

## **Communication on Progress (COP) Report – 2007-08**

This Report on Communication of Progress (COP) represents our assessment on how the principles of Global Compact have been taken forward in our organisation through various initiatives. The accompanying statements attempt to capture very shortly the achievements vis-à-vis the principles pursuant to the actions taken during the past, including the year under report. For more details, please contact the **Corporate HR Development & Communications** Department at the Company's Head Office or by E-Mail: **chrdc@balmerlawrie.com**.

### **Principles Relating to Human Rights**

#### **Principle # 1 & 2: Support and respect the protection of internationally proclaimed human rights / Not be complicit in human right abuses**

Balmer Lawrie remains committed to uphold and strive to further the cause human rights in all aspects of its business and ensure that neither the Company nor any of its business partners indulge in any human rights violation or are complicit in any human rights abuse in any manner. The various actions taken and the status are as under:

- The Company has constituted a Committee on Prevention of Sexual Harassment at Workplace to ensure that the employees are able to work in a positive atmosphere free from physical or psychological threat, abuse or sexual harassment.
- The Company does not as a matter of principle, deal with any party with history of human rights abuse.
- The Company consciously works towards the development of the society at large and provides financial support for community development projects. These include programmes aimed at ameliorating the lot of the socially and economically downtrodden and the weaker sections of the society. ([Please click here for further details](#))
- All legal and statutory obligations towards employees, shareholders, clients, customers, associates and the society at large are complied with.

### **Principles Relating to Labour**

As reported in the previous COP, Balmer Lawrie recognizes and respects the dignity of labour and strives to ensure that there is total freedom of association and no discrimination whatsoever in matters of employment. The company provides safe and healthy working condition, pays competitive wages much above the minimum level, and has provision for health care and other welfare measures. In all matters pertaining to labour, it follows conventions adopted by the International Labour Organisation. Further it abides by all regulatory provisions governing the employment in the organisation and strives to enhance their quality of work-life. To be more specific, the present status, including the actions taken, is as under:

#### **Principle # 3: Uphold the freedom of association and effective recognition of the right to collective bargaining**

- The Company strongly believes in and supports the employees' right to association. As of now there are 7 Unions and 2 Associations representing different sections of employees in the Company.
- Settlements on terms and conditions of service are arrived at through the process of collective bargaining. All the commitments made to the collective are implemented in letter and spirit. During 2007-08, two Long Term Settlements were signed and implemented; in respect of one location, where the agreement is over, negotiations would commence shortly.
- The Company does not discriminate bargaining agents based on political affiliation or any other extraneous considerations.

#### **Principle # 4: Elimination of all forms of forced or compulsory labour**

- Employment in the Company is on free volition of the employees. No form of forced or bonded labour is allowed.
- Employees are free to terminate the contract of employment by giving a notice as stipulated in their appointment letters.

- All forms of employment are governed by Letters of Appointment / Engagement and are subject to acceptance by the incumbent employees.

#### **Principle # 5: Abolition of Child Labour**

- The Company policy does not permit employment of any person below the age of 18, directly or through contractor, in any of its businesses. To ensure this the age of an incumbent employee is verified at the time of recruitment.

#### **Principle #6: No Discrimination in respect of employment and occupation**

- The Company does not practice any form of discrimination or bias in matters related to hiring of employees, their career planning, promotion, transfers, or on remuneration and perquisites. All sections of employees, including women, are given equal opportunities and the Human Resource Policy is to advance the cause of meritocracy and foster development of employees.
- The Company does not practice any discrimination, in matters relating to recruitment, compensation, promotion, training on the basis of religion, caste, region, political affiliation or sex, excepting positive discrimination in hiring of employees to give effect to constitutional guarantees for socially backward/underprivileged groups like SC / ST / OBC and Persons with Disability.

#### **Principles Relating to Environment**

##### **Principle # 7 : Environmental Protection**

- The Company gives highest priority to protect the environment. Towards this end, the precautionary actions have been put in place with regard to treatment/discharge of effluents conforming to the standards laid down by the regulatory authorities in all its Plants and Manufacturing Facilities.

##### **Principle # 8 : Promoting greater environmental responsibility**

- The company has initiated action to reduce power consumption and reduction in generation of waste in all its Manufacturing Units. The Grease plants at Kolkata and Silvassa have received ISO 14001-2004 certification. The Leather Chemicals Division at Chennai has been certified under OSHAS. Work is in progress to certify the Grease plant at Chennai under OSHAS.

##### **Principle # 9 : Development and diffusion of environmental friendly technologies**

- The Company has continued its efforts at technological upgradations in its manufacturing processes to ensure that adverse impact of our operations in the environment are minimized. Our R&D team continuously works to identify raw materials, processes and technologies, which will have minimum impact on the environment. We provide a safe and healthy working environment to our employees and communities around us.

#### **Principle Relating to Ethics & Transparency**

##### **Principle # 10 : Elimination of corruption in all its forms, including extortion and bribery**

- Transparent policies and systems have been put in place to ensure ethical behaviour of Balmer Lawrie employees, and we expect our employees to behave in conformity with these principles. As a matter of policy, the Company regularly interacts with clients, customers and associates to get their views/suggestions.
- Issues relating to corruption, dishonesty or unethical behaviour are looked down upon and any instance of such nature is dealt with expeditiously for corrective and preventive action, including disciplinary action against erring employees. There is a vigilance department in the company to deal with such matters in an organized & systematic manner.
- In order to ensure greater transparency in respect of all procurement actions of reasonable high value (Rs. 5 lacs & above) tenders are now hosted on Company's web site.

## Message Of Continued Support To Global Compact

Balmer Lawrie firmly believes in the principles of Global Compact. The Company reaffirms its commitment to not only pursue the principles but also advance the cause as enunciated in the charter.

The Company, as hitherto before, pledges to uphold human rights, adhere to the rights and dignity of labour, promote and encourage greater environmental responsibility. It also places a very high premium on promoting ethical values of integrity and transparency in all its business dealings.

The entire Balmer Lawrie fraternity is involved in pursuit of the sustainable development initiatives. The Company's Leather Chemical Division has been re-certified under the Integrated Management System Certificate (ISO 9001:2000, ISO 14000:2004 and OHSAS 18001:1999) by Certification body of TUV SUD Management Services GMBH, Germany. The Greases and Lubricants Division at Kolkata and Silvassa have been accorded ISO 14001-2004 certification. Work is in progress to certify the Grease plant at Chennai under OSHAS.

All of us in Balmer Lawrie reiterate our commitment to pursue a policy rooted in social and environmental responsibility. We once again reaffirm our resolve to support the principles of Global Compact.

(Swapan Kumar Mukherjee)  
Managing Director

[\(Please click here for further details\)](#)

In its efforts to further the cause of Corporate Social Responsibility, the Company over the years has undertaken several community development projects, partnering with NGOs. The focus has been to trigger development at micro-community level, generating high impact therefore. The broad areas for this purpose have been health, shelter, education, and economic rehabilitation.

During the financial year, '07 - '08; an amount of Rs. 35 Lacs (approximately) have been committed towards community development programs.

In the area of health, considering the fact that potable water is a scarce resource in various parts of India and is a primary cause of seasonal diseases, providing deep-tube wells, was undertaken and the same have been completed at four locations, 3 villages in 24 Parganas (S) and Ramnagar Abad in West Bengal.

Further projects for renovation and building of toilet blocks have been sponsored at Dara Adarsha Bidyamandir, West Bengal and at Manor, Mumbai. We have initiated action for, construction of two health centers, one exclusively for Women. We have also sponsored corrective surgery for 25 physically disabled children during the year in West Bengal.

As part of our commitment to enhance quality of life of the poor in the country, we have provided, 12 houses for deserted women in Vahe Valva Taluk, Satara in Maharashtra, with an overall cost commitment of Rs. 4.08 Lacks. While major investments in the previous years were for child education, this year in collaboration with Action Aid Association New Delhi; major activities were undertaken towards upgrading facilities in Government Elementary Schools in tribal belts of Lalitpur and Sone Bhadra of UP.

During '07 - '08, major activities focusing economic rehabilitation were sponsored by the Company, with an objective of facilitating sustainable community development through economic empowerment. As part of the process the Company collaborated with Immanuel Human Research & Development Programme to set up a Vocational Training Centre and Health Center for Women at Ramnagar Abad, Patharpratima Block - West Bengal. We also joined hands with Share & Care, Chennai, to sponsor project for manufacturing of eco-friendly paper and file at Perambur- Tamil Nadu. As a spin-off to the growing nuclear families these days, quality of life of the aged have become a national social issue, the Company, handheld Helpage India in its 'Adopt a Gran Programme' where the Grans adopted by the Company, total 50 in numbers, are mostly from the SC/ST & OBC category, of which substantial numbers are females.

Additionally, the Company has made a donation of Rs. 5 Lacs to the Spastic Society of India, to help out building a Corpus Fund of the Organisation dedicated to the welfare of mentally challenged persons.