

## **UN Global Compact 2010-11**

During the year 1999, UN Secretary-General launched the 'Global Compact' calling upon corporate leaders to align their business practices according to the principles of the Compact. The Global Compact has 10 principles, which encompass the areas of Human Rights, Labour, Environment and Anti-corruption. These 10 principles have been derived from various UN Declarations and conventions, viz. the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment & Development and the United Nations Convention against Corruption.

### **Communication on Progress for 2010-11**

The 10 principles of Global Compact are mentioned below:

- 1. Business should support and respect the protection of internationally proclaimed human rights.**
- 2. Make sure that businesses are not complicit in human rights abuses.**
- 3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.**
- 4. Elimination of all forms of forced and compulsory labour.**
- 5. Effective abolition of child labour.**
- 6. Elimination of discrimination in respect of employment and occupation.**
- 7. Business should support a precautionary approach to environmental challenges.**
- 8. Undertake initiatives to promote greater environmental responsibility.**
- 9. Encourage the development and diffusion of environmentally friendly technologies.**
- 10. Businesses should work against all forms of corruption, including extortion and bribery.**

## **1. Business should Support and Respect the Protection of Internationally Proclaimed Human Rights**

CPCL, always ensures upholding human rights in the work place. In order to ensure the human rights, the following initiatives were started during the year 2010-11, which are given below:

### **i) Reach-In:**

In order to ensure welfare of employees, improve the upward and downward communication of employees, discuss the targets, performance, achievements, safety and work related issues at the section level, CPCL had initiated an HR initiative namely "Reach-in" wherein, the HR team visits various sections and action is taken for the issues raised during the meeting are sorted out.

### **ii) Personal Touch with MD:**

In order to provide employees an unique opportunity to share their views, ideas, suggestions, grievances, etc directly with the Managing Director of the Company, a separate "Personal Touch" link in the CPCL intranet has been initiated .

These initiatives have developed more trust on CPCL and all the employees were given an opportunity to share their concern to the top management.

### **iii) Webpage for women employees:**

In order to enable women employees of CPCL to share their views, a separate webpage in CPCL intranet had been provided.

### **iv) Corporate Social Responsibility:**

CPCL always renders exemplary service in addressing the human rights issues through various services to the local community. Some of the services rendered are as follows:

- Provided 6 months skill development Training Programme of Plastic Processing Machine Operator course in association with Central Institute Plastic Education Training (CIPET) and 50 students were benefited.



- Provided 4 RO plants at 3 Government Schools in and around Manali.



- Provided Merit Scholarships to 788 students in 14 Schools / CPCL ITI & Polytechnic College for a total amount of ₹9.32/- lakhs.

- ₹17.38 lakhs was provided towards the cost of Mobile Lab and the operating expenditure for the year 2010-11 to the Mobile Lab Science Education Program (Agastya International Foundation, Bangalore). This Lab contains 24 numbers of Science Education Modules / equipments. The Mobile lab van visited 56 schools in Thiruvallur District and covered 17200 students studying from 6<sup>th</sup> to 9<sup>th</sup> Std during the year 2010-11.



- Organised 12 Comprehensive Eye Care Camps for the benefit of people living in and around Manali in association with Sankara Nethralaya, Medical Research Foundation.



- Donation to K J Research Foundation for “Needy Little Hearts” project – an amount of ₹8.11 lakhs for purchase of Stockert Shiley’s Heart lung and hypothermia machine.
- Extended financial assistance for construction of Community Hall for the benefit of tribal people in Thiruvallur District.
- Sponsored FIDE International Rating Chess Championship Tournament held in Manali and distributed CPCL Trophy to Winners.
- Provided various livelihood items to Thiruvottiyur Fisheries Women for an amount of ₹ 6.50 lakhs.



- Donated one van to Tamilnadu Handicapped Federation Charitable Trust.



- Donated 3 vans to different Special Children's' Welfare Associations.
- Provided 1000 Tree Guards to protect the tree plants at Thiruvottiyur High Road.
- Adopted 2 elephants under Animal Adaptation programme of Arignar Anna Zoological Park.

## 2. Make sure that Businesses are not complicit in Human Right Abuses

CPCL gives utmost importance in up keeping the Communal Harmony. The Quami Ekta Week is being observed to mark the above and various activities are carried out for creating a harmonious atmosphere in the Company. The various activities carried out during the Quami Ekta Week are given below:

### (i) Observance of Anti-Terrorism day:

“Anti-Terrorism Day” is being observed on 21<sup>st</sup> May every year with the objective of weaning away people, particularly the youth, from terrorism and cult of violence by highlighting the suffering of the common people and to show how it is prejudicial to the national interest. The employees working in different locations within the Refinery premises had administered the Anti-Terrorism Pledge on 21.05.10 for the year 2010.



## ii. Observance of Goodwill Day (Sadbhavana Diwas)

Goodwill Day (Sadbhavana Diwas) is being observed on 20<sup>th</sup> August every year. The theme of the Goodwill Day is to promote integration and harmony among people of all religions, languages and regions. The employees working in different locations within the Refinery premises had administered the Goodwill Day Pledge on 20.08.10 for the year 2010.



## (iii) Observance of National Integration Week (Quami Ekta Week):

(i) The “National Integration Week” is being observed from 19<sup>th</sup> to 25<sup>th</sup> November every year with a view :

- ❑ to reaffirm our age old traditions and faith in the values of tolerance, co-existence and brotherhood in a multi-cultural and multi religious society; and
- ❑ to highlight the inherent strength and resilience of our nation to withstand actual and potential, threats to a secular country with diverse views and nurture a spirit of communal harmony in its widest sense.

(ii) **Theme:** The theme of the Quami Ekta Week is to foster the spirit of Patriotism and national integration among people of all religions, languages and regions.

- (iii) The National Integration Pledge was administered on 19.11.10 at various locations within the Refinery premises.



#### **Activities carried out during the Quami Ekta Week**

As part of the National Integration Week, a Programme on National Harmony was organized for women employees the faculty of the programme was Dr.Seethaneelakandan from prakriti.

Essay contest in Tamil, English and Hindi were conducted for the employees. Oratorical contest in English and Tamil, were conducted for the students of CPCL Polytechnic and ITI.

#### **(iv) Prohibition of Sexual Harassment of Women**

Provisions have been made in Standing Orders for Workmen and Conduct, Discipline and Appeal rules for Officers to deal with the sexual harassment of women employees in workplace. In accordance with the above provision, a complaints committee has been constituted to deal the complaints of the women employees.

### **3. Freedom of Association and the Right of Collective Bargaining**

The following two Unions are functioning in CPCL;

- I. Chennai Petroleum Employees Union (CPEU)
- II. Madras Refineries Ambedkar Employees Union (MRAEU).

In order to communicate the quarterly /annual Physical and financial performance and growth prospects of the Company to the Collective bodies

and to have discussion on such performance aspects quarterly communication meetings of Managing Director and Directors with the collectives has also been initiated.

CPCL also focuses to maintain and improve the culture of employees' participation in the Company's activities. Considering this, the representatives of collectives had participated in the Strategy Meet of CPCL Board to discuss and deliberate on various developmental activities identified for CPCL's growth in the future years.



**Strategy Meet 16<sup>th</sup> & 17<sup>th</sup> July 2010**

#### **4. Elimination of all forms of Forced and Compulsory Labour**

As a proactive measure, CPCL established a Contract Labour Management (CLM) Cell headed by a Senior Manager to comply with the provisions of various Contract Labour Legislations. With the assistance of the CLM Cell, utmost care is being given for the coverage of the contractor's workmen under Provident Fund, Employees State Insurance and payment of minimum wages.

Besides, CPCL had arranged a camp on two occasions for issue of unique identity card (PECHCHAN card) by Employees State Insurance Corporation (ESIC). Through the camp ESIC issued about 1700 cards to the contractor's workmen to facilitate treatment in ESI hospitals located anywhere in India.

#### **5. Effective Abolition of Child Labour**

CPCL ensures that all forms of Child Labour practices are abolished. In order to create income-generation alternatives for the parents and prevent

them to send their children as child labour to work, around 50 downtrodden women of the nearby community were distributed with Sewing Machines.

## **6. Elimination of Discrimination in respect of employment and occupation**

CPCL is an equal opportunity employer and also plays a vital role in eliminating discrimination outside the workplace, that is, in the community to build a climate of tolerance and access to opportunities for occupational development. Some of the activities carried out as part of this initiative is as follows:

- Provided various livelihood items to Thiruvottiyur Fisheries Women for an amount of ₹ 6.50 lakhs.

## **7. Businesses should support a precautionary approach to Environmental challenges.**

The following precautionary approach to environmental challenges are adopted

### **1. Liquid effluents**

Reprocessing and reuse of Refinery effluent and city sewage is widely adopted in CPCL. The liquid effluent generated in the refinery and City sewage purchased from Chennai Metro water Supply & Sewage Board (CMWSSB) is recycled with use of the following clean technologies.

- Oil (free, emulsified, dissolved) removal by American Petroleum Institute (API), Tilted Planed Interceptor (TPI) separators, Dissolved air Flootation unit
- Bio-Chemical Oxygen Demand (BOD) removal by Activated sludge process and attached film process
- Removal of bacteria by Chlorination
- Removal of suspended solids by Multi media Filter
- Removal of Colloidal particles by use of ultra filtration Technology
- Removal of Dissolved solids by use of Reverse Osmosis Technology.

## 2. Solid waste management

### 2.1 Oily sludge

The following clean technologies are adopted in CPCL for solid waste management

- In-situ chemical treatment in crude oil storage tanks to reduce sludge volume from crude oil tanks
- Use of Hydrogen peroxide in Effluent Treatment Plant (ETP) to reduce chemical sludge generation from ETPs
- Mechanical treatment of oily sludge to recover oil and bio remediation of Mechanically treated sludge to make it environment friendly



**BEFORE**



**AFTER**

## 2.2 Other solid wastes

Common Treatment, Storage and Disposal Facility (TSDF) has been created by Industrial Waste Management Association (IWMA) with the approval of Tamilnadu Pollution Control Board (TNPCB) at Gummidipoondi. CPCL has taken membership and obtained approval from TNPCB for disposal in TSDF. During the year 2010-11 apart from disposal of 112 MT to authorized recyclers, 143 MT of solid waste have been disposed in Tamilnadu Waste Management Limited (TNWML) site Gummidipoondi.

## 3.0 Air pollution

The following steps have been taken by CPCL by way of adoption of clean technologies to combat air pollution

- Use of low sulfur Fuel for reduction of Sulfur-di-Oxide (SO<sub>2</sub>) emission
- Use of Low-Nox burners and De-Nox facilities to reduce Nox emission (Oxides of Nitrogen)
- Provision of double seal in floating roof tanks to reduce VOC (Volatile Organic Compound) emission



**Dome Roof Tanks with Nitrogen Blanketing**

- Continuous Stack emission monitoring in heater/boiler

- 8 numbers of Ambient Air quality monitoring stations



## 8. Undertake initiatives to promote greater environmental responsibility.

The following initiatives have been under taken to promote greater environmental responsibility

- ◆ Linking of Continuous Air Monitoring station with Tamilnadu Pollution Control Board (TNPCCB) for data transfer on various emission which gives transporting to our efforts to reduce emissions
- ◆ Procurement of Mobile Continuous Air Monitoring station
- ◆ Additional Continuous stack monitoring facility in Propane De-asphalting heater

Implementation of the following energy conservation measures to reduce CO<sub>2</sub> emission

- ◆ 100 numbers of conventional 40W florescent lights were replaced with LED lights in Ref II and Ref III electrical substations.
- ◆ Change over from Diethylamine (DEA) to Mono Ethylamine(MDEA) in Ref III Amine unit is done in phased manner, to reduce energy requirements.
- ◆ Condensate recovery scheme was completed in DHDS.
- ◆ Out Board Steam Generator (OBSG) of Continuous Catalytic Reformer (CCR) was taken online. Increase in steam generation of around 3 to 4 MT/hr is observed.
- ◆ Mineral wool insulation of Very Very High Pressure (VVHP) steam lines in Co-gen boilers was replaced with calcium silicate insulation to minimize heat loss.
- ◆ Compressed air leak survey (Phase I – Identification of leaks) was completed and identified leaks were attended.
- ◆ Fuel gas interconnection between Ref III and co-gen boilers was commissioned.

- ◆ Conventional heat exchanger tubes were replaced with hyflux tubes in the re-boilers of Propylene Recovery Unit (PRU).
- ◆ Acoustic emission leak survey was carried out in suspected safety valves with VPAC instrument in Pt 9, 73, 19, 205, 206, 212 and identified leaking valves were attended.
- ◆ Cleaning of preheat exchangers in Crude Distillation Unit (CDU) II was optimized using heat model to maximize heat recovery.



**Sewage Reclamation Plant -2 (SRP-2)**

**9. Encourage the development and diffusion of environmentally friendly technologies.**

The following action plan has been drawn for development of environmentally friendly technologies

S.No.	Action Point	Target
	<b>Water Environment</b>	
<b>1</b>	Nil Discharge of Effluent to B-Canal	
<b>1.1</b>	Maximize Recycle	
<b>(i)</b>	Uninterrupted Transfer of accumulated water from all storm ponds to ETP (Effluent Treatment Plant) surge ponds	
(a)	Pond-A Provision of additional transfer pumps	Aug `11
(b)	Pond-C Provision of additional transfer pumps	Dec `11
(c)	Provision of additional transfer pumps for Ref-III	Dec `11

	storm pond	
(d)	Provision of additional transfer pump for Storm pond in Mandatory Tank Farm (MTF) area	Dec `11
<b>(ii)</b>	Continuous operation of Stream-II of ETP-3	
(a)	Feed system modification in surge tanks	Dec `11
(b)	Facilities for Transfer of treated water to Sewage reservoir	Dec `11
<b>(iii)</b>	Reuse of all backwash / chemical wash streams from Tertiary Treatment Plant (TTP) complex	Dec `11
<b>1.2</b>	Provision of disposing (RORR) in sea	Dec `11
<b>1.3</b>	Consistency in Effluent quality as per New Minimum National Standards (MINAS) Revamp of Dissolved Air Flootation (DAF) unit in ETP-2	Mar `12
<b>2</b>	<b>Air Environment</b>	
<b>2.1</b>	Linking AAQM/CSM (Continuous Stack Monitoring) with TNPCB one AAQM station already linked thro' internet	July `11
	Linking other 7 nos. of stations	Oct `11
	Linking CSM to TNPCB	Dec `11
<b>2.2</b>	Use of GPS/GIS for air quality monitoring	Aug `11
<b>2.3</b>	Use on Natural gas in place of Low sulfur fuel oil	Dec `12
<b>2.4</b>	<b>VOC Emission Control</b>	
	Conversion of open surge pond in ETP-1 and ETP-2 to closed tanks conversion ETP-2 surge pond to closed tanks	Sept `11
	Provision Activated Carbon Filter (ACF) for VOC adsorption ETP-2 and 3	Mar `12
	Fugitive emission inventory	Nov `11
<b>3.0</b>	<b>Solid Waste Management</b>	
<b>3.1</b>	Provision of additional sludge pit	completed
<b>3.2</b>	Co-processing of Hazardous waste in cement plant	Dec'11
<b>3.3</b>	In-Situ treatment of tank bottom sludge to reduce oily sludge	One tank completed

10. **Principle Ten – Businesses should work against corruption in all forms, including extortion and bribery**

Implementation of Integrity Pact

With an objective to ensure complete transparency in contracts and procurements, Chennai Petroleum Corporation Limited (CPCL), has entered into a Memorandum of Understanding (MoU) with Transparency International India (TII), for implementation of Integrity Pact in CPCL. The integrity pact binds the Company and its suppliers/contractors to ethical conduct in contracts and implementation of projects.

Mr. P. Shankar, IAS., (Retd.,) Former Central Vigilance Commissioner and Mr. Justice K.Govindarajan, Retd., Judge of the Hon'ble High Court of Madras are the Independent External Monitors (IEMs), approved by CVC, for the implementation of the Integrity Pact in CPCL. Regular review meetings are conducted by IEMs to monitor the implementation of Integrity Pact. During the year 2010-11, tenders worth Rs.1348 crore were covered under Integrity Pact.

**Preventive Vigilance**

CPCL actively focuses on preventive vigilance efforts comprising systems improvement studies, leveraging of information technology, monitoring updation of Works / Tender Procedure Manuals and imparting training to employees in vigilance matters. As part of leveraging technology initiatives CPCL displays all open tender documents on its web-site for encouraging greater participation of vendor and to ensure transparency. Also, more than 95% bills are paid through e-payment system to enable direct payment to their bank accounts and avoid unnecessary delays. Many IT initiatives are in pipeline to improve vigilance administration in the company.

## **Spreading Vigilance Awareness**

Vigilance Awareness Period was observed between 25<sup>th</sup> October, 2010 and 1<sup>st</sup> November 2010 to create vigilance awareness among all stake holders including vendors, customers, students, and employees. A quarterly Vigilance News Letter “Udhayam” is also prepared to reach the latest developments in vigilance to all employees in the organization.

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