

Abstract

In business ethics, the question, what responsibilities a business *should* have towards society, is a core question that may be approached in several ways, e.g. through *Corporate Social Responsibility* (CSR) approach, the *stakeholder theory*, concept of corporate citizenship. The present study, however, brings this discourse to the oil and gas sector in India and tries to find the answer through the lens of the concept of *sustainability*. The concept of *sustainability*, originally developed in environmental ethics and associated with the concept of *sustainable development*, is gaining attention as a possible paradigm for the responsibility of maintaining an intricate balance between the integrated body of social, environmental, and economic responsibilities of a business.

Globally, the oil and gas sector is a high turnover sector, which is also known for imposing massive risks, e.g., oil spill, greenhouse gas emission, depletion of non-renewable natural resources, to environment and society. The United Nation has repeatedly asserted that the available energy services fail to meet the needs of the poor and thereby create more social disparity and service barriers with widespread social and environmental impact. The mandate given for the hydrocarbon-based oil and gas sector thus is the pursuit of *sustainable energy*, i.e., production and use of energy as engine of long-term human development without compromising the three dimensions of sustainability: social, environmental, and economic. However, the directive of *sustainable energy* poses a difficult challenge for the oil and gas sector of an emerging economy such as India. With continuously growing energy needs, decline in domestic coal production, supply of oil and gas being subject to the caprices of oil pricing, stricter climate change policies, the sector is reportedly striving for a sustainable solution. Very little literature, however, exist on the sustainability practices in this sector.

A study of the prevalent sustainability practices among the premier companies, both PSU and privately owned, of the sector was undertaken. The findings indicate that there are certain oversights, e.g. importance of ‘greening’ the logistics and supply chain. The findings also suggest that there is problem of uniformity in the definition of *sustainability* among the companies. There is also scope of improvement in the level of integration among the economic, social, and environmental sustainability performances of the companies. The study also proposes the outline of a conceptual model of the sustainable performance of a hydrocarbon company that is more in consonance with the basic principles of sustainable development, and argues why such a model may be relevant for the future planning of the oil and gas sector in India.

Keywords: *Sustainability, Sustainable development, Sustainability reporting, Business ethics, Petroleum and natural gas sector, India, Energy Sector*