

**COMMUNICATION ON PROGRESS- 2013**

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**TATA SPONGE IRON LIMITED**  
**Bileipada, At/P.O.- Joda, Keonjhar, Orissa- 758034**



**MESSAGE FROM THE MANAGING DIRECTOR**

Ladies & Gentlemen,

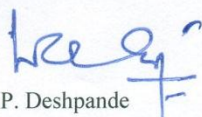
I am extremely pleased to inter-act with you in respect of our 6<sup>th</sup> Communication on Progress to the UNGC Society.

The year 2013 posed the steel and metallic industries several economic challenges. While creating opportunities to think and adopt innovating approaches, TSIL strives to face the challenges and doing its bit in upholding the values to ten governing principles for the cause of the universe.

I hereby reaffirm that my company believes Tata Group principles of serving the society in a balanced manner. The newly introduced Companies Act in India affirms the Tata Group values for serving the immediate society by spending 2% of the average Profit after Tax for past three years in different projects to ensure improvement in the lives of millions of the people in the country. We are encouraged by such initiatives recognized by the Government of India that fits in well to the Tata Group's basic principle of conducting business in the country and people. With such spending of different corporates the gap between haves and havenots would be bridged in times to come and the under-privileged would be brought to the main stream of the society.

TSIL is continuously making efforts to bring down energy consumption and reduction in emission of green house gases in sponge iron making. I am proud to say that TSIL has shown its leadership in the industry for the cause of climate change and global warming.

I once again affirm my faith on the initiatives of governing principles and adhering to the Tata Code of Conduct and the corporate governance framework adopted by the Tata Group. I wish, with the involvement of all concerned, we can prevent the deterioration to the globe while fulfilling the need for the development.

  
D.P. Deshpande  
Managing Director

**TATA SPONGE IRON LIMITED**  
**AT/PO. BILEIPADA, DIST : KEONJHAR, ODISHA – 758 038**



As a responsible corporate citizen, Tata Sponge Iron Limited recognizes the fact that the long-term future of the company is best served by addressing the interest of all its stakeholders in a balanced manner. To reinforce the Tata group's founder Jamshetji Nusserwanji Tata that *"In the free enterprise, community is not just another stakeholder, but is, in fact, the very purpose of its existence"*, we at Tata Sponge, have been over the years relentlessly pursued to improve the quality of life in its immediate surroundings. Thus social responsibility forms an integral part of its business.



In line with the ethos of the House of Tata's, Tata Sponge believes in "What comes from the people must go back to people, many times over...", thereby institutionalizing a well-defined comprehensive approach for community development that is linked to various national schemes and Millennium Development Goals. Even before a single ton of steel & mortar was used for the construction of the sponge Iron project, in the year 1983, Tata Sponge began its Corporate Social Responsibility journey in a humble way by venturing into massive tree plantation in & around the factory's periphery. With this afforestation program, today the >1.7 lakhs trees

form a thick foliage that stands out as a testimony of its' endeavor for environmental care and community concern.

All these years the company's periphery development work was within the five surrounding Gram Panchayat of Joda Block covering 38 villages, benefitting approximately more than 35000 inhabitants. The focus was on Education, Health & Sanitation, Drinking Water, Agriculture & Sports.



Subsequently with the allotment of a coal block at Chendipada in Angul where the project work is expected to start shortly, periphery development work in the 5 villages in the proximity of the operational area, have also started in full swing. The outreach of these initiatives will benefit 10000 villagers.

As a mark of company's values towards "Social Equity" and the culture of "Welfare to surrounding community", and to drive CSR at both the locations a dedicated department identifies the needs & aspiration of local community, develops & implements social welfare & periphery development programs in tandem with the beneficiary groups, and continuously explores opportunity for further improvement in the relationship & commitment towards them. To supplement this voluminous task of reaching out to the people, the company has established a Trust by the name Vidya Shakti Niyas (VSN) mostly spouses of officers as trustee; act as an extended arm of the company in fulfilling its obligation on social welfare schemes. In order to meet their portion of expenditure, this team of dedicated ladies operates & manages a brick manufacturing plant from the fly ash generated by the boiler plant of the company. The profit earned from its operation is exclusively utilized for the benefit of society in the area of Education, Employment & Employability, Entrepreneurship promotion, Health Care for Mother & Child. Thus Tata Sponge's effort to bring about a social transformation and work towards inclusive growth has been a turning point in creating a difference in the lives of the surrounding community.

An overview of various developmental initiatives undertaken during the past five years that are enumerated below depicts the company's intent and efforts in bringing about this change:

#### **Education:**

Through the education Programme TSIL has focused on strengthening the existing education system by bridging the gaps both in services and infrastructure. The various initiatives taken over the years is given in

the table below.

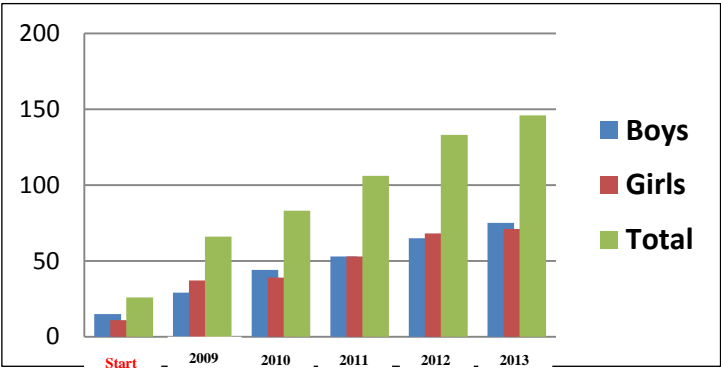
Facilities provided	Upto Dec. 13
New School building	14
Building renovation	10
Kitchen-cum-dining unit	5
Dual bench desk	1050
Boundary wall	18
Almirah / Book shelves	21
Water Filters	15



Scholarship / Financial Aid	Level	Beneficiary
Financial support to meritorious SC/ST students pursuing professional courses, through FAEA	National	1
Financial support to a local student for pursuing a 4 yr degree course at NIT, Patna	National	1
Tuition fee to Teachers for taking extra coaching classes for improving the standards of SC/ ST students in a nearby college	State	>50
Financial support for Financial Mgmt course in ICFAI, Bhubaneswar	State	1
2 years Technical course in Industrial Training Institutes (ITI)	State	26
Complete waiver of tuition fee for nursery students	State	10
Financial support to 2 ST student for her college academics	State	2
Financial support to 1 ST student for his 2 year MBA Course at Hyderabad University	National	1
Financial assistance to 1 ST student for 3-year diploma course at OSME, Keonjhar	State	1
Financial support to 1 ST student for 4-year degree engineering course at Bhubaneswar	State	1
Scholarship for poor students in Pry. Schools	District	7
Tuition fees for Extra Coaching Classes in +2 College	District	312

Adoption of village School:

In order to minimize school dropouts and to encourage children from the village to attend school, the Company has adopted a School project at Lahanda Munda Sahi village where 100% of the students belong to the Schedule Tribe (Munda) community. The school started in the year 2009 with only 26 students and over the period today the strength has increased to 133 students and the school currently conducts classes upto Class-V. The average attendance of >90% and there has been no dropouts.



The Company’s intervention has not only increased the total strength but has also augmented the number of girl child. Today an equal no. of girls are attending schooling.



### Community Health:

Taking in account the poor health condition and inaccessibility of many periphery villages, TSIL has undertaken community health programme focusing on both preventive and curative healthcare.

- Health checkup camps are held on regular basis focusing on both curative and preventive issues.
- In collaboration with Govt. programs community immunization, mother and childcare, nutrition supplements initiatives are conducted in regular intervals.
- Orientation of adolescent girls on reproductive healthcare.
- To promote hygiene and sanitation and further the National cause on total sanitation, several individual household toilets (30 nos.) have been constructed.
- To address one of the major issue i.e. malaria, mosquito nets have been distributed (15,000) in these villages and fogging in the villages are regularly undertaken.
- Cancer and Tumor operation cases were supported in case of poor and marginalized families.
- Periodic health checkup camps in the schools for early detection of disabilities.
- Promotion of voluntary family planning with emphasis on “Small Family is Happy Family”. The men and women in the reproductive age group are encouraged to adopt safe contraceptive methods.
- The employees engage themselves for volunteering and participate in ICDS Block level camps.
- World AIDS Day is celebrated annually through Employees CSR Volunteering Camps in the villages.



### Livelihood Promotion:

Considering Joda is predominantly a mining area, where agriculture receives least priority, The Company has made conscious effort to promote agricultural livelihood generation practices.

- Promoted 4 Kissan SHGs and provided Power Tillers.
- Conducted orientation programs on Agarwati, Soap and Phenyl making and supported for marketing of their products.
- Girls from underprivileged families are sent for Nursing / Tailoring trainings.
- Duckery and Paper packet training are given to the villagers for generating additional livelihood.
- Seasonal vegetable Seeds are distributed to encourage vegetable farming.



**Affirmative Action:**

The Company promotes inclusion of the underprivileged SC/STs community through its Affirmative Action Programme under the 4 Es.

- Tuition fees was given for SC/ST students in MGS College, Naradpur
- Scholarship was given to TWO needy and outstanding students pursuing their 3 year Diploma Engineering course in OSME College and 4 year Degree Engineering.
- Scholarship provided to 5 ST students in Sarswati Sishu Mandir at Beleipada
- Stipend given to 10 ST ITI Apprentice Trainees.

**Culture & Sports:**

- Volley ball, Valley ball net, football and other sports materials were provided to the youth groups and supported to various sports and tournaments both at Joda and Angul.
- Various local puja, festivals, cultural meets supported during this period.

**Environment:**

- Awareness and Sensitization programmes were undertaken for the school children and rural youths and TSIL internal staff on plantation, use of biodegradable and recyclable products.
- Series of plantation programmes were organized on the community land, school campuses, and colonies, involving the school children, Youths and TSIL staff.

**Miscellaneous / Other:**

- Street lights provided in 42 locations, which are used as street lights, lighting at Panchayat bhawan, and other community locations, which are managed by the community representatives and respective institutions.
- Supported administration and people's need outside the project areas in the form of supporting seminar, workshops, etc

**DRINKING WATER:**

The Company over the years has provided the following safe drinking water units in and around the 38 villages, benefiting 32000 villagers :

Tube wells: 90	Ring wells: 45	Deep bore wells: 18
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Besides the Company undertakes preventive maintenance of all these drinking water units for availability of water round the year.





Principles	Company’s Policy	Key Results & Measurement
Human Rights		
<b>Principle – 1</b> Business should support and respect the protection of internationally proclaimed human rights  (HR 1,2,3,4)	<p>We review our HR policies periodically to ensure that human rights are not violated.</p> <p>✓ We ensure that contractors do not employ child labourers in our premises.</p> <p>✓ Factories Act &amp; Rules, Contractor Labour (R&amp;A) Act &amp; Rules are strictly adhered in terms of working hours and welfare</p> <p>✓ TATA Code of Conduct</p> <p>✓ Human rights issues</p> <p>✓ We ensure that all contract labourers get minimum wages.</p>	<p>✓ We have standard operating procedures, contractors produce list of laborers with their age/identity proof with photograph. After verification get passes issued to enter to work premises. Security personnel check the get passes on regular basis to ensure that no delicacy and no child labour entering to work premises.</p> <p>✓ In terms of working hour we are abide by Factories Act &amp; Rules, Contractor Labour (R&amp;A) Act &amp; Rules. Each shift runs for eight hours. In terms of welfare amenities we have provided subsidized canteen facility to company employees and free canteen facility to contract workers. We are maintaining both the canteen as per factories act and ISO norms and conditions. All the employees are provided restroom inside the work premises. Contractor workers are provided with rest male and female rest shed and male and female bath house inside the plant premises.</p> <p>✓ A copy of Tata Code of Conduct has been given to each employees working in our company. To create awareness, classes are being taken on regular basis to reinforce its clauses, training programme named as “JAGRUTI” for company employees and “ADHAR” for contract workers are being taken on regular basis.</p> <p>Every department is being advised to discuss clauses of TCoC in their monthly departmental meeting.</p> <p>✓ We have a HR committee functioning properly which reviews human right issues on regular basis. In every coordination meeting human rights issues are taken care.</p> <p>✓ To ensure that all contract labourers are getting minimum wages, we verify monthly wages register duly sign by their contractor and workers. Monthly wages to the labourers are disbursed in the presence of company’s authorised representatives to ensure that there is no violation. A survey is being conducted every year to know that the contract workers are getting right wages in right time.</p>





<p><b>Principle – 2</b> Make sure they are not complacent to human rights abuses  (HR 2,3)</p>	<p>We emphasize on bipartite / collaborative / consultative decision making to address HR issues proactively to avoid conflict with the union and Associates.</p> <ul style="list-style-type: none"><li>✓ Company’s business relations.</li><li>✓ Various bipartite foras representing Management &amp; Associates</li><li>✓ Statutory Committees</li><li>✓ Due diligence on human rights like safe working condition and on the job safety</li></ul>	<ul style="list-style-type: none"><li>✓ Before engaging any agencies in our business we thoroughly verify their ethical practices, including compliance to all statutory regulations.</li><li>✓ We have various Bipartite Committee representing Management and Associates to resolve various issues and bring out development. We have committee like JCCM, JDCs, Welfare committee, safety committee, canteen management committee. Town development committee, grievance redressal committee, Prevention of Sexual Harassment Committee, house allotment committee, medical committee and provident fund committee.</li><li>✓ We have statutory committees like safety, canteen and health that review and resolves various grievances related to statutory.</li><li>✓ To ensure safe working condition, we have process identify hazards on regular basis and assuring corrective and preventive actions to the identified hazards. Imparting regular safety training to the work force. Periodical inspection of workplace is followed by line Management.</li></ul>
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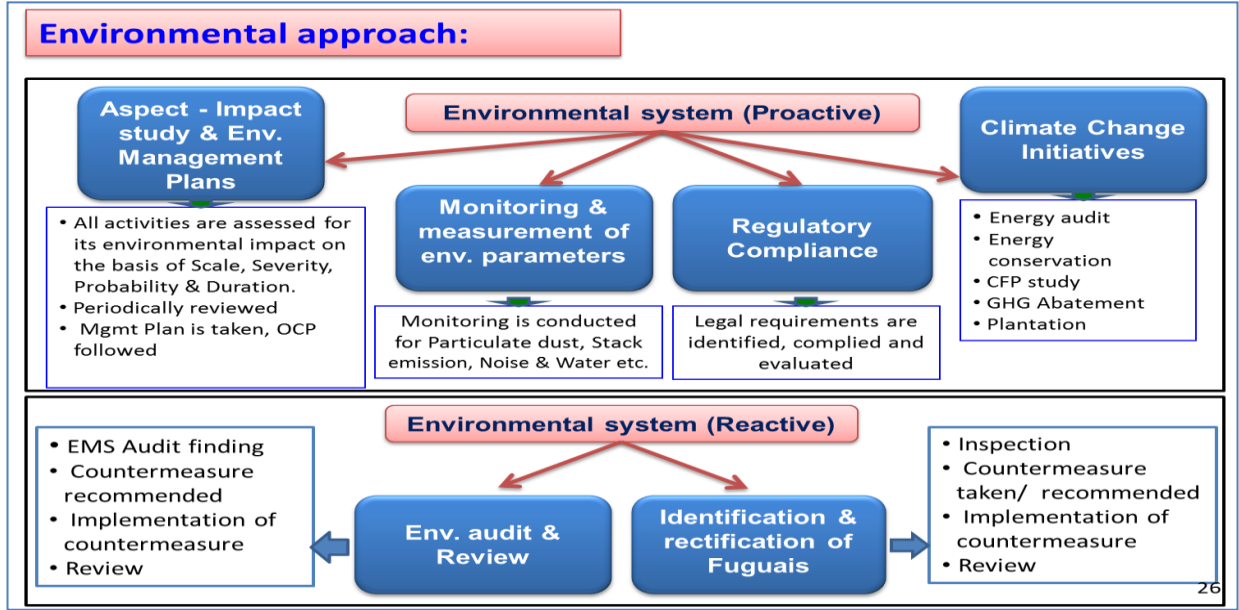
Principles	Company’s Policy	Key Results & Measurement
<b>Labour Standards</b>		
<p><b>Principle – 3</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>All statutory labour laws are implemented and we have a process to review the statutory compliance by a core committee constituted by the Management.</p>	<ul style="list-style-type: none"><li>✓ Focus is given to settle common issues of Associates through collective bargaining forum being represented by equal representative from Management &amp; Associates. Several bipartite agreements are arrived at through this kind of forum.</li><li>✓ In the process of participative management council equal participation of Management &amp; Trade union representatives are ensured by the management.</li></ul>



<b>Principle – 4</b> The elimination of all forms of forced and compulsory labour  (HR 5, 7LA 3, 4)	No forced & compulsory / under aged labour are deployed. This is being ensured through various check post like Security/Safety/HR.	✓ Engagement of contract labourer / indirect employment is in line with contract labour regulation & abolition Act. There is no violation or any forced / compulsory entry of labour force inside the factory premises. ✓ Interstate migrant (CL) are given equal opportunity on human rights including remuneration.
<b>Principle – 5</b> The effective abolition of child labour  (HR 6)	All contractors / suppliers are informed not to deploy child labour / under aged personnel. Our standing order also restricts engagement of child labour / under aged labour.	✓ Our hiring policy reflects transparency and focus on equal opportunity by Employer. ✓ Company ensures engagement of labour over 18 years of age including in its township. ✓ In process of abolition of child labour in plant and township, we ensure school drop out for readmission in the school through CS activity.
<b>Principle – 6</b> Eliminate discrimination in respect of employment and occupation.  (HR 4, LA 10,11)	We honestly follow TATA Code of Conduct, also practice role of equal opportunity employer.	✓ Company’s hiring process evidences that no discrimination prevails on account of age, sex, locality, caste, creed, religion. ✓ Company doesn’t discourage for employment of physically challenged people.

**Principle – 7**  
Business at Tata Sponge - supporting a precautionary approach to environmental challenges

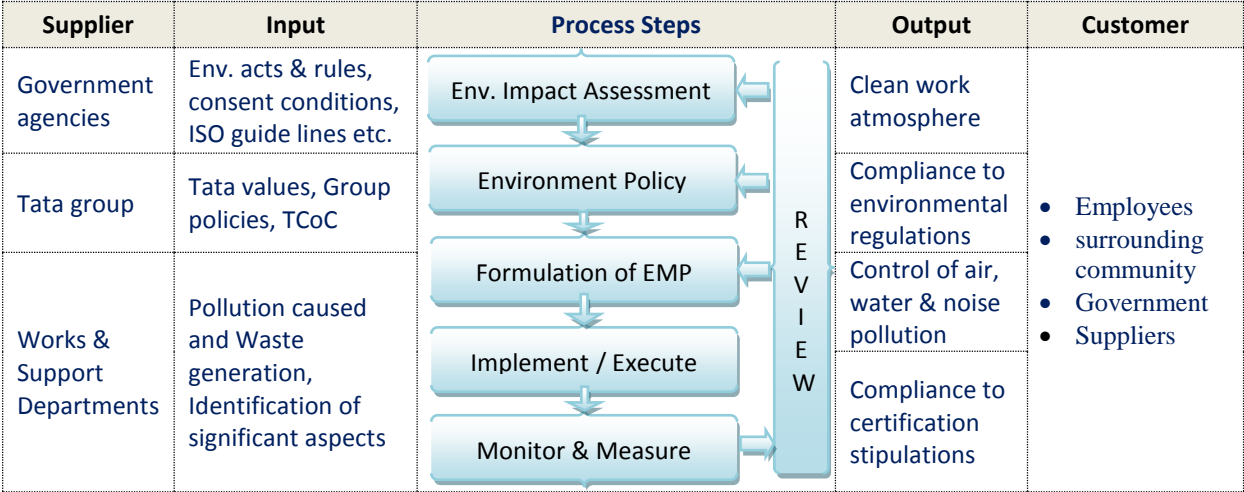
Tata Sponge Iron Ltd. addresses its productivity in harmony with nature. Manufacturing of sponge iron mainly contribute dust pollution to the environment. Due to handling and processing of bulk dry solids such as iron ore, coal and sponge iron, particulate matter is generated. To combat with this dust pollution, Tata Sponge has taken several measures in place. By these company is fully compliant with all the regulatory norms and conditions laid by SPCB, CPCB and MoEF. Safety, Health & Environment (SHE) is identified as





major Key Business Process at the company and is formally documented in SHEQ apex manual. With defined Roles & Objectives and Operational Control Procedures, entire process is mapped. The key performance indices (KPI) and key activity indices (KAI) are reviewed periodically at different levels for effectiveness and efficiency of the process. The best industry practices for environment protections are deployed during plant operations and also during project activity.

Level-1 Process of EMS at Tata Sponge is as given below.



Tata Sponge Iron Ltd. is the first coal based Sponge Iron plant in the country to have achieved ISO-14001:1996 version certification on 28<sup>th</sup> March 2003. Subsequently the company achieved certification of ISO-14001:2004 version in the year 2006.

Environmental Policy of Tata Sponge iron Limited is as produced below:

ENVIRONMENTAL POLICY

Tata Sponge Iron Limited is committed to sustainable and continual improvement in its activities pertaining to the handling of raw materials, production & marketing of sponge iron and power; so as to achieve ever improving legal, environmental and all other compliance standard and provide clean environment to its employees and the society.

To this end, it will

- Identify the impact of its activities upon the environment.
- Prepare an annual environmental improvement plan and implement.
- Communicate the policy, plan and performance to persons working for or on behalf of the organization and also make it available to public as and what is applicable.

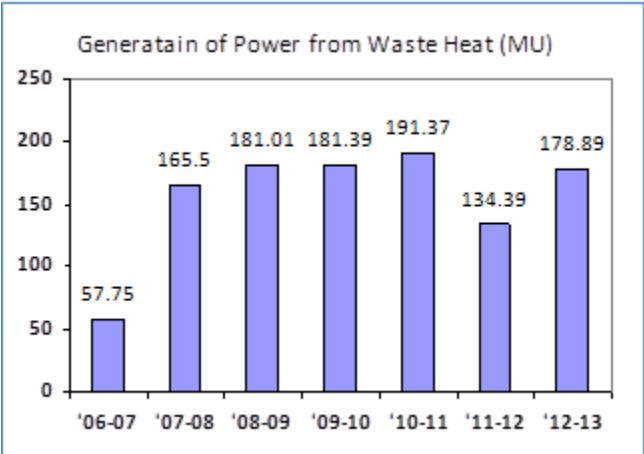
1st May, 2013

(D.P Deshpande)  
Managing Director

Highlights of Environmental Performance as a support to Business by ‘Going Green’

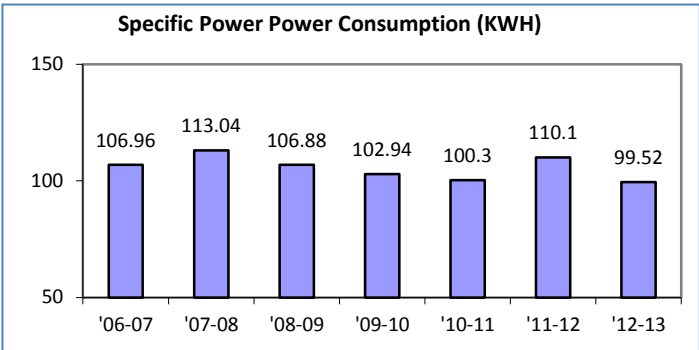
Power generation from waste heat :

Tata Sponge is generating 26 MW power from waste heat, which is emanating during production of Sponge Iron. After utilizing this power for it captive use (about 7MW), the excess power (19 MW) is exported. This power generation replaces fossil fuel based power generation and thereby reducing the emission of GHG, SOx, NOx etc.). Power generation from waste heat during last several years is shown here.



Reduction in Energy Consumption :

TSIL’s drive to reduce energy consumption thro’ various initiatives such as introduction of VVVF drives, improvement in power factor, replacing high capacity drives by low capacity ones, replacing higher watt incandescent electric bulbs with low watt energy efficient CFL bulbs, bringing awareness among users to consume



less power and the overall focus on conserving power has resulted in a decreasing trend in specific consumption of power in DRI produced. Specific power consumption per ton of sponge iron production for last several years is shown.

Assessment of Carbon Foot Print :

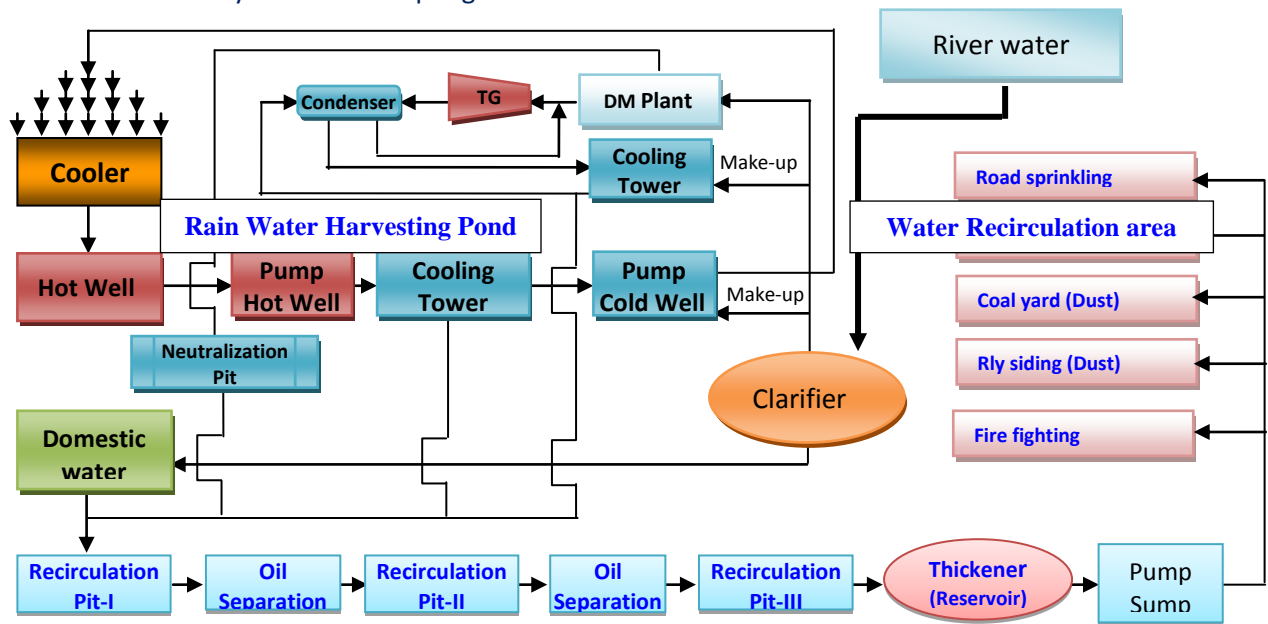
Towards the perspective of Climate change, every year Tata Sponge assess it Carbon Foot Print for taking necessary actions to reduce its GHG emission. Initially company made an agreement with Ernst & Young to ascertain its Carbon Foot Print, later an independent study was conducted by Tata Quality Management Services (TQMS). From 2009 onwards company is conducting its carbon foot print study by its own climate change champions, who are specially trained by TQMS. The standard followed is the GHG protocol convened by the World Resource Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). TSIL is in the process of implementing various abatement levers on the basis of assessment for



reduction of CO2 emission.

Water Conservation:

Tata Sponge does not discharge any water to outside its premises. Cooling water is re-circulated in the system. Entire waste water generated is used for dust suppression on roads, raw material as well as solid waste dump yards and gardening purpose after primary treatment. Given below is a schematic of waste water treatment system at Tata Sponge.



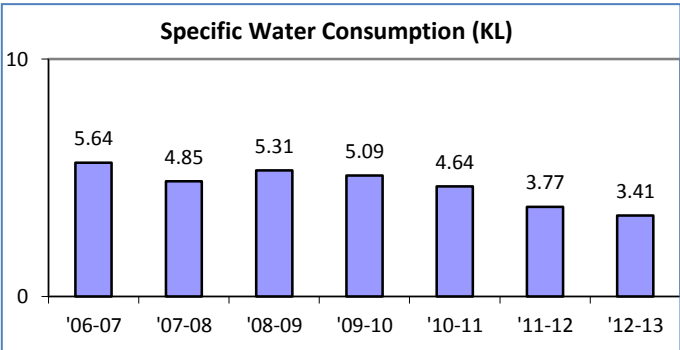
Rain Water Harvesting Pond



Water Recirculation area

Main facilities used for control Water Pollution & Water Discharge are:

- Cooling towers and recirculation pumps
- Neutralization pit and pumps for recirculation
- Settling pit and pumps for recirculation with electronic float system for auto recirculation.
- Oil separation pits at recirculation pond



Company is doing water harvesting for ground water percolation as well as water utilization. In addition to the

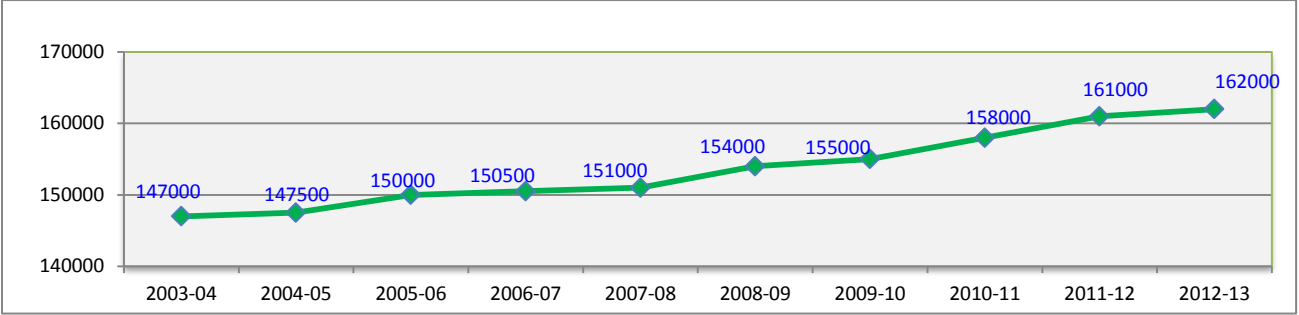
previous water harvesting arrangements, TSIL has added one more huge water harvesting facility within its premises during 2012-13 at an expense of INR 70 lacs, after conducting the resistivity survey and feasibility study of the area. The water consumption (in KL/MT of DRI produced) is as below.

Principle – 8

Initiatives undertaken to promote greater environmental responsibility

Afforestation / Tree Plantation:

In last several years Tata Sponge has transformed a completely barren land into a green patch and eco zone. The company has planted more than 1,62,000 trees since its inception with survival rate of about 94%. Plantation of trees remained as one of TSIL’s major priorities since its inception. Given below is a graphical representation of the year-wise plantation (Cumulative) taken up by Tata Sponge over the years.



SATTELITE VIEW OF TATA SPONGE

Waste utilization:

**Use of Waste heat :** Tata Sponge is generating 26 MW power from waste heat, which is emanating during production of Sponge Iron. After utilizing this power for it captive use, the excess power is exported. By generation of power through waste heat, lot of coal (Non-renewable natural resource) is saved which are calculated as follows:



Year	Total power generation (KWH)	Coal saved (MT) KWH x 0.9 /1000
2009-10	181392700	163254
2010-10	191370600	172233
2011-12	134395300	120956
2012-13	178868700	160982

**Use of ESP dust:** The ESP waste generated from the DRI plants is used for manufacturing bricks through FAL-G technology. No heat is required for manufacturing of these bricks, thus conserving natural resources such as coal and soil. ESP dust is also used during concreting of roads and platforms.

**Use of Char:** The non-magnetic char generated as a solid waste from the DRI plants at TSIL is sold to the private entrepreneurs for their industrial use (Cement, AFBC, sponge iron etc.).

**Used Oil & Batteries:** TSIL does not produce any hazardous waste except used oil and batteries. All the used oil is collected from different user points and sold to authorized dealers (approved by Central Pollution Control Board-CPCB) for further processing at their end. The old batteries are sold to authorized dealers through buy back system.

**Use of Canteen wastes:** Food and vegetable wastes collected from canteens are used for generation of Biogas, which is used as fuel for cooking purpose.

Principle – 9

Development and diffusion of environmentally friendly technology - Use of cleaner & greener processes:

- Ensured ‘Zero’ discharge of waste water, 100 % waste water is re circulated

Company does not discharge any waste water to outside its premises. Cooling water is recalcultated in the system. Other wastewater is used for road cleaning, coal yard dust suppression etc. after primary treatment.





- **Water Harvesting for ground water percolation and utilisation**

Company is doing water harvesting for capturing rain water for its utilization and also for ground water percolation. In addition to the existing water harvesting, TSIL has added one more huge rainwater harvesting facility within its premises. Also roof rain water is collected in a big tank and water is utilized for cooling purpose.



- **High capacity semi-automatic brick manufacturing machine capable to convert 100 % ESP dust (Waste) for making bricks.**

Company initially installed 4 brick manufacturing machines with a capacity of 8000 bricks/shift/machine to convert its ESP generated Fly ash into useful bricks. During the year 2012-13 company has installed one semi-automatic brick manufacturing machine, which has a capacity to produce 4500 bricks /hour of operation. Bricks are made through cold pressing process where no heat/fire is required, thus conserving natural resource (coal) and soil. Company is capable to convert 100 % fly ash generation to manufacture Fly ash bricks.



- **Online AAQ & Stack monitoring:**

Company has 03 numbers of online AAQ monitoring stations and 03 numbers of online stack monitoring stations. Out of 03 AAQ stations, one station is mounted on mobile van. The parameters are displayed at the main gate on a giant display board for the information of the public.



- **Generating Biogas from canteen Wastes and utilizing for energy utilization at canteen:**

During 2012-13, company has installed 2 nos of Biogas units within its premises. Food and vegetable waste of Canteen and guest houses are utilized to generate gas and subsequently for generation of heat during preparation food. By adopting this process, waste as well as its foul smell at the dump area

is eliminated, also the waste of biogas plant is used as good fertilizer to maintain gardens and lawns

▪ **Procured heavy duty fogging Canon for suppression of Fugitive dust:**

During 2012-13, company has procured one water cannon for suppression of fugitive dust of localized area. The canon is movable as well as truck mountable for its quick movement. The waste water is used though this cannons to suppress air borne dust up to distance of 50 mts.



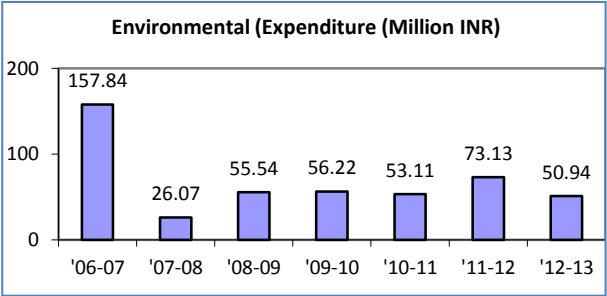
- **Telescopic unloading spouts** have been provided with water jacketing system at the discharge point of bunkers to control fugitive dust during unloading of char.
- **Chemical dust suppression system** is used to reduce the dust in running circuits. Viscous chemical is sprayed over the running belt to entrap the flying dust and bring it back on the belt. A significant reduction in the fugitive dust is achieved by this process.
- For cleaning of roads, the **road vacuum-cleaning machine** is used. The machine sucks the road dust and controls air pollution. Besides, the machine is also used for vacuum cleaning of the deposited dust from the floors of raw material circuits and finished product circuits using flexible pipe assembly



In addition, TSIL has undertaken the following development activities over the years.

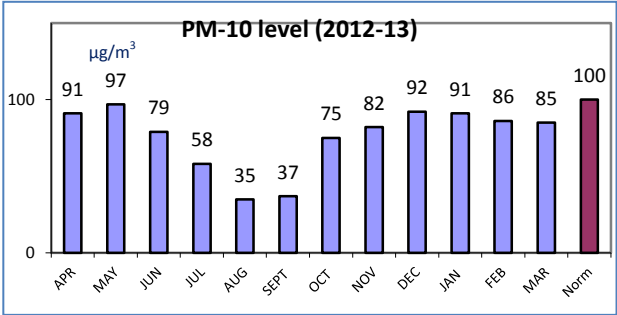
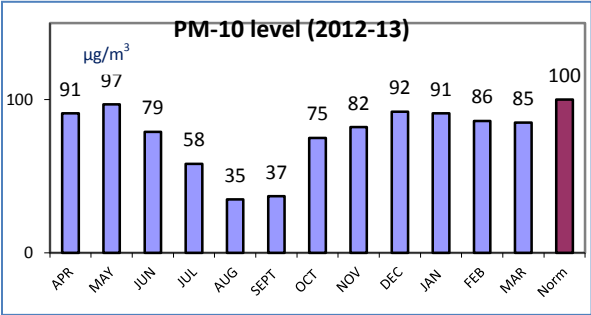
- **Reduction in CO<sub>2</sub> emission:** Various energy saving initiatives have been taken to reduce ccoal consumption, power consumption etc. Company is calculating its carbon fort print every year taking target to take necessary actions to reduce Greenhouse gas emission.
- **Use of alternate energy :** TSIL has provided rural electrification in the nearby villages by installing solar powered panels.

The **total expenditure** incurred on account of installation and maintenance of pollution control



equipments over last few years is shown.

Shown below the avg. **ambient dust level** at plant area in  $\mu\text{g}/\text{m}^3$ :



**Awards & Accolades on environmental performance received over the years:**

Following Environmental Awards are received by Tata Sponge Iron Limited.

Assessing Organization/Institution	Type of Award	Rank	Year
TERI	CORPORATE ENVIRONMENTAL AWARD	1st Prize	2002-03
Greentech Foundation	Environment Excellence Award	GOLD Award	2002-03
Greentech Foundation	Environment Excellence Award	GOLD Award	2003-04
Confederation of Indian Industries (CII)	SHE award	1st Prize	2004-2005
Greentech Foundation	Environment Excellence Award	Platinum Award	2004-05
World Environment Foundation	Golden Peacock Award	1st Prize	2005
Directorate of Factories & Boilers	Best Environmental award	1st Prize	2005
Directorate of Factories & Boilers	Best Performance in Safety & Environmental award	1st Prize	2005
Genentech Foundation	Environment Excellence Award	GOLD Award	2006
Srishti Publications	G-Cube Award	Winner Award	2007
Genentech Foundation	Environment Excellence Award	GOLD Award	2007
TERI	CORPORATE ENVIRONMENTAL AWARD	Appreciation	2007
World Environment Foundation	Golden Peacock Award	Finalist	2008
Times of India Group & JSW	Earth Care award on GHG Mitigation	Runner Up Award	2008
Srishti Publications	G-Cube Award	Winner Award	2008
Genentech Foundation	Environment Excellence Award	GOLD Award	2009
Frost & Sullivan	Green India Award	Green Challenger	2009
State Pollution Control Board, Orissa	Pollution Control Award	Appreciation Award	2010
Confederation of Indian Industries (CII)	Best Practices in Safety Health & Environment	Second Prize	2012
JIPM	TPM Award (Category-A)	Excellence Award	2012





State Pollution Control Board, Orissa	Pollution Control Award	Excellence Award	2013
Frost & Sullivan	Green India Award	Golden Award	2013

Policies addressing TSIL environment:

TSIL has following policies in place as a part of its commitment to the environment:

- Environmental policy
- CSR policy
- TPM policy ( addressing environment) and
- Mission of the company

Principle – 10  
ANTI-CORRUPTION

Business should work against corruption in all its forms, including extortion and bribery

Consistent with Tata Group purposeand in line with Tata Code of Conduct, the company has a set of defined Values (TSIL) as follows:

T – Trust & respect      S – Social equity      I – Integrity      L – Loyalty

and also an Organisational culture (SEWA) as follows:

- S - Safety
- E – Environment friendly operations
- W – Welfare of employees & surrounding community
- A – Adaptability to changing scenario

**Corporate Governance:** In order to enhance shareholders’ value and promote national interest, the company is committed to good corporate governance and to achieve the objectives of this, the company follows the principles of transparency , disclosure, fairness, independent supervision, healthy competition, equal opportunity in employment and compliance to all relevant laws, rules and regulation.

**Adoption of Code of Conduct:** Keeping in view the Values (TSIL), Organisational Culture (SEWA) and requirements of good corporate governance, the company has laid down a code which is called Tata Code of Conduct (TCoC). It is mandatory for the company and all employees to follow the TCoC which has 25 clauses.

**Coverage of Code of Conduct:** All employees of Tata Sponge have signed the “Tata Code of Conduct”. This has also been extended to suppliers and customers along with the contract for compliance in respect of relevant clauses. To re-enforce company’s firm resolve towards fostering an ethical environment, employees are encouraged to raise ethical issues through Whistle Blower Policy, a formal mechanism for all employees to make protective disclosures about unethical behavior, actual or suspected fraud or violation of the company’s Code of Conduct. The Ethics Counsellor personally addresses employees, local contractors, suppliers & customers to support them in upholding ethical transactions.

**The Clause No 2 (regarding financial Reporting and records)** of the Tata Code of Conduct states that the company shall prepare and maintain its accounts fairly and accurately and in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall reflect, fairly and accurately, all of the company’s business transactions and disposition of assets, and shall have internal controls to provide assurance to the company’s board and shareholders that the transactions are accurate and legitimate. All required

information shall be accessible to company auditors and other authorised parties and government agencies. There shall be no willful omissions of any company transactions from the books and records, no advance-income recognition and no hidden bank account and funds.

Any willful, material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the Code, apart from inviting appropriate civil or criminal action under the relevant laws. No employee shall make, authorise, abet or collude in an improper payment, unlawful commission or bribing.

**The clause No 5 of the code (regarding gift & donation)** states that the company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to obtain uncompetitive favours for the conduct of its business. Further, the company shall cooperate with governmental authorities in efforts to eliminate all forms of bribery, fraud and corruption. The company has laid down a Gift Policy clarifying its rules and regulations on gifts and entertainments.

**The Clause No 6 of the Code (regarding dealing with Government Agencies)** makes it obligatory for the company and its employees, unless mandated under applicable law, not to offer or give any company funds or property as donation to any government agency or its representative, directly or through intermediaries, in order to obtain any favourable performance of official duties. The company shall comply with government procurement regulations and shall be transparent in all its dealings with government agencies.

**The Clause No 7 of the Code (regarding political non-alignment)** requires the company to be committed to and support the constitution and governance systems of the country in which it operates.

The company shall not support any specific political party or candidate for political office. The company's conduct shall preclude any activity that could be interpreted as mutual dependence / favour with any political body or person, and shall not offer or give any company funds or property as donations to any political party, candidate or campaign.

**The Clause No 17 of the Code (Ethical Conduct)** casts a duty upon every employee to ensure ethical behavior. Failure to adhere to this clause could attract severe consequences, including termination of employment.

**Reporting of Concerns:** The Clause No 25 of the code gives freedom to all employees to raise concerns regarding unethical behavior and actual or suspected violation of Code. During the year 2013, total of 6 (Six) concerns were received from employees and one from a service provider and all were resolved.

**The Whistle Blower Policy (WBP)** gives freedom to all the employees to raise concerns regarding actual / potential violation of Code of Conduct at the same time ensuring full protection to Whistle blowers against any form of victimization or harassment/reprimand. A high level Whistle Blower Protection Committee is in place.

**Awareness sessions** were held by the Ethics Counsellor on TCoC / WBP with the following stakeholders:

- Employees - 6 sessions (covering over 170 employees)
- Service Providers - 1 session (covering 39 service providers)
- Contract labour - 15 sessions (covering over 210 contract labourers)

Additionally the Ethics Counsellor also addressed employees in 8 Dialogue sessions covering over 600 employees.

**Organisation Structure for ensuring Ethics:** The Company has a team of 6 Ethics Counsellors/Co-ordinators which also includes a female Ethics Coordinator. The company also has a Committee for dealing with the cases of sexual harassment at workplace