



**Indian Farmers Fertiliser Cooperative Limited  
New Delhi**

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**COMMUNICATION ON PROGRESS ON GLOBAL COMPACT  
PRINCIPLES FOR THE FINANCIAL YEAR 2012-13.**

The Indian Farmers Fertiliser Cooperative Limited (IFFCO) is a national level multi-state cooperative society engaged in manufacturing and marketing of chemical fertilizers. The Society was registered in 1967 and presently having a membership of 39,368 cooperatives as shareholders. IFFCO is presently operating five factories located at Aonla and Phulpur in Uttar Pradesh, Kalol and Kandla in Gujarat and Paradeep in Orissa. IFFCO produced over 7.902 million Tonne of fertilizers in 2012-13 and contributed about 21.4% to the total Nitrogen and 36.4% to the total  $P_2O_5$  produced in India. IFFCO markets its fertilizers through Cooperative Agencies and Member Cooperative Societies.

**IFFCO supports Global Compact Principles of United Nation** and believes in philosophy of trusteeship and strives for sustainable development. It always emphasizes on the need to protect the environment, human rights, health and safety of its employees, strengthening the cooperative structure in India, improving the living standard of farmers who are the backbone of Indian economy etc. A detailed report on progress of various Community Development initiatives taken by IFFCO is included in its Annual Report which is posted on its website [www.iffco.in](http://www.iffco.in) and [www.iffco.coop](http://www.iffco.coop).

IFFCO has published its maiden B+ level Sustainable report for the financial year 2008-09 following Global Reporting Initiative (GRI) guideline. The report was assured by M/s Ernst & Young Pvt. Limited. The report reflects IFFCO's vision & mission towards responsible business as well as principle of Global Compact.

The brief report on various activities undertaken by IFFCO showing its commitment towards Global Compact Principles, as per the suggested Proforma, is as under:

## **I. HUMAN RIGHTS**

**Principle 1:** Business should support and respect the protection of international human rights within their sphere of influence; and

**Principle 2:** make sure they are not complicit in human right abuses.

### **COMMITMENT**

- Towards making the cooperative societies economically and democratically strong for professionalized services to the farming community to ensure an empowered rural India;
- Towards farmers for their welfare, prosperity and growth;
- Towards social responsibilities for a strong social fabric;
- Towards fostering cooperative movement in the country;
- Towards abolition of child labour;
- Towards indiscrimination on the basis of gender in employment; and
- Towards providing employment opportunity to weaker sections.

### **SYSTEMS**

- Cooperative Development Programs through marketing Field Officers;
- Rural and Agricultural Development Programs through marketing Field Officers;
- Service through Cooperative and Rural Development Trust (CORDET) promoted by IFFCO;
- Services through IFFCO Kisan Sewa Trust promoted by IFFCO;
- Services through IFFCO Foundation a Trust promoted by IFFCO;
- Services through Indian Farm Forestry Development Cooperative Ltd. (IFFDC) a Multi-State Cooperative Society promoted by IFFCO;
- Ban on recruitment of child labour and policy towards employment opportunity to weaker sections; and
- Equality of opportunity in employment for both genders.

## ACTIONS

- No individual can become member of IFFCO. Only Cooperative Societies can become members. All the member Cooperative Societies exercise their right in electing the Representative General Body of IFFCO consisting of about 1000 members;
- Member Cooperative Societies elect 11 directors on the Board of Directors of IFFCO;
- Member Apex Cooperative Federations of States nominate up to 10 directors on the Board of IFFCO;
- Member Cooperative Societies get good return on their investment in the shares of IFFCO by way of dividend. This helps in their economic betterment;
- Striving for the prosperity and growth of farmers, IFFCO emphasizes on educating them about balanced and integrated use of fertilizers. For this purpose mobile soil testing vans of IFFCO move around in villages and conduct soil tests. Based on the test reports, farmers are advised about the correct doses of fertilizers and crops suitable for the type of soil. IFFCO launched "Save the Soil" campaign with emphasis on Soil Rejuvenation and Crop Productivity Enhancement by undertaking various activities viz. soil testing, reclamation of problematic soils, On FARM preparation of organic manure viz. FYM, Vermicompost, Phospho-Sulpho-Nitro-Compost, crop diversification, introduction of pulses in cropping system etc.;
- IFFCO adopts villages with an objective of bringing about overall economic development and improvement in living standards of rural community through integrated rural development with particular emphasis on agricultural development;
- To make Cooperative societies economically viable, IFFCO adopt them and provide infrastructure and financial support, for their revival, through sale of IFFCO fertilizers;



- In order to strengthen Cooperative societies, IFFCO appoints some of them as Franchisees for storage and handling of fertilizers which includes warehousing, transportation and rake handling;
- Organize programs viz; Farmers Meeting, Crop Seminars, Field Demonstration, Sale Point Personnel Training, Agricultural and Social Campaigns, Demonstrations etc. to educate farmers and cooperative societies to enhance crop productivity through balanced use of nutrients;
- Organize community based programs viz; Women Training, Medical / Veterinary checkup, etc. for farming community;
- IFFCO promoted Indian Farm Forestry Development Cooperative Ltd. (IFFDC) with the prime objective of development of wasteland and to enhance the socio. economic status of the rural poor. IFFDC helps in formation of Self Help Groups (SHGs) in villages for unity, fulfilling need of loan, saving and improvement in livelihood assets. Emphasis is laid on formation of women SHGs;
- Promoted a Charitable Trust known as %IFFCO KISAN SEWA TRUST+to provide relief and rehabilitation to victims in the event of natural calamities.
- Promoted a Trust %IFFCO Foundation+ with an objective to promote cooperative development;
- The Cooperative Rural Development Trust (CORDET) promoted by IFFCO provides training to farmers to improve their skills in agricultural production, horticulture, dairy, poultry, professional leadership at village level, management of cooperatives and several other activities; and
- IFFCO promoted IFFCO Kisan Sanchar Limited (IKSL) with an objective of empowering the Indian farmers by providing them Value Added Services through mobile phones, which include disseminating five free voice messages of relevance to farmers daily, providing a dedicated Helpline to resolve their queries and conducting special programs such as quizzes and phone-in programme.

## PERFORMANCE DURING 2012-13

- Various promotional, social and community development programs based on specific needs were organized and infrastructure were provided in around 410 adopted villages;
- Conducted various social and promotional programs as under:
  - 5072 field programs
  - 138 health checkup camps
  - 1132 sale point personnel training programs
  - 165 crop seminars
  - 856 agricultural campaigns
  - Distributed 20,024 critical input package (CIP) kits to farmers
  - Analyzed 1,32,010 soil samples in different states;
- Undertaken 17 special projects on agricultural, social and community development such as Watershed Management, Agricultural Development and Micro Enterprises, assisting Self Help Groups in earning livelihood etc. in the various States. The thrust of these special projects was on increasing productivity of crops with efficient use of various resources;
- Under %Save the Soil Campaign+ IFFCO encouraged Farmers to take up green manure crop for incorporation in soil to improve soil fertility.
- Undertaken supply of farm implements viz. rotavator, potato planter, paddy transplanter, happy seeder, seed cum fertiliser drill, sugarcane trash cutter etc. through cooperatives by providing financial assistance so as to assist farmers in incorporation of crop residue and encouraging adoption of advanced technologies to increase crop productivity.
- Promoted installation of drip/sprinkler irrigation on farmers' fields, by providing financial assistance so as to increase water and fertilizer use efficiency.
- IFFCO gave thrust on development of water resources by undertaking repair & renovation of water bodies and check dam, lift irrigation, rain water harvesting etc. to bring additional land under irrigation and in



improving ground water table. All these efforts will assist to improve soil health and crop yield for Sustainable Agriculture.

- Assisted farmers by providing financial assistance for installation of bio-gas units so as to produce quality manure, as a source of energy and to provide clean environment in villages.
- Through institution of 18 IFFCO Chair in the disciplines of Agronomy, Soil Science, Agricultural Extension & Cooperation, Agro economics and Fertilizer Technology in the areas of Research, Education and Extension, IFFCO is continuing to work in collaboration with State Agricultural Universities / National Institutes/ Cooperative Institutions; IFFCO KISAN SEWA TRUST undertakes programs for the welfare and critical medical attention of needy farmers including projects aimed at improving their quality of life. The Trust undertakes a variety of activities to assist needy farmers in getting medical assistance, organizing Eye Camps, Health Camps, Cancer detection Camps, providing medical equipments, arranging for blood through Red Cross Society and financial assistance to various hospitals for the treatment of farmers. During the year, the Trust spent Rs 1.46 Crore towards its activities for providing critical medical assistance. The Trust also provide financial assistance of Rs 50,000 as scholarship to the children of poor Farmers living "Below Poverty Line."
- IFFDC has done afforestation in 28000 hectare wasteland by promoting 147 village level Primary Farm Forestry Cooperative Societies covering about 28,500 members which include 38% landless and 51% small/ marginal farmers. IFFDC undertook the Seed Production Programme (SPP) on farmer's field in the states of Haryana, Uttar Pradesh, Punjab, Rajasthan and Madhya Pradesh on different crops to augment the supply of quality Seeds. CORDET organized 228 training programs to benefit 11,080 farmers including women from various states and analyzed 80,238 soil samples free of charge. In addition, 7,081 soil samples were analyzed for micro nutrients, 2786 samples for secondary nutrients (sulphur) and 62 samples for irrigation water. CORDET is also manufacturing bio-fertilisers



which is marketed through IFFCO's Farmers Service Center and Cooperatives. CORDET also undertakes production of seeds for paddy and wheat crops. During the year 2012-13, approx 801.90 quintals of paddy seed and 671.20 quintals of wheat seed were produced. IFFCO Foundation, as a think tank of IFFCO has concentrated on the thrust areas of agriculture and rural development, cooperative development, women empowerment, skill development and livelihood security, climate change and arts and culture.. During the year, the Foundation deliberated on significant areas of Policy Framework for Small Holder Farmers, Women In Agriculture, Livelihood Security, Tribal rights etc.The Foundation continued to pursue skill development and vocational training by organising National Level Conferences, Symposium and Workshops.. The Foundation has also prepared a concept document on Natural Resources Based Farming Systems for Maharashtra and Eastern Uttar Pradesh.. The Foundation has been implementing an operational research project on Climate Resilient Agriculture and Development of Climate Smart Villages in collaboration with Consultative Group on International Agricultural Research (CGIAR). Research & Analysis of Agrarian & Rural Development and developing a network for dissemination of information on emerging trends in specific contexts are under active consideration of the Foundation. The Foundation also promotes young, upcoming researchers who give voice to the marginalized sections of the Indian society. IFFCO Kisan Sanchar Limited is providing its Value Added Services in eighteen States. To provide such information, the country has been divided into 60 agro-climatic zones. During the year, IKSL delivered 86,000 voice messages, answered 76,000 queries on Helpline. Specialized features like %Phone-in+ programme to contact and discuss with Subject Matter Specialists and %mobile quiz+ programmes were organized for promoting greater participation by the farmers. IKSL continued its focus on promotion of Communities in order to provide more intensive location-specific services.

- IKSL commenced a special service on Airtel DTH channel-'i-Fasal' through which it is sharing farm advisories, market & weather information in text format on a daily basis for 230 districts of seven Hindi speaking states.
- IKSL has been managing the operations of the Kisan Call Centre (KCC) Service of Department of Agriculture & Cooperation, Ministry of Agriculture, Government of India since May, 2012. Till March 2013 information needs of more than 3 million farmers were answered..

## **II. LABOUR**

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labour;

**Principle 5:** the effective abolition of child labour; and

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

## **COMMITMENT**

- Towards institutionalizing the core values and creating a culture of team building, empowerment and innovation which would help in incremental growth of employees and enable achievement of strategic objectives;
- Towards fostering a culture of trust, openness and mutual concern to make working a stimulating and challenging experience for stakeholders;
- Towards ban on child labour;
- Towards indiscriminate on gender basis;
- Towards upliftment of weaker section;
- Towards Health and Safety of employees; and
- Towards upgradation of knowledge & skills of employees.

## **SYSTEMS**

- Ban on employment of child labour;

- No discrimination on gender basis;
- Policy on employment opportunity to weaker section by granting relaxation in recruitment stage;
- Programs for Human Resource Development;
- Recognized Employee Union in all the operating plant, Head Office and Marketing Division; and
- Preference in employment to persons having rural background.

### **ACTION**

- Computerized Human Resource Management System implemented across the organization to provide better management control, manpower planning, succession planning, employees welfare and transparency etc.;
- Upgrading the skills of manpower through training and development programs with a view to improve the productivity of employees and to enable them to shoulder more responsibilities; and
- Constructive dialogue between management and union to take care the interest of employees.

### **PERFORMANCE DURING 2012-13**

- No child labour employed;
- Various in-house programs on agriculture, marketing, general management, finance, technical, information technology, cooperative management, material management, workers development etc. have been conducted for employees;
- As on March 31, 2013, the society had 550 employees belonging to Schedule Caste, 52 belonging to Schedule Tribe and 683 belonging to other Backward Classes on its rolls; and
- Out of total employee strength of 6,130 as on March 31, 2013, Society had 163 women employees out of which 109 are in executive cadre.

### **III. ENVIRONMENT**

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

### **COMMITMENT**

- Towards maintaining the global ecology & environmental health;
- Towards environment and forestry development to enrich the quality of human life;
- Towards making the plants energy efficient which in turn reduces the greenhouse gases (GHG) emission to the atmosphere; and
- Towards acquirement, assimilation and adoption of reliable, efficient and cost . effective technologies for a greener environment.

### **SYSTEMS**

- ISO 14001 certification
- Tree plantation and green belt development
- Treatment of effluent/sewage water
- Rain water harvesting
- Implementation of various schemes to reduce energy consumption for production of Ammonia & Urea.
- Reduction of CO<sub>2</sub> Emission
- Compliance of the Environment management norms.

### **ACTION**

- A systematically designed green belt has been developed all around the operating plant complexes and on vacant land inside the factory premises and townships to keep the environment clean and natural;
- Effluent treatment plants had been installed;



- Sewage treatment plants had been installed to treat domestic sewage and use treated water for horticultural purpose;
- Installed eco-friendly vermi-culture system for treatment of solid waste of township;
- Rainwater recharging pond/well has been installed for rain harvesting to increase the water table of ground water;
- Reduction in CO<sub>2</sub> emission through following schemes:
  - Various measures are being implemented in Ammonia & Urea plants at Kalol, Aonla and Phulpur units to reduce consumption of Natural Gas/Naphtha;
  - Fuel and Feed switch from Naphtha to NG at Phulpur unit; and
  - Carbon Di-oxide recovery from flue gases at Aonla and Phulpur units.
- IFFCO promoted Indian Farm Forestry Development Cooperative Ltd. (IFFDC) with the objective of development of wasteland and to enhance the socio. economic status of the rural poor. IFFDC has transformed wasteland into forests in Uttar Pradesh, Rajasthan and Madhya Pradesh;
- All the five operating plants of IFFCO (Kalol, Phulpur, Kandla, Aonla & Paradeep) have been awarded ISO. 14001 certification for their Environmental Management System including Township of Kalol, Aonla and Phulpur units, CORDET and Hospital at Phulpur unit. IFFCO Phulpur, Aonla, Kalol & Paradeep are OSHAS certified;
- The Energy Efficiency Improvement Schemes have been implemented in all the Ammonia plants located at Aonla, Phulpur & Kalol. This will reduce the consumption of steam per Tonne of Ammonia and thus will reduce the emission of Green House Gas (GHG) emissions in the atmosphere by around 0.3 million ton CO<sub>2</sub> per annum and has been consider under Clean Development Mechanism project of Kyoto Protocol of United Nations; and
- The scheme to change over from high carbon intensive feed & fuel to Natural Gas has been implemented at Phulpur plant to reduce Green House Gas (GHG) emissions in the atmosphere by around 0.5 Million



Tonne CO<sub>2</sub> per annum and has been consider under Clean Development Mechanism project of Kyoto Protocol of United Nations.

### **PERFORMANCE DURING 2012-13**

- India edition of Fortune Magazine placed IFFCO at 1<sup>st</sup> position in the Fertiliser and Agro Chemicals category and 36<sup>th</sup> position in the overall rankings for the year 2011. IFFCO is the only cooperative society amongst the top 50 Indian companies in this ranking;
- Aonla Unit bagged the "Certification of Appreciation" by National Safety Council of India -Safety Award - 2011 in recognition of Appreciable achievement in occupational Safety & Health during the assessment period of three years from 2008-2010.;
- %Best Production Performance Award for Nitrogenous Fertilizer Plant" by Fertiliser Association of India (FAI) was awarded to Phulpur Unit;
- Runner-up Award for "Environment Protection Award" under the Nitrogenous fertiliser plants category for the year 2011-12 by Fertiliser Association of India (FAI) was awarded to Aonla Unit;
- "Excellence in Energy Management 2012 was awarded by Confederation of Indian Industry (CII) to Phulpur Unit.;
- Phulpur Unit bagged 2<sup>nd</sup> prize in %National Energy Conservation Award-2012+from Bureau of Energy Efficiency, Ministry of Power.
- Phulpur Unit bagged the %Golden Peacock Environment Management Award 2012+ for excellence achieved towards preservation of Environment. IFFCO Aonla Unit bagged the 13<sup>th</sup> Annual Greentech Environment Award . 2012 under Gold category for outstanding achievement in Environment Management + in fertiliser sector from the Greentech Foundation
- "Excellent Energy Efficient Unit" award under %National Energy Management Award . 2012+by Confederation of Indian Industry (CII) was bagged by Phulpur Unit;



- Paradeep Unit clinched the prestigious "Best Technical Innovation actually implemented in the field of Fertilisers Production Technology for the year 2011-12 " by Fertiliser Association of India (FAI);
- Paradeep Unit was adjudged Winner of the "Environment Protection Award-2012" under the NP/NPK Complex fertilizer Category for the year 2011-12 by Fertiliser Association of India (FAI)
- 12<sup>th</sup> Annual Greentech Environment Award . 2011+ in Gold category in Fertilizer sector for outstanding achievement in Environment Management was bagged by Paradeep Unit;
- National Water Management Award . 2012+ and being judged as "Water Efficient Unit" by Confederation of Indian Industry (CII) was awarded to Paradeep Unit;
- Aonla Unit bagged the National Level Certificate of Merit Award+ for Innovative Training Practices 2011-12 from Indian Society for Training and Development, New Delhi.
- Aonla Unit bagged the Golden Peacock National Training Award-2012+ for initiatives and achievements in the field of training excellence.
- IFFCO received Top 100 CISO Award 2012 for IT Security;
- IFFCO won the first prize for its publication Golden Harvest+ from the Public Relations Society of India .
- IFFCO won the Skoch Digital Inclusion Award-2012+.
- Greenbelt development in and around the factory and township premises are as under:
  - Kalol Unit: 56.44 acres area is covered under greenbelt which is 19.38% of the total plant area. IFFCO has assisted development of surrounding villages by distributing 4000 horticulture and 4000 forest trees.
  - Phulpur Unit: 304.17 acres is covered under greenbelt of which 34.61% is owned by industry.



Aonla Unit: 452 acres is covered under greenbelt of which is 35% of the total area owned by industry. In the year 2012-13, 5066 saplings have being planted to fill the gap and replacement of dead wood trees.

Kandla Unit: 15 acres is covered under greenbelt which is 9.20% of total plant area while additional 58.50 acre land has been covered outside plant area.

Paradeep Unit: 70 acres is covered under greenbelt which is 4.51% of the total area owned by industry.

- IFFDC have transformed around 28,000 hectare wasteland area into forests by promoting 147 village level Primary Farm Forestry Cooperative Societies (PFFCS). These PFFCS cover about 28,500 members, out of which about 38% are land-less and 51% small/marginal Farmers; and
- IFFDC in association with National Bank for Agriculture and Rural Development (NABARD) and concerned State Governments has also been implementing Wadi Projects (Small Orchards) in Rajasthan, Chhattisgarh, Madhya Pradesh, West Bengal and Andhra Pradesh to ensure economic and nutritional security in tribal area. Further, to develop ecological resilience, 15 Watershed Development Projects in collaboration with NABARD and State Governments are being implemented to cover 26,987 hectare land in Madhya Pradesh, Chhattisgarh, Andhra Pradesh and Rajasthan.

#### **IV. ANTI - CORRUPTION**

**Principle 10:** Business should work against corruption in all its forms, including extortion and bribery.

#### **COMMITMENT**

- Towards transparency, accountability and integrity in principle and practice;



- Towards fostering a culture of trust, openness and mutual concern; and
- Stressing on preventive vigilance to curb corruption by increasing awareness about the system prevailing.

## **SYSTEMS**

- Full-fledged Vigilance department in each factory and marketing division directly reporting to Chief Vigilance Officer (CVO) posted at Head office.

## **ACTION**

- Vigilance division headed by Chief Vigilance Officer ensures the transparency in various functions viz; procurement, contracts, discipline etc. and directly report to the Chief Executive of the Society.

## **PERFORMANCE**

- The procurement files are reviewed / audited and examined on random basis;
- All officers are required to submit return annually on the immovable properties in their possession; and
- All officers are required to submit information on purchase of movable property exceeding Rs.15,000/- to the vigilance department within one month from date of such transaction.