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CII-ITC Centre of Excellence  
for Sustainable Development

# Excellence in Sustainable Business

Strategies and Practices  
for Business Growth and  
Competitiveness

## Excellence in Sustainable Business

Strategies and Practices for Business Growth and Competitiveness

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## Foreword

The future draws lessons from the past. And one such lesson that stares uncomfortably into the collective conscience of the world is the unfortunate inability of the global economic system to create an equitable and secure future. In the name of progress, the natural environment was plundered. Scant attention was paid to make growth inclusive. There is no iota of doubt that significant material wealth got created over the last century. However, this happened with a deferred cost to future generations. Today, it is heartening to see the beginning of a new awakening to build a more secure, sustainable and equitable future. The seeds sown today will indeed reap rewards of a better tomorrow.

It is encouraging that business is at the vanguard of such an effort. Indeed, businesses constitute innumerable touch points in society. They not only possess financial resources but more importantly the managerial capability and resources to innovate and deliver projects of huge societal value efficiently and effectively. Business as the economic engine of society also has the potential to help create sustainable livelihoods, making society more inclusive and equitable. Thankfully, business engagement in sustainability practices is now more than just anecdotal. Several large companies are reducing their natural resource dependency through efficiency measures and breakthrough technologies, small and medium enterprises are cleaning up their backyard collectively, and social enterprises are leveraging efforts imaginatively to create larger societal value.

Business leadership in adopting sustainable practices needs to be recognized. For one, it serves to provide encouragement and motivation. More importantly, recognition also inspires others to be part of this meaningful change. These are the

drivers for CII and ITC - torchbearers in sustainable thought leadership and practices - to institute the Sustainability Awards. Now in its fifth year, the CII-ITC Sustainability Awards are the most comprehensive awards that recognise efforts of businesses in India in pursuing excellence in sustainable business practices. In four years, over 280 applicants competed for the top honours. This is a modest beginning indeed but marks an important step in this journey to create a better future.

The Awards, managed by a dedicated team at the CII-ITC Centre of Excellence for Sustainable Development, also help companies assess their sustainability performance. A rigorous exercise initiated over a period of one calendar year involves several stages of evaluation including site visits. Every process is evaluated and stakeholder interviewed to assess an applicant's performance along the three dimensions - economic, social and environmental - of sustainability.

ITC is indeed delighted to support these Awards. I must thank the eminent Jury Members and the excellent pool of assessors for their continuous support and guidance over the years. I would also like to commend the committed team at the CII-ITC Centre for successfully mainstreaming the Awards. Finally, hearty congratulations to all the Awards winners for showing the way. I do hope that many more will follow and help build a sustainable and secure tomorrow.

**Y C Deveshwar**

Past President, Confederation of Indian Industry  
Chairman, Advisory Council, CII-ITC Centre of  
Excellence for Sustainable Development and  
Chairman, ITC Ltd.



## Embedding Sustainability Into Business Competitiveness

- Toyota Motors created "Guiding Principles at Toyota" to enable its contribution to the sustainable development of society and environment. It is expected that all Toyota Group companies and business partners would understand and share fundamental management principles and contribute to society by referring to these principles.
- In the last four decades, TCS has established a global reputation for its ability to help customers achieve their business objectives by providing innovative, best-in-class consulting, IT solutions and services and making it a joy for all stakeholders to work with the company. This is not just limited to corporate clients in the US, Europe and China, but in the hinterlands of India and now parts of Africa. TCS' innovation not only helps large multinationals to become efficient and competitive, but also helps many poor learn to read and write quicker than the conventional education system.
- YES Bank was set up with a vision to create a commercially successful financial institution that incorporates sustainability within its core business strategy. The bank uses sustainability as a key differentiator to provide it with a competitive advantage and to identify and develop new markets, business opportunities, develop new products and services, attract and retain best-in-class professionals and forge innovative partnerships.

As sustainable business or corporate responsibility is becoming increasingly important in attaining and sustaining competitive advantage, many companies have embedded a sustainability mindset into their systems, people and processes. Their efforts culminate in leadership that promotes a systemic legacy. This report, based on the winners of CII-ITC Sustainability Awards, discusses how embedding principles of sustainability can strengthen the connection between corporate responsibility and competitiveness.

Corporate leaders today would not risk disagreeing that their companies ought to invest in sustainability as part of their business strategy to become more competitive and remain relevant in rapidly changing markets and industry structures. But connecting doing good with doing well poses

new challenges in strategy formulation and execution. The Sustainable Business Excellence Model developed by the CII-ITC Centre of Excellence for Sustainable Development has helped companies assess their sustainability performance and disseminate best practices among future-minded corporations. As more companies go through the rigours of the Awards assessment process, both internal learning and external credibility have become a source of competitive parity.

It is well known that businesses have been contributors to sustainability challenges of modern times. Natural resource depletion, industrial pollution, health impact of products on consumers, marginalised communities affected by industrial presence, discrimination at workplace, are just a handful of issues that are directly attributed to business misconduct.

Solutions to sustainability challenges such as these can be most significantly provided by businesses. While governments still control most resources and are legitimate power centres, businesses can reallocate resources, remodel processes, and provide products and services for consumption most effectively. This goes much beyond "polluter pays principle", with emphasis on creating and providing solutions rather than just paying for the damage.

Most of the sustainability issues that companies deal with are industry-, if not, company-specific. However, there are a range of macro-issues challenging all industry sectors beyond the green lawns of the factory and supply chain. Examples are climate change- and under- or over-development- induced impacts such as energy crisis, natural resource depletion, poverty, hunger/nutrition deficiencies, disease proliferation, skill shortage, demographic imbalances, workforce migration, and business relocation.

The conventional paradigm of rapid economic growth along with the need to conserve natural and ecological resources, challenges the very foundation of business-as-usual. It challenges the traditional business management theory, which echoes Milton Friedman's famous statement that there is "only one responsibility of business: to use its resources and engage in activities designed to increase its profits."

It is a fact that rapid economic growth is the only realistic means to lift the poor out of extreme poverty. It is also a fact that most economic activities depend on products and services provided by the ecosystem. This necessitates a new business paradigm which enables rapid economic growth without compromising the capacity of the ecosystem to sustain, nurture and

fuel economic development and human well-being.

## Business Advantage of Corporate Sustainability

For a business this necessitates transformation to sustainable business, wherein success is measured not only in terms of its profits but also in terms of its performance in economic, social and environmental areas. The integration of the so-called triple-bottom-line in mainstream business practices is what is often referred to as Corporate Sustainability.

The *economic dimension* of the sustainability challenge lies in enhancing profitability, increasing shareholder value and creating wealth whilst pursuing opportunities for growth.

The *social dimension* of the sustainability challenge is in achieving high rates of economic growth in order to enable all sections of society enhance their quality of life and live with dignity.

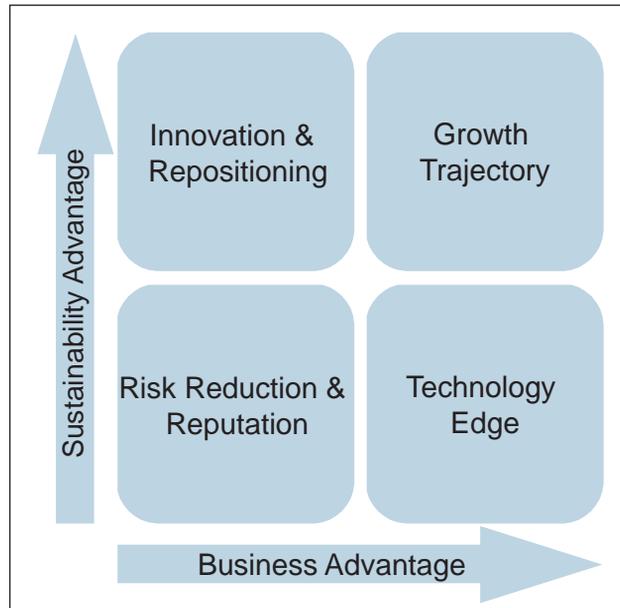
The *environmental dimension* of the sustainability challenge lies in pursuing economic growth whilst preserving and enhancing natural resources.

Such a focus will eventually transform into multi-fold business advantages for corporates:

### A. Risk Reduction and Reputation

Adopting principles of eco-efficiency such as reducing the use of materials and energy, minimising toxic dispersion and service intensity, recycling materials and increasing product durability will enhance profitability whilst simultaneously reducing damage to the environment. It also means being recognised by society and stakeholders as businesses committed to practices that promote sustainability across the triple-bottom-line.

## BUSINESS-SUSTAINABILITY ADVANTAGE



### B. Technology Edge

Giving businesses a competitive edge by optimising use of natural resources and deploying clean technologies to reduce damage to the environment.

### C. Innovation and Repositioning

Retaining leadership in a highly competitive business environment through continuous repositioning and a process of 'creative destruction'.

### D. Growth Trajectory

The base of the economic pyramid remains underserved, offering tremendous growth opportunities through an innovative combination of economic and social performance.

Sustainable development provides companies with comprehensive benchmarks against which business strategies and performance can be assessed. Benchmarking policies that promote sustainable development provide a system to explore the commitment to principles of sustainable industrial development.

This benchmark information will be a vital starting point for companies, regulators and the public as they explore new ways of working towards a co-regulation partnership. The evaluation criteria for a sustainable company could include:

- Environmentally sound products, processes and services
- Integration of sustainable development and economic growth

- Extent of reduction of risks and hazards to human health and the ecosystem
- Community/stakeholder participation in sustainable development commitments

The growth of innovative programmes and self-regulation are important indicators of change. But the steps taken so far represent just the start of a complex and lengthy transition to more sustainable enterprises.

This is being increasingly appreciated and there is more than anecdotal evidence in India, as well as across the globe, about how doing such sustainable business makes a real impact. In order to understand real impact, businesses are required to assess their sustainability performance along the three dimensions, in a manner that enhances business excellence and sustainability bottom-line benefits.

### Sustainability Performance Assessment

The CII-ITC Sustainability Awards are conferred to businesses in India that demonstrate excellent performance in the area of Sustainable Development. Applicant companies competing for the Awards are assessed with the application of the Sustainability Business Excellence Model.

There is a coherent business approach which brings together all facets of corporate responsibility - leadership, values, policy and processes, people, customers and society - to deliver improved performance. The Model helps to:

- Ensure companies have a clear and constant purpose; it helps to focus on the delivery of results
- Focus on customers and how companies can create value by better meeting their needs

- Focus by systematically applying processes and fact-based assessments to manage business and to make strategic decisions
- Identify what needs to be done to develop people and maximise their potential
- Derive value from meeting corporate responsibilities to the communities they serve
- Achieve sustainability excellence

The Sustainability Business Excellence Model, based on the EFQM (European Foundation for Quality Management) Excellence Model, is more suited to its purpose than other CSR (Corporate social responsibility) specific frameworks as it more obviously:

- Is business driven
- Aligns corporate responsibility with business strategy
- Complements balanced scorecard strategic and tactical priorities
- Delivers intrinsic internal and external benchmarking opportunities
- Facilitates stakeholder engagement at all levels of the organisation
- Links self-assessment, improvement activity and external reporting

The areas for improvement, identified in self-assessment against the Framework, are translated into prioritised objectives and key performance indicators developed to measure performance against these objectives.

The intention of the Sustainability Awards is to help companies deliver sustainability performance that reflects key strategic priorities of the business and aligns the organisation's corporate responsibility priorities with the business strategy to deliver value.



But managing business comes from having a total focus on what companies do:

- Strategies and governance that deliver sustainable business growth - profitable growth for shareholders
- Offering good products at the right price backed by service and accessibility for customers
- Developing a committed and engaged workforce operating at recognised performance standards

Against this backdrop, how exactly does sustainability fit into business strategy? There are three approaches to sustainability:

- A way of doing business ethically as a good corporate citizen. It is about a value system with an agenda driven from the top and absorbed throughout the organisation
- A disparate collection of policies and practices across different areas of business operation that have been bought together as part of an externally driven agenda to define a business' social responsibilities
- Conscious pursuit of a business strategy that recognises that the development of a brand and a reputation which reflects the expectations of all stakeholders will create real business value

These three points are not mutually exclusive; they are on a continuum that takes us from corporate philanthropy at one end of the spectrum to value-based corporations at the other, where external expectations demand a very hard focus on margin, productivity and investment performance.

That is the value-based approach to sustainability; a business strategy that recognises that a brand and reputation which reflect the expectations of all

stakeholders, will create real business value. Corporate responsibility is no different from any other investment in strategic assets or capabilities that drive business performance.

There is a coherent business approach which brings together all aspects of managing stakeholder relationships and delivering value. Companies accrue greatest value from the framework they provide. The Sustainability Business Excellence Model helps companies:

- To ensure they have a clear and constant purpose
- To focus on the delivery of results
- To focus on customers and how they can create value by better meeting customer needs
- To focus by systematically applying processes and fact-based assessments to manage business and to make strategic decisions
- To identify what they need to do to develop their people and maximise their potential
- To derive value from meeting their responsibilities to the communities they serve

The Sustainability Business Excellence Model recognises that although the outcomes of an organisation's social and environmental policies may belong, very properly, under society results, the successful implementation of those policies depends upon how well it performs in all of the criteria. It is affected by:

- The effectiveness of leadership at all levels of the organisation
- Alignment of the organisation's policy and strategy with its overall mission and vision
- How partnerships and resources and processes are managed

- The awareness and commitment of people, as well as the way they are managed

Success can be quantified by measuring people, customer, society and key business results.

Together with the RADAR (Results, Approach, Deployment, Assessment & Review) scoring methodology, organisations are able to use the framework to assess themselves – to identify the strengths they should build on and the areas where they need to focus on improvement. Furthermore, the framework helps organisations to report performance by optimising the use of available information in a coherent approach which directly links inputs and outputs.

It is a comprehensive, systematic and regular review by an organisation of its activities and results referenced. The self-assessment process allows the organisation to discern clearly its strengths and areas in which improvements can be made and culminates in planned improvement actions that are then monitored for progress.

The primary purpose of undertaking self-assessment is to better understand the status and the sustainability maturity of the organisation and to drive continuous improvement. It can be linked to other management processes within the organisation – primarily strategy development and business planning – particularly where the organisation uses a common approach to these processes.

The Model integrates sustainability with stakeholder engagement in every activity and with many of the performance indicators of the organisation. It focuses not only on direct results, but also on the causes and how to get there. Since, it is a management framework, not a standard; organisations can easily integrate existing

standards (e.g., ISO 9000 and ISO 14000) into the Model.

Through the CII-ITC Sustainability Awards, a number of drivers can be identified behind companies' involvement.

- The value-based approach which it takes to sustainability dictates that the company's sustainability or corporate responsibility strategy should be aligned with the strategic focus of business. That means that the sustainability or corporate responsibility management model has to fit with the primary means of driving the company's strategic and tactical priorities –balanced sustainability is achievable as the model is, in itself, a balanced scorecard and there are clear synergies in the stakeholder focus of both approaches.
- Many participating companies' sustainability steering group of senior executives want to develop a corporate responsibility management system that can be integrated throughout the business chain and owned by individual business units rather than the central corporate responsibility team. Firstly, this reflects the complexion of the steering group which, although including heads of relevant functional disciplines such as human resources, risk management and investor relations, is fundamentally led by business unit leaders. Secondly, it ensures that responsibility and sustainability is devolved throughout the business to key line management. Widespread familiarity with the EFQM Excellence Framework or other Business Excellence frameworks across the organisation, its fit with the Balanced Scorecard and the essential business nature of the Sustainability Business Excellence Model, facilitates this driver.



- Many companies have innovative and award-winning programmes in sustainability or corporate responsibility in areas such as training and development, equality and diversity, work-life balance and community investment. But they recognise that this is not enough and have already identified the need for a systemic approach which means both developing programmes in areas where it is not as strong and creating a commitment to continuous improvement where it is strong. This involves

identifying and incorporating a range of sustainability Key Performance Indicators (KPIs) across the business, building on existing Balanced Scorecard objectives within individual business unit. Working with individual business units to identify and implement activity against agreed KPIs is inherent in the broad-based self-assessment and improvement focus of the business excellence framework.

## Leading Change in Excellence

Leadership is the first ingredient and is extremely important. Leadership for sustainability within an organisation refers to CEO, senior management, and employees who champion aspects of sustainability.

Many CEOs see the value of transiting from business-as-usual to sustainable business. Those with strong leadership to get this started are in a competitive position. They establish sustainable growth as a corporate goal and core vision for the company. This is an effective way to focus people's attention on achieving sustainability vision and goals.

What does it take of the leadership to transit to sustainable business? It includes setting a vision, and guiding the organisation to build commitment, making resources available, and helping people make tough decisions and choices. A strong leadership system is most critical for the transition to a sustainable business. It becomes more challenging in a diversified group than in a focused large company. The Tata Group shows a way to meet this challenge.

Starting with an exercise in 2001, CEOs of the Tata Group companies collectively evolved an integrated approach to bring sustainability to the core of business strategy and conduct. This meant changing mindsets, systems and processes. A comprehensive approach to the execution of sustainability strategies can strengthen the connection between corporate responsibility and competitiveness. Gradually, this was reflected through the actions of many of the Tata companies.

Tata Steel's leadership system has two dimensions: visionary and architectural. The

visionary dimension enables people to envision the future, to empower them and to energise them to achieve superior performance. The architectural dimension is an enabler, and includes designing and creating structures, processes, policies, systems, strategies and measures that support and enhance superior performance. These two dimensions are sometimes at conflict with each other, but the leadership strives to strike a balance. At the core of the leadership system are stakeholder expectations that drive all leadership actions.

Tata Steel's Viable Vision programme based on Theory of Constraints with Goldratt Consulting Limited (GCL), aims at achieving real breakthrough improvements in terms of both top-line and bottom-line results. The programme has two major components:

1. a challenging vision which questions all existing assumptions, and
2. viability of achieving that vision

This programme tries to devise a business strategy aimed at increasing sales and profitability through focusing on the market as a constraint. This strategy is backed by tactics enabling it to leverage service levels (value sales), increased supply chain stability (reduced waste and inventory) and economy of scale (blueprint for expansion) through capitalising on the fact that the company currently produces what the market wants and will change according to changing market needs.

Tata Steel embodies its social responsibility in Vision 2012. In establishing sustainable development and industry leadership in corporate citizenship, it has adopted the framework of



Corporate Sustainability Management System that also includes analysis of the impact of its products, services and operations.

## Excellence in Sustainability through Research and Innovation

Research and innovation is central to creating sustainable businesses. A leader always strives to provide its customers with products and services which are innovative and offer high added value. Sustainability demands more investments in research and innovation to create efficient and greener products through processes that are environmentally compatible and hybrid value chains that generate wealth for those who participate.

Tata Steel has conducted research on raw materials including iron ore, coal, coke, ferro chrome and titania, sinter quality and blast furnace productivity, product development, process improvement, energy utilisation, energy conservation and waste utilisation. Some of the important benefits from R&D projects are:

- Commercial production of various grades of high strength steel for automobiles was established for the first time. Super ductile rebars and galvanised wires with thin organic coating were produced for the first time. Breakthrough was achieved in establishing a new grade of cold-rolled ultra-low carbon electric grade steel that significantly improves the efficiency of many electrical appliances.
- A new technology was developed in collaboration with Central Leather Research Institute, Chennai, for reducing hexavalent chromium to parts per billion levels in chrome or concentrate. This ensures that the company's

product meets stringent international specifications on hexavalent chromium.

TCS Innovation Labs develop frameworks and tools for its technology products. TCS follows Harvard Professor and Independent Director of TCS' Board Clayton Christensen's framework of innovation. It calls for:

- Derivative or sustaining innovation that continually provides improvements on current services and solutions
- Transformational improvement or platform innovation that facilitates a swift move to 'visible adjacencies' in terms of emerging technologies as well as markets.
- Disruptive or breakthrough innovation that enables customers to access potentially game-changing or/and new market business models.

The research aligns itself closely to support its business objectives and is adapted to TCS' customer goals. These tools and frameworks are based on leading edge technologies and address both IT and business requirements of customers. Projects address expectations from IT, such as:

- Increase operational efficiency
- Promote business agility
- Simplify and transform
- Manage enterprise risk and compliance
- Enable understanding of markets and customers

Since 2004, innovation in TCS has been closely linked with building thought leadership in the global market place through creation of new solutions and technologies as well as building an innovation ecosystem around the TCS Innovation Labs through partnerships with universities, start-up companies and other technology companies.

Similarly, ONGC has made significant investments in research and development (R&D), mainly in process efficiencies and impact of its business on environment. ONGC has established an Energy Centre to undertake R&D on new energy resources such as hydrogen. It has taken up three projects: thermo-chemical reactor for hydrogen (production of hydrogen through chemical process), geo-bio reactors (for bio-methanogens), and fuel cells (through proton exchange membrane technology).

ONGC is also working towards addressing the requirements of Bioremediation, Microbial Enhanced Oil Recovery and Prevention of Wax deposition in tubular for its E&P (Exploration and Production) operations. The company has undertaken initiatives to tap unconventional energy sources like Coal Bed Methane (CBM) and Underground Coal Gasification (UCG). It has set up a laboratory in collaboration with the Indian Institute of Technology (IIT), Mumbai for UCG research.

ONGC is working with Statoilhydro of Norway for Carbon Capture and Sequestration (CCS) for Enhanced Oil Recovery (EOR). Under this project, CO<sub>2</sub> emitted from the Hazira plant (Gujarat) will be transported to Ankleshwar (Gujarat) and pumped into the reservoir for EOR. The company reached the goal of zero gas flaring by constantly looking for innovating technical solutions to reduce gas flaring, which is a technical accompaniment of upstream oil and gas operations.

The actions of ONGC are very much driven by the challenges of the oil and gas industry. The industry faces an impending climate change challenge, rising E&P expenditure, growing attrition, procedural constraints, low gas prices, increasing

subsidy burden, and royalty. Whatever ONGC does, has to respond to these challenges in a manner by integrating sustainability into its business practices.

In spite of these concerns, ONGC's finding cost of approx \$2.1/ barrel of oil equivalent and lifting cost of \$4.8 /barrel of oil equivalent (3 years rolling value) is lower than most global oil majors. A key metric of sustainability for oil exploration activities is Reserve Replacement Ratio (RRR). Maintaining RRR > 1 is a global challenge. However, ONGC has been maintaining an average RRR of 1.02 over the last 10 years and RRR > 1 consecutively since the last five years.

As is the nature of the industry, most ONGC oil fields have reached the plateau and some are even in decline (15 major fields producing 60% of the nation's total oil for more than 30 years). The company is managing these matured fields through innovative Improved Oil Recovery (IOR) / Enhanced Oil Recovery (EOR) techniques and redevelopment projects and envisage a gain of about 110 MMT by 2030.

Value multiplication initiatives across the energy chain, exploring frontier areas such as deep waters, successful forays in managing equity oil in difficult-to-explore oil fields across the globe (43 fields in 18 countries with ultimate reserve of 312.73 MMT oil equivalent), fast track monetisation of marginal fields are some of the other initiatives to ensure sustained economic growth of the organisation, value creation for the stakeholders and energy security for the nation.

In 2007, the CII-ITC Centre of Excellence for Sustainable Development, with support of WWF-India, researched and published a report "Indian Companies with Solutions that the World Needs", to demonstrate how different types of companies



were transforming industry structures through innovation in business models. It was found that two sustainability challenges – poverty and climate change – were the key drivers for these companies to tread the unbeaten path.

### Excellence in Sustainability through New Business Model

The CII-ITC Sustainability Awards have discovered more such companies – one in construction and the other in finance. These 21<sup>st</sup> century companies offer solutions to the sustainability challenges confronting economies and society at large.

One model is demonstrated by Biodiversity Conservation India Ltd (BCIL) – to reconcile modern, urban lifestyles with “sustainable” practices that are environmentally sound. BCIL’s first projects were in Bangalore, but the firm has

since expanded into Mysore and Goa. The company has also launched a consulting wing named Green Idea Lab, to help individuals and companies implement green ideas, and focus more on “retrofits”, or improving existing buildings, rather than starting from scratch. BCIL does not develop its own technology but instead, looks at how it can adapt what already exists to residential communities. For instance, for the cooling system in the Whitefield development, TZED (total zero energy development), engineers looked at centralised systems more common in commercial buildings, and created something similar for individual flats. While single air conditioners have their own compressors, TZED created one giant compressor and installed a network of devices known as fan coil units to bring cool air into the rooms, using at least 45% less energy.

## SUSTAINABILITY AS A DRIVER FOR INNOVATION AND PROFIT



BCIL has created an entirely new business model in India which offers itself the opportunity to grow exponentially as an organisation. In the past five years it has shown growth from Rs 20 million a year to Rs 250 million a year, by 2012 it expects a topline revenue, on projects that are already committed to being executed, of up to a total of Rs 3,000 million more.

BCIL has sought to identify an array of technologies in building, water, and energy management that demonstrate resource-sensitivity while also being financially viable. It achieves sustainability on materials, energy, water and waste with every step it takes, from design values to architecture to detailed drawings.

The primary aim of all such projects at BCIL is to see that it offers residents long-term savings on power and water bills, waste treatment that converts to organic fertiliser, cooler buildings with micro-climate architecture.

The rapid growth suggests that markets are both willing and in need of processes and technologies that make no compromise on the defined urban frameworks of development, comfort and convenience, while delivering efficiency in natural resources.

What BCIL has effectively done over the past decade with its evolving green residential projects is to break free from the dominant logic and use quality and customisation as means to both acquire customers and reduce costs. This is both applicable at the capital stage of construction and at the post-project stage when reduced energy and water use bring financial savings to customers.

In every one of the 1.4 million square feet of building projects that the enterprise is executing today, BCIL has looked at implementation that

pursues a four-pronged strategy for bringing natural resource efficiency:

- Environmental compatibility
- Economic efficiency
- Endogeneity
- Equity

These are addressed while focusing on two primary ideas:

- Improve transport energy within its campus areas
- Building efficiencies in home energy use

TZED Homes comprise 90-plus apartments in Bangalore. It is set on a five-acre land expanse and is built on the principles of sustainable resources. It has no municipal water supply and does not use deep bore wells for water. It is dependent on the grid for power, but energy bills for 2,500 sq. ft. homes are as little as Rs 400 per month. The monthly campus maintenance cost is 35 per cent less than any other regular builder apartment – which means a saving of Rs 30,000 a year for a home-owner on campus cost alone.

Every aspect of TZED has been designed to conserve natural resources and to have minimal impact on the environment. In these homes, built-in, customised environment-friendly, zero electricity fridge-freezers, fully controlled air-conditioning based 100% on fresh air, and built-in energy-efficient lights are among the features that help to bring down energy consumption in the home while preserving comfort levels and ensuring market value.

In another project, BCIL Collective has devised air-conditioning systems that keep homes dust-free and cool using energy-efficient appliances such as



earth tunnel venting systems, or the stack effect which draws ambient air and cools it by convection.

Intelligent lighting systems, blend motion sensors, ambient light sensors and timers ensure that lights are switched off when not needed. Compact fluorescent lamps and light emitting diodes are used, cutting power consumption by up to 80% while protecting lighting efficiency.

Washrooms are ventilated using noiseless, energy-efficient DC (Direct Current) and AC (Alternate Current) fans. DC fans are powered by PV (Photo Voltaic) panels and run from dawn to dusk, while AC fans can be switched on and off as needed.

External walls are built using soil-stabilising blocks, laterite blocks and surface engineering with stone chip plastered surfaces. This ensures that surfaces are non-erodable, need no external paint applications, and are thermally efficient.

Green roofs or 'sky gardens' also contribute to the thermal comfort of the dwellings. These provide a planting space for every home while serving as thermal insulation for adjoining and lower-built spaces. Each sky garden uses lightweight mulch and coir pith instead of heavier soil, and is irrigated via a drip method. The degree of self-sufficiency enabled by this promotion of urban agriculture also helps to decrease the 'food miles' and encourage more organic urban agriculture.

Rubber wood, which is a non-forest timber, is used for door shutters and flooring. Palm wood has been used for external walkway decking. They have also used compressed coir door panels for door shutters, while bamboo composites provide roofing for parts of the club and interior woodwork in places. These are local resources which cost less

than imported timber and use less energy to produce, thus reducing carbon emissions.

A centralised, district refrigeration system using an ammonia-based chilling unit means that there are no compressors in the individual refrigeration units installed in each home. This, in turn, enables better management of cooling needs and more space for storage within each fridge.

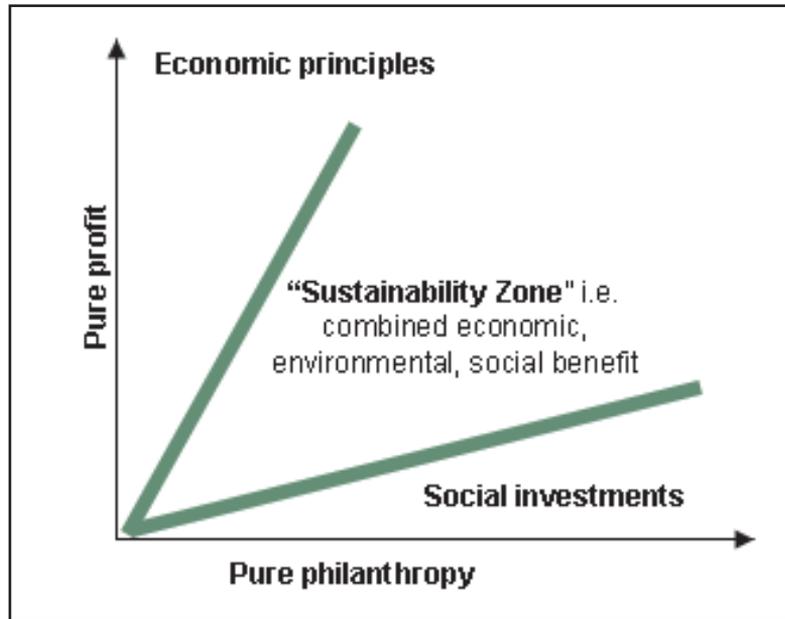
A self-sufficient and secure water supply system is also provided using rainwater collected from the roof and stored in a shallow aquifer, through a system of drains, percolation pits, trenches and wells. Trenches are shallow at 10 metres, so groundwater is not depleted. Water treatment costs are reduced via direct tapping of rooftop rainwater.

Each home also has 'conscience meters', monitoring electric watts and water consumption. As the number of electrical devices increases, so does power consumption. An electric watt meter fitted in each home indicates the wattage used at a particular time and thus allows users to monitor their power consumption and introduce efficiencies. Meters on the kitchen and bathroom taps help to monitor the volume of water used in litres.

While BCIL is in the business of creating sustainable habitats, YES Bank started to address financing sustainable and responsible businesses and also address financial exclusion.

YES Bank established the Responsible Corporate Citizenship (RCC) advisory services to mainstream sustainability within corporates, government agencies and non-profit organisations using a think-tank approach, piloting ideas and mainstreaming the innovative solutions. RCC is a social and environmental value providing

## YES BANK'S "SUSTAINABILITY ZONE"



consultancy services to existing and prospective corporate, social enterprise and NGO clients.

The Bank has moved away from the philanthropic focus of CSR to work in a 'Sustainability Zone' between pure profit to address Environmental, Social and Governance (ESG) issues. Sustainability works as a strategic differentiator, helping develop business solutions for social issues and mitigate risks associated with poor ESG performance.

Responsible Banking is one of the key platforms of YES Bank with the objective of developing innovative business solutions to social and environmental matters. YES Bank not only makes direct investments in sustainable development, it also leverages its position of indirect control over investment and management decisions of its partner clients thereby influencing the business community at large.

- Agricultural, Rural and Social Banking addresses the important area of agri-lending and rural banking through innovative structured finance and risk management solutions for supply-chain management and development of agri-infrastructure.
- The Bank ventured into microfinance to create equal financial opportunities and enable financial inclusion. The Bank has a two-pronged strategy to provide easy access to suitable financial products and services to un-banked/under-banked, low-income communities across urban and rural India.
- Microfinance Institutions Group (MIG) – Wholesale microfinance lending is a relationship management group which works with commercially sustainable microfinance institutions to provide



innovative financial solutions, thereby ensuring long-term sustainability and playing a pro-active role in advocacy on policy and regulatory issues, for enabling the growth of the sector.

- YES Sampann, the specialised division of YES Bank, set up in technical collaboration with ACCION International, focuses on Direct Microfinance Lending providing easy access to fairly priced, transparent, and suitable financial products and services accompanied with appropriate financial education to un-banked, low-income communities across urban and rural India. With the start of commercial operations in July 2007 in Mumbai, YES Bank is now amongst the pioneers in India to provide direct micro-credit to micro-entrepreneurs. In partnership with ACCION International, the Bank offers its customers the convenience of doorstep banking with a quick turn-around-time across a range of customised financial products that have been specifically designed to cater to the financial needs of target customers, helping them plan their economic life in a more efficient and effective manner.

YES Bank's Sustainable Investment Banking group is a specialist investment advisory for sustainable ventures. It offers a range of Investment Banking products and solutions in the Social, Alternative Energy and Environment (wind/ hydro/ solar/ biomass/ biofuel) and Clean Technologies space. Key focus areas of the group are renewable energy, energy efficiency, biofuels, carbon sequestration, forestry, public healthcare, education, distributed energy, clean energy/technologies, environment and transportation.

The group focuses on making equity investments in the sustainability space. Currently, the private equity team sponsors a USD200 million South Asia Clean Energy Fund (SACEF) in collaboration with Global Environment Fund, USA (GEF). SACEF is a dedicated fund targeting investments in clean energy, clean technology and energy efficiency across India, Sri Lanka, Nepal and Bangladesh. Secondly, the group acts as the exclusive advisor to GEF's Emerging Markets Fund.

### Excellence in Sustainability through Transformational Change

Excellence in sustainability also comes through transformational change in processes that significantly improve resource utilisation and reduce environmental impact of business operations. This is particularly relevant in energy resource with significant cost reduction benefits as well.

The Bhilai Steel Plant (BSP), India's sole producer of rails and heavy steel plates, has undertaken Rs 12,000-crore expansion plan of which Rs 750 crore will be used for installing pollution control equipment. The focus will also be on identifying new business areas. Its aim is to introduce a new product each month. Leadership at BSP is aware that it would be impossible to move forward on these plans without ensuring sustainability. It acknowledges that managing environment and inclusive growth are vital to BSP's long-term footprint.

BSP claims sustainability to be part of its core management strategy. It helps reduce costs, improves processes and introduces more efficiency. This is reflected in the manner it manages slag. Slag is a by-product of metal

smelting, hundreds of tonnes of which is produced every year in the process of making steel. Less slag means more steel. If collected well, it also presents a business opportunity. BSP sold Rs 100 crore worth of slag and other wastes to ancillaries in 2007-08. It has tied up with Jaypee Cement Ltd and will now sell granulated slag, a key ingredient of cement, to the cement maker.

BSP had been running on a fuel that comprised 80% coal and 20% coke oven gas. The plant ate up the fossil fuel while adding significantly to carbon dioxide emissions. Now BSP has managed to reverse the ratio – 80% gas and 20% coal power the plant. The move has not only helped BSP reduce consumption of coal and utilise waste better but also reduced its cost of operations and checked emissions.

BSP is setting up a water treatment plant that will treat 30 million litres of sewage water daily. The treated water will then be reused by the plant. The steel industry is one of the largest water consumers – production of one tonne of steel requires 20 cubic metres of water. While the project will cut BSP's water consumption, it will also spare more clean water for the residents of its township.

Similarly, JSW Steel has adopted very high cycle rates for water usage, with nearly eight times in some cases in power plants. Blow down water is used in low-end applications like ore beneficiation, quenching and gardening. With these initiatives, the makeup water consumption in the past five years has been consistently brought down to 3.01m<sup>3</sup>/tonne of crude steel, as against the revised industrial norm for ISPs of 8 m<sup>3</sup>/tonne of steel, and is being maintained in spite of its continuous growth of steel capacity.

On the technology front, JSW Steel has gone for some of the most energy efficient technologies like

Corex, non-recovery coke ovens, continuous casting, high efficiency Hot Strip Mill, leading to rapid improvements in productivity and efficiency. This has resulted in low energy consumptions matching some of the best in the steel industry. Similarly, state-of-the-art technologies like CDQ (Coke Dry Quenching Technology), TRT (Top-pressure Recovery Turbine), waste heat recovery systems, desulphurisation of COG (Coke Oven Gas) are being introduced in its seven and 10 mtpa units.

When Philips took over a sick unit named as M/s C.G.Glass Limited in 2002, it was manufacturing only GLS Ribbon glass shells, lead glass tubing and Danner Tubular shells and was employing around 82 people. Now it has grown into one of the largest lighting manufacturing units in India, producing different types of incandescent, fluorescent and HID lamps along with glass production. There has been a six-fold increase in employment in the last seven years, to its present strength of 1,225. The expansion still continues and by 2011, the total strength is expected to be around 1,550.

Another unit, VLF or Vadodara Light Factory, started with two lamp manufacturing lines in 2002, which has risen to 17 lamp manufacturing line and by 2011, it will have 27 lamp manufacturing lines with increase in the capacity of glass furnace as part of backward integration. This has resulted in business sustenance as well as employment generation.

VLF's sustained growth has improved employees' standard of living and has provided them sustainable livelihood. The company has developed many suppliers locally, who were earlier small players. They have benefited by using VLF's quality systems and training programme.



Apart from substantial business from VLF, they also get business from others because of their increased capabilities.

The total engagement with its stakeholders has generated a confidence in VLF's Lighting Management (Eindhoven, The Netherlands) which has resulted in making VLF as International Product Supply Centre for General Lighting Service (Incandescent lamps) and International Supply Centre for Vertical Tube Light Manufacturing Lines

### Business Ethics & Integrity

The sustainability of a sustainable business is determined by how a company conducts business. Thought to be an oxymoron by many, ethical business is also good business strategy, particularly in case of market difficulties and in winning over preference of customers. But for ethical business conduct, the leadership has to set a precedent in addition to processes that work.

Many Tata Group companies have a strong legacy of fair, transparent and ethical governance practices. Its companies have adopted a Code of Conduct for employees including Whole-time Directors and Managing Directors or CEOs. Revised in 2009, the Code reflects the effect of rapidly increasing globally footprint of the Tata Group, whilst retaining the ethos of the Tata brand and reputation. Some companies and in particular TCS has adopted a Code of Conduct for its Non-Executive Directors.

Within companies, the Ethics and Compliance Committee of the Board reviews and oversees matters relating to Insider trading, and matters relating to the Tata Code of Conduct. Monthly reports are sent to members of the Committee by the Ethics Counsellor with details of concerns and

incidents reported on the Tata Code of Conduct.

In order to ensure compliance with the Tata Code of Conduct, a senior executive at the level of Vice-President is designated as Ethics Counsellor. The Ethics Counsellor reports to the CEO who as Principal Ethics Officer of TCS reports to the Group Chairman. The Ethics Counsellor is assisted by two full time executives designated as Administrator-MBE. This core team is assisted by 140 local ethics counsellors who are located across the geographies in a representative manner.

The Tata Code of Conduct is explained to, and accepted by every employee in the Group. Employees can raise concerns through the corporate intranet, by email, or by phone. The MBE team and the ethics counsellors are available to discuss and guide employees on ethical concerns and effect punitive and corrective actions to address ethical violations.

The Code is also shared with customers and suppliers by direct inclusion in work contracts and in purchase orders. This allows customers and suppliers to report any perceived or actual violations directly to the Ethics Counsellor through a specific email which has been created for this purpose.

In addition, a Whistleblower policy allows for any employee to report perceived or actual corporate wrongdoings by protected disclosure directly to the Chairperson of the Audit committee of the Board.

### In Sum

Leadership of these companies reflect a socially responsible culture in mission, vision, values and ethics. Leadership is also reflected by being

## Strategies and Practices for Business Growth and Competitiveness

personally involved in activities that improve the triple bottom line of the organisation.

Illustrations of these companies demonstrate that understanding the internal and external drivers of change for sustainability in the organisation is vital. Further, they identify and prioritise changes to overcome sustainability challenges, establish clear ownership of processes, and secure investment, resources, and key stakeholders' support for change. The next two sections demonstrate how award-winning companies engage with key stakeholders to achieve sustainability goals.

## Engaging People for Excellence

The Sustainability Business Excellence Model enables the organisation to undertake research on who all the stakeholders are, understand what their expectations are, and understand which measures are needed to meet these expectations.

With a sustainability approach, companies tend to create value for stakeholders through:

- More effective risk management
- Enhanced brand perception, consideration and commitment
- Increased employee engagement
- Increased customer satisfaction
- Improved responsiveness to changes in patterns of customer behaviour
- Supporting development of new markets and innovation in existing markets
- Delivering competitive advantage through better corporate responsibility management

The identification of all the appropriate stakeholders and the understanding of their potential needs and expectations is a crucial starting point for organisations that want to be more socially responsible.

For leadership to succeed in transforming to sustainable business, recognising employees as a key stakeholder is absolutely critical. Just as in any other business success, employees are the real agents of change. Engaging with employees include human resource management, building their knowledge and competencies, recognising and empowering sustainability leadership, identifying and resolving human rights, and providing employee benefits and services.

### Employee Communication and Engagement

Companies engage employees at the highest level in the organisation through several methods. In many companies, human resource processes are aligned and integrated with strategic objectives for improved performance orientation.

- Communication with a cross-section of employees by top management through periodic meetings
- Employee performance management system through KRAs (Key Result Areas) goal setting aligned to business objectives
- Employee welfare and well-being through medical checks, as well as personal accident and medical insurance
- Employee welfare and recreation activities carried out through event management teams
- Continuous improvement is targeted through employee involvement in cross-functional teams, quality circles, and fully autonomous profit centres
- Flexibility and rapid response is achieved through multi-skilling, cluster manning, business process re-engineering of supply chain, a flatter organisational structure, and innovative reward and compensation schemes
- Trade unions are engaged in decision-making at all levels from top management to the shop floor

The BHEL management engages with workers' representatives through a three-tiered engagement process. The National Trade Union Leaders represent workers at the national level, plant

councils at the unit level, and at the shop level with representation of management and workers. These forums are used for two-way communication and capturing the expectations of employees. Other programmes such as Quality Circle, Suggestion Scheme, and IMPRESS (Improvement Projects and Rewards Scheme), help engage and motivate employees on various issues.

In Sterlite, about 30% weightage in Key Result Areas (KRA) is assigned to indicators such as training, HSE (Health Safety & Environment), CSR and second line development. Such a linkage ensures cooperation amongst employees of various functions. A flat organisation structure ensures delegation of authority and quicker access to information bringing about timely and quality decisions. Sterlite has introduced a score card system to break down the different performance parameters so as to make all its processes measurable. Weekly and monthly review meetings help keep track of the progress and performance of units and also act as a platform wherein mutual concerns are shared and issues resolved.

At NTPC, employees at different stages are involved to identify and implement various energy efficiency improvement initiatives. PIP (Performance Improvement Project) teams are formed from cross-sectional departments to implement such initiatives. Further Regional Joint Productivity Council (RJPC), consisting of members from the Management and Employee Association/Union, meet on quarterly basis to identify and implement initiatives concerning productivity. This is chaired by Regional Executive Director along with all Station Heads of the region. Specific projects are identified by the teams

consisting of members from various departments and the Association/Union. Regular department meetings are held where performance is reviewed and improvement initiatives are identified at department level.

The goals, strategies and initiatives of ONGC are taken up in specially convened brainstorming sessions with select group of executives and employees. These sessions are designed to provide opportunity to the middle level managers to present their ideas on corporate building process, provide interaction of top management with the earliest batches of Graduate Trainees, and conduct open session of key executives with the Board in which a number of strategies on identified areas are discussed. These sessions, apart from establishing strong internal communication system, help in getting feedback and suggestions on corporate activities and also help in establishing participation of the employees in pursuit of excellence.

At Philips VLF, an employee engagement survey is carried out on a yearly basis to capture Employee Perception. The survey also follows the PDCA approach. The deep dive sessions are conducted at the departmental level where key priorities are identified to further strengthen actions and to overcome barriers. An Employee Relation Committee meeting is conducted every month to brief employee representative/s on the progress as well as to address issues, if any.

The reasons for the gap between where the company wants to be and what its employees communicate in the results of the past engagement surveys, is brainstormed in deep dives (roundtable discussions). Consequently, the company aims to strengthen engagement to expand the potential it has. Engaged employees are, just like happy

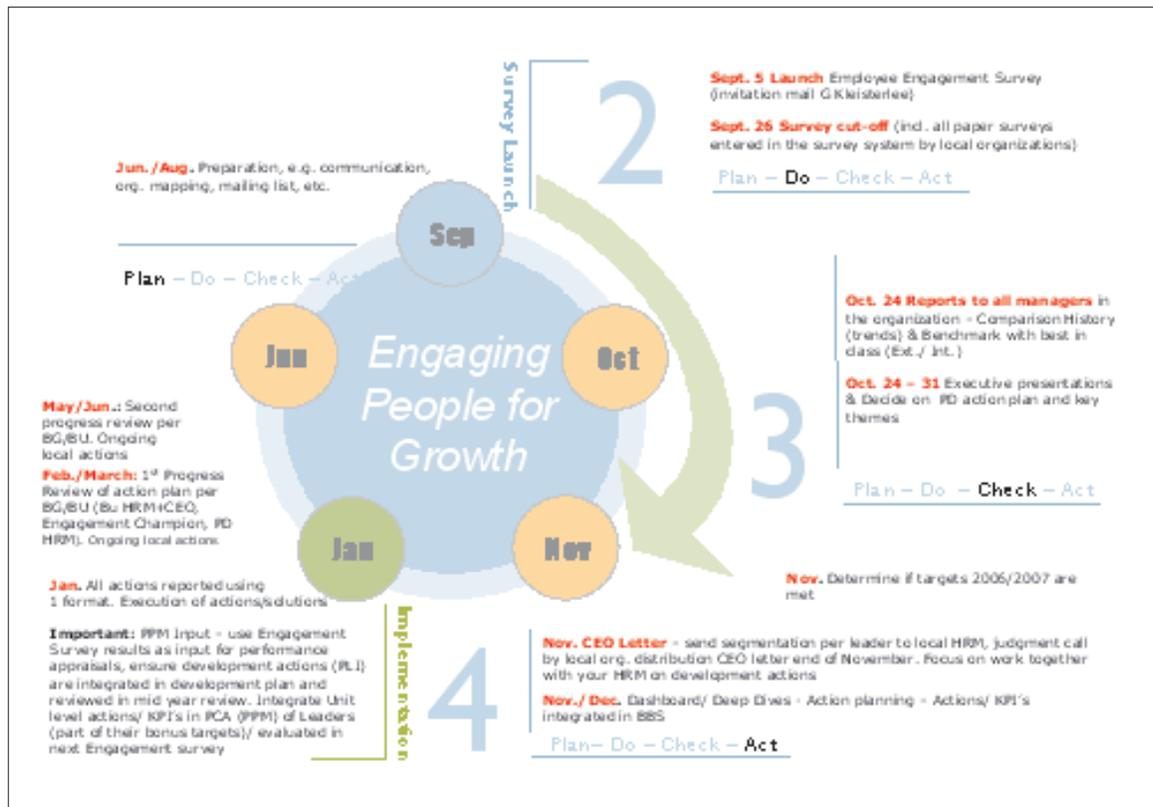
clients, a condition for growth.

Through the PDCA approach for employee engagement, VLF has taken initiatives based on feedback for the continual improvement in employee Engagement. Some of the initiatives are ATM at factory gate, family visits, Children Merit Scholarship, and joining kit for new recruits.

### Employee Development and Training

- Committees guide employee development and training in line with strategic goals of the company and its long-term objectives
- Many companies have in-house training centres that provide majority of the training programmes
- Employees are also deputed to other organisations and training centres in the country and abroad for specialised training
- Officers are trained to become business managers through special general management programmes
- New recruits are mentored through 'mentor-mentee' programmes

## PHILIPS VLF'S ENGAGEMENT CYCLE



- There is focus on second line development for all critical positions within organisations
- To enhance employee motivation and satisfaction, a number of facilities, such as accommodation, electricity, water, medical treatment, schools for wards, recreational clubs, and fair price shops, that are either free or subsidised.

At the Orchid Ecotel Hotel, training is provided to increase staff awareness about actions which may have significant environmental impacts. This eventually helps in strengthening operations of the hotel's environment management system (EMS). For instance, ISO 14001 Awareness Training Programmes make staff at all levels familiar with the ISO requirements and the hotel's EMS, and ensure that the environmental policy, the commitment of the hotel to continual improvement, and the existence of established objectives and targets are communicated to, and understood by all staff. The Environment Manager and Department Heads draw up annual training schedules for various segments based on training needs identified by respective departments.

JSW Steel prioritises environmental training by including programmes such as awareness and trends on environment management, pollution control techniques, and environment and its protection. Special training and awareness drives are conducted on ISO 14001:2004 standard, EMS and its applicability to JSW Steel for employees and contract employees as well. A training effectiveness form is distributed to all the employees to give their ratings on various parameters before the commencement of the programme and the effectiveness is ascertained from the Reporting Officer/HODs (Head of Department) to measure the impact of training

imparted. Six Sigma Project is also undertaken to improve the effectiveness of training with focus on trainees or new recruits.

Sterlite conducts the Hewitt-model-based Structured Employee Satisfaction surveys to gauge the level of satisfaction and enable necessary follow-up actions. Some of the parameters measured through the survey are quality of need-based training, human resource transparency, sensitivity to people issues, employee of the month, Ideas@Sterlite effectiveness.

ONGC has a dedicated institution named IPSHEM (Institute of Petroleum, Safety, Health and Environment Management) to cater to the training needs of its employees in the area of Environment, Safety and Health. The facilities are extended to other operators and their employees. IPSHEM periodically conducts compulsory awareness programmes of QHSE management for all its employees and contractors' personnel. IPSHEM employees are also sent for lead auditors' course in environment management. Following methodology is adopted in arriving at the training needs of employees:

- IPSHEM organises annual meeting of all HSE in-charge from all over the organisation to deliberate training requirements of employees from different work centres. These deliberations are for improvement of existing training programmes and starting new training programmes to meet organisational needs. The emerging views and suggestions are taken into consideration for designing new courses.
- Analysis of feedback from the participants is done at the end of every training programme conducted at IPSHEM. Results of this analysis are taken into consideration for deciding the suitability of particular training to their needs.



Many companies use Kaizen for process improvement, efficiency enhancement, and emission reduction. At Philips VLF, small and one-time improvements are captured through Kaizen sheets. It first held a Kaizen Competition in January 2008 wherein 62 teams with 134 participants were formed. The response further increased during second half where 85 Kaizens were registered and there were 352 participants. Quality Improvement Structure of Kaizen is used for designing and implementing innovative environmental initiatives. Many projects are taken up in form of Kaizen to reduce wastages as well as implement TCO (Total Cost of Ownership) projects.

ESCO an in-house energy audit team at Toyota Motor Corporation, Japan visited Toyota Kirloskar Motor (TKM) in 2008 to support TKM Team Members by organising a workshop on the methodology to identify energy Kaizen at workplace. Team members identified numerous workplace energy Kaizens, which helped TKM to reduce its carbon emissions. A global environment Kaizen Festival is organised for the team members of TKM to promote their involvement in environment improvement activities. The expectation is to develop an eco-mindset among the team members.

The success stories are visible. TKM has become a global leader in VOC (Volatile Organic Compounds) emission reduction and steel yield improvement due to continuous suggestion and QC circle activities in this area by team members. There has been a 20% decline in VOC emissions with the implementation of various Kaizens like recycling of solvents, transfer efficiency improvement in paint guns, optimisation of washing thinner usage, solvent consumption reduction in manual cleaning in robot operation

and during the painting process.

At Maruti, Kaizens & Automations are used to overcome bottleneck areas like line space, material flow and equipment during capacity enhancements.

In 2006, YES Bank initiated the YES Entrepreneur in Action (YEA) programme to encourage its employees to pursue their goals in social / environmental entrepreneurship outside the Bank.

Every year, one employee is chosen for this programme and is allowed to take time off from the Bank. The YEA programme also allows the employee to use the Bank's facilities and resources apart from being given an allowance for up to a year.

Sahaj Agro India Private Limited (Sahaj) is the outcome of an entrepreneurial commitment of YES Bank employee to establish a highly quality conscious, technology driven, and internationally focused Indian business house, empowering emerging rural India. Sahaj places at its core business decision making process the philosophy of creating green businesses out of rural India and enabling rural India to be a net exporter of products and services to urban / international market. Sahaj endeavours to capture the potential of rural India by creating successful, scalable business models optimally utilising rural skilled/unskilled human resources. Sahaj simultaneously trains and guides those more enterprising to create a cluster of local entrepreneurs to take on some of these business initiatives as partners and in turn encourage mass rural employment through a multiplier effect.

### Process Design and Management

In manufacturing industries, particularly that



involve complex and hazardous activities, companies recognise economic, social and legal obligation to prevent injuries and accidents, provide healthy working environment, and guard against all possible hazards and risks. The occupational health and safety (OHS) risks associated with some of these industries, for instance steel, include agents such as heat, dust, noise, gas, chemicals, fire, flame, injuries due to material handling, risks due to fall from height, burn and cut injuries, slip and fall, struck by object, electrical reasons, radiation, biochemical and toxicology factors. OHS services, besides creating awareness on occupational hazards, also conduct general health check-ups. Health check-ups are also provided to contractors' labour working in hazardous areas. Employees are educated on preventive healthcare and hygiene, alcohol and drug abuse, and HIV/AIDS.

The CEO of BHEL appoints Management Representative (MR) for implementing HSE (Health, Safety and Environmental) Management System. A core group appointed by the CEO assists the MR and manager-factory in development and implementation of HSE. The Plant HSE Committee (PHSEC), chaired by the CEO, provides financial resources and direction for continual improvement of HSE. Annual 'Objectives and Targets' (O&T) are set by departmental heads (HoD) based on BHEL's Environment Policy, legal and regulatory requirements, potential for resource conservation, design of products or processes to minimise their environmental impact or risks in production, use and disposal, prevention, reduction or elimination of pollutants, feedback or complaints received from interested stakeholders.

A management review is performed at least once in a quarter by the PHSEC, to ensure the

continuing suitability, adequacy and effectiveness of the EMS. The review is based on the results of internal audits and evaluations of compliance with legal and other requirements to which they subscribe, changing circumstances, including developments in legal and other requirements, review of accidents and incidents related to environment, results of mock drills, communications from external interested parties, including complaints, review of environmental policy. Quarterly meetings are conducted at department levels also by respective HODs for monitoring and review of HSEMP implementation. Environment performance is monitored through the 19-performance indicators at plant and departmental levels.

Binani Cement (BCL) is an OHSAS 18001:2007 certified company. Implementation of OHSAS has helped BCL manage risks associated with its activities in a scientific and structured manner. As required by the system, all the activities involving significant risks are carried out under controlled conditions and under expert supervision. Operational Control Procedures or Management Programmes are developed to further reduce the risk level. BCL conducts section-wise EHS audits on quarterly basis where various jobs are identified and corrective actions are implemented within the agreed timeframe. Progress on management programmes and EHS audit findings are periodically reviewed by the top management.

JSW Steel has established a safety framework based on the principle of achieving excellence through discipline. The framework is supported by several building blocks like process hazard analysis, operating procedures and related best practices, safety reviews, technology management, training, incident reporting and investigation, personnel management, contractor



safety, on-site and off-site emergency response and planning, safety audits, linkage with quality and environmental parameters. Together these blocks have created a system that safeguards the JSW campus against any industrial disaster. The company uses "Incident Tracking System" to capture online the accidents and various improvements and initiatives that have taken place within its operations as well as in other steel plants.

SAIL plants and mines have utilised safety campaigns like Roko Toto, Safety Stewards, mass communication exercises, behavioural change projects, to highlight the need for a safe working environment. SAIL also participates in the Global Safety Benchmarking Exercise of the IISI, and is also represented in the Apex Global Safety Committee of the IISI (International Iron & Steel Institute) by the Director, SAIL and Executive Director (Safety).

Tata Steel has an apex-level safety council chaired by the Managing Director. Every policy decision related to safety is taken by this council, which in turn is assisted by 10 apex-level safety sub-committees: rail road safety, occupational health, contractor management, audit and observation, training, fire prevention and protection, incidence investigation and analysis, standards, policy and principal, and communication.

Each apex sub-committee is headed by one of the Vice-Presidents. The apex sub-committee takes strategic decision about their area and gets it implemented through the various functioning bodies. The apex sub-committee also ensures the availability of resources for the successful execution. Further at each business unit, a Divisional Implementation Committee headed by respective Vice-President makes available the

resources for executing the job. These committees are assisted by departmental level committees called Area Implementation Committee headed by the chief of the department. The Tata Workers Union is represented in all these committees. Tata Steel seeks to achieve the goal of zero accidents; reportable accidents have reduced from 159 in 2006-07 to 124 in 2007-08.

Jubilant Organosys is creating awareness on prevention of HIV/AIDS amongst its employees and their families through regular training programmes. The company does not discriminate against any employee known or suspected to have HIV/AIDS. The information of any employee infected by HIV/AIDS is kept confidential.

### In Sum

The award-winning companies have demonstrated that using employees' knowledge and competencies helps optimise execution of the sustainability strategy of the company. Organisations have to continuously identify, classify, and match employees' existing knowledge and competencies against the sustainability challenges facing the organisation and other stakeholders.

## Bringing the Outside in

While transforming to a sustainable business, creating and maximising stakeholder value is yet another critical success factor. This is done by identifying partnership opportunities with current and potential stakeholders in accordance with the organisation's sustainability agenda. Sustainable businesses work with all supply chain partners to minimise negative impacts and optimise positive impacts associated with each stage of the life cycle of the product or service.

The social and community initiatives and other community development issues are addressed by dedicated CSR cells at each project. This is done by companies in a participative manner through consultation with the local population communities and in partnership with the NGOs and governments. Most leading companies have top management commitment to engage with stakeholders.

### Customer Interaction and Supply Chain

Customer meets and visits are regularly organised at companies and feedback is also taken in open forum to understand their needs and expectations, and responses are provided with assured action plans so that customer confidence is ensured. Companies have various committees such as corrective and preventive action, departmental quality, plant committee, wherein feedback from various agencies are discussed and appropriate corrective actions are taken.

SAIL follows Key Account Management (KAM) process with a focus on customer satisfaction. SAIL identifies some key accounts - at national level as well as branch level based on their turnover with SAIL. All key accounts are invited to

give customer satisfaction report every month, which is collected by the Branch Sales Offices of SAIL and a consolidated CSI (Customer Satisfaction Index) report is prepared. The benchmarking score for CSI has been fixed as 80% for domestic sales. A copy of CSI report received from the customer is forwarded to respective plant from which material was supplied to the customer, where it is analysed and corrective actions are initiated. The important parameters for CSI are quality, delivery and service. Each key account under a branch is assigned to a Key Account Manager who visits this account regularly to assess requirement for the next month. Customer contact report is prepared after the visit, which is forwarded to the Region where immediate and future needs of the customer are stated. In case of any developmental efforts needed on behalf of SAIL, the customer contact report is forwarded by the Regions to Headquarters to find out the possibility of development in consultation with Product Development Group, Ranchi, and concerned plants. CSI, as per standard format, is collected from all overseas customers on a quarterly basis. The same is compiled and analysed for corrective measures by various departments involved in servicing of the order.

Sterlite uses the Walker Customer Relationship Assessment Model to measure and benchmark its performance on loyalty parameters, segment-wise performance and image. Based on the Pareto Principle, the sample size covers all customers that contribute 80% of the business volume. Responses are taken from key decision makers and heads of quality, purchase, finance and accounting, and material management. The survey results provide information on areas of

improvement, assessment of actions taken since previous survey, and specific actionable points based on customer suggestions/feedback. The scores of customer loyalty and customer experience are averaged to get the CSI (Customer Satisfaction Index) which is tracked as a Key Performance Indicator (KPI) for the marketing team. While field personnel visits cover the customer spectrum representing 80% of the business volume, senior management personnel visit and interaction covers top 15% customers covering all segments.

Jubilant Organosys 'Vendor Evaluation Form' includes environment, safety and human relation practices that every supplier is required to follow. Environmental initiatives and case studies are shared during annual "partners in progress" meet.

Many companies follow a structured process to integrate sustainability within their supply chain management. The key areas of focus are environment, health and safety, child labour, forced labour, right to organise, collective bargaining, and discrimination on race or gender.

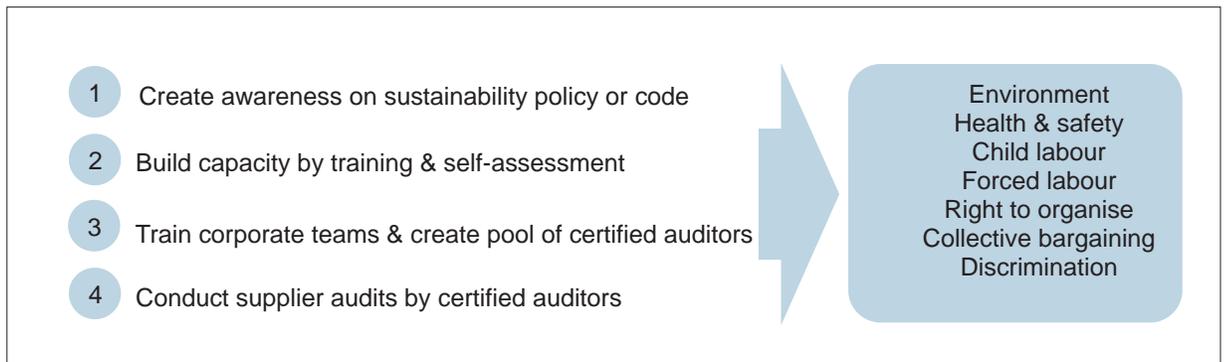
Companies engage suppliers in sustainability supply chain mainly in a four step process:

- Create awareness by communicating to suppliers the sustainability policy or code
- Build capacity by training and asking for self-assessment on sustainability
- Train corporate teams on sustainability and create a pool of certified auditors
- Conduct supplier audits by certified auditors

Similarly, JSW Steel ensures that its suppliers and vendors follow certain environmental, social, and business conduct practices. Long-term partnership contracts include:

- Identifying the associated environmental impacts as a result of the partnership or contract
- Specifying the conditions to be complied within the work order with regard to environmental practices
- Incorporation of penalty clause in the work order for not adhering to conditions specified

## SUSTAINABLE SUPPLY CHAIN MANAGEMENT





## Tata Chemical - Babrala

Urea manufacturing complex is one of the lowest energy and water consuming plant in India. This milestone was achieved by use of 10-step benchmarking process and 'Six Sigma' tool. Some of the process improvements achieved through benchmarking and SPC (Statistical Process Control) tools are in the table.

N, P and K are the key crop nutrients and every soil needs right combination of fertiliser for enhancing the crop productivity. Indian farmer mainly uses urea, DAP, SSP and MOP or others directly in the field. Sometimes, use of these fertilisers may become high or low depending on the soil quality. High value causes environmental impact on land, water and even on crop, but low use results in reduction in crop production. To overcome these issues and considering product stewardship, TCL has initiated the Customised Fertiliser Project at Babrala. This fertiliser will be customised according to soil quality of region. Farmer will only assess the soil quality at any testing centre and go for right product mix. This will not only enhance the productivity but also reduce the environmental impact of direct fertiliser use.

## Green Supply Chain

Corporate sustainability is the need of time and good business house and companies are increasingly being interested to buy "green" products. Therefore, manufacturers and suppliers are being held accountable for the products they manufacture and sell. Given the high costs of compliance, many businesses find value in proactively addressing potential regulations or using EHS excellence. Thus, manufacturers are increasingly liable for what happens all along the product lifecycle, both before and after their work

on a product is completed. There are four steps to find value opportunities in the Product Life Cycle

1. What are the significant environment, health or safety impacts of the product or service?
2. Which of these impacts also affect business value?
3. What are significant business risks and value opportunities at the time?
4. What are top priority initiatives to gain or protect business value?

The Orchid Ecotel Hotel's green purchasing policy has over the years 'greened' much of its 500 suppliers. The Hotel buys recycled products that help vitalise recycling market. Green purchasing has also created a new set of environment-friendly opportunities for the suppliers. The Hotel encourages locally manufactured and available products, thus minimising transport costs and pollution. According to the Hotel, there were very few local suppliers either manufacturing or trading in eco-friendly products before it started operations. Since then, with persistent capacity building of suppliers, the Hotel has created a supply-chain for eco-friendly products such as non-VOC paints, jute folders, NUWUD utilities, and hand-crafted natural reed slippers.

Similarly, by introducing eco-efficiency measures into the supply chain, Binani Cement has found that both the buyer and seller are benefited through shared cost savings, reduced environmental impacts, legal compliance, low carbon footprint and enhanced business relationships. It also prompts investors and shareholders to move towards the "green" business and thus creating a 'multiplier effect'.

Tata Chemicals started implementing green supply chain initiative as a part of BSC 5-Star



sustainability guidelines in 2004-05. The philosophy of BSC implemented at TCL follows following key steps:

- Identify opportunity for business values
- Identify benefits at each level of supply chain, e.g.
  - Better product / service selection
  - Procurement process development
  - Supply & inventory management
  - Incoming and outgoing transportation and logistics
  - Supplier development for reliability and facility improvement

### Community Employment/ Skills/ Livelihoods

Many companies work with local communities to provide with or enhance educational and vocational skills. Building skills either helps the company directly or some businesses in its value chain. Such training and orientation increases employability of community members. Yet others help them become micro-entrepreneurs through appropriate training, financing, and business networking.

NTPC's Faridabad Gas Power Station (FGPS) conducts need assessment survey periodically to fine-tune its activities. These are finalised after consultation with the Village Development Advisory Committee (VDAC), chaired by the District Commissioner, and attended by representatives from nearby villages and Local Administrative Wings. The activities are so planned that the expenditure incurred is uniform in the affected villages. Based on the recommendations of the need assessment survey and VDAC discussion, FGPS focuses more on

vocational training of village youth to enable them earn livelihood. Accordingly, various programmes are designed and organised with the help of Small Industries Services Institute (SISI). FGPS has also introduced a scholarship scheme for ITI entrants to take care of their expenditure towards books and annual fees. FGPS has initiated actions to adopt ITI-Faridabad, provide infrastructure and upgrade existing facilities, and plans to introduce topics related to power plant in their curriculum.

In its attempt to help women empower themselves, BHEL's Ladies Welfare Centre provides training to children and dependants of the township and the neighbouring community, in computer and secretarial skills, stitching and knitting. Around 200 girls are employed by BHEL through this Centre for office-related work that helps them get better opportunities. The Centre also runs a crèche for women employees and a school for mentally challenged children. Dependents of deceased employees are provided employment with Gram Vikas Seva Samithi (Village Development Service Committee) which takes up a number of jobs of BHEL like printing, binding, and running petrol bunk.

BHEL also provided about 300 ancillary units around its plant with training and technical assistance. As a result, some of these now supplied or exported to large companies.

Jubilant Organosys conducts need assessment of the community around its operations. Some of its initiatives create sustainable livelihoods through vocational training and skill development programmes. For instance, it has promoted bee-keeping, vermi-composting, and 'zero investment' technique to improve agriculture produce.

## Managing Community Development

Most companies are involved in some development work with community around their operations. Development activities range from education, vocational skills, and health services, to providing basic amenities like roads, lighting and drinking water. Companies work closely with local government, people's representatives, and NGOs. Projects could be entirely company-driven or are part of government scheme or aided by foreign donor agency.

Jubilant Organosys through research with an agricultural university demonstrated to the farmers around its plant how treated effluent could be gainfully utilised if applied as per specification. This has led farmers to demand for the treated effluent for their agricultural application and the company benefits from better way of effluent disposal.

To determine the needs of the community and the areas of emphasis, JSW Steel interacts with the community in a structured way through various committees, forums, and surveys. Based on the felt need, action plans are prepared. Society satisfaction survey by independent external agency is one of the methodologies adopted to measure JSW's social performance. The survey aims at defining and measuring the "Quality of Life", which generates indices to quantify the effectiveness of social corporate spending.

In the survey of 2007-08, it was found that people earning less than Rs. 25,000 per annum were decreasing and those earning more than that were increasing, indicating an improvement in the overall economy of the areas around JSW. Also, the livelihood means of people is changing from agriculture to business or service. The company has set up a BPO (Business Process Outsourcing)

Centre, educational institutes, technical education institute, and has developed other physical infrastructure of the areas where it operates.

NTPC has a three-tiered institutional set up at Corporate, Regional and Project levels to implement CSR policies. Volunteering by NTPC employees is promoted through EVOICE – an NGO promoted by NTPC employees. It partners in planning and implementation of the identified Community Development Programmes. Twenty-five EVOICES are operational at 20 NTPC stations. The need assessment of community development around each station is mainly done through periodic surveys conducted by external agencies or universities such as IIT, Delhi and Jamia Millia Islamia University, Delhi. Community development activities, its review and budgeting are based on recommendations of these surveys and monitored by Station-General Manager, which, in turn, are supervised by Corporate CSR Department on monthly basis.

The employees of NTPC's Faridabad Gas Power Station (FGPS) have formed an NGO called 'Navpath' (literarily 'new path'). All activities for the upliftment of the local community are being carried out by 'Navpath' and these are supported by the top management of FGPS.

Tata Steel's community development work in Jharkhand and Orissa is mostly organised through the Tata Steel Rural Development Society (TSRDS). The activities include health and hygiene (immunisation, cleft lip/ palate correction, tubectomy, eye care, blood donation, mobile medication, TB control, AIDS awareness, water and sanitation), income generation (renewable energy, watershed development, lift irrigation, horticultural services, agricultural extension, poultry, fishery, dairy), and empowerment (SHGs,



rural sports, worker education, youth empowerment). Another organisation – Tata Steel Family Initiative Foundation – works on preventing HIV/AIDS, and family planning and welfare programmes. Many of these activities are carried out with State and local government agencies and in accordance with their development priorities.

Tinplate Company of India measures its social performance through a Corporate Responsibility Index (CRI). The CRI is tracked to assess efficacy of initiatives on healthcare (40%), civic amenities (10%), community development (25%), environment (10%), and volunteering (15%). Stretched targets are set every year over the previous year. Increase in CRI trend over the years is due to efforts on environment management, recycling, healthcare, leadership in community development, and volunteering, which are based on the principles of inclusiveness and affirmative action. Regular feedback is taken from participants to improve the quality of these initiatives. The company claims that none of the initiatives have been dropped which indicates that the society is benefiting from them.

Driven by the company's vision to improve the quality of life, Tata Chemical has established a process for community development to support its key community. Key element of the process is evaluating the impact of policies and programmes in the community. Two key indicators have been identified to track our performance on the extent of benefit derived by the society. These are: Corporate Sustainability Protocol Index (CSPI) and Community Satisfaction Index. The CSPI, which is an internal assessment based on identified indicators, evaluates the systems, the skill of people and the impact of programmes. Community Satisfaction Index is measured

through a survey conducted in the neighbourhood of the plant. The survey tracks the awareness, benefits and satisfaction of the community vis-à-vis programmes. This assessment is done by a third party every three years and internally in between. Based on the assessment findings, success and depth of programme are measured and these inputs set direction for the next year's activities. In 2009, the company increased the scope of the assessment to include non-beneficiaries so as to get a broader picture and feedback. The CSPI of Tata Chemical's Babrala plant has increased from 61% to 70% in last three years.

YES Bank's VitaGoat Programme was founded with the aim of tackling malnutrition and livelihood deaths in rural India. Through this programme, low-cost soya machines are utilised to provide employment to Self Help Groups, with the dual benefit of supplying high quality soya milk nutrition to the people, especially children.

In conjunction with VitaGoat Suppliers, YES Bank provides inputs to create a sustainable business model for the benefit of the consumers and sellers of the high-protein soya milk. The Bank facilitates a market study of potential entrepreneurs and BOP customers, and scale-up the solution to reach the most marginalised. Further, they help build a network to facilitate programme execution – involving the government, suppliers and development experts – with the aim of impacting the largest possible number of people. Under this programme, VitaGoat machine was deployed at a Buldana Co-operative run school and ensures that 700 school children (600 students twice a week) are fed daily with soy milk or soy *paneer* (cottage cheese). Further, the Maharashtra Women and Child Development Ministry was engaged for implementing the VitaGoat machine in their state-wide programmes, along with other major

stakeholders like Vigyan Ashram and the World Bank.

### Environment as a Stakeholder

Many companies have an environment policy that reflects the rapidly changing environmental scenario and concomitant stakeholder expectations globally and in India. The CII-ITC Sustainability Awards has found that a range of companies take appropriate action on a variety of environmental issues.

- Climate change mitigation and environmental improvement as essential elements of sustainable business portfolio
- Promote 'Green Business' as a business value proposition
- Minimise the environmental impact of business activities by driving initiatives to reduce ecological and carbon footprint
- Mandate employees to make a sensible use of resources and implement 3Rs philosophy in business processes
- Reduce Greenhouse Gas emissions by improving energy efficiency in operations
- Minimise consumption of other resources such as water, office supplies, and other consumables
- Promote green procurement
- Set, monitor and review targets and comply to all applicable legal and other requirements

Some companies are working with government departments and scientific or research institutions, to restore sections of environment that have been destroyed over decades of industrial and urban development. While such companies are very few, it could set a trend for others to follow.

ONGC has supported mangrove eco-systems

around Mumbai since 2001. In collaboration with the Forest Development Corporation of Maharashtra, it carried out large-scale mangrove plantation in inter-tidal zone of Jawaharlal Nehru Port Trust area located near Uran, Raigad. An area of 7.5 hectare was covered and a total of 26,664 saplings were planted. More than 90% survival rate of the saplings was ensured. Presently, mangrove plantation is undertaken by Bombay Natural History Society (BNHS) near Gandhar Field along the course of Dadher River at a cost of about Rs 20 million to ONGC.

SAIL entered into an agreement with the department of Bio-technology (DBT), Government of India, and the Centre for Environment Management for Degraded Ecosystems (CEMDE), University of Delhi, for ecological restoration of mined-out areas and solid waste dumps to convert them into productive ecosystems. Work has taken place at three mined-out sites in Orissa: limestone mined-out area of about 200 acres (besides less than 100 acres of void filled with water) at Purnapani, 20 acres of iron ore mined-out area at Kalta, and 100 acres of iron ore mined-out area at Barsua. The Purnapani waste dumps have been transformed into productive ecosystems of bamboo thickets, fruits orchards, and forest communities. A meteorological station has also been put up at Purnapani. Pisciculture has been successfully done at the abandoned quarries filled with water at these sites.

To recover mercury traces from the rejected tubes, Philips VLF has installed a bulb eater machine, which separate the mercury traces from rejected tubes. This helps reduce mercury emission in the air. The company has also installed machineries with initiatives which are beyond environment legislation.



- Mercury flush to Argon flush in the tubelight manufacturing units to reduce the consumption of mercury and its emission into the air. This has reduced mercury consumption per lamp from 60 mg (before Argon flushing) to about 15 mg (after Argon flush)
- Butyl acetate based fluorescent coating lacquer to water-based coatings, reducing consumption of organic solvent and emission of VOCs into air
- It is the only manufacturer in India to have shifted to lead-free glass in the manufacture of fluorescent tubes
- It has also eliminated the use of antimony oxide (or arsenic oxide) in glass manufacturing

As part of product stewardship and sustainability goals, Tata Chemical – Babrala plant has conducted Life Cycle Assessment of Urea manufacturing process. LCA study was carried out on latest GaBi4 software exclusively designed for LCA process. In first phase of study, urea manufacturing process was considered and study recommended improvement plans for energy, water consumption and gaseous emissions and solid waste management.

Selection of latest technology and use of in-house innovative talent always result in cost optimisation through operational efficiency and excellence in EMS performance, e.g. resource conservation and pollution prevention. Use of latest in-house designed prilling bucket improved the product quality and also reduced the waste urea dust emission from stack. Use of flue gas CO<sub>2</sub> for alkaline effluent neutralisation helped in reduction of about 100 MT acid consumption per year. This innovative modification also won the FAI Innovation award.

It is also the forward looking vision of ONGC

management and the pursuit of sustainability that created a dedicated CDM (Clean Development Mechanism)-cum-Alternate Energy Group way back in 2005. This group with increased mandate as Carbon Management Group is now pursuing all feasible options to make ONGC operations less carbon intensive. ONGC is the only central PSU to have four CDM projects registered with UNFCCC with a number of projects being readied for registration. Carbon Management Group is also pursuing GHG accounting, fugitive emission estimation, exploring Carbon Capture & sequestration (CCS) avenues and estimation of fugitive methane emissions as Natural Gas Star Partner with US EPA (Environment Protection Agency) under their Methane to Markets (M2M) Programme.

In August 2008, ONGC publicly communicated the intent to work on the path of Carbon Neutrality and the company has adopted a mission statement on the objective of achieving Carbon Neutrality. As part of rebalancing its energy portfolio, ONGC has commissioned 50 MW wind farm in Gujarat, with intent to commission another 50 MW Plant. ONGC has also started pursuing uranium mining and solar power.

### Excellence in Sustainability through Inclusive Business

The call for business to address the socio-economic challenge of making growth and development inclusive is growing stronger by the day. Some interesting inclusive business practices have been illustrated by the winners of the CII-ITC Sustainability Awards.

TCS' computer-based functional literacy (CBFL) programme blends the organisation's expertise in the creation of software with exemplary research



done by the National Literacy Mission (NLM), established by the Indian government in 1988. The programme employs animated graphics and a voiceover to explain how individual alphabets combine to give structure and meaning to various words.

The emphasis is on imbibing words rather than alphabets, and the project addresses thought processes with the objective of teaching these words in as short a time span as possible. Because the programme is multimedia-driven, it does not need trained teachers. Those coming through the programme can acquire a vocabulary of 300-500 words in their own language and dialect.

Andhra Pradesh was the laboratory for the initial experiment, back in February 2000, of the CBFL programme. This was followed by Tamil Nadu, West Bengal, Maharashtra, Gujarat and Uttarakhand. The programme is also extended to South Africa. The CBFL programme has lifted more than 120,000 people out of illiteracy.

To address the issue of financial exclusion in rural India, especially amongst the farmer communities, YES Bank instituted the Agri-business, Rural & Social Banking (ARSB) practice. The ARSB team develops and executes innovative financial models, which leverage the outreach of various stakeholders in the agri value chain to overcome the 'last mile problems' in agribusiness and rural sectors. It implements lending programme and has grown to a portfolio size of USD400 million, reaching over 1,000,000 individual farmers with small/marginal land-holding (less than 5 acres) and rural artisans with limited or no access to formal financial institutions. Further, ARSB is working with Agricultural Insurance Company and The West Coast Paper Mills Ltd. to provide customised

insurance cover for paper wood plantations (trees like Eucalyptus, Casuarinas, Subabul, etc.) of farmers from southern India as well as the captive plantations of the company itself.

YES Bank has undertaken to address the issue of financial exclusion in India with an aim to increase the scale and reach of microfinance in the country through two strategic initiatives:

- Microfinance Institutions Group (MIG) – a relationship management group that works with commercially sustainable microfinance (MFIs) offering loans, loan syndications and advocacy on policy and regulatory issues, to create an enabling macro environment for stakeholders including investors, rating agencies, policymakers, government agencies and regulators.

MIG's approach is based on instituting specific transactions to position microfinance as a new asset class appealing to a broad base of investors and lenders, thus expanding its potential sources of capital. It aims to catalyse the growth of Indian microfinance and reduce the costs of funds to enable scale up, thereby ensuring provision of affordable, fairly priced and customised financial solutions to BOP.

In 2008, YES Bank introduced 12 banks who have lent to MFIs for the first time under the Syndicated Loan Facility. As the number of banks participating in MFI financing increases, potentially these become a source for funding of approximately USD 3 billion to microfinance, i.e., a five-fold increase in annual funding.

YES Bank's work with standardised ratings for MFI paper enables sophisticated public capital market investors such as Fixed Income Mutual Funds/General Insurance Companies to invest in microfinance paper and opens up a further

funding source of approximately USD 1.5 billion (assuming a 10% share of the USD 14-15 billion mutual fund market). Currently, MIG's portfolio size is USD60 million.

- YES Sampann, set up in technical collaboration with ACCION International, provides easy access to fairly priced, transparent and suitable financial products and services accompanied with appropriate financial education to un-banked, low income communities across urban and rural India. With the start of commercial operations in July 2007, it is now amongst the pioneers in India to provide direct micro-credit to micro-entrepreneurs.

YES Sampann, being the first institutionally sponsored direct intervention model for microfinance in India, provides the last mile connect with the BOP offering affordable, customised financial services including credit, savings and insurance.

In addition to simple Group Borrowing Products, YES Sampann has added more complex credit products like individual loans without group guarantees, working capital for micro entrepreneurs and salary-linked loans for the unorganised sector, e.g. house-maids and drivers. It has instituted event-linked and non-credit linked micro savings programmes, and has plans to offer micro-insurance products. YES Sampann has reached 2,000+ micro entrepreneurs in urban slums and instituted the first non-credit linked savings programme for micro clients.

ONGC has ventured into supporting or seed financing start-ups or social ventures. Bunkar Vikas Sanstha (Weavers Development Organisation) was formed in a village of Chanderi (Madhya Pradesh) by weavers for weaving and

reviving the heritage of Chanderi sarees and dress material. The venture was supported first by ONGC with corpus fund in 2004. Presently, it is an apex body of 13 Self Help Groups (SHG) of 119 weavers of Chanderi handloom with the objective of economic and social empowerment of weavers. Bunkar Vikas Sanstha is entirely owned and managed by weavers. The initiative has grown to take shape as a self-sustaining venture. However, the regular funding based on need assessment and evaluation of the performance is being extended by ONGC.

ONGC, in association with Guwahati-based Centre for Rural Development (CRD), has also implemented an innovative "Rickshaw Bank" Project. CRD established a Rickshaw Production Assembly at Guwahati and Sivasagar with a team of technical experts. The rickshaw model was developed by IIT, Guwahati. Rickshaw pullers who are poor rural migrants, urban unemployed youths, or underprivileged people go for earning their livelihood by hiring rickshaws. They usually do not manage to own them due to insufficient savings and lack of credit or insurance. CRD, with support of ONGC, formed "Rickshaw Bank" to enable rickshaw pullers own one. Having realised the cost of rickshaw from one puller, the same amount is used to purchase a new rickshaw. After success at Guwahati, the "Bank" was launched in Sivasagar and Nazira. CRD maintains a Monitoring and Information System (MIS) centrally at Rickshaw Bank and makes relevant data available online and offline. Apart from ensuring the livelihood of the rickshaw pullers, the project has created a Bank to provide accidental and life insurance for pullers and their families, and to enable them to borrow and save regularly.



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Excellence in Sustainable Business

## In Sum

Interacting with customers, partners, communities, and other external stakeholders helps understand and respond to their needs and expectations. The award winners have participated with partners and jointly worked on improvement activities. They have promoted and engaged in activities and initiatives that improve sustainability performance of the organisation.

## The Endnote

This report has demonstrated that the Sustainability Business Excellence Model helps companies identify how they form and strengthen the fabric of the world; the world that they are a part of.

Some sustainability issues have been covered in-depth in this report as has the road to be taken, while others reflect only a scratch on the surface. The award-winning companies highlighted in this report not only look at sustainability progress but have a call for scale systems change as seen in tangible forms and activities within their sphere of influence. These companies have progressed by drawing attention to interior dimensions and the centrality of leadership. Some of these companies are in high gear and their efforts are likely to be realised further by development and activation of later-stage leader capacities.

However, it might be worthwhile to pause and revisit 'sustainability'. Questions exceed answers when it comes to sustainability, as it is complex both in theory and practice. In fact, questions abound regarding precisely what corporate sustainability is and what it is not, and what organisations should be doing about it.

This complexity can be daunting, yet with that complexity come challenges and, most importantly, opportunities. Within the complex nature of sustainability, we have the opportunity to usher in a newly crafted world, one for which there is no precedent.

To envision this new world is to see the possibility of a new economy, a new governance, and even a new philosophy. The new world is not a variation on how things are now – but is essentially a new paradigm for living.

The future is unlikely to be met effectively with existing perspectives and mindsets. To usher in this new reality, new frameworks and capacities are required – ones that catalyse breakthrough thinking and solutions, assist in communicating this new reality to people in ways that they understand, and expand the very meaning of sustainability. In essence, a shift in consciousness is needed to effect substantial change.

Companies recognise a natural progression of businesses through a number of phases – from basic compliance with environmental regulations to broader concerns and, finally, to a proactive setting of goals that embrace sustainability concerns. There is general acceptance that governments, businesses and civil society have to interact constructively to find solutions to the challenges of sustainable development.

Though economic growth, ecological balance and social progress have always been on the sustainability agenda, far greater emphasis is being placed on social progress and, specifically, on what business is doing to contribute to this goal and how it is delivering that contribution.

In our review, we have taken only a top-line view of a variety of sustainability measures and processes these companies have in their operations. Movement through these is not about realising a particular gear or completing a process. It is about taking action from a deeply conscious perspective, evoking a new vision for business and its conduct. New, large-scale redesigns are needed, and clear and expanding perspectives must inform them.

It is true that there are options for accessing this transformative leadership perspective. Yet the fact



is that new manifestations of leadership are required. Today, more than ever, we need leadership that can re-imagine the boundaries of individual and organisational identity, thought, and purpose given the emergence of new social, economic, environmental, and political realities.

This report demonstrates that if businesses are to become sustainable, sustainability must be integrated within the planning and measurement systems of organisations. Companies should be adopting business strategies and activities that meet the needs of the organisation and its stakeholders today, while protecting, sustaining and enhancing human and natural resources that will be needed in the future.

Such an integration and adoption pattern highlights business dependence on human and natural resources, in addition to physical and financial capital. Although its activities are circumscribed by consumer preferences and governmental regulations, business is the agent for many measures that can help mitigate environmental change and social upheaval.

The award winners have demonstrated that integrating sustainable development into business processes does not mean that new management

methods need to be invented. Rather, it requires a new orientation and extensive refinements to prevalent systems and practices.

Leadership companies, such as those recognised by the Sustainability Awards, understand that sustainable development is good business in itself. It creates opportunities for suppliers of green consumers, developers of environmentally safer materials and processes, firms that invest in eco-efficiency and those that engage themselves in improving social well-being. Besides earning the goodwill of society, such enterprises will also have a competitive advantage vis-à-vis its competitors.

Awards such as these are vital to encourage good sustainability performance of companies through recognition. An intensive process and a comprehensive methodology helps companies identify areas of strengths and weaknesses, and learn how to bridge gaps. Most importantly, winning awards should only be used as a yardstick of their sustainability performance, as against an end in itself. Companies should strive to do better than what they have been recognised for. Ultimately, companies are just as good as their last win.

## Annex 1: Sustainability Business Excellence Model

The CII-ITC Centre of Excellence for Sustainable Development has successfully pioneered sustainable business excellence, and used it to recognise leadership companies and motivate others to follow suit. The latter is realised through the recognised and most comprehensive CII-ITC Sustainability Awards.

The Sustainability Awards focus on the strong link between corporate reputation and customer trust, and feed into building brand value and public positioning of companies. More details on the Award are presented in Annex 1.

### The Excellence Model

The assessment of the performance of an applicant organisation is as per the methodology evolved by using and adapting of the European Foundation for Quality Management (EFQM) approach. The Sustainability Award gives equal weight and

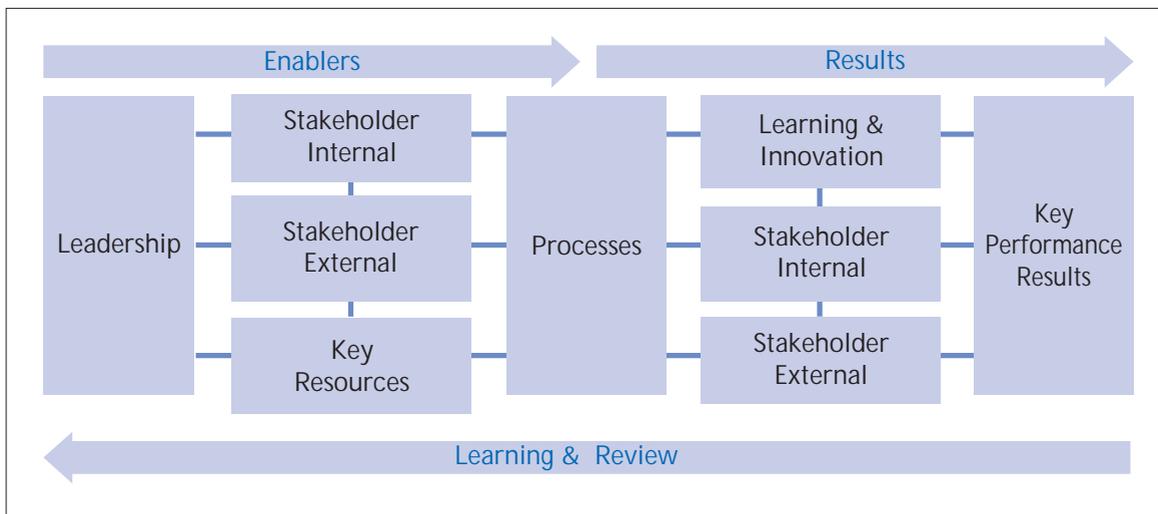
importance to the process "enablers" and business "results".

### Assessment Criteria

The assessment criteria are based on seven attributes:

**Leadership:** Excellence in leadership that develops and facilitates achievements of the organisation's sustainability mission and vision, values, systems and partnerships. It shows concern for all stakeholders, including the environment, for sustainable growth, and implement them through behaviour and action. It also means retaining constancy of purpose during periods of change. Leadership is one that is able to change the direction of the organisation whenever required and inspires others to emulate. Excellent organisations implement their mission and vision by developing a stakeholder focused strategy that

### CII SUSTAINABILITY EXCELLENCE MODEL



takes account of the market and sector in which it operates.

#### Key characteristics

1. Proactive
2. Strategic
3. Result-oriented
4. Engaging
5. Open
6. Transparent
7. All-inclusive
8. Motivating
9. Delegating
10. Institutionalising

#### Sub-attributes

- a. Leaders develop the organisation's mission, vision, values and ethics. They are the role models of a culture of excellence
- b. Leaders are personally involved in ensuring the organisation's governance structure and management system are developed, implemented and continuously improved
- c. Leaders are involved with customers, partners and representatives of society
- d. Leaders reinforce a culture of excellence with the organisation's people
- e. Leaders identify and champion change within the organisation
- f. Give shape to policy and strategy, based on needs/ expectations of stakeholders, information from performance measurement, research, learning and external activities

## Key Resources

Organisations that plan and manage partnerships with relevant internal and external stakeholders deploy necessary internal resources to support its sustainability policy and strategy and puts in place effective operation of processes to realise the goals of sustainable development. During developing and managing partnerships and resources, they balance the current and future needs of the organisation with that of environment and society at large. In this management process, such organisations cover not only the partnerships but also how natural resources, finances, technology and information, knowledge and creativity of people are optimally utilised for sustainable future.

#### Key characteristics

1. Developing long-term relationships
2. Optimising and outsourcing
3. Adequate and strategic deployment of internal resources
4. Holistic approach
5. Balancing current and future needs

#### Sub-attributes

- a. Partnerships – internal and external – are managed
- b. Finances are managed
- c. Building, equipment and materials are managed
- d. Technology is managed
- e. Information and knowledge are managed

## Stakeholder Internal

Organisations manage, develop and release the full potential of people, working for and on their

behalf, at an individual, team-based and at an organisational level. They promote fairness and equity by involving and empowering their people. Such organisations are transparent and caring. They reward and recognise its people, motivate them and create commitment amongst them to use their skills and knowledge for the benefit of the organisation and all the stakeholders, including environment within and outside.

#### Key characteristics

1. Use of team approach
2. Knowledge sharing
3. Empowerment
4. Fairness
5. Equity
6. Transparency
7. Recognising and caring
8. Capacity building

#### Sub-attributes

- a. Internal stakeholders (employees) are planned, managed and improved
- b. Internal stakeholders' knowledge and competence are identified, developed and sustained
- c. Internal stakeholders are involved and empowered
- d. People and organisation have a dialogue
- e. People are rewarded, recognised and cared for

### Stakeholder External

Organisations comprehensively identify, evaluate and address the needs, concerns and inputs of all the stakeholders – including the environment – while demonstrating and achieving measurable

results. Such organisations plan and manage partnerships with relevant stakeholders, including the supply chain. Stakeholders in this context include government, suppliers, customers, civil society, media, community, environment (physical), investors, etc.

#### Key characteristics

1. Ensuring comprehensiveness
2. Demonstration of measurable results in terms of external stakeholder satisfaction
3. Fairness
4. Equity
5. Transparency
6. Pro-active awareness building

#### Sub-attributes

- a. External partnerships are managed
- b. Finances relating to the partnership are managed
- c. Communication is ensured

### Processes

Sustainable organisations design, manage and improve processes in order to fully satisfy and generate ever-increasing value for all the stakeholders, including ecology and environment. Processes mean those approaches that internalises the concern of the society, environment and economy, and the way products and services are designed and delivered and those that maximise stakeholder satisfaction over the entire life-cycle.

Policies, plans, objectives and processes of excellent organisations are developed and deployed to deliver the strategy.

### Key characteristics

1. Value creation and addition
2. Institutionalisation
3. Well-structured and systematic
4. Internalising externalities
5. Having a feedback loop and ensuring preventive and corrective action

### Sub-attributes

- a. Processes are systematically designed and managed
- b. Processes are improved as needs, using innovation in order to fully satisfy and generate increasing value for customers and other stakeholders
- c. Products and services are designed and developed based on customer needs and expectations
- d. Products and services are produced, delivered and serviced
- e. Customer relations are managed and enhanced/ CSR advocacy
- f. Policy and strategy are communicated and deployed through a framework of key processes

### Results - Internal Stakeholders

Excellent organisations comprehensively measure and achieve outstanding results with respect to their people, including measures relating to the social, environmental and economic performance of the organisation and the goods and services it produces. Results may affect their stakeholders, including customers, the people within the company and the society and ecology at large. Sustainable organisations deliver key performance results that do not have

adverse environmental and societal footprints. On the contrary, they create measurable positive impacts on all the stakeholders.

### Key Characteristics

1. Targets
2. Trends and comparisons including the perception of the stakeholders. Results should be related to key performance targets / benchmarks / trends
3. Positive externalities
4. Positive image and brand

### Sub-attributes

- a. Perception measures: People's perception of the economic, environmental and social performance of the organisation compared to their own values, needs and expectations (obtained, for example, from surveys, focus groups, interviews, structured appraisals), depending on the purpose of the organisation.
- b. Performance indicators: Internal, used by the organisation in order to monitor, understand, predict and improve the performance of the people in CSR issues, and to predict their perceptions of the organisations approach to CSR.

### Results - External Stakeholders

Customers: Excellent organisations comprehensively measure and achieve outstanding results with respect to their customers.

- a. Perception measures: For the customers' perception of the company's economic, social and environmental performance of its goods and services compared to their

own values, needs and expectations (e.g., from customer surveys, focus groups, vendor ratings, compliments, complaints, etc).

- b. Performance indicators: These internal measures are used by the organisation to monitor, understand, predict and improve its CSR-related performance, and to predict perceptions of its external customers.

Society: Excellent organisations comprehensively measure and achieve outstanding results with respect to society

- a. Perception measures: For the society's perception of the social, environmental and economic performance of the organisation and the products and services it produces compared to the general values, needs and expectations of society (e.g., from surveys, reports, press articles, public meetings, public representatives, governmental authorities).
- b. Performance results: These internal measures are used by the organisation to monitor, understand, predict and improve the performance of the organisation and to predict perceptions of society of the environmental, social and economic performance of the organisations and the products and services it produces.

## Learning and Innovation

Organisations that challenge status quo do better. That is, those who are always in the learning mode, and convert societal, environmental and economic concerns into opportunities through innovation and creativity. These are organisations that learn from their own activities and that of others and share best practices and knowledge all through the organisation as well as outside. It is about openness to accept and use ideas from all the stakeholders and stretch current organisational capabilities to safeguard the future of all.

### Key Characteristics

1. Continual improvement
2. Converting risks to opportunities
3. Creativity and innovation
4. Open mindedness
5. Resource deployment on R&D

### Sub-attributes

- a. Company accepts mistakes, but does not repeat them.
- b. People are encouraged to think beyond normal scope of work; this may result in a few failures. However, success stories are more in number.
- c. Targets are set, measured and people are recognised and rewarded for their ideas.

## Annex 2: CII-ITC Sustainability Awards – Application & Assessment

Developing awards and conferring recognition are creative ways to nurture innovation. The Sustainability Awards – instituted by the CII-ITC Centre of Excellence for Sustainable Development (the Centre) in 2006 – are a unique initiative to identify and recognise business in India for their exemplary performance in economic, social and environmental dimensions of all their imperatives.

The Awards mark the beginning of continued efforts by the Centre to generate awareness, promote policy and practices, and create capacity to mainstream sustainability practices in Indian industry. They endeavour to promote role models in Indian industry such that peers are encouraged to run their businesses in a way that emulates the leadership companies. The Awards are also a knowledge-imparting tool by which the Centre builds capacity in Indian businesses to adopt sustainability practices.

### Scoring

The essence of the Sustainability Award is to recognise and learn from growth-oriented companies that demonstrate progress towards laudable economic, environmental and social practices, and yet are financially successful. Equal weight is assigned to the economic, environmental and social bottom-lines. In each bottom-line, 50% weight is assigned to policy, strategies, management systems and practices, while the remaining 50% is assigned to performance and results.

The broad parameters on which the companies are assessed include:

- a. Mission and vision of the company,
- b. Its role in the society
- c. Corporate commitment and values
- d. Environmental impacts
- e. Economic and social performance
- f. Transparency
- g. Stakeholder engagement
- h. Risk management
- i. Business opportunities
- j. Awards and recognition received in social, economic and environmental fronts

Scores in each indicator are assigned on a linear scale of zero to 10; 10 is assigned to the global best practice. Indicators with tangible and documented results are assigned maximum weight.

### Application Procedure

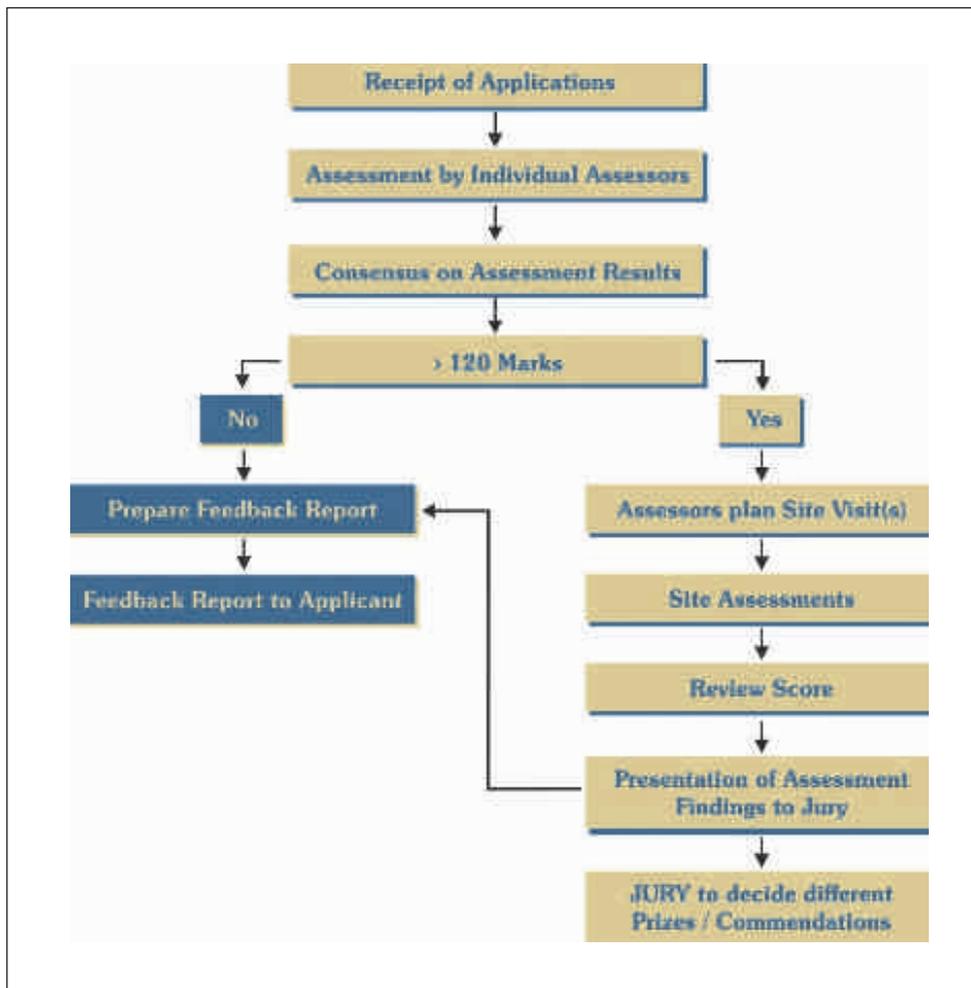
The first step is to send the Application of Intent to participate to the CII-ITC Centre of Excellence for Sustainable Development (CESD). An Application Document along with the guidance document will then be sent to the applicants. The applicant is expected to fill the Application Document and send it back, along with all the requisite documents/enclosures by the stipulated last date.

The information provided by the applicant will be scrutinised and scored based on the Sustainability Assessment methodology and rating scale. This methodology and scale have been developed and peer reviewed with the help of national and international experts. Short-listed applicants will be comprehensively assessed by way of identifying benchmarks, strengths and weaknesses of the applicant's sustainability performance.

The Jury for the award will then decide on a cut-off score to select a sub-set of applicants for further assessment. An on-site assessment will then be conducted for these short-listed applicants. Based on the results of this site visit evaluation, the scores

will then be modified where necessary, and final scores will be arrived at for the selected applicants. Finally, the Award winners will be decided on a consensus basis of the jury, taking into consideration the final scores.

## THE SUSTAINABILITY AWARDS PROCESS





## Applicant Classification

All companies operating in India are eligible to apply for the Award. The applicant must be actively in business at least for the past five years. There are four categories under which companies can apply for the Award:

1. Large business organisation: Whole organisation with an annual turnover > Rs 500 crore
2. Medium business organisation: Whole organisation with an annual turnover between Rs 50 crore and Rs 500 crore
3. Small business organisation: Whole organisation with annual turnover < Rs 50 crore
4. Operating unit: Individual operating unit of any size / turnover of companies operating in India.

## Award Categories

### Level 1: Trophy

Single winner amongst all categories: role model in sustainable development, exemplary policy, practice and results

### Level 2: Prize

Winners from every applicant category: outstanding policy, practice and results

### Level 3: Commendation for Significant Achievement

Achievers from each category: achieving results from deployment of policy and processes for specific dimension(s)

### Level 4: Commendation for Strong Commitment

Committed companies from each category: embedding policy and processes for specific dimension(s)

## Assessment Methodology

Some of the main aspects on which companies are assessed include:

- Mission and vision of the company
- Corporate commitment and values
- Compliance to regulations
- Stakeholder engagement
- Transparency and reporting
- Innovation
- Social inclusion
- Environmental and social impacts
- Economic performance
- Social and environmental risk management
- Training and knowledge updation
- Supply chain ethics
- Business opportunities
- Awards and recognition received on social, economic and environmental fronts.

## Annex 3: Award Winners

| Company                   | 2006 | 2007 | 2008 | 2009 |
|---------------------------|------|------|------|------|
| BCIL                      |      |      | ✓    |      |
| BHEL - Hyderabad          |      |      | ✓    | ✓    |
| Bhilai Steel Plant        | ✓    | ✓    | ✓    | ✓    |
| Binani Cement             |      |      | ✓    | ✓    |
| Chemplast Sanmar          |      |      | ✓    |      |
| Essar Steel - Hazira      |      |      |      | ✓    |
| GTL                       |      |      |      | ✓    |
| Hindustan Zinc            |      |      |      | ✓    |
| JSW                       |      | ✓    | ✓    |      |
| Jubilant Organosys        |      | ✓    |      |      |
| Maruti Suzuki             |      |      |      | ✓    |
| NTPC Ltd.                 | ✓    | ✓    |      | ✓    |
| NTPC Farakka              |      |      | ✓    |      |
| NTPC Faridabad            |      |      | ✓    |      |
| NTPC Rihand               |      |      |      | ✓    |
| ONGC                      |      |      | ✓    |      |
| ONGC Hazira               |      |      |      | ✓    |
| Orchid Ecotel Hotel       |      | ✓    |      |      |
| Philips Mohali            |      |      |      |      |
| Philips VFL               |      |      |      | ✓    |
| SAIL                      |      |      |      |      |
| SAIL - Durgapur           |      |      |      | ✓    |
| Sesa Goa                  |      |      |      |      |
| Shree Cement              |      |      |      | ✓    |
| SRF Chemicals             |      |      |      | ✓    |
| Sterlite Industries       |      | ✓    |      |      |
| Tata Chemicals - Babrala  |      |      |      | ✓    |
| Tata Consultancy Services |      |      |      | ✓    |
| Tata Motors               | ✓    | ✓    |      |      |
| Tata Steel                | ✓    | ✓    |      | ✓    |
| Tinplate Company of India | ✓    | ✓    |      | ✓    |
| Toyota Kirloskar Motors   |      |      |      | ✓    |
| TVS Motors                |      | ✓    |      |      |
| YES Bank                  |      |      |      | ✓    |

## Annex 4: Profile of Award Winners\*

### BCIL

Started in 1995, BCIL (Bio-diversity Conservation India Ltd) is a builder-technology enterprise with a turnover of Rs 30 crores and employing about 120 people.

### BHEL

BHEL is the largest engineering and manufacturing enterprise in India in the energy-related infrastructure sector, with a turnover of Rs 21,608 crores and employing over 42,000 people.

### Bhilai Steel Plant

Bhilai Steel Plant (BSP) is India's sole producer of rails and heavy steel plates and major producer of structurals. With an annual turnover of over Rs 16,500 crores, the company employs over 34,000 people.

### Binani Cement

Established in 1997, Binani Cement has a turnover of Rs 1410 crores employing around 500 people.

### Chemplast Sanmar

Chemplast Sanmar, a flagship company of the Sanmar Group, is in the business of PVC, chlorochemicals and piping systems. With an employee base of over 1,100, its turnover is Rs 717 crores.

### Essel Mining

Established in 1950, Essel Mining & Industries Ltd. is one of India's largest iron ore mining companies in the non-captive private sector and the largest producer of Noble ferro alloys like molybdenum, vanadium, tungsten and titanium. The annual turnover of the company is Rs 2,408 crores.

### Essar Steel – Hazira

Established in 1976, Essar Steel Holding Limited (ESHL) is a global producer of steel with a footprint covering India, Canada, USA and Asia. The annual turnover of the company is Rs 12,703 crores and it employs over 4,241 people.

### GTL Limited

Established in 1987, GTL operates in telecom industry as an ancillary to OEMs, Operators and tower companies. The company has an annual turnover of Rs 1,945 crores and employs over 3,814 people.

### Hindustan Zinc

Established in 1966, Hindustan Zinc Limited is the second largest integrated zinc-lead producer and also one of the lowest cost zinc-lead producers in the world. It has an annual turnover of Rs 3,665 crores and has 6,661 permanent employees.

### JSW Steel

With a turnover of Rs 9,789 crores, JSW Steel employees over 4,000 people. The main products of the company are HR coils/plates and CR coils/sheets. JSW Steel also produces intermediate products such as pellets and slabs, which are primarily for internal consumption.

### Jubilant Organosys

Jubilant Organosys is an integrated pharmaceutical industry player, one of the largest custom research and manufacturing services (CRAMS) and drug discovery and development services companies out of India. Employing around 3,500 people, the company's turnover is over Rs 1,800 crores.

## MALCO

The Madras Aluminium Company Ltd. (MALCO) is part of Vedanta Resources, a London listed metals and mining group. MALCO is a primary aluminium producer in South India with operations in mining, refining, smelting and power generation. Its turnover is around Rs 1,229 crores.

## Maruti Suzuki India Ltd

Established in 1981, Maruti Suzuki India Ltd. has an annual turnover of Rs 20,358 crores and employs about 12,304 people

## NTPC

NTPC, the largest power company in India, was set up in 1975. It has a turnover of around Rs 41,923 crores and employs 24,698 people.

## NTPC – Farakka

NTPC – Farakka was established in 1981, has an installed capacity of 1600 MW (3X 200 MW and 2 X 500 MW) at present. It's annual turnover of Rs 2146 crores, and employs about 1600 people.

## NTPC – Faridabad

NTPC - Faridabad (FGPS) is one of the operating units (Power Station) of NTPC Limited. FGPS is a Combined Cycle Power Station, with capacity of 432 MW (2 x 137 MW GT + 156 MW ST). It's turnover is Rs 796 crores, and employs about 160 people.

## NTPC – Rihand

Established in 1982, NTPC - Rihand is one of the operating units (Power Station) of NTPC Limited. The unit has a turnover of Rs 2,997 crores and has 1018 permanent employees.

## The Orchid Ecotel

The Orchid Ecotel Hotel is India's first eco-friendly five star hotel. With a turnover around Rs 112 crores, the Hotel employees about 400 people.

## ONGC

ONGC is among the largest oil and gas companies in Asia, with a turnover of Rs 52,383 crores and employing over 33,000 people.

## ONGC - Hazira

Established in 1985 the unit has an annual turnover of Rs 8,019 crores and has 783 permanent employees.

## Philips Mohali

Mohali Light Factory (MLF) is one of the two industrial units of Philips Lighting, India, established in 1983. It is one of the largest integrated lamp manufacturing units in India, an annual turnover of Rs 182 crores and an employment base of around 850 people.

## Philips Vadodara

Vadodara Light Factory (VLF), formerly known as CG Glass Limited, was bought by Philips Electronics India in the year 2002. Its products include glass shells and tubes for lamps, general lighting service electric lamps, fluorescent tube lights and high intensity discharge lamps. Its annual turnover is Rs 159 crores with an employment base of around 1095 people.

## SAIL

Steel Authority of India Limited (SAIL) is a fully integrated iron and steel maker. Its annual turnover is around Rs 45,555 crores employing over 120,000 people.



Confederation of Indian Industry  
Since 1895

Excellence in Sustainable Business

### SAIL – Durgapur

Established in 1959, the unit has an annual turnover of Rs 6,207 crores and has 14,293 employees.

### Shree Cement

Established in 1979, Shree Cement has an annual turnover of Rs 2,715 crores and employs 2,316 permanent staff.

### Sesa Goa

Sesa Goa Limited, the flagship company of Sesa Group, is India's largest exporter of iron ore in the private sector. It has a turnover of around Rs 3,800 crores and employs over 1,100 people.

### Sona Koyo

Established in 1985, Sona Koyo Steering Systems Ltd. is the largest manufacturer of steering systems in India, catering to passenger cars, utility vehicles and light commercial vehicles. With a turnover of around Rs 580 crores, it employs over 680 people.

### SRF Chemicals

SRF's Chemicals produces fluorochemicals and chloromethanes which are used for a variety of industrial, commercial and household applications such as refrigeration and air-conditioning. It has a turnover of Rs 503 crores and has around 380 employees.

### Sterlite Industries

Sterlite Industries (India) Ltd is a leading producer of copper in India and a part of Vedanta Resources. Its turnover is Rs 12,672 crores with an employee base of 885.

### TATA Motors

Tata Motors Limited is India's largest automobile

company, with revenues of Rs 35,652 crores employing over 23,000 people.

### TATA Steel

Established in 1907, Tata Steel is the world's 6th largest steel company with an existing annual crude steel capacity of 30 million tonnes. Its turnover is over Rs 132,000 crores and employs around 78,000 people.

### Tata Chemicals – Babrala

Established in 1939, Tata Chemicals Limited (TCL) is part of the Tata Group. Its Urea plant at Babrala in U.P. is the country's most energy efficient fertilizer unit and produces 12% of the country's urea output in the private sector. The unit has an annual turnover of Rs 1,050 crores and has 356 permanent employees.

### TCS

Established in 1968, Tata Consultancy Services Limited is an IT services, business solutions and outsourcing organization employing over 142,199 people. The organisation has an annual turnover of Rs 27,813 crores.

### Tinplate Company of India

The Tinplate Company of India Ltd., incorporated in 1920, is a Tata Enterprise, engaged in the business of providing packaging solution for food and non-food items. Employing around 2,173 people, its turnover is Rs 670 crores.

### TVS Motors

TVS Motor Company is the third largest two-wheeler manufacturer in India, with annual turnover of over Rs 2,900 crores and employing around 1,800 people.

## Strategies and Practices for Business Growth and Competitiveness

### Toyota Kirloskar

Established in 1997, Toyota Kirloskar Motor Private Limited has an annual turnover of Rs.3,949 crores and employs about 3,511 people.

### YES Bank

Yes Bank started commercial operations in 2004. The bank employs over 2674 people and has an annual turnover of Rs 290 crores.

\* Information as in the application document







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