

Communication on Progress for the fiscal 2003 in respect of Central Warehousing Corporation (CWC), New Delhi, India on the 9 principles of the Global Compact Programme (GCP)

**-N.K.Choubey,
Managing Director**

At the very outset, I take this opportunity to apprise in brief that Central Warehousing Corporation, New Delhi, is a Public Sector Enterprise under the administrative control of the Ministry of Agricultural, Food, Consumer Affairs and Public Distribution, Government of India. **It is an ISO 9001:2000 and 14001 : 1996 certified service organization engaged in the business of warehousing, total Logistics Management and allied activities.**

Honoring its commitment to the Corporate Social Responsibility through Global Compact Programme of UN, CWC has embraced various principles to operate in a highly competitive global business scenario with a sense of responsibility to the Society. The ongoing action vis-à-vis progress on various principles of GCP in CWC is elaborated below:

A. Human Rights
Principle 1

Businesses should support and respect the protection of internationally proclaimed Human Rights

The Constitution of India is way ahead in the matter of providing and protecting the various human rights **like: Right to Equality, Right to Freedom, Right against Exploitation, Right to Freedom of Religion, Cultural and Educational Rights and Right to Constitutional Remedies.** The people of India have been enjoying these rights for more than 50 years.

The protection of Human Rights in India has been assured by, The Protection of Human Rights Act, 1993 which provides for the constitution of a National Human Rights Commission. State Human Rights Commission in States and Human Rights Courts for better protection of Human Rights and for matters connected therewith or incidental thereto. The Commission performs a large numbers of functions relating to protection of Human Rights, which are a supporter &

protector of Human Rights provided in Indian Constitution. No one whether a business or a subject can violate the enjoyment of Human Rights

Therefore, CWC as a business organization, all the way, supports and respects the protection of internationally proclaimed human rights also which are more or less akin to the principles of fundamental rights enunciated in the Indian Constitution.

Principle 2

Make sure they are not complicit in human rights abuses

CWC as a business organization has been performing service to the public in the field of warehousing logistics. We are a bailee of the public goods and responsible for its safety, security accountability and handing over the same to the valued depositors as and when they desire. In the entire process element of human error cannot be ruled out. Therefore at some point of time errors creep in thereby exposing the employee to inquires/investigation etc to find out the truth. In such processes the delinquent employee is given full opportunity to protect himself by following laid down investigation mechanism as per the need of Natural Justice. If the employee is found guilty he is given one more but last opportunity to appeal to the CEO for review of the award.

In businesses due to various errors & omissions one is always amenable to incur any type of administrative/economic grievance. Such grievant have full and free access to the CEO or the concerned in-house authority for solution. For redressal of grievances a well-established grievance handling mechanism is also in position under the control of Director of Public Grievances.

Various platforms of employees like Unions/Association also help redress grievances of the employees.

A large number of warehousing services/operations are carried out manually and are out-sourced. CWC while protecting interests of its own employees also emphasizes protection of legitimate rights of such work-force as a Principal Employer under Contract Labour (Abolition & Regulation Act) 1970 and Rules 1971 made there under. The Contractor makes the payment of wages

to the contract labour in presence of an authorised representative of the Principal Employer. **The very objective is to ensure payment of minimum wages without fail.** In addition the labour have the facility of the canteen, crèches, uniform, drinking water, rest room, First Aid, etc.

The Constitution of India and the other laws of land ensure **non-complicity of all the businesses in human right abuses. CWC is no exception to it.**

B. Labour Standards

Principle 3

Businesses should uphold the freedom of Association and the effective recognition of the right to collective bargaining.

CWC upholds the freedom of Association and the effective recognition of the right to collective bargaining. The employees have formed Unions/Associations for redressal of their grievances/demands. The Management duly recognizes these Employees' Forums. **The quantum of freedom of association** could be adjudged from the fact that CWC as of today has as many as **seven** registered and recognised employees Federation/Unions and **thirty-three** other Unions which are registered, with appropriate authority. The officers have also constituted a body under the banner "CWC Officers Association" to take up various aspects of legitimate interest of officers with the Management of CWC. The last but not the least is that wives of CWC Officer have also actively participated in forming an Association for socializing through cultural programmes and other co-curricular activities.

There is a well-established Grievance handling Machinery/procedure to look into the legitimate grievances of employees. The Trade Unions/Associations enjoy liberty in convening their meetings/ peaceful demonstrations for their legitimate demands/rights.

CWC with the objective of following up labour standards of international levels, **has been exposing senior officers for training programmes** even abroad, on international labour standards so that these could be updated and replicated in the

organization. By implementation of various in-service welfare scheme/facilities, services rendered by the employees are also duly recognized after retirement/superannuation. An illustrative but not exhaustive list of such measures is as under:

- Medical assistance is provided to the serving employees/their dependents not only during their service tenure but after their retirement also. Budget is no constraint for this facility. **We believe that a healthy employee and his healthy family make an organization also healthy.**
- CWC with the objective of downsizing, has introduced Special/Voluntary Retirement Scheme three times and has disbursed handsome ex-gratia compensation to the optees on the consideration of providing social security to them/their family members for their future.
- All the employees enjoy scheme of contributory provident fund in which a fixed percentage of amount is every month deducted from the wages of the employees and a matching contribution is credited to their account by CWC. This is also done to doubly assure them social security. In addition, the employees have the liberty to make use of so accumulated amount in case of any emergent need. The third benefit which they derive of such accumulation is that rebate in income tax computation is given.
- Besides, a large number of other welfare schemes/measures like Family Assistance/Planning, Maternity/Paternity Leave, Education/Merit Scholarship, Higher studies, Uniform, Canteen facilities, Sports/Recreation facilities, Holiday Homes, Staff Quarters, Financial Assistance in House Building, Consumer durable purchasing, Advance for computer purchasing to the lowest rung, etc. are well in position and being availed by majority of the employees.
- In the matter of pay packets/perks for unionised employees' which are about 3/4th of the total work force, right to collective bargaining is recognised whereas wage structure of a certain category of employees which covers the remaining employees(officers), is regulated by the Govt. through constitution of Pay Commissions.

Principle 4

The elimination of all forms of forced and compulsory labour

There has been no case of forced and compulsory labour in CWC. In a country of population more than 100 billion and a high rate of unemployment/illiteracy, such forms of illegal labour practices cannot survive due to ratification of ILO Conventions intervention of various laws of land and participation of various NGOs. CWC is a labour intensive business organization. A large number of warehousing and other operations are conducted manually through labour which is outsourced. The Contractor/Agency is bound to ensure that any form of forced and compulsory labour is not resorted to. They are also bound to abide by, follow in letter and spirit, 'The Contract Labour (Regulation and Abolition) Act 1970' and Rules 1971 thereunder. The concerned authorities of Labour Commissionerate who are responsible for enforcing the Act *ibid* have the powers to prosecute the outsourcing agency concerned. More so Bonded Labour (System Abolition) Act 1976 and Rules made thereunder eliminates chances of Bonded/Compulsory labour, if exists anywhere in the country.

Principle 5

The effective abolition of Child Labour

Though CWC is a labour intensive business organization but no child labour is employed. The nature of various operations and services in CWC warrant non employment of any child labour. More so, the Child Labour (Prohibition & Regulation) Act 1986 and Rules 1988 made thereunder enforce various provisions of the Act to ensure that the organization should not engage children below 14 years of age as labourers. CWC honors the International and National laws related to protection and prohibition of Children in any form of labour activities.

Principle 6

Eliminate discrimination in respect of employment and occupation

CWC likewise other businesses of the land upholds and respects the true spirit of the constitutional ‘right to equality’ and ensures no discrimination in respect of employment and occupation. The fundamental right to equality as enshrined in the Constitution of India guarantees no discrimination in employment and occupation. Every male/female person without any consideration of caste, creed, region, religion etc. has a legitimate right to employment. More so, right of the women employees to equal remuneration for the work they have done, are also protected by Equal Remuneration Act. Every citizen of India enjoys a fundamental right to employment/ occupation of his/her choice anywhere in the entire country/abroad.

C. Environment

Principle 7

Businesses should support a precautionary approach to environmental changes

CWC is an EMS 14001 : 1996 accredited business organization and is well aware of to apply and support a precautionary approach to environmental changes in all its operations, wherever possible. Keeping in view the world wide concern to protect the environment of the planet Earth, CWC as a business constituent of the Corporate India has also pledged to contribute its might in the global efforts. Various operations, processes, services, etc of CWC to a greater extent are environment friendly. CWC has also been taking up various steps to improve for Health, Safety and Environment (HSE) in the organization. As Green Productivity(GP) concept is inherently linked with profitability and environment protection, the GP concept, methodology, tools, techniques etc. are being implemented through EMS.

Principle 8

Undertake initiatives to promote greater environmental responsibility

CWC went for ISO 14001: 1996 Certification by implementing Environment Management System (EMS). As of today its Corporate Office, all 17 Regional Offices and 32

Warehouses have been certified under EMS. Efforts are afoot to bring more units under EMS fold. CWC has also adopted an Environmental Policy which is reproduced as under:

“CENTRAL WAREHOUSING CORPORATION IS COMMITTED TO CARRY OUT WAREHOUSING AND OTHER FUNCTIONS IN AN ENVIRONMENTALLY RESPONSIBLE MANNER AND COMPLY WITH APPLICABLE LEGISLATIONS. WE SHALL ENSURE CONTINUAL IMPROVEMENT IN ENVIRONMENTAL PERFORMANCE, PREVENTION OF POLLUTION AND CONSERVATION OF NATURAL RESOURCES”

ENVIRONMENTAL OBJECTIVES OF CWC

- Scientific storage of stocks, ensuring prevention of pollution and environmental degradation.
- Disposal of all types of waste generated at warehouses in an eco-friendly manner.
- Conservation of water, electricity and other resources
- To ensure optimal use of chemicals for preservation of stocks
- To make the surroundings green, we shall go for plantation
- To minimize losses during storage & handling of stocks at warehouses.
- To educate & train employees and their families on environmental related matters
- To encourage the suppliers for adopting environmentally sound procedures & policies

The employees, shareholders, customers and suppliers have been adequately informed about the environmental policy and the environmental objectives which include conservation of water, electricity and paper besides maintenance of Environmental Hygiene and Tree Plantation. The maintenance of the system is being continuously monitored through internal and third party audits for continuous improvement.

Principle 9**Encourage the Development and diffusion of environmentally friendly technologies**

- As already stated CWC to a greater extent is environment friendly business organization. In order to conform to laid down objectives of the EMS Policy, CWC conducts its business ensuring prevention of pollution & environmental degradation, disposal of all types of wastes in an eco-friendly manner, conservation of national resources, optimum use of chemicals, plantation etc.
- CWC is very liberal in educating and training its employees on environmental related matters through various in-house, institutional training programmes in India/abroad.
- In order to comply with the Montreal Protocol to phase out all Ozone Depleting Substances (ODS), CWC which uses Methyl bromide - which is also an ODS - as a fumigant for disinfestation, have plans to phase out the same by 2015 and switch over to eco-friendly/alternate fumigants.
- Besides, various other pesticides which are being used by CWC in various operations to maintain health of foodgrains, pulses etc. which is its basic operation, pest control services, quarantine requirement are approved for use by the Central Insecticides Board of the Govt. of India. These are certified for their quality by the Bureau of Indian Standards. Before procurement these are tested in the labs and are used as per the approved dosages. All these efforts contribute a lot in protection of the environment.

Thanks
