </ul>		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	<ul style="list-style-type: none"> <li>→ Refer section on About This Report on page 2-3</li> </ul>		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	<ul style="list-style-type: none"> <li>→ Refer section on About This Report on page 2-3</li> </ul>		



3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	→ On account of improvement in data management systems there have been certain changes in the data presented in the report. Where ever relevant the same has been highlighted in the form of footnotes across the report		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	→ Refer section on About This Report on page 2-3		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	→ Refer the GRI Content Index on page 100-113		
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	→ Refer section on About This Report on page 2-3 → Refer Assurance Statement on page 96-97		
<b>4. Governance, Commitments and Engagement</b>					
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	→ Refer section on Corporate Governance on page 22-27		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	→ Our Chairman is also an executive officer		
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	→ Refer page 44-51 of our Annual Report 2012-13		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	→ Recommendations can be provided to the Shareholder and Stakeholder Grievance committee under the Board of Directors → Refer to section on Stakeholder Engagement page 30-33 and Shareholders / Investors page 42-55		
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	→ The remuneration of whole time directors is determined by the President of India, through the Ministry of Petroleum and Natural Gas. The compensation includes performance linked incentive that is based on performance parameters defined under the MoU signed with Government of India		
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	→ Refer section on Ethics, Transparency and Accountability on page 26-27		





4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	Fully	→ Whole time directors are selected by Public Enterprises Selection Board (PESB) and appointed by Ministry of Petroleum and Natural Gas (MoPNG). Part time government nominee Directors are appointed by MoPNG. Independent directors representing the interest of stakeholders are selected by Search Committee and appointed by President of India, acting through MoPNG.		
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	→ Refer GAIL Vision and Mission in the 2012-13 Annual Report and Sustainability Policy on this web link: → <a href="http://www.gail.nic.in/final_site/Sustainable_Development.html">http://www.gail.nic.in/final_site/Sustainable_Development.html</a>		
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	→ Refer Corporate Governance on page 22-27		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	→ Refer to Corporate Governance section of Annual Report 2012-13		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	→ Use of precautionary approach is implicit in our risk management framework. Please refer risk management under Corporate Governance Section.		
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	→ Refer to About This Report section on page 2-3 → Refer to Alignment of the GRI G3.1 Guidelines, NVGs and BRR on page 114-136		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	→ Please refer Public Policy Advocacy on page 73-75		
4.14	List of stakeholder groups engaged by the organization.	Fully	→ Refer section on Stakeholder Engagement on page 30-33		
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	→ Refer section on Stakeholder Engagement on page 30-33		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	→ Refer section on Stakeholder Engagement on page 30-33		



4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	→ Refer Materiality on page 34-35		
<b>Disclosure on Management Approach – EC</b>					
	Economic performance	Fully	→ Refer Shareholders / Investors on page 44-45 → Refer management discussion and analysis on page 34-43 of the Annual Report		
	Market presence, including local content	Fully	→ Refer Shareholders / Investors on page 44-45 → Refer Materiality on page 34-35		
	Indirect economic impacts	Fully	→ Refer Social Contribution on page 48-50		
	Reserves	Fully	→ Not applicable		
<b>Disclosure on Management Approach- EN</b>					
	Materials	Fully	→ Refer Gas Sourcing on page 34 and 45-47		SE5
	Energy	Fully	→ Refer Operational Excellence on page 52-55 and Sustainability Aspiration 2020 on page 38-41	Principle 7, principle 9	E2, E3
	Water	Fully	→ Refer Water Management on page 41 and 66-67	Principle 7, principle 8, principle 9	E6, E9
	Ecosystem services including biodiversity	Fully	→ Refer Biodiversity Management on page 67-68	Principle 8	E5
	Emissions, effluents and waste	Fully	→ Refer Emissions Management and Waste Management on page 68-69	Principle 7, principle 8	E1, E7, E10
	Products and services	Fully	→ Refer page 44		HS4
	Compliance	Fully	→ Refer page 52	principle 10	SE14
	Transport	Fully	→ Refer page 48		
	Overall	Fully	→ Refer Environmental Performance Owned Operations on page 65-69 → Refer Operational Excellence on page 52-55		
<b>Disclosure on Management Approach- LA</b>					
	Employment	Fully	→ Refer Materiality on page 34-35 → Refer Managing Human Capital on page 83-84	principle 1	SE6, SE16, SE17
	Labor/management relations	Fully	→ Refer Human Rights on page 87-88	principle 4, principle 5	SE8, SE9, SE10
	Occupational Health and Safety	Fully	→ Refer Health and Safety at GAIL on page 87-88		HS1, HS2, HS3, HS5



Training and education	Fully	→ Refer Managing Human Capital on page 88-90 and 96		HS1, SE16, SE17
Diversity and equal opportunity	Fully	→ Refer Human Rights on page 83-85	principle 6	SE15, SE18
Equal remuneration for women and men	Fully	→ Refer Human Rights on page 87 → Refer Managing Human Capital on page 83-85	principle 1	SE8, SE9, SE10, SE15
<b>Disclosure on Management Approach – HR</b>				
Investment and procurement practices	Fully	→ Refer Business Profile section on page 14-17 → Refer Materiality on page 34-35 → Refer Shareholders / Investors on page 42-48	principle 10	HS4, SE4, SE7, SE9, SE11, SE12
Non-discrimination	Fully	→ Refer Human Rights on page 83-87	Principle 1, principle 2	SE2, SE7, SE9, SE15
Freedom of association and collective bargaining	Fully	→ Refer Human Rights on page 86-87	principle 3	SE1, SE2, SE5, SE16
Child labour	Fully	→ Refer Human Rights on page 87	principle 5	SE9, SE10
Prevention of forced and compulsory labour	Fully	→ No linkages could be found	principle 4	SE9, SE10
Security Practices	Fully	→ Refer Human Rights on page 89-90	principle 1	HS2, SE10
Indigenous rights	Fully	→ Although the section talks about communities there is no such mention of indigenous people → Refer the communities on page 57-64		SE2, SE8
Assessment	Fully	→ Refer Suppliers, Employees and Communities section on page 76-79, 80-89 and 58-64		SE8
Remediation	Fully	→ Refer Suppliers, Employees and Communities section on page 78-79, 50 and 62-63		SE18
<b>Disclosure on Management Approach- SO</b>				
Local communities	Fully	→ Refer Communities on page 57-63		SE1, SE4, SE5
Corruption	Fully	→ Refer Ethics, Transparency and Accountability on page 26-27 → Refer Customers on page 71-75 → Refer Suppliers on page 77-79	principle 10	SE11, SE12, SE13
Public policy	Fully	→ Refer Public Policy Advocacy on page 73-75		SE14
Anti-competitive behaviour	Fully	→ We abide by all National regulations related to discouraging Anti-Competitive behaviour	principle 10	SE11, SE14
Compliance	Fully	→ Refer Ethics, Transparency and Accountability on page 26-27 → Refer page 52		SE11
Emergency preparedness	Fully	→ Refer Health and Safety at GAIL on page 87-89		



	Involuntary resettlement	Fully	→ We abide by National Regulations on Resettlement and Rehabilitation; However none of our operations have caused any form of R&R this year		SE1
	Asset integrity and process safety	Fully	→ Refer Health and Safety at GAIL on page 87-89		HS4, HS5
<b>Disclosure on Management Approach- PR</b>					
	Customer health and safety	Fully	→ Refer Customers on page 71-75		HS4
	Product and service labelling	Fully	→ Not applicable		HS4
	Marketing communications	Fully	→ Not applicable		
	Customer privacy	Fully	→ Not applicable		
	Compliance	Fully	→ Refer Ethics, Transparency and Accountability on page 26-27 → Refer page 52	principle 10	SE11,SE14
	Fossil fuel substitutes	Fully	→ Refer Materiality on page 34-35 → Refer Focussing on Renewables on page 47-48	principle 8, principle 9	E3
<b>Performance Indicators- Economic</b>					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	→ Refer page 44 and page 95		
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Fully	→ GAIL has undertaken specific targets on Climate Change under Sustainability Aspirations 2020, we will monitor the financial implications and outlays to undertake our projects to mitigate Climate Change impacts in the years to come		
EC3	Coverage of the organization's defined benefit plan obligations.	Fully	→ Refer page 83-85		
EC4	Significant financial assistance received from government.	Fully	→ Refer Performance Snapshot on page 91-95		SE13
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	→ Refer Human Rights on page 87-88 and Gender Mainstreaming at GAIL section on page 84		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Fully	→ We define local as Indian subcontinent. Refer the table on Performance Snapshot on page 95 for details on spend. Though we do not have a specific policy on fostering / favouring local vendors, wherever possible we give preference to local vendors given all parameters to be equal. Also, most of the contracts / transportation contracts / canteen contracts / township facilities have been outsourced to local vendors.		SE4, SE7



EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	→ Recruitment at the Executive/ Officer cadre is done only at all India bases, and not at local level	SE6
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	→ Refer section on Community Development and Infrastructure on page 58-64	SE4
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	→ Refer Communities on page 58-64 → Refer Shareholders / Investors on page 44-45	SE4
OG1	Volume and type of estimated proved reserves and production.	Fully	→ Not applicable	
<b>Performance Indicators- Environmental</b>				
EN1	Materials used by weight or volume.	Fully	→ Refer Performance Snapshot on page 91-95	SE5
EN2	Percentage of materials used that are recycled input materials.	Fully	→ Refer Performance Snapshot on page 91-95	
EN3	Direct energy consumption by primary energy source.	Fully	→ Refer Performance Snapshot on page 91-95	E2
EN4	Indirect energy consumption by primary source.	Fully	→ Refer Performance Snapshot on page 91-95	E2
OG2	Total amount invested in renewable energy.	Fully	→ Refer Business Profile on page 48	E3
OG3	Total amount of renewable energy generated by source.	Fully	→ Refer Performance Snapshot on page 91-95	
EN5	Energy saved due to conservation and efficiency improvements.	Fully	→ Refer Performance Snapshot on page 91-95 → Refer Operational Excellence on page 52-54	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	→ Refer Performance Snapshot on page 91-95 → Refer Operational Excellence on page 52-54	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Partially	→ We are currently not systematically tracking reduction of indirect energy consumption. We have analysed that our scope-3 GHG Emission for business travel which is very miniscule in comparison to Scope-1 & Scope-2 Emissions. Currently we are concentrating on reducing to Scope-1 & Scope-2 Emissions.	
EN8	Total water withdrawal by source.	Fully	→ Refer Performance Snapshot on page 92.	
EN9	Water sources significantly affected by withdrawal of water.	Fully	→ No source affected significantly by water withdrawal also Refer Page 92 and Water conservation Page no 66-67	E6
EN10	Percentage and total volume of water recycled and reused.	Fully	→ Refer Sustainability Performance Section on Page 93 and Water conservation page no 66-67	



EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	→ Refer Biodiversity Management on page 67-69	E5
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	→ Refer Biodiversity Management on page 67-69	E5
EN13	Habitats protected or restored.	Fully	→ Refer Biodiversity Management on page 67-69	E5
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	→ Refer Biodiversity Management on page 67-69	E5
OG4	Number and percentage of significant operating sites in which biodiversity risk has been assessed and monitored.	Fully	→ 100 % of sites have been assessed for biodiversity risk	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	→ None of our operations are located in areas with habitats of IUCN Red List species or those listed on National Conservation List	
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	→ Refer Performance Snapshot on page 91	E1
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	→ Refer Performance Snapshot on page 91-92 and page no 52-54 under operation excellence	E1
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	→ Refer Performance Snapshot on page 91-92 and sustainability strategy and Initiative page 38-41 Sustainability Aspirations 2020 Table	E1
EN19	Emissions of ozone-depleting substances by weight.	Fully	→ Refer Performance Snapshot on page 93	E7
EN20	NOx, SOx, and other significant air emissions by type and weight.	Fully	→ Refer Performance Snapshot on page 93	E7
EN21	Total water discharge by quality and destination.	Fully	→ Refer Performance Snapshot on page 92	E9
EN22	Total weight of waste by type and disposal method.	Fully	→ Refer Performance Snapshot on page 92 end of the page under waste generation hazardous and non-hazardous	E10
OG5	Volume of formation or produced water.	Fully	→ Refer Performance Snapshot on page 92	
EN23	Total number and volume of significant spills.	Fully	→ No significant spills	E8
OG6	Volume of flared and vented hydrocarbon.	Fully	→ Refer Performance Snapshot on page 91	E4
OG7	Amount of drilling waste (drill mud and cuttings) and strategies for treatment and disposal.	Fully	→ Not applicable	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Fully	→ Not applicable. Across locations we are not involved in any activities related to transporting, importing, exporting or treatment of waste deemed hazardous under Basel Convention.	



EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Fully	→ There is no significant impact of our wastewater discharges and run-offs to water bodies located in the vicinity of our operations		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	→ Refer section on Environmental Performance of Owned Operations on page 65-67		
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	→ This is not applicable for our gas transmission businesses. → However, for the petrochemicals on account of small size of packaging bags, it is not possible to track and reclaim the same		
OG8	Benzene, Lead and Sulfur content in fuels.	Fully	→ Natural Gas does not contain Benzene and Lead; The content of sulphur is below 4,5 ppm, depending on natural gas quality and source		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	→ Refer Performance Snapshot on page 95		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Partial	→ We have analysed that our scope-3 GHG Emission for business travel is very miniscule in comparison to Scope-1 & Scope-2 Emissions. Currently we are concentrating on reducing to Scope-1 & Scope-2 Emissions.		
EN30	Total environmental protection expenditures and investments by type.	Fully	→ Refer Performance Snapshot on page 95		
<b>Performance Indicators- Labour Practices and Decent Work</b>					
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	→ Refer Performance Snapshot on page 95		SE15
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	→ Refer Performance Snapshot on page 94-95		
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	→ Refer Employees on page 83-84		
LA15	Return to work and retention rates after parental leave, by gender.	Fully	→ 100% return to work and retention rates after parental leave for both male and female employees		
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	→ All Workmen, which constitute 21.09% of total employee strength, are covered by collective bargaining agreement		HS1
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	→ We adhere to Section 9A of Industrial Dispute Act 1947 and Schedule 4 for providing notice period regarding significant operational changes		



LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advice on occupational health and safety programs.	Fully	→ Refer Performance Snapshot on page 94-95	HS1
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	→ Refer Performance Snapshot on page 94-95	HS2, HS3
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	→ Refer Employees on page 88 & Page 83-84	HS2
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	→ We are currently in the process of collating health and safety topics covered in unions across operations	HS2
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	→ Refer Performance Snapshot on page 94-95	SE17
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	→ Refer Employees on page 83-84	
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	→ Refer Employees on page 83-84	SE16
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	→ Refer Corporate Governance on page 22-27 → Refer page 44-51 of our Annual Report 2012-13	SE15
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Fully	→ No discrimination based on gender is practiced for Compensation in any work centres.	
<b>Performance Indicators- Human Rights</b>				
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Fully	→ Refer Ethics, Transparency and Accountability on page 26-27 → Refer Human Rights on page 87-88	SE8
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Fully	→ Currently we are in the process of setting up systems to screen Human Rights performance of our suppliers and contractors.	SE9
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Fully	→ Refer Human Rights on page 87-88	
HR4	Total number of incidents of discrimination and corrective actions taken.	Fully	→ No incidents of discrimination	





HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Fully	→ Though there has not been a formal/ specific initiative to identify such operations, there is no operation which runs such a risk to the right to exercise freedom of association and collective bargaining.		
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	Fully	→ There is no incident of engagement of Child Labour reported in the reporting period. The Engineer in Charge (EIC) ensures relevant statutes are complied with. Prohibition to engage Child Labour is the standard C&P Clause.		
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	Fully	→ Though there has not been a formal/ specific initiative to identify such operations, no incident of engagement of forced or compulsory labour has been reported in the assessment year. The Engineer in Charge (EIC) ensures relevant statutes are complied with.		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Fully	→ Refer Employees on page 87-88, page 89-90, Ensuring security at GAIL on page 95		SE10
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	→ There have been no incidents of violations involving rights of indigenous people page 87-89 Human Rights		
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	→ All our core operations are continuously monitored and reviewed to eliminate Human Right risks. For more information refer Human Rights on page 87-88		
OG9	Operations where indigenous communities are present or affected by activities and where specific engagement strategies are in place.	Fully	→ We have one of our operations at Jhabua where there is presence of indigenous communities near our operations. For Details refer to page 58-64		
HR11	"Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms"	Fully	→ No such grievances have been filed		
<b>Performance Indicators- Society</b>					
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Fully	→ All our operations are governed by our CSR approach. For more information refer page 58-64		SE1
SO9	Operations with significant potential or actual negative impacts on local communities.	Fully	→ Not applicable		
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	→ Not applicable		
OG10	Number and description of significant disputes with local communities and indigenous peoples.	Fully	→ We did not have any incidents of significant disputes with local communities and indigenous peoples		SE2



OG11	Number of sites that have been decommissioned and sites that are in the process of being decommissioned.	Fully	→ Not applicable		
S02	Percentage and total number of business units analyzed for risks related to corruption.	Fully	→ Corruption risks are covered under our vigilance procedures and risk management framework. Since our vigilance procedures are mandatory under the rules established by Government of India, 100% of our operations are covered under risk analysis including aspects related to corruption.		SE11, SE12
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	→ All our employees are mandated to go through the Code of Conduct and comply with it during their tenure. For more information refer Human Rights on page 87-88		
S04	Actions taken in response to incidents of corruption.	Fully	→ While we have taken stringent measures to curb corruption and promote transparency in our operations, there were seven major cases of corruption reported during the year. Necessary action was taken by the vigilance department, based on the outcome of their investigation.		
S05	Public policy positions and participation in public policy development and lobbying.	Fully	→ Refer Public Policy Advocacy on page 72-75		SE14
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	→ There were no financial or in-kind contributions to political parties, etc.		
S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Fully	→ No actions were taken against GAIL since there were no instances of anti-competitive behaviour, anti-trust or monopolistic practices		
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	→ There have been no legal violations in the year. Same information can be validated through the annual report as well.		
OG12	Operations where involuntary resettlement took place, the number of households resettled in each and how their livelihoods were affected in the process.	Fully	→ No such operations		SE3
OG13	Number of process safety events, by business activity.	Fully	→ No such events have taken place		HS5
<b>Performance indicators- Product responsibility</b>					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Fully	→ Refer Customers on page 75 → Refer Research and Development on page 52 → Also see page PR Section page 67-69 of GAIL Sustainability Report FY 11-12		HS4



PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	→ There were no such incidents of non-compliance during the reporting period		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Fully	→ Our petrochemicals product packages bear the location of the manufacturing facility, grade name and total weight as per Indian legislations and industry practice.		
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Fully	→ There were no such incidents of non-compliance during the reporting period		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	→ Refer Customers on page 72-75		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	→ GAIL fully complies by the ASCI norms for advertising and communication and works with ASCI-authorized media agencies only		
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	→ There were no such incidents of non-compliance during the reporting period		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	→ Customer privacy is not a material issue for our industry and hence has not been reported		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	→ There were no such incidents of non-compliance during the reporting period.		
OG14	Volume of biofuels produced and purchased meeting sustainability criteria.	Fully	→ Not applicable		



# Alignment of the GRI G3.1 Guidelines, NVGs and BRR

G3.1		SEBI BRR			NVG	
Item	Title	Section	#	Title	Match (M) / Link (L) to G3.1	Principle
<b>Profile Disclosures</b>						
1.1	Statement from the most senior decision-maker of the organization.					
1.2	Description of key impacts, risks, and opportunities	Section E: Principle 6- Environment	3	Does the company identify and assess potential environmental risks? Y/N		
		Section E: Principle 2- Products Life Cycle Sustainability	1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	L	
2.1	Name of the organization.	Section A: General Information about the Company	2	Name of the company	M	
2.2	Primary brands, products, and/or service	Section A: General Information about the Company	7	Sector(s) that the Company is engaged in (industrial activity code-wise)	M	
		Section A: General Information about the Company	8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	M	
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Section C: Other Details	1	Does the Company have any Subsidiary Company/ Companies?	M	



2.4	Location of organization's headquarters.	Section A: General Information about the Company	3	Registered address	M	
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Section A: General Information about the Company	9	Total number of locations where business activity is undertaken by the Company i. Number of International Locations (Provide details of major 5) ii. Number of National Locations	L	
2.6	Nature of ownership and legal form.	Section C: Other Details	1	Does the Company have any Subsidiary Company/ Companies?	M	
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Section A: General Information about the Company	7	Sector(s) that the Company is engaged in (industrial activity code-wise)	M	
		Section A: General Information about the Company	10	Markets served by the Company – Local/State/National/ International	M	
2.8	Scale of the reporting organization.					
2.9	Significant changes during the reporting period regarding size, structure, or ownership.					
2.10	Awards received in the reporting period.					
3.1	Reporting period (e.g., fiscal/ calendar year) for information provided.	Section A: General Information about the Company	6	Financial Year Reported	M	
3.2	Date of most recent previous report (if any).					
3.3	Reporting cycle (annual, biennial, etc.)	Section D: BR Information	3	Governance related to BR Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	M	
3.4	Contact point for questions regarding the report or its contents.	Section A: General Information about the Company	5	E-mail id	M	
3.5	Process for defining report content.					



3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Section C: Other Details	2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	L	
		Section C: Other Details	3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).					
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.					
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.					
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).					
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.					
3.12	Table identifying the location of the Standard Disclosures in the report.					
3.13	Policy and current practice with regard to seeking external assurance for the report.	Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency	M	



4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Section D: BR Information	1	<p>Details of Director/Directors responsible for BR</p> <p>a) Details of the Director/Director responsible for implementation of the BR policy/policies</p> <p>DIN Number</p> <p>Name</p> <p>Designation</p> <p>b) Details of the BR head</p> <p>1. DIN Number (if applicable)</p> <p>2. Name</p> <p>3. Designation</p> <p>4. Telephone number</p> <p>5. e-mail id</p>	L	Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
		Section D: BR Information	3	<p>Governance related to BR</p> <p>Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year</p> <p>Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?</p>		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.					Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.					Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.					Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).					



4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.					Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.					
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.					Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Section D: BR Information	2.4	For all nine Principles: Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	L	Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
		Section D: BR Information	2.5	For all nine Principles: Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?		
		Section D: BR Information	3	Governance related to BR Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.					
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.					
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.					





4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Section E: Principle 7- Policy Advocacy	1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	M	
4.14	List of stakeholder groups engaged by the organization.	Section D: BR Information	2.P4	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	L	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
4.15	Basis for identification and selection of stakeholders with whom to engage.	Section E: Principle 4- Stakeholder Engagement	1	Has the company mapped its internal and external stakeholders? Yes/No	L	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
		Section E: Principle 4- Stakeholder Engagement	2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.		
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Section D: BR Information	2.P4	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	L	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
		Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?		
		Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?		
		Section E: Principle 4- Stakeholder Engagement	2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.		
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	L	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
		Section E: Principle 4- Stakeholder Engagement	2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.		
		Section E: Principle 5- Human Rights	2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?		



Economic Category						
Aspect: Economic Performance						
DMA		Section D: BR Information	2.P2	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	L	
		Section D: BR Information	2.P8	Principle 8: Businesses should support inclusive growth and equitable development		
		Section D: BR Information	2.1	Do you have a policy/policies for...		
		Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?		
		Section D: BR Information	2.3	Does the policy conform to any national/international standards? If yes, specify? (50 words)		
		Section D: BR Information	2.4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?		
		Section D: BR Information	2.5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?		
		Section D: BR Information	2.6	Indicate the link for the policy to be viewed online?		
		Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?		
		Section D: BR Information	2.8	Does the company have in-house structure to implement the policy/policies.		
		Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?		
		Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Section B: Financial Details of the Company	1	Paid up Capital (INR)	M	
		Section B: Financial Details of the Company	2	Total Turnover (INR)		
		Section B: Financial Details of the Company	3	Total profit after taxes (INR)		



EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.					
EC3	Coverage of the organization's defined benefit plan obligations.					
EC4	Significant financial assistance received from government.					
<b>Aspect: Market Presence</b>						
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.					
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Section E: Principle 2- Products Life Cycle Sustainability	3	Does the company have procedures in place for sustainable sourcing (including transportation)?	M	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
		Section E: Principle 2- Products Life Cycle Sustainability	4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?		
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.					
<b>Aspect: Indirect Economic Impacts</b>						
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.					
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.					



Environmental Category					
DMA	Section D: BR Information	2.P2	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	M	
	Section D: BR Information	2.P6	Principle 6: Business should respect, protect, and make efforts to restore the environment		
	Section D: BR Information	2.1	Do you have a policy/policies for...		
	Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?		
	Section D: BR Information	2.3	Does the policy conform to any national/international standards? If yes, specify? (50 words)		
	Section D: BR Information	2.4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?		
	Section D: BR Information	2.5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?		
	Section D: BR Information	2.6	Indicate the link for the policy to be viewed online?		
	Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?		
	Section D: BR Information	2.8	Does the company have in-house structure to implement the policy/policies.		
	Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?		
	Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?		
	Section E: Principle 6-Environment	3	Does the company identify and assess potential environmental risks? Y/N		
	Section E: Principle 6-Environment	3	Does the company identify and assess potential environmental risks? Y/N		



Aspect: Materials						
EN1	Materials used by weight or volume.					
EN2	Percentage of materials used that are recycled input materials.	Section E: Principle 2- Products Life Cycle Sustainability	5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	L	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle  Principle 6: Business should respect, protect, and make efforts to restore the environment.
Aspect: Energy						
EN3	Direct energy consumption by primary energy source.					Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN4	Indirect energy consumption by primary source.					Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN5	Energy saved due to conservation and efficiency improvements.	Section E: Principle 6- Environment	5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	M	Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Section E: Principle 6- Environment	2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.		Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
		Section E: Principle 6- Environment	5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	L	
		Section E: Principle 2- Products Life Cycle Sustainability	2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): i. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?		Principle 6: Business should respect, protect, and make efforts to restore the environment.



EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Section E: Principle 2- Products Life Cycle Sustainability	2.i	"For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): i. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?"	L	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
		Section E: Principle 6- Environment	2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.		Principle 6: Business should respect, protect, and make efforts to restore the environment.
		Section E: Principle 6- Environment	5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.		
<b>Aspect: Water</b>						
EN8	Total water withdrawal by source.	Section E: Principle 2- Products Life Cycle Sustainability	2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): i. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?  ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	L	Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN9	Water sources significantly affected by withdrawal of water.					
EN10	Percentage and total volume of water recycled and reused.	Section E: Principle 2- Products Life Cycle Sustainability	2.ii	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	L	Principle 6: Business should respect, protect, and make efforts to restore the environment.
<b>Aspect: Biodiversity</b>						
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.					
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.					
EN13	Habitats protected or restored.					

EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.					Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.					
<b>Aspect: Emissions, Effluents, and Waste</b>						
EN16	Total direct and indirect greenhouse gas emissions by weight.					Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN17	Other relevant indirect greenhouse gas emissions by weight.					Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Section E: Principle 6- Environment	2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	L	Principle 6: Business should respect, protect, and make efforts to restore the environment.
		Section E: Principle 6- Environment	4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?		
EN19	Emissions of ozone-depleting substances by weight.					
EN20	NOx, SOx, and other significant air emissions by type and weight.					
EN21	Total water discharge by quality and destination.					Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN22	Total weight of waste by type and disposal method.	Section E: Principle 2- Products Life Cycle Sustainability	5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	L	Principle 6: Business should respect, protect, and make efforts to restore the environment.
EN23	Total number and volume of significant spills.					
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Section E: Principle 2- Products Life Cycle Sustainability	5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	L	



EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.					
<b>Aspect: Products and Services</b>						
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Section E: Principle 6- Environment	2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	M	
		Section E: Principle 2- Products Life Cycle Sustainability	2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): i. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	L	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Section E: Principle 2- Products Life Cycle Sustainability	5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	L	
<b>Aspect: Compliance</b>						
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.					
<b>Aspect: Transport</b>						
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.					
<b>Aspect: Overall</b>						
EN30	Total environmental protection expenditures and investments by type.					





Labor Practices and Decent Work Category				
DMA	Section D: BR Information	2.P3	Principle 3: Businesses should promote the wellbeing of all employees	
	Section D: BR Information	2.P4	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Principle 3: Businesses should promote the wellbeing of all employees
	Section D: BR Information	2.P8	Principle 8: Businesses should support inclusive growth and equitable development	Principle 3: Businesses should promote the wellbeing of all employees
	Section D: BR Information	2.1	Do you have a policy/policies for....	
	Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?	
	Section D: BR Information	2.3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	
	Section D: BR Information	2.4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	M
	Section D: BR Information	2.5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	
	Section D: BR Information	2.6	Indicate the link for the policy to be viewed online?	
	Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?	
	Section D: BR Information	2.8	Does the company have in-house structure to implement the policy/ policies.	
	Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	
	Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	



Aspect: Employment						
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Section E: Principle 3- Employee's well being	1	Please indicate the Total number of employees.	M	Principle 3: Businesses should promote the wellbeing of all employees
		Section E: Principle 3- Employee's well being	2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.		
		Section E: Principle 3- Employee's well being	3	Please indicate the Number of permanent women employees.		
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.					
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.					
LA15	Return to work and retention rates after parental leave, by gender.					
Aspect: Labor/management relations						
LA4	Percentage of employees covered by collective bargaining agreements.	Section E: Principle 3- Employee's well being	5	Do you have an employee association that is recognized by management.	L	
		Section E: Principle 3- Employee's well being	6	What percentage of your permanent employees is members of this recognized employee association?	M	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.					
Aspect: Occupational Health & Safety						
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Section E: Principle 3- Employee's well being	5	Do you have an employee association that is recognized by management.	L	
		Section E: Principle 3- Employee's well being	6	What percentage of your permanent employees is members of this recognized employee association?	M	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.					
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.					



LA9	Health and safety topics covered in formal agreements with trade unions.					
<b>Aspect: Training and Education</b>						
LA10	Average hours of training per year per employee by gender, and by employee category.	Section E: Principle 3- Employee's well being	8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? <ul style="list-style-type: none"> <li>• Permanent Employees</li> <li>• Permanent Women Employees</li> <li>• Casual/Temporary/Contractual Employees</li> <li>• Employees with Disabilities</li> </ul>	L	Principle 3: Businesses should promote the wellbeing of all employees
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Section E: Principle 3- Employee's well being	9	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? <ul style="list-style-type: none"> <li>• Permanent Employees</li> <li>• Permanent Women Employees</li> <li>• Casual/Temporary/Contractual Employees</li> <li>• Employees with Disabilities</li> </ul>	L	Principle 3: Businesses should promote the wellbeing of all employees
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.					
<b>Aspect: Diversity and Equal Opportunity</b>						
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Section E: Principle 3- Employee's well being	3	Please indicate the Number of permanent women employees.	M	
		Section E: Principle 3- Employee's well being	4	Please indicate the Number of permanent employees with disabilities		
<b>Aspect: Equal Remuneration for women and men</b>						
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.					



Human Rights Category						
DMA	Section D: BR Information	2.P4	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized			
	Section D: BR Information	2.P5	Principle 5: Businesses should respect and promote human rights			Principle 5: Businesses should respect and promote human rights.
	Section D: BR Information	2.P8	Principle 8: Businesses should support inclusive growth and equitable development			
	Section D: BR Information	2.1	Do you have a policy/policies for...			
	Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?			
	Section D: BR Information	2.3	Does the policy conform to any national /international standards? If yes, specify? (50 words)			
	Section D: BR Information	2.4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	M		
	Section D: BR Information	2.5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?			
	Section D: BR Information	2.6	Indicate the link for the policy to be viewed online?			
	Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?			
	Section D: BR Information	2.8	Does the company have in-house structure to implement the policy/ policies.			
	Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?			
Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?				
Aspect: Investment and Procurement Practices						
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.					



HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.					Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.					
<b>Aspect: Non-discrimination</b>						
HR4	Total number of incidents of discrimination and corrective actions taken.					Principle 5: Businesses should respect and promote human rights.
<b>Aspect: Freedom of association and collective Bargaining</b>						
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.					
<b>Aspect: Child Labor</b>						
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.					Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
<b>Aspect: Forced and Compulsory Labor</b>						
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	Section E: Principle 3- Employee's well being	7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	L	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
<b>Aspect: Security Practices</b>						
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.					
<b>Aspect: Indigenous Rights</b>						
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.					Principle 5: Businesses should respect and promote human rights.



Aspect: Assessment						
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.					
Aspect: Remediation						
	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Section E: Principle 3- Employee's well being	7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.		Principle 3: Businesses should promote the wellbeing of all employees
HR11	Section E: Principle 3- Employee's well being	Section E: Principle 3- Employee's well being	8	S.No. Category No of complaints filed during the financial year No of complaints pending as on end of the financial year 1. Child labour/forced labour/ involuntary labour 2. Sexual harassment 3. Discriminatory employment	L	Principle 5: Businesses should respect and promote human rights.
Society Category						
DMA		Section D: BR Information	2.P1	Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability		
		Section D: BR Information	2.P7	Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner		Principle 8: Businesses should support inclusive growth and equitable development.
		Section D: BR Information	2.P8	Principle 8: Businesses should support inclusive growth and equitable development		Principle 8: Businesses should support inclusive growth and equitable development.
		Section D: BR Information	2.1	Do you have a policy/policies for...	M	
		Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?		
		Section D: BR Information	2.3	Does the policy conform to any national /international standards? If yes, specify? (50 words)		
		Section D: BR Information	2.4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?		
		Section D: BR Information	2.5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?		
	Section D: BR Information	2.6	Indicate the link for the policy to be viewed online?			



		Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?		
		Section D: BR Information	2.8	Does the company have in-house structure to implement the policy/policies.		
		Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?		
		Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?		
		Section E: Principle 8- Inclusive growth	1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.		
		Section E: Principle 8- Inclusive growth	2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?		
		Section E: Principle 8- Inclusive growth	3	Have you done any impact assessment of your initiative?		
		Section E: Principle 1-Ethics, Transparency and Accountability	1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs /Others?		
<b>Aspect: Local communities</b>						
S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Section E: Principle 8- Inclusive growth	4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	L	Principle 8: Businesses should support inclusive growth and equitable development.
		Section E: Principle 8- Inclusive growth	5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.		
S09	Operations with significant potential or actual negative impacts on local communities.					
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Section E: Principle 8- Inclusive growth	4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	M	Principle 8: Businesses should support inclusive growth and equitable development.
		Section E: Principle 8- Inclusive growth	5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.		



Aspect: Corruption						
S02	Percentage and total number of business units analyzed for risks related to corruption.					
S03	Percentage of employees trained in organization's anti-corruption policies and procedures.					
S04	Actions taken in response to incidents of corruption.	Section E: Principle 1-Ethics, Transparency and Accountability	2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	L	
Aspect: Public Policy						
S05	Public policy positions and participation in public policy development and lobbying.					Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.					
Aspect: Anti-competitive behaviour						
S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	Section E: Principle 9- Customer Value	3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	M	
Aspect: Compliance						
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.					





Product Responsibility Category						
DMA	Section D: BR Information	2.P2	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle			
	Section D: BR Information	2.P9	Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner			
	Section D: BR Information	2.1	Do you have a policy/policies for...			
	Section D: BR Information	2.2	Has the policy being formulated in consultation with the relevant stakeholders?			
	Section D: BR Information	2.3	Does the policy conform to any national /international standards? If yes, specify? (50 words)			
	Section D: BR Information	2.4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?		M	
	Section D: BR Information	2.5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?			
	Section D: BR Information	2.6	Indicate the link for the policy to be viewed online?			
	Section D: BR Information	2.7	Has the policy been formally communicated to all relevant internal and external stakeholders?			
	Section D: BR Information	2.8	Does the company have in-house structure to implement the policy/ policies.			
	Section D: BR Information	2.9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?			
Section D: BR Information	2.10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?				
Aspect: Customer health and safety						
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.					
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Section E: Principle 2- Products Life Cycle Sustainability	1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.	L	Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.



Aspect: Product and service labelling						
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Section E: Principle 9- Customer Value	2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. / Remarks(additional information)	M	Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Section E: Principle 9- Customer Value	1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	L	Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.
		Section E: Principle 9- Customer Value	3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.		
		Section E: Principle 2- Products Life Cycle Sustainability	1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Section E: Principle 9- Customer Value	4	Did your company carry out any consumer survey/ consumer satisfaction trends?	M	Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.
Aspect: Marketing Communications						
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.					
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.					
Aspect: Customer Privacy						
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.					
Aspect: Compliance						
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.					



# Way Forward

With this report, we have completed a three year run in our sustainability journey. We realize that though we have taken significant steps in right direction, a strict monitoring and managing of our sustainability targets is imperative to effectively succeed and exceed our targets.

Our sustainability journey during the last three years has been really enthralling and exciting. We believe that in this nascent stage we have achieved quite a number of milestones such as being one of the first Public sector enterprise to develop and transparently disclose our Sustainability Policy, taking several sustainability projects and initiatives at sites, forming a robust governance structure ingraining sustainability from Board-room to shop-floor and many more. Being one among the few companies, we have shown our commitment by setting targets for ourselves & transparently disclosing to all our stakeholders through "Sustainability Aspirations 2020". While progressing forward, we realize that it is imperative to track our performance. We have incorporated these targets at the individual department level through IMoJ to bring accountability. We have developed in-house e-Sustainability module which ensures that we effectively measure our performance. The module not only aids in providing authenticated data from across

sites but also improving time efficiency. Going forward we will also consider the review of Sustainability Aspirations 2020 in line with best practices adopted by the industry

Several social responsibility programs have been undertaken in light to strengthening the local economy and bringing prosperity in the local communities. In addition, we conduct needs assessment and impact assessment of our social initiatives. We have been associated with MoPNG, DGH, PNGRB, OISD, FICCI, TERI, ASSOCHAM and KPMG to name a few. We continue to communicate our progress as a signatory to United Nations Global Compact.

GAIL is also the only PSU among Oil & Gas sector to recently become one of the 10 exclusive founding members of the GRI (Global Reporting Initiative) Focal Point India's Sustainability and Transparency Consortium. We have been selected as one of the 100 companies for the UNGC CEO 2013 Study for Global Sustainability Report, 2013 by United Nations.

With an eventful run in the past three years, we remain committed to ingrain sustainability within the organization working and culture. Starting with our first report, "Value Beyond Business" for FY 10-11, highlighting on the responsible way we conduct our business, "Shaping

the future" our 2<sup>nd</sup> report for FY 11-12 stressing on inclusivity to create value for all our stakeholders; "Energising Tomorrow Responsibly" moves ahead from good intention to commitment towards roadmap to behave responsibly by taking concrete actions. With the highest status of Maharatna (meaning a colossal jewel) for Indian Public Sector enterprise being accorded to GAIL, we believe the onus lies upon us as a responsible corporate citizen to be a part of driving the change to create a better tomorrow for all stakeholders and also creates a legacy for others to track.

As we progress towards achieving 100% awareness amongst employees on sustainability aspects and streamlining our engagement process, employees lying at the core of our business process shall be instrumental in bringing this change.

If you would like to share with us your constructive feedback on how GAIL can shape the future towards betterment of all, queries can be directed to:

- **Mr. Santanu Roy**  
General Manager  
(Corporate Planning)  
at [sroy@gail.co.in](mailto:sroy@gail.co.in)
- **Mr. R K Singh**  
Chief Manager  
(Corporate Planning)  
at [rk.singh@gail.co.in](mailto:rk.singh@gail.co.in)

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	Profile Disclosures	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for level B	Report Externally Assured
	Disclosures on Management Approach	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each indicator Category	
	Performance Indicators & Sector Supplement Performance Indicators	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic, and environment.**		Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.***		Respond on each core and Sector Supplement* indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	
		<p>* Oil and Gas Sector Supplement                      ** Performance Indicators may be selected from any finalized Sector Supplement, but 7 of 10 must be from the original GRI Guidelines                      *** Performance Indicators may be selected from any finalized Sector Supplement, but 14 of the 20 must be from the original GRI Guidelines</p>					

The GAIL Sustainability Report FY 2012-13, 'Energising Tomorrow Responsibly' is a GRI G3.1+OGSS Compliant Application Level A+ Report







**GAIL (India) Limited**

A MAHARATNA COMPANY

Regd. Off.: 16, Bhikaiji Cama Place, R.K. Puram, New Delhi-110 066

Website: [www.gailonline.com](http://www.gailonline.com)