



OUR COMMITMENT TO UN GLOBAL COMPACT

“COMMUNICATION ON PROGRESS”

JUNE 2010

TATA PIGMENTS LIMITED

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June 23, 2010

COMMUNICATION ON PROGRESS

Introduction

Tata Pigments Limited has been a signatory to the United Nations Global Compact since 2007. We are committed to the ten principles of the Compact which foster better corporate responsibility in the areas of human rights, labour, environment and anti-corruption.

This Communication on Progress provides an insight into our recent activities in support of the Global Compact's objectives.

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. This code of conduct is signed by all our officers and most of our employees and has been shared with our suppliers and customers too.

For further information of the Company, please visit our website www.tatapigments.co.in

For and on behalf of
Tata Pigments Limited

A handwritten signature in dark ink, appearing to read 'P. Sarode', is written over a light blue rectangular background.

(Prakash Sarode)
Managing Director

June 23, 2010

U N GLOBAL COMPACT
Communication on Progress

(A) HUMAN RIGHTS:

Principle 1: Support and respect the protection of internationally proclaimed human rights.

Principle 2: Make sure that they are not complicit in human rights abuses.

(A1) Company's Policies affirming the Principles:

Tata Group has a common code of conduct for its companies, which is a shared set of ideals and beliefs that govern and guide the business. Tata Code of Conduct 2008 is a guide to each one on the values, ethics and business principles expected from each one. The Code consists of 25 principles as detailed below, which enshrine the human rights principles, the commitment towards environment protection, adherence to labour standards and anti-corruption.

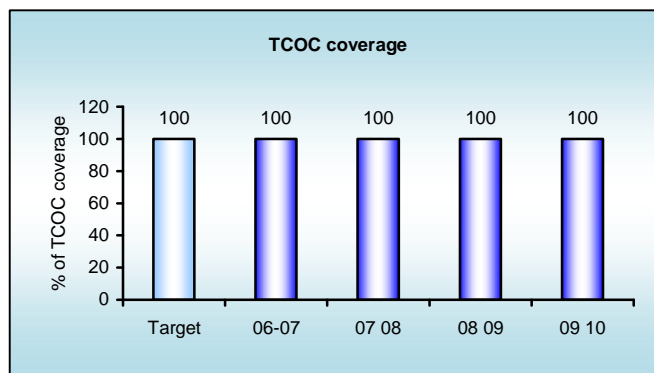
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|-------------------------------------|--|
| 1. National Interest | 12. Public Representation of the Company and the Group |
| 2. Financial Reporting and Records | 13. Third Party Representation |
| 3. Competition | 14. Use of the Tata Brand |
| 4. Equal Opportunities Employer | 15. Group Policies |
| 5. Gifts and Donations | 16. Shareholders |
| 6. Government Agencies | 17. Ethical Conduct |
| 7. Political Non-alignment | 18. Regulatory Compliance |
| 8. Health, Safety and Environment | 19. Concurrent Employment |
| 9. Quality of Products and Services | 20. Conflict of Interest |
| 10. Corporate Citizenship | 21. Securities Transactions and Confidential Information |
| 11. Cooperation of Tata Companies | 22. Protecting Company Assets |
| | 23. Citizenship |
| | 24. Integrity of Data Furnished |
| | 25. Reporting Concerns |

The Team comprising the Managing Director and Chief Ethics Officer, Ethics Counsellor, Departmental Heads are in charge of resolving any concerns that are reported within the Company.



(A2) Company's Initiatives to support the Policies and outcomes:

- Tata Code of Conduct (TCoC) includes a clause on Human Rights, advising every employee of a Tata Company to preserve the human rights of every individual and the community and strive to honor commitments. Total No. of employees (top to bottom) is 185. All employees undergo training on TCoC. The Code is posted on the company's Website www.tatapigments.co.in and printed copies are distributed to all employees, dealers and major suppliers. All employees of Tata Pigments have submitted a written declaration to abide by the TCoC in letter and spirit. Systematic procedure has been established for receipt and resolution of concerns raised on TCoC by any stakeholders of Tata Pigments.



- Employee Grievance Redressal, a part of the Human Resources Management Department, reviews and addresses the grievances of employees.

No human rights violation case has been reported till date.

- Established Disciplinary Procedure enumerated in the Works' Standing Orders (WSO) of the company deals with any violation on Human Rights. WSO is applicable to all employees and have been communicated to all employees at the time of joining the company. Besides, there is an Officers Rules abiding all officers of the company.
- Contractors' works for the company are required to follow the guidelines such as the Safety Rules and Regulations, Payment of Minimum Wages Act and Provident Fund and Miscellaneous Provisions Act. No Child Labour is employed.
- Occupational Health and Safety issues related to various operations are systematically reviewed and improved through certification to OHSAS-18001:2008 which is audited thrice in a year by Internal Certified Auditors and once internationally accredited external authority. Clause 8 of TCoC also deals with the subject.
- The Company not only provides medical facilities to its employees but also conducts free Medical Camps with registered doctors and pathologists in the adjoining villages for underprivileged class of the society under "Mother & Child Care".



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टाटा पिगमेंट कर्मचारियों के लिए योग और ध्यान शिविर आयोजित

जमशेदपुर : टाटा पिगमेंट लि. अपने कर्मचारियों को स्वास्थ्य योग मुक्त एवं तनाव मुक्त रखने के लिए पहली बार कंपनी के प्रमगण में योग एवं ध्यान शिविर का आयोजन किया। इसका संचालन झारखंड के प्रसिद्ध योगिक संस्था नाहा योगाश्रम सेवा ट्रस्ट द्वारा किया गया।

शिविर का उद्घाटन करते हुए टाटा पिगमेंट के प्रबंध निदेशक प्रकाश संग्रहे ने कहा कि योग ही एक ऐसा साधन है जो सबसे सहज और सरल है। इसके रोज अभ्यास से हम रोग, तनाव मुक्त जीव यापन कर सकते हैं। श्री संग्रहे ने कहा कि आज के समय में बच्चों में लेकर बड़ों तक सब तनावग्रस्त हैं। तनाव के कारण



टाटा पिगमेंट में योगाभ्यास कराते योगाचार्य प्रणव नाहा।

ध्यान साधना।

शिविर का संचालन योगाश्रम सेवा ट्रस्ट के संस्थापक सह योगाचार्य प्रणव नाहा एवं उनके सहयोगी सुभाष सिंह कर रहे थे। योगाचार्य ने शिविर में योगिक सूक्ष्म व्यायाम व आसन में कुछ सामने झुकने और कुछ पीछे झुकने का आसन, कुछ साईड मुड़ने वाला आसन का अभ्यास कराया। शिविर में ट्रस्ट के उपाध्यक्ष कुष्णकांत झा, मानद सचिव श्री के बसु, कोषाध्यक्ष सत्यनारायण मिश्रा ने योगाभ्यास में सहयोग कर गलतियों को सुधार रहे थे। धन्यवाद ज्ञापन टाटा पिगमेंट के सत्यनारायण मूर्ति ने किया। वह जानकारी ट्रस्ट के प्रचार प्रभारी पंडित किशोर चटर्जी ने दी।



Mobile Clinic



Eye Camps

First Aid Training Programme

First aid training programme was organized to refresh the existing First Aiders and also to increase the team members to take care of in case of any eventuality not only within the factory premises and duty hours but also at any time and anywhere.



Dr. N. C. Mahanta and Mr. A. K. Singh, Technician, from our parent company Tata Steel Occupational Health Centre imparted training to our employees.

- To support continuing education particularly to under privileged class – SC/ST, the company sponsors scholarships under Affirmative Action.

(B) LABOUR STANDARDS

Principle 3: 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;



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Principle 5: The effective abolition of child labour;

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

Key community	Need assessment	Support (workforce)	Support leaders	Programms	Outcomes
Neighborhood of the manufacturing unit	NGOs, Local administration DC, Health,	Volunteering and monetary contribution	Monetary support, and volunteering and participation Review	Mother & Child Care unit at Bagbera, Contribution to Netra Jyoti Mahayagna – eye camps; Aid awareness programmes for school children & community, vocational training, Blood donations, Family Planning initiatives through FPA of India, & IRS, contribution to NGOs and philanthropic organizations	Community satisfaction, health and improving quality of life
Larger Community	Group Guidelines, Human development, Affirmative Actions, Support during Natural calamities	Monetary contribution and volunteering	Monetary contribution and volunteering Review	Scholarships for Education, Training for employability, support for health, contributions for national calamities and rehabilitation programmes through Tata Relief Committees and Indian Red Cross Society,	National Interest; Education to underprivileged
Others groups	Finances, ideas	Participation	Resource availability and participation	Sponsorships of programmes, participation in deliberations etc.	New developments and recognitions
Key community needs, support, programmes and outcomes					

(B1) Company's Policies affirming the Principles:

- Tata Pigments Works Standing Orders
- Tata Pigments Officers Rules
- Tata Code of Conduct – Clause 4 on Equal Opportunity Employer

(B2) Company's Initiatives to support the Policies and outcomes:

- Tata Pigments abides by the prevailing regulatory laws, in India. Its Human Relations and Industrial Relations practices allow collective bargaining. All employees other than officers are represented by the Tata Pigments Workers' Union. Collective bargaining issues are discussed with the Tata Pigments Workers' Union on regular basis.
- The Joint Works Council (Union & Management) meets periodically to discuss issues like productivity, quality, safety, environment and employee well being issues.
- Dialogues and meetings with the Union members, proactively deliberates issues of possible area of conflicts and creates a congenial environment in pursuit of corporate sustainability.
- As per the laws of the land, forced and compulsory labour is prohibited and Tata Pigments fully abides by the law. Senior Leaders and Ethics Counsellor periodically review any violation of such requirements.



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- As per the Works Standing Order of the Tata Pigments Limited, minimum age required for the employment is 18 years and hence the company engages no Child Labour. The recruitment process requires furnishing of appropriate proof of age to ensure conformance to the age bar.
- All dealers, suppliers and contractors who work for the company are required to follow the guidelines of no Child Labour employment and Contract Labour (Regulation & Abolition) Act.
- The company is committed to be an equal opportunity employer – Clause 4 of TCoC and follows the company policy which states that employment will be solely based on eligibility and merit of the applicant without any discrimination against their gender, race, religion, caste, colour, ancestry, marital status, nationality and disability.
- The Tata Code of Conduct emphasizes equal opportunities and non-discrimination. The company Ethics Counsellor monitors concerns raised on discrimination in its activities, services and products. During the year no concern was received on discrimination or violation of the Code of conduct or Policy.

(C) ENVIRONMENT

Principle 7: Support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility;

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



Environment - Works Garden



World Environmental Day Function





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(C1) Company's Policies affirming the Principles:

- Tata Pigments Environmental Policy
- Tata Pigments Corporate Sustainability Policy
- Tata Code of Conduct Clause 8 & 9

(C2) Company's Initiatives to support the Policies and outcomes:

- Tata Pigments uses proactive approach towards minimizing environmental impact in manufacturing processes.
- Tata Pigments uses environment-friendly technology in the manufacture of its products and ensures that all operation and activities not only conforms to statutory regulations but also strives to go beyond the regulatory norms. Tata Pigments continuously upgrades its manufacturing technology to reduce environmental impact, energy consumption, improve productivity and quality – Clause 8 and 9 of TCoC.



"Direct Red Precipitation Process", a modern technology was introduced for manufacturing Synthetic Red Oxide Pigments.

- The present technology used by Tata Pigments has almost completely eliminated the emission of CO₂ & CO₃ gases.

Category	Elements	Unit	Permissible Concentration	Value Obtained	Frequency
1. Ambient Air	a. Dust Concentration (SPM) b. Sulphur di oxide SO ₂ c. Nitrogen Oxide (NOx)	mg/Nm ³ mg/Nm ³ mg/Nm ³	500 120 120	86.82 24.34 20.52	Halfyearly
2. Sewerage/ Trade Effluent	a. Temperature b. PH c. BOD d. Chemical Oxygen Demand (COD) e. Total suspended solid (TSS) f. Total Dissolved solid (TDS)	Deg. C --- mg/ltr. mg/ltr. mg/ltr. mg/ltr.	40 5.5 to 9.0 30 mg/ltr. 250 100 2100	28.0 6.5 28 220 72 576	Every Month
3. Stack Monitoring	a. Dust Concentration b. Sulphur dioxide (SO ₂) c. Nitrogen Oxide (NOx)	mg/Nm ³ mg/Nm ³ mg/Nm ³	500 120 120	84.48 51.76 33.18	Halfyearly
Tolerance Limit of Quality Standard					

- Tata Pigments is an Integrated Management System – ISO 9001; ISO 14001 and OHSAS 18001 certified Company.
- Tata Pigments promotes Rain Water Harvesting in its work place and effluents generated in the plant are being sent to Effluent Treatment Plant. Treated water is recycled and thus conserving water and reduces requirement of fresh water.
- Tata Pigments promotes greening and therefore to offset climate change and to promote environment awareness saplings are being planted by its officers and



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employees on various occasions. Clause 8 of TCoC specifically mentions about offsetting the effect of climate change in all spheres of its activities.

(D) ANTI - CORRUPTION

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

(D1) Company's Policy affirming the Principles:

- Financial reporting & Records – Clause 2 of Tata Code of Conduct;
- Gift Policy Clause 5 of Tata Code of Conduct;
- Whistle Blower Policy (WBP) Clause 25 of Tata Code of Conduct;
- Tata Code of Conduct, Clause 17: Ethical Conduct

(D2) Initiatives to support the Policies and results:

- Tata Pigments has systems of internal controls and procedures covering most of the financial and operating functions to detect corruption and frauds Clause 2, 18 & 24 of TCoC. It provides reasonable assurance about existence of proper accounting controls, preventing corruption, the reliability of financial and operational information.
- Board of Directors of Tata Pigments monitor and review Company's performance, Corporate Governance and Corporate Sustainability in its quarterly meetings.
- All Tata Pigments employees are committed to abide by the Tata Code of Conduct and all managerial employees have signed their commitment to abide by it. TCoC has specific clauses on Gift & Donations (Cl.5); Ethical Conduct (Cl.17). The Whistle Blower Policy encourages employees to raise genuine concerns and provides assurance to protect the Whistle Blowers from any subsequent harassment or retaliatory action. For this a Whistle Blowers Protection Committee has been constituted.
- Training on TCoC is made a part of the orientation programme of employees joining the company. All employees go through the reinforcement training on TCoC.
- All employees had participated in Management of Business Ethics (MBE) survey, which is used by the leadership team to review the effectiveness of business ethics programme and identify opportunities for improvement.

(Prakash Sarode)
Managing Director



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ENVIRONMENTAL POLICY

"TATA PIGMENTS" reaffirms its commitment to minimize the adverse impact of its operations on the environment. Towards achieving this goal, it shall endeavour to:

- ☛ Comply with all applicable environmental regulations at all time and to continuously improve upon its environmental performance.
- ☛ Ensure a clean environment by minimizing adverse effects of its processes and activities.
- ☛ Further reduce the pollution to a minimum possible level.
- ☛ Optimize the material utilization with increased use of industrial waste materials by recycling them in the process.
- ☛ Encourage and facilitate employees to carry out eco-conservation activities such as plantation, etc.

This policy has been communicated to all the employees and will be made available to the public.

1st August 2007


(Prakash Sarode)
Managing Director





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ENERGY POLICY

"TATA PIGMENTS" dedicates itself to efficient use of all forms of energy with a view to conserving natural resources and environment protection besides cost reduction.

It not only believes in adhering to regulatory norms of energy conservation, but always try to exceed them.

It is committed to reduce the plant specific energy consumption through operational excellence and other energy saving measures with total involvement of the entire workshop.

(Prakash Sarode)
Managing Director

1st August 2007



TATA PIGMENTS LIMITED

Integrated Quality, Environment & Occupational Health & Safety Policy

WE at TATA PIGMENTS LIMITED dedicate ourselves to "TOTAL QUALITY" with a commitment to produce and supply reliable and consistent quality Pigments and Flooring Colours. We are committed to enhance customers' satisfaction on a continuous basis through implementation of an effective Integrated Quality, Environment and Occupational Health & Safety Management System with Innovation, keen involvement of employees, upgradation of technology and human resource development.

OUR concern for environment as a responsible corporate citizen shall be based on the following values :

- Conduct all our operations in an environmental friendly manner.
- Compliance with statutory regulations and wherever possible exceeding the standards by continual improvement.
- Conservation of resources like raw materials, water and energy by minimizing their waste and promoting their recovery, recycling and reuse.
- Prevent pollution; protect and promote health and welfare of the employees, community and environment.
- Enhance the environmental awareness of the employees and general populace.

AS a responsible employer we shall give due importance to safety and occupational health of our employees based on the following guidelines:

- Preventing accidents, injury, ill health and loss of property.
- Implementation of and abiding by all statutory rules and regulations.
- Enhancing skill and knowledge of all the employees on all issues of safety and health.
- Undertaking continuous review and maintaining comprehensive safety and occupational health management system to achieve this goal.

WE seek the active involvement of our employees in successful implementation of this Integrated Management System Policy.

1st August 2007


(Prakash Sarode)
Managing Director