



BOMBAY CHAMBER

Bombay Chamber
of Commerce & Industry

SQ

raising the Sustainability Quotient



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Editorial

The Paragraph 47

In the final negotiation on 18 June, at the Rio+20, parties at the non-ministerial level achieved a preliminary agreement on paragraph 47 of the outcome document. Paragraph 47 deals with Corporate Sustainability Reporting (CSR).

Paragraph 47 states : *"We acknowledge the importance of corporate sustainability reporting and encourage companies, where appropriate, especially publicly listed and large companies, to consider integrating sustainability information into their reporting cycle. We encourage industry, interested governments as well as relevant stakeholders with the support of the UN system, as appropriate, to develop models for best practice and facilitate action for the integration of sustainability reporting, taking into account the experiences of already existing frameworks, and paying particular attention to the needs of developing countries, including for capacity building."*

Paragraph 47 is an important continuation of a development that was started in 2002 when in the Johannesburg Sustainable Development Summit, sustainability reporting was endorsed.

Paragraph 47 asks focusing on the developing countries and address capacity building in CSR. This is a good news as sustainability reporting represents a huge opportunity for business and markets in developing countries to make them more competitive. However, paragraph 47 seems to limit only to the publicly

listed and large companies and not target the medium and small industries that dominate the developing world. In some sense, this is a contradiction.

On the positive side, paragraph 47 recognizes role to be played by the UN system. The United Nations Environment Programme (UNEP), one of the founding institutions of GRI, is expected to continue to play its key role and for the UN Global Compact.

Brazil, Denmark, France and South Africa are forming a group of 'friends of paragraph 47' to advance corporate sustainability reporting. These are interested countries and are taking the opportunity provided by the global political agreement at Rio+20 to share their experience with the rest of the world and contribute to making corporate sustainability reporting a standard practice. This might give the visibility and political profile to still advance towards our aim of a global agreement for global reporting.

One of the major weaknesses of Paragraph 47 is however on integrated reporting where there is no compulsion, no commitment towards integration in financial accounting and no process to implement. Integrated reporting is simply not addition or inclusion of sustainability reporting with financial reporting. It is mainstreaming or integration - something very vital to bring in the a paradigm shift in the way businesses will report and importantly operate. Paragraph 47 has missed this opportunity. Do we wait for Rio+40 then? Isn't that going to be rather late?

- Dr. Prasad Modak

To read the outcome of Rio+20 conference held at Rio de Janeiro, Brazil in June 2012, Visit <http://www.unccd2012.org/rio20/thefuturewewant.html>



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WHITE PAPER

Sustainable Industrial Waste Management - Way Forward

The Bombay Chamber of Commerce has drafted a White Paper on "Sustainable Industrial Waste Management- Way Forward" which came out as an outcome of the conference held on April 25, 2012 at Churchill-I, Hotel ORCHID, Mumbai. The objective of the conference was to address the issues faced by the industries while dealing with the Industrial Waste. It was a platform that regulators, industry representatives, industry associations came together and discussed the waste management in a sustainable way.

The white paper has been submitted to – (1) Ms. Mira Mehrishi, Addl. Secretary, Ministry of Environment and Forests (MoEF) and Chairperson, Central Pollution Control Board (CPCB), New Delhi, (2) Ms. Valsa R. Nair Singh, IAS, Secretary, Environment Department, Mumbai, (3) Mr. Milind Mhaskar, IAS, Member Secretary, Maharashtra Pollution Control Board (MPCB), Mumbai, (4) Dr. Saroj, Director (S), Hazardous Substances Management Division, MoEF, (5) Mr. J. S. Kamyotra, Member Secretary, CPCB.

The downside of any industrial growth is the associated amount of wastes that is generated in large quantities. In India, over thirty six thousand industrial set ups generate over 7.66 MT hazardous waste every year of which 50 percent is recyclable and about 7 percent is incinerable. Out of the total hazardous waste generated in India, three states namely Gujarat, Maharashtra and Andhra Pradesh contribute to 63 percent. Maharashtra

and Gujarat alone generates about 63 percent of incinerable waste and Chattisgarh along with these three states generates about 65% of recyclable waste. In a nutshell four states contribute to over 65 percent of total waste generated in India.

As per Ministry of Environment and Forests (MoEF) the recyclable waste should be processed and reused by the industries having a valid authorization, issued by the

respective State Pollution Control Board (SPCB). India being a party to the **Basel Convention** on trans-boundary movement of hazardous wastes, is obliged to regulate and minimise the import of hazardous waste and minimise generation of hazardous waste. At present, hazardous waste generated by industry is being disposed either through secured landfill or incineration with due authorization from SPCBs under relevant rules. However, through joint efforts of SPCBs and local bodies, a framework could be evolved for better recycling of hazardous waste and its reuse as fuel/raw material.

At present, there is shortage of cost-effective treatment, storage and disposal facilities (TSDF) in India and the waste is being indiscriminately disposed through landfills and open incineration thereby causing serious health and environmental concerns. Illegal dumping¹ of hazardous waste has been observed in many states for a long time and around 500 open dumpsites were identified in 20 states. This challenge of waste disposal can be converted into opportunity through the adoption of environment-friendly waste to energy technologies that will allow treatment and processing of wastes before their final disposal. Waste to energy projects will serve dual purpose of minimizing waste and reducing energy costs through use of hazardous waste as supplementary/alternate fuel.

Globally, waste to energy option is a preferred form of waste disposal than incineration and is classified as an

environmentally sound method of energy recovery. The environmental benefits of waste to energy, as an alternative to disposing of waste in landfills, have been proven in the west. Waste to energy generates clean, reliable energy from a renewable fuel source, thus reducing dependence on fossil fuels, the combustion of which is a major contributor to GHG emissions.

Industry perspective on waste management

Most industries recognize the fact that certain components of the hazardous waste generated can be recovered through co-processing, but there are long regulatory procedures that are prohibitive. While waste generators are grappling to find cost-effective method of disposal, waste users are struggling to obtain consent to operate their facilities with hazardous waste as supplementary/alternate fuel.

Key challenges facing industry include;

- Price rationalization for waste - waste generators are looking at rationalizing the cost of disposal. Waste recycling/recovery or co-processing provides this advantage compared to existing solutions provided by TSDFs.
- Absence of a dedicated handling and transportation network.
- Cumbersome and lengthy process to obtain consent even for trial burns.
- Storage time limit of 90 days is not

sufficient due to non availability of treatment and disposal facilities.

- Blanket ban on Chandrapur area to undertake trial burns preventing industry from utilizing hazardous waste.

Key suggestions from Industry include;

- Clarity in definition of hazardous waste.
- Recognition of co-processing as preferred method of disposal in next amendment of Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 (HWM Rules)
- Need for a dedicated handling and transportation network.
- Need for waste exchange banks for reuse and recycling and mixing of waste. A national data bank on CPCB/SPCB website about HWM Rules inventory would facilitate this.
- Rationalise the process to obtain consent from MPCB for trial burns in Cement Kiln on the basis that the co-processing does not adversely affect the pollution load. Permission to take trial burn in Chandrapur² area if the emission limit is adhered to.

Regulatory perspective on waste management

Regulators and standard setting bodies have concerns over the waste inventory data primarily due to weak reporting by industry. The data in its current form has been arrived at on

¹India Environmental Portal <http://www.indiaenvironmentportal.org.in/category/thesaurus/hazardous-waste>

the basis of rated capacity and not actual quantity disposed/processed. Waste inventory is not robust which is primarily due to non/late submission of annual returns by industry and absence of adequate management information systems related infrastructure within industry to measure and report waste inventories. It is expected that the industry performs beyond the expectation of SPCBs. It is important to maintain baseline emission norms in case of co-processing and the concept should be tried beyond cement industry. The government had set up PPP model for setting up waste treatment and disposal facilities but there is dearth of waste in such facilities which has lead to closure of one such facility in Maharashtra.

Key issues at policy maker's end include;

- Industry is not taking proactive step in submitting annual returns on hazardous waste and hence waste inventory is not authentic.
- Criteria for transportation, storage, handling and incineration needs to be maintained in case of co-processing.
- Disclosure on hazardous waste generation and disposal is not

timely from industry to the Government.

Although there are issues and challenges with regard to understanding at Industry end on government policies and that at Government end with regard to robust disclosures by industry, there are a few key actions that are planned in the near future;

- Government to bring in clarity on schedule 1 and 2 in the next amendment. This amendment is expected to include definition of hazardous waste.
- Trans-boundary movement for electrical waste shall be permitted since the industries have to import such waste to reuse the same.
- National Hazardous Waste Management strategy booklet will be published by the ministry highlighting the co-processing as a strategy.
- Co-processing of hazardous waste will be allowed in steel plant and thermal plant in addition to cement plants.
- Government would take a fresh look at the disposal methods for wastes that are designated as non hazardous in nature (but at present, are included under hazardous category)

The way forward

- Co-processing of waste can be recognized as a preferred method of disposal in next amendment of HWM Rules.
- Awareness on developing inventory of waste should be increased among various stakeholder including industry and Government.
- A study to be carried out to explore feasibility of setting up waste exchange banks to ensure consistency in the quality of waste making it best fit to be used as alternate fuel.
- Explore public private partnership modalities for investment in hazardous waste handling and disposal.
- Awareness on HWM Rules among industries including waste recyclers and SPCB to be enhanced with support from CPCB/MoEF.
- Identify and put in place processes and resources to speed up access to consent in Maharashtra for trial burns in cement kilns.

²Ministry of environment and forest (MoEF) had imposed a ban on Chandrapur, Tadali, Ghugus and Ballarpur industrial clusters in the district for development of new industries based on CEPI since January 13, 2010.

Drivers for Non-Financial Reporting - a mix of carrots and sticks

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With increasing intensity, today's enterprises are applying sustainability as a strategic lens to help achieve sustainable growth and business performance improvement. Today Climate Change and Sustainability issues are rising to the top of corporate agenda. Business is engaged; global trends and stakeholders demand have seen to that. Energy pricing and security, natural resource pressure, population growth, lifestyle changes, and consumer preferences are compelling companies to act.

As a result, there is new clarion call for executives; leverage sustainability as a strategic lens on business operations – to enhance processes, grow revenue, manage risk, strengthen reporting, optimize costs and spur innovation.

In this backdrop, it's time for organizations to rethink their approach to communicating sustainability – in other words Report on their non-financial or sustainability performance.

International scenario

In most parts of the world, Non-Financial Reporting (NFR) remains a voluntary practice. France is the leading the pack when it comes to enact specific legislation requiring publicly listed companies to produce nonfinancial reports covering economic, social as well as environmental dimensions.

Sustainability reporting is made mandatory in UK, Norway, Sweden and some other EU countries. Most companies in US report on their non-financial performance voluntarily even including New York Stock Exchange.

All organisations that are signatory to internationally acclaimed principles and compacts such as UNGC, CERES, UNEP FI are required to Report on their ESG performance.

behind the increase in dialogue, discussion and publication of sustainability reports – drivers that are somewhat different from other parts of the world. For example, pressure from the NGO sector is low in India when compared to other countries.

Pressure originates rather from increasing involvement in the global business environment. As more Indian companies expand internationally and



Various other countries mandate detailed reporting for specific industry sectors. Additionally, some stock exchanges like South African Stock Exchange now make NFR a requirement for listed companies. Very recently, Brazil Stock Exchange has also made NFR mandatory.

Indian Scenario

The level of sustainability reporting in India is in its infancy and still evolving. In India, there are various drivers

acquire interests overseas, whilst at the same time, there is a rapid increase in foreign investment in Indian Corporates, demands on transparency from a more "global audience" have put pressure on Indian companies to start reporting on sustainability issues. Within India, there has also been a change in the mindset and attitudes of stakeholders on issues relating to environmental and social responsibility.

Another significant push factor has been the role of government as a stakeholder. India has historically had stringent laws on labour, environment, health and safety. Over the past few years the government has become increasingly proactive in addressing enforcement. Intense media attention and scrutiny on corporate social responsibility has also led to companies taking more cognisance of their activities and engagement with stakeholders.

Reporting under Indian guidelines

Last year in July 2011, Ministry of Corporate Affairs released National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE). These guidelines have been formulated to encourage adoption of sustainability reporting and mainstream disclosure on environmental, social and governance metrics in India. NVG-SEE provides businesses a framework to enable companies to move towards responsible decision making and to adopt the 'triple bottom-line' approach.

This was followed by Securities and Exchange Boards of India's (SEBI) directive to make sustainability reporting mandatory for top 100 companies by revenue, passed in its board resolution dated 24th November 2011. The SEBI emphasizes that the Business Responsibility (Sustainability) Reports should describe measures taken by companies along the key principles enunciated in the NVG-SEE framed by the Ministry of Corporate Affairs. This SEBI directive will be immediately applicable to the top 100 companies

(by market capitalization) and remaining companies will come under its ambit in a phased manner.

SEBI has, in the recent years, laid increasing significance on disclosure of non-financial measures and has lent support to ESG disclosure and standard setting initiatives. As per SEBI's requirement under clause 49 of the listing agreement all public equities are required to comply with certain disclosure norms related to corporate governance. SEBI's decision to get the largest businesses to adopt the NVG-SEE is a reaffirmation to continue to raise the bar for disclosure and drive transparency in the marketplace.

Reporting under Environmental Legislation

Under Environment (Protection) Act of 1986, each covered organization should submit an annual "environmental audit report" (in a prescribed format) to the relevant State Pollution Control Board (SPCB). Reporting in the environmental statement includes parameters such as water and raw material consumption, pollution generated (along with variations from prescribed standards), quantities and characteristics of hazardous and solid wastes, impact of pollution control measures on conservation of natural resources and on cost of production, and additional investment proposals for environmental protection. At this stage, the statement is not required to be audited. The legal requirement on its preparation and submission helps ensure that data on environmental measures is collated, categorized and analysed by all businesses covered under the legislation.

Many organizations in India have started to audit these statements internally with a view to improving their environmental performance and as a matter of good practice.

Reporting under the Companies Act

The Companies Act in India governs the overall regulation of companies in India and includes sections on disclosure and reporting on various aspects of company operations. Section 217 of the Act stipulates that the Board of Directors' Report (attached to every balance-sheet tabled at a company annual general meeting) shall contain information on conservation of energy. The latter is expected to include:

- Energy conservation measures taken;
- Additional investments and proposals, if any, being implemented for reduction of the consumption of energy;
- Impact of the measures taken above for reduction of energy consumption and consequent impact on the cost of production of goods; and
- Total energy consumption and energy consumption per unit of production in respect of specified industries.

The Companies Bill cleared by the cabinet in late November (2011) came as revolutionary for Indian business and sustainability. It provides for stricter disclosure norms, penal provisions, greater shareholder democracy and the talks about

Corporate Social Responsibility (CSR) for the first time. Companies will have to earmark two percent of their profits of the previous three years for CSR activities and make a disclosure of it in their balance-sheets. The Bill also introduces the concept of class action suits for investor protection as well as a fixed term for independent directors and their liability in a company.

Initiatives of RBI

Reserve Bank of India (RBI) in its notification dated 20th November 2007 has advised banks to contribute towards the cause of sustainable development. RBI, in the notification has drawn the attention of banks and financial institutions (FIs) to their role in Corporate Social Responsibility, Sustainable Development and Non-Financial Reporting.

Since the loan management is in their operational domain, FIs & banks were exhorted to keep abreast of the developments in this regard and dovetail / modify their business strategies in the light of developments. Apart from this, even internal efforts to make their day-to-day operations cleaner, greener and more efficient have been advocated.

One of the key initiatives of RBI is in the area of sustainability reporting and financial inclusion. Sustainability has been an integral part of their inclusive growth agenda. RBI has tried to convey to FIs/banks that they must have an objective of financial inclusion. All the banks have been advised to prepare a board approved financial inclusion plan and must demonstrate their commitment to do

so. That will give sustainability a greater depth and penetration in the FIs.

Other Initiatives

Recently, Ministry of Environment and Forests (MoEF) has issued an office memorandum for institutionalizing corporate environmental responsibility on 18th May 2012. A draft guideline document on Corporate Environment Responsibility has been prepared and displayed for public comments. The Corporate Environment Responsibility guidelines will assist organisations in formulating and implementing their corporate environmental policy, projects/activities, and aligning suitably the organizational structure for achieving the goal of improved environmental performance. It clearly suggests that the organisations may publish/communicate information on their environmental performance in a structured manner to all their stakeholders and the public at large. The organisations shall prepare the annual environmental performance report and include it in its Annual Report.

The Department of Public Enterprises (DPE) issued comprehensive Guidelines on Corporate Social Responsibility for Central Public Sector Enterprises last year. Under these guidelines, it is mandatory for Central Public Sector Enterprises (CPSEs) to create, through a Board Resolution, a Corporate Social Responsibility (CSR) budget as a specified percentage of net profit of the previous year. To further bring in transparency here, DPE suggested that targets that CPSEs set out should be externally verified.

Another initiative has been made by the Institute of Chartered Accountants of India – Accounting Research Foundation (ICAI ARF) Committee is working on a new set of rules on Sustainability Reporting. They have undertaken a special project to suggest a suitable framework for sustainability reporting for Indian companies.

Further Confederation of Indian Industries (CII) is developing a green rating system for Indian companies on their ESG performance.

The pressure to adopt sustainability has further intensified with the launch of Sustainable Development Funds and Indices in India such as National Stock Exchange's S&P ESG Index. This Index assesses companies on their ESG performance. Investors are diversifying their portfolios by investing in companies that set industry-wide best practices with regard to sustainability. Scoring high on this index is a stimulus to attract investors.

In conclusion

The progress of sustainability reporting in India is slow, but a significant and sound start has been made. There is enough evidence that Indian companies are now paying increased attention to corporate responsibility issues and a few proactive companies have started Reporting. However, there is still a long way to go before corporate responsibility is fully integrated into business strategy and is demonstrated to all concerned.

ITC's Triple Bottom Line Contribution : Building Economic, Environmental and Social Capital for the Nation

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ITC is inspired by the opportunity to make a meaningful difference through the enlargement of its contribution to the national economy. The Company's sustainability initiatives draw strength from its deep conviction that businesses can, and must, contribute to a larger societal purpose by fashioning corporate strategies that simultaneously build economic, environmental and social capital for the nation.

This focus on creating larger societal value has enabled ITC's businesses and value chains to generate sustainable livelihood opportunities for over 5 million people, many of whom represent the weakest sections of society. In addition, its commitment to contribute to climate change mitigation and to the creation of natural capital has led to a symphony of efforts making ITC the only enterprise in the world of comparable dimensions to have achieved and sustained the three global environmental distinctions of being water positive (for 9 years), carbon positive (for 6 years), and solid waste recycling positive (for 4 years). Total shareholder returns over the last 15 years has grown at a compound annual growth rate of over 26%. These exemplary achievements have strengthened the Company's belief that it is possible to create and enhance shareholder value by also serving society through a commitment well beyond the market.

Role of Business

ITC believes that the best way forward for business is to redefine its value

proposition by focusing on its contribution to the Triple Bottom Line objectives of building economic, environmental and social capital. This requires innovation and a concerted strategy to move from a uni-dimensional objective of only enhancing shareholder value to a more comprehensive goal of creating social and natural capital as well.



As Mr. Y. C. Deveshwar, Chairman, ITC emphasises: "Corporates, on their part, are uniquely placed to play a constructive role in this

process. Positioned, as they are, in the frontline of engagement with civil society, corporates have the wherewithal, including the more crucial managerial resources, to deliver social projects efficiently at a lower incremental cost." ITC's own experience bears this out. Inspired by the opportunity to contribute to a more secure and sustainable future, it has structured innovative business models that leverage its brands, technological capability, agri-sourcing strengths and an unmatched trade distribution network to create unique opportunities for sustainable livelihoods.

ITC's Initiatives

ITC has crafted unique business models that synergise long-term shareholder value creation through several unique initiatives such as ITC's

globally acknowledged e-Choupal programme that has significantly raised rural incomes and is today the world's largest rural digital infrastructure. Similarly, ITC's Social and Farm Forestry programme, which utilises an extensive research-based clonal propagation programme, encourages plantations through poor tribals and small farmers in their private wastelands generating significant livelihoods and natural capital.

In addition, ITC's Sustainability Vision is vigorously pursued through a dedicated social investment programme titled 'Mission Sunehra Kal' that aims to empower stakeholder communities to conserve and manage their social and environmental capital. ITC has built a large portfolio of such projects which span different areas such as watershed development, animal husbandry, supplementary education, women's empowerment and so on.

Some of these initiatives are discussed in brief detail below :

1. e-Choupal

ITC's globally acknowledged e-Choupal initiative is a powerful illustration of a unique business model that delivers large societal value by co-creating rural markets with local communities. The e-Choupal digital infrastructure enables even small and marginal farmers in rural Indian who are delinked from the formal market to access relevant knowledge, market prices, weather information and quality inputs to enhance farm



productivity, quality and command better prices, thus making them more competitive in the national and global markets. In addition, customised agri-extension services and farmer training schools through a focussed programme - **Choupal Pradarshan Khet** enables farmers to access best practices in agriculture and improve productivity. The human and digital infrastructure of the e-Choupal network is complemented with physical infrastructure in the form of integrated rural service hubs called **Choupal Saagars**, which offer multiple services under one roof. These include services such as procurement and storage, a store-front for agricultural equipment and personal consumption products, insurance counters, pharmacy and health centers, agri-extension clinics, fuel stations and so on.

In summary, the e-Choupal initiative has become a fulfillment channel for a two-way flow of goods and services and raised rural incomes. As a Company, ITC has not only gained from an efficient supply chain and identity preserved procurement, which in turn add value to its packaged foods business, but in the process have also created an inclusive model of business that empowers small and marginal farmers by giving them the power of digital connectivity and access to markets. The e-Choupal initiative today has empowered over 4 million farmers in 40,000 villages. It is a case study for Harvard Business School, has won several global awards, and has also been mentioned in the World Development Report of the World Bank in 2008, and

Government of India's Economic Survey 2007.

2. Social and Farm Forestry

Several years ago, ITC was confronted with a significant challenge in its Paperboards business primarily due to lack of scale for want of cost effective access to fibre. In the new regime of reduced import duties, ITC had the easier option to import wood pulp and carry on a "business as usual" scenario. However, it chose to take on the more difficult route of mobilising marginal farmers and tribals to plant trees on their private wastelands. This strategy implied longer gestation, substantial investment and considerable management attention in managing uncertainty and risk. However, it enabled poor and marginalised farmers to convert their wastelands to pulpwood plantations, creating a sustained source of income for themselves.

ITC invested in extensive R & D to create clonal saplings which would be disease resistant and grow much faster in relatively harsher conditions. These saplings have made the growing of pulpwood species on degraded wastelands a sustainable livelihood option, and consequently a life-changing proposition for marginal farmers and tribals in the economic vicinity of the mill.

The Company is a willing buyer of such produce, whilst the growers are free to sell to the highest bidder in the open market. Today, this programme covers over **125,000 hectares and has provided over 56 million man days of employment**. This approach has also brought with it a multiplicity of additional benefits -- creation of a green cover for carbon sequestration, ground water recharge, regeneration of biomass and the nurturing of depleted soils. The green cover created has also enabled ITC to achieve a unique distinction of being a **carbon**

positive company for 6 consecutive years.

ITC's conscious strategy to shed reliance on cheaper imports and instead invest in longer term benefits of promoting plantations has yielded many positive results. A business which was nearly sick a decade ago, is today not only a world-class producer of environmentally friendly, state-of-the-art elemental chlorine free paper & paperboard – the only one of its kind in India -- but is also a significant contributor to the larger cause of sustainable livelihoods and environmental security.

3. ITC's Social Investment Programmes

ITC's overarching aspiration to create meaningful societal value is manifested in its social investment programmes that target the most disadvantaged sections of society, especially those residing in rural India. This approach has led to a deep engagement with rural communities and encompasses the creation of sustainable livelihoods through



creation of community assets.

ITC expanded off-farm income opportunities, to reduce the disproportionate dependence of rural households on land for supporting livelihoods with the help of following initiatives:

- economic empowerment of women
- community development
- watershed development
- animal husbandry program

Economic Empowerment of Women

ITC has supported women self help groups and helped **create sustainable livelihoods for nearly 40,000 rural women** as part of its sustainable livelihood and social empowerment programmes. These programmes aim to genderize development by creating sustainable income opportunities for women.



Community Development

The primary education programme has so far covered over **3.00 lakh primary school goers**. In addition, over 700 government primary schools have been provided infrastructure support consisting of benches / chairs, compound walls / gates / roofs, additional classrooms, teaching aids and sports kits.



ITC Watershed Projects : Bringing precious Water to Parched Farmlands

Recognising the vital role of irrigation in supporting sustainable agriculture, ITC's Integrated Watershed Development initiative has helped create freshwater potential **covering over 77,000 hectares in water-stressed areas**.

ITC has set up so far a cumulative total of around 3300 structures to date. These projects have created over **21 lakh person days of employment for the landless and marginal farmers**. As a result, the total area covered under the watershed programme touched over 77,000 hectares, covering some of the country's severely moisture-stressed districts.

These meaningful interventions in watershed development are further strengthened by several public-private partnerships that have been forged over the years. MOUs have been signed with NABARD and with the state governments of Maharashtra, Rajasthan and Madhya Pradesh.

ITC's Animal Husbandry Services

Livestock is among the more affordable assets for a vast majority of even the rural landless. ITC's Integrated Animal Husbandry Programme targets this source of livelihood through a threshold increase in yields of milch animals. ITC's Animal Husbandry Services have reached out to over **5,00,000 milch animals** so far, creating avenues for non-farm based livelihoods.

ITC's Social Investment Programmes are spread across 60 districts of Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, Orissa, West Bengal, Bihar, Madhya Pradesh, Maharashtra, Rajasthan and Uttar



Pradesh and Haryana. **Together these programmes reach out to more than 3.81 lakh households and over 18 lakh individuals who**

are directly benefited by the various interventions spread over 9000 villages.

4. Towards a Low-Carbon growth path and a cleaner environment

As a testimony to its low carbon philosophy, ITC continues to provide inspiration to the 'green buildings' movement in India. All ITC premium luxury hotels have been accorded the LEED (Leadership in Energy and Environmental Design) Platinum certification. This achievement makes ITC Hotels the "greenest luxury hotel chain" in the world, positioning ITC, once again, at the forefront of global environmental stewardship.

Today, more than 35% of the company's total energy consumption is from renewable sources. ITC's Wealth-out-of-Waste programme that promotes recycling and source segregation is today supported by 300 corporates with over 2.5 million employees, 450 schools with 50 million children, 3.5 million households. It has provided direct and indirect employment to over 4000 people.

In conclusion, ITC believes that the need of the hour today is to encourage innovation in corporate strategies and business models that will enable companies to co-create, with local communities, opportunities for sustainable livelihoods, as well as enrichment of natural capital. At the same time, society—including customers, investors, and other sections of civil society—need to be made more aware of the tremendous change they can bring about by encouraging a preference for responsible companies. These steps, among others, will indeed create a foundation to support a sustainable economy for future generations and a secure planet that will continue to nurture and nourish the billions of its inhabitants.

Best Practices in Safety, Health and Environment at Tata Motors Limited

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Tata Motors Limited (TML) is India's largest automobile company with its plants at Jamshedpur, Pune, Lucknow, Pantnagar, Sanand and Dharwad. Overseas plants are at Korea, Thailand, South Africa and Spain. Tata Motors Limited acquired JLR (Jaguar Land Rover), UK in 2008.

Safety, Health and Environment (S, H & E) is accruing great importance in the industry today as compared to what it was before. Focus of companies on Safety has increased manifold which holds true for TML as well.

Safety

Tata Motors Limited provides a safe, healthy and pleasant work place for its employees. Daily management morning meetings begin with safety as the first agenda point. The nature of work in the manufacturing area demands that special attention is given to employee safety. The requirements include safety trainings, PPE (Personal Protective Equipment) usage, periodic check-ups, engineering controls, elimination of hazards, learning from incidents etc. The endeavour has been to go beyond statutory requirements of safety and benchmarking with the safety practices of other companies globally. All our plants in India are certified to OHSAS 18001, ISO 14001 and SA 8000.

Safety Vision

"Develop a positive Safety culture in all our operations extending it to beyond factory gates to achieve zero fatality rate consistently and continual reduction in Lost Time injuries"

Establishing the right culture across the organization is a key to good performance. Organizational culture is driven from the top and visible levels of involvement in leading Safety strategy by the board makes a difference to the level of importance that is given throughout the organization.

The board of directors question on values, policies and standards for Safety to ensure they reflect the overall vision for Safety within all business practices. They set the right tone at the top and establish an open culture across the organization and review the safety & health performance quarterly.

Ensuring the safety and health of the employees and their family members is considered the foundation of corporate values. Top leadership understands necessity of safety and have demonstrated allocation of funds to make step change in safety culture. Safety Consciousness: Safety instructions and hands on training is given to all employees. Leadership drives safety culture by heading important committees, management

reviews, rewards and recognition for safety behaviour. Safety managers have access to meet senior leaders. Awareness and deployment is achieved through safety stewards and safety bay owners.

Several initiatives have been taken that are listed below:

1. Driving Safety under the (I drive safe)

initiative encompasses most important element which is DDT (Defensive Driving Training). This half day classroom training is followed by on the road practical assessment and the driver is classified under 'high risk', 'medium risk' and 'low/no risk'. The essence of DDT is to instil skills in the driver to anticipate constantly changing hazards and risks on the road and taking preventive self action to avoid any possible accident.

2. Office and Establishments Safety

Our focus is not only on plants but we are stepping out in enhancing our safety standards across offices, warehouses, dealers, etc. Under the umbrella of Office and Establishment Safety, we have developed safety norms for dealers, warehouses and offices, conducted safety audits and formed safety committees in these establishments. National Safety



Week was celebrated across all plants and establishments.

3. Bay Owner Concept / Zero Accident Plan (ZAP)

The ZAP initiative started in Tata Motors in 2009 and since then it has grown from strength to strength with single intent to make the work place Injury free. Entire plant is segmented in small areas and responsibility for safe work place of each such area is allotted to one nominated line manager. These line managers are known as 'Safety Bay Owners' and they are authorized by the plant head that if required to even stop the production for Safety reasons. This is a good learning and sharing platform.

4. Partnering with renowned Safety Consultants

The most significant step that the top management has taken and thereby demonstrated the commitment to safety is the engagement with DuPont for a three year period journey

Commercial Vehicle Business Unit with the intent of achievement of safety excellence and transformation of safety culture in a compressed time frame.

Three of our plants were offered to be audited under the Health and Safety Management System of British Safety Council and achieved a Five Star Rating with the following scores:

- Pune Car Plant 97.19 %
- Sanand Plant 94.93 %
- Panthnagar Plant 93.41 %

Also, Panthnagar plant was conferred with the Sword of Honour Award. We are the only Automobile Industry in India to be conferred with the Sword of Honour Award.

5. Miscellaneous

- Safety pause/contact is part of every meeting ranging from shop floor level to the steering committee and top level management committee meetings where MD participates
- Serious incident initial reports are

communicated to highest level through structured reporting system

- Vehicles parked in take-off position; displaying high standards of emergency preparedness.
- We have branded our initiatives using our logo of Safety Sikandar with the tag-line 'In pursuit of safety excellence'.



In pursuit of safety excellence!

Health

Vision: "Strive to achieve Zero Occupational Health incidences by providing quality healthcare and prompt emergency services, prevention and early detection of occupational disorders".



In our constant endeavour of preventing diseases, prolonging life and promoting health through organized efforts and initiatives, we have come up with many health initiatives viz.

- Special initiatives have been done for lady employees like awareness lectures on breast cancer, thyroid and anaemia detection, fitness exercises, etc.
- **Wellness Initiative:** For assessment of wellness, feedback is taken on the life style patterns, sleeping patterns, food habits, addictions, hobbies, relationships, etc. Personalized guidance and health tips are given to attain total wellness and work life balance. It helps employees to live optimally on physical, mental, familial and social fronts.
- **Diabetes club:** In this club, various lectures by specialist doctors are organized. Also in-plant job assessments are done to check the blood sugar and cholesterol levels.
- **Vitamin D & B12 estimation:** Under this scheme, many employees are tested and actions are taken for those who are found deficient.
- **Pre shift shop floor exercises:** Exercise sessions for ten minutes per shift are designed where more than 200 employees participate.
- **Rural Health initiatives:** For village school children, the different initiatives include health education, dental and eye camps, tobacco de-addiction film shows, etc. Other preventive services include cervical cancer detection, antenatal checkups, eye examination, etc.
- **Rapid Health checkups at the work place:** All the permanent employees are checked for tobacco use, obesity, blood

pressure, diabetes, vision, etc. All these tests are conducted at their work place.

- Qualitative Industrial Hygiene survey through qualified agency as per the risks prevalent in operations.
- Occupational Health Awareness Training are also conducted.

Environment

We ensure that our products are environmentally sound in a variety of ways. This includes reducing hazardous materials in vehicle components, developing extended life lubricants, fluids and using ozone-friendly refrigerants. Tata Motors has been making conscious effort in the implementation of several environmentally sensitive technologies in manufacturing processes. We use some of the world's most advanced equipment for emission check and control.

Our concern is manifested through the following approach:

- **Reduction of environmental pollution and regular pollution control drives:** We have been at the forefront of the Indian automobile industry's anti-pollution efforts by introducing cleaner engines. It is the first Indian Company to introduce vehicles with Euro norms well ahead of the mandated dates. Also, by reclaiming the oil with EMS system, we have managed to reduce oil consumption year on year.
- **Restoration of ecological balance:** We have set up effluent treatment facilities in all the plants, to avoid

release of polluted water into the ecosystem. In Pune, the treated water is conserved in lakes attracting various species of birds from around the world thus turning the space into a green belt. Tree plantation programmes involving villagers and Tata Motors employees, have turned acres of barren village green. All the suppliers have been directed to package their products in alternate material instead of wood.

- **Green Building Standards:** We are taking all efforts to comply with the Green Building requirements of Leadership in Energy and Environmental Design (LEED). We have also converted our existing facility at Pune into a Green building.
- **GHG emission monitoring:** We measure Carbon footprint for all our plants wherein we also monitor specific GHG emission from our plants which is calculated for each vehicle.

The endeavours towards environment protection include soil and water conservation programmes and extensive tree plantation drives. We are committed to restoring and preserving environmental balance, by reducing waste and pollutants, conserving resources and recycling materials.

We, in our commitment to protect and preserve the environment through its products, technology and processes, is actively supporting the United Nations Billion Tree Campaign. The tree plantation drive is part of its initiative to constantly reduce its carbon footprint.

Bombay Chamber Activities

Declaration of Civic Awards 2011-12:

A meeting of the Panel of Judges was held on June 14, 2012 for declaring the Civic Awards 2011-12. The following organizations won the awards:

Category	Winners
Sustainable Environmental Initiatives	Siemens Ltd.
Social Development	Mahindra & Mahindra Ltd.
Art, Culture & Heritage	Excel Crop Care Ltd.



The awards were presented to the winners at the Bombay Chamber 176th Annual General Meeting on June 22, 2012 at Crystal Room, Hotel Taj Mahal, Mumbai.

Site Visit to Cement House - A Green Building, ACC Ltd.

For the benefit of its member companies to learn and share the best practice adopted by one of our members, ACC Ltd., a site visit was organised at Cement House, 121, Maharshi Karve Road, Churchgate, Mumbai 400 020 on Friday, June 29, 2012, between 4.00 p.m. to 6.00 p.m.

Publication of Manual on Security Outsourcing Standards:

The Manual on Security Outsourcing Standards was released at the Annual General Meeting of the Chamber on June 22, 2012 at Crystal Room, Hotel Taj Mahal, Mumbai.



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16. Rotation of Personnel
17. Background Verification
18. Performance Evaluation
19. Audit
20. Guidelines for New Infrastructure
21. Annexure A - SOP for Opening fire for contractual Gunman
22. Annexure B - List of DGE Approved Training Institutions

For more details kindly contact Ms. Usha Maheshwari or Ms. Mani Nair on Tel. 49100241/223,
E-mail: um@bombaychamber.com / nairma@bombaychamber.com

Forthcoming Events

GOOD CORPORATE CITIZEN AWARDS 2012

The Bombay Chamber is pleased to invite nominations for its annual Good Corporate Citizen Awards. The awards were instituted in 1994 and are presented every year on Foundation Day of the Chamber in September.

Objective: To recognize and honour conspicuous achievement by corporate organizations by way of service to the civic community, in addition to outstanding business performance.

Categories:

- Large Corporate (Above Rs. 2000/- Cr. Turnover in the previous year)
- Medium Corporate (Above Rs.500/- to 1999/- Cr. Turnover)
- Small and Micro Companies (Below Rs.500/- Cr. Turnover)
- Banks and Financial Institutions

Last date extended upto July 20, 2012 for submission of application forms

SEMINAR ON WORKPLACE WELLNESS

Date	:	September 14, 2012
Time	:	9.30 am to 5.00 pm
Venue	:	Conference Room Bombay Chamber of Commerce and Industry Ballard Estate Mumbai 400 001
Participation Fees	:	For Members - Rs. 1,200/- and For Non-Members - Rs.1,500/- Pl. add Service Tax @12.36%
		Special discount is offered @ 10% for three or more nominations received from same organisations
RSVP	:	Ms. Mani Nair, Assistant Manager Ph. 022 4910 0223 Email: nairma@bombaychamber.com