

**THE TINPLATE COMPANY OF INDIA LIMITED**

**U N GLOBAL COMPACT**

**COMMUNICATION ON PROGRESS**

**PERIOD: 1.4.2007 TO 31.3.2008**

## Communication on Progress

### **Introduction**

The Tinsplate Company of India Limited (TCIL) is a pioneer in the manufacture of Tinsplate products i.e., Electrolytic Tinsplate and Tin-free Steel in the country. It is in the metal packaging sector and acts as a solution-provider to the metal packaging industry for packaging of edibles. Its Works is situated at Golmuri, in the State of Jharkhand in India. While it enjoys a 30% market share in the country it exports 25 – 30% of its products to discerning markets in Europe, Middle-East and South-East Asian countries. Tinsplate is an eco-friendly and recyclable packaging material.

The Company has been a signatory to the United Nations Global Compact since 2006. We are committed to the ten principles of the Compact which fosters better corporate responsibility in the areas of human rights, labour, environment and anti-corruption. This Communication on Progress highlights our recent activities in support of the Global Compact's objectives during the year April 2007 to March 2008 unless otherwise stated.

### **Statement of Continued Support**

As a member of the Tata group we follow the principles of corporate governance and a code of ethics (called the Tata Code of Conduct) very similar to the Global Compact. The declaration under the code has been signed and owned up by all our Executives, Officers and Union Officials. We conduct awareness programmes regularly and have covered our other employees, contractors & suppliers, customers and members of the community under such awareness programmes.

TCIL has adopted the Triple Bottom-line approach to report its economic, environmental and social performances. It started bringing out the Sustainability Report since 2003-2004. However, the company has not gone for third party assurance of the same but intends to do so shortly.

We are pleased to inform that we continue to receive encouraging external feedback on our environment initiatives. The Company has been recognized by 'TERI' and 'CII-ITC Centre for Sustainable Development' for its 'commendable' work under the Social and Environmental dimensions besides Economic dimension. While supporting weaker section of the society under our Affirmative Action and Inclusiveness programmes, TCIL has focused on environment by adopting water harvesting, green building concept and clean technology. It has set for itself an ambitious target to become water and carbon positive in the next 3-4 years time. The Corporate Social Responsibility (CSR) (now termed as Corporate Sustainability - CS) has taken our programmes to the next higher level from merely doing community development work.

We believe that to sustain the business for long time and proper growth sustainable development is a must. While addressing the needs of all our stakeholders we must strive to do business in a transparent and just manner. TCIL while committing itself to the principles of the Global Compact is looking forward to achieving that goal.

**Ujjwal Kumar**  
**General Manager (HRM)**

## UN Global Compact – “Communication on Progress”

July 2008

Principles (GRI indicators correlated with)	Company’s Policy & Direction (Approach / Process / Deployment)	Specific actions taken during the current financial year (Outcomes with Key Results & Measurements)
<b>Human Rights</b>		
<p><b>Principle 1</b> Businesses should support and respect the protection of internationally proclaimed human rights  (HR 1,2,3,4)</p>	<p>The company follows the International Declaration of Human Rights. Our HR policies and procedures reflect, pursue and review these on an annual basis.</p>	<ol style="list-style-type: none"> <li>1. Respect to individual is one of the Core Values / Beliefs of the TCIL’s Quality Policy. Adoption of Tata Code of Conduct (TCoC) by all Officers and the Office bearers of the Union at Jamshedpur and Kolkata supports TCIL’s commitment to uphold human-rights. Any violation to this effect is dealt with the established disciplinary procedure enumerated in our Certified Works Standing Orders. Employees are protected from retribution under the “Whistle Blower Policy” of the company.</li> <li>2. The management dialogued with all categories of employees thru’ structured forums such as Joint Departmental Councils, various committees and dialogue sessions. It met contractor workers at regular interval to understand their grievances and to take remedial measures. During the year 2007-2008, ten (10) concerns regarding violation of TCoC were raised and all of them were disposed off. However, none of them pertained to Human Rights violation.</li> <li>3. Both at Works and Offices, Company adhered to the working hours and other terms of employment as laid down under relevant statutes of the State. No sanction was received from any statutory authorities.</li> <li>4. The Tata Code of Conduct emphasizes equal opportunities and non-discrimination. During 2007-2008 3 women were employed under permanent category and 123 under contractor workers category. Besides this equal remuneration and equal career growth opportunities were ensured for the women. No complaints were received under this head.</li> <li>5. The Works Standing Order of the company requires that the minimum age of any worker is 18 years and TCIL engages no child labour. It was ensured that nobody of less than 18 years in age were recruited during 2007-08 let alone the engagement of child labour.</li> </ol>
<p><b>Principle 2</b> Make sure they are not complicit in human rights abuses  (HR 2, 3)</p>	<p>Our HR / IR processes by way of joint - consultative committees are at all times constantly and proactively addressing issues in possible areas of conflict with the Unions.</p>	<ol style="list-style-type: none"> <li>1. TCIL as Principal employer under local statutes ensured that the contractors and suppliers met statutory requirements like Payment of Minimum Wages, extending welfare facilities, PF &amp; ESI benefits to its employees etc. It also ensured that they did not use child labour and this aspect was put as a condition in the contract document signed with the contractors.</li> <li>2. The Joint Forums comprising of members from the Management and the Union, met regularly and addressed the areas of conflict. This process is working very satisfactorily for the last many years.</li> <li>3. There are 18 Joint Committees comprising of Union and Management representatives to address various grievances and concerns of the respective areas of their operations. (For example, the Central Safety Committee addresses issues with respect to safety violations). All of them met as per their schedule to discuss various issues.</li> </ol>

<b>Labour Standards</b>		
<p><b>Principle 3</b></p> <p>Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p><b>&amp; 4</b></p> <p>The elimination of all forms of forced and compulsory labour</p> <p>(HR 5, 7 LA 3, 4)</p>	<p>1. As a policy company does not interfere with the rights of employees so far as freedom of association is concerned. Co's unions are independent of the management. Company engages with the union in the matters of collective bargaining.</p> <p>2. Forced and compulsory labour is banned in the company.</p>	<p>1. The company has recognized the Unions of its employees both at its Works in Jamshedpur and registered office at Kolkata. The names of the Unions are – The Golmuri Tinsplate Workers' Union (GTWU) and The Tinsplate Co. of India Limited Employees' Union. The Unions have 100% membership at both the places. These Unions held their timely elections. Long Term Wage Agreement and Agreement for Payment of Bonus were signed with them during 2007-08. The relationship and trust with the workers is so good that the company has not faced any labour unrest in the last over 25 years.</p> <p>2. There is no forced or compulsory labour in the Company.</p>
<p><b>Principle 5</b></p> <p>The effective abolition of child labour</p> <p>(HR 6)</p>	<p>All contractors have been asked not to engage child Labour</p>	<p>1. The Company's Recruitment Policy ensures that only adults over 18 years of age are employed by the Company.</p> <p>2. The Company also ensures that the contractors do not employ child labour. For this purpose, the age of the recruits by the contractors were checked by the HR department before such recruits were permitted to undertake work.</p>
<p><b>Principle 6</b></p> <p>Eliminate discrimination in respect of employment and occupation</p> <p>(HR 4, LA 10,11)</p>	<p>The co. is an 'equal opportunity employer' under the TCoc. Under its AA policy, it goes for positive discrimination</p>	<p>1. The Company has a systematic recruitment process, which ensures that there is no discrimination on account of age, sex, nationality or religion. The Company is an equal opportunity employer. However, if there are candidates from socially backward communities (SBC) the company under its Affirmative Action Policy went for positive discrimination to support the candidate from SBC.</p> <p>2. The company also gives preference to physically challenged people if they are otherwise suitable for the job.</p>

<b>Environmental Protection</b>		
<p><b>Principle 7</b> Businesses should support a precautionary approach to environmental challenges  (HR 3.13)</p> <p><b>Principle 8</b> Undertake initiatives to promote greater environmental responsibility  (EN. 1 to 16)</p> <p><b>&amp; 9</b> Encourage the development and diffusion of environmentally friendly technologies  (EN-17 for Principle 9)</p>	<p>The company is traditionally pro-environment and specific policies and guidelines exist to set direction that addresses these Principles and beyond. The company has an Environmental Policy.</p>	<ol style="list-style-type: none"> <li>1. The Company believes in the Triple Bottom Line concept which means that it is equally concerned about its environmental and social dimensions of business besides the economic dimension. The company published its fourth Triple Bottom-Line Report as per GRI guideline for the year 2006-07. The company has taken various steps to improve its performance under the environmental dimension. Some of the examples are – <ul style="list-style-type: none"> <li>▪ Tinplate as such is an eco-friendly packaging medium and can be recycled many times over.</li> <li>▪ Recycling of liquid wastes – recycled 3311 MT of acids</li> <li>▪ Rain water harvesting - Project implemented in Tinplate Hospital</li> <li>▪ Roof water harvesting in the new ETL-II plant</li> <li>▪ Tree Plantation (Over 24,000 trees planted in the last 6 years)</li> <li>▪ Maintaining norms of treated effluent water – all were maintained within norms during the period and in some cases it went beyond the prescribed norms.</li> </ul> </li>   <li>2. The Company’s new Electrolytic Tinning Line (ETL-II) which is going to be commissioned by September 2008 has modern energy efficient motors. The construction of the building has been done keeping in mind the ‘Green Concept’. It uses maximum sunlight for illumination, thus reducing the requirement of electricity for lighting purpose. The roofs are suitable for roof-water harvesting. The surroundings have space for greening.</li> </ol>

<b>Anti-Corruption and prevention of Bribery</b>		
<p><b>Principle 10</b> Businesses should work against corruption in all its forms, including extortion and bribery</p>	<p>As a Tata company there is an elaborate system and process for the ‘management of business ethics’. The company has the head of the Company as the Principal Ethics Officer, a Senior Manager as the Chief Ethics Counsellor and each Location has an Ethics Counsellor responsible. There is a Lady Ethics Counsellor to cater to the sensitivities of women employees.</p> <p>All employees sign the Tata Code of Conduct.</p> <p>The Tata Code of Conduct is sent to all suppliers with the contract, for their perusal in respect of relevant clauses. Clauses 5, 6 and 7 address these issues.</p>	<ol style="list-style-type: none"> <li>1. The Company follows TCoC principles. All Executives, Officers and the Union Officials on behalf of their rank have signed the declaration showing their adherence to these principles.</li> <li>2. All employees, suppliers, customers and members of the community have been made aware of the clauses of Tata Code of Conduct (TCOC).</li> <li>3. There is a formal structure for redressal of concerns raised by the employees or other stakeholders on the violation of TCoC. As on date whatever concerns have been raised, they have been disposed off.</li> <li>4. The Ethics Process is deployed by the Ethics Officer (who is the Chief Executive of the Company), Ethics Consellor, 10 Male Ethics-Coordinators and one female Ethics-Coordinator. Recently, one Ethics Coordinator was nominated by the Union and included in the team of Ethics-Coordinators</li> </ol>