

**TATA METALIKS LIMITED**



**TATA METALIKS LIMITED**

REGISTERED OFFICE : Tata Centre | 43 Jawaharlal Nehru Road | Kolkata - 700 071

PLANT LOCATIONS

**Kharagpur** : Samraipur | Gokulpur | Kharagpur | Pin - 721301 | West Bengal

**Redi** : Terekhol Road | Dist: Sindhudurg | Redi | Pin - 416517 | Maharashtra

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The Plus Factor

**CARBON MINUS,  
PEOPLE PLUS**  
Corporate Sustainability Report, 2008-09

“One hundred years from now, I hope the Group comes to be regarded as being the best in India...best in the manner in which we operate, best in the products we deliver, and best in our value systems and ethics.”

Ratan Tata, Chairman, Tata Group of Companies

## Team CSR

Mr. Subhasis Dey, Mr. Debasish Chakraborty

Mr. Somnath Dutta, Mr. S. Shyam

Mr. Tapas Chakraborty, Dr. Suthirtha Dasgupta

Mr. Nu Kamran, Mr. Praven Urankar, Mr. P. Ravi

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Mr. Jayant Gowleker, Mr. Maruti Kamath

Mr. Mayank Mazumdar, Ms. Aparna Kolambekar

Ms. Nandini Dharwarkar, Mr. Swapan Sen

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## Green: The Sustainability Blueprint

Two degrees more - That's the beginning of the end. Yes, studies have revealed that if our planet gets only 20C hotter than it is now, the sea level will rise up to six meters and create devastating regional imbalances. Once glaciers start their irreversible meltdown, freshwater sources will dry up while seawater will drown coastal and plain lands—predicted to happen as early as in 2050.

Responsible corporate citizens know that economy profits only if ecology permits. As carbon emissions cause global warming, companies worldwide are taking urgent steps to reduce their carbon footprint. Tata Metaliks Limited, one of the largest foundry grade pig iron manufacturers and a part of the TATA Group of Companies, is committed towards the manufacture of green iron—iron produced by causing as little green damage as possible—at both its plant sites, Kharagpur (West Bengal) and Redi (Maharashtra). It is also steadfast in reducing its energy consumption across its corporate offices. Simultaneously, the Company is also committed to maximize its human potential, both within its plant and community. Through top-down and bottom-up approaches, all stakeholders—employees and community members—are empowered with skills, leadership capabilities, career maps and access to livelihoods, health and education.

Greening its operations and its human capital paves the way for a greener balance sheet. Green operations use the 3R principle—Reduce, Reuse, Recycle—with focus on resource optimization and a leaner, more agile organization. Greening human capital ensures employee satisfaction and retention, as well as community goodwill for a tension-free working environment. This is why TML evaluates the Company's performance across three interrelated barometers of planet, people and profit. It has adopted the GRI Guidelines with a triple bottom-line approach, and is also inspired by the 10 forward-looking principles of the UN Global Compact, including labour, human rights, environment and anti-corruption. And of course, the Tata Code of Conduct, the Tata Business Excellence Model and the Tata Index for Sustainable Human Development.

Because when carbon minus meets people plus, the result is green. Not just a color, not just a winning equation for an enterprise, but a sustainability blueprint for an enterprise named Planet Earth.



## TML's Approach towards Sustainability

### Right is Might

2008-09 was one of the most brutal years for the global economy, when earning green may have been a more pressing concern than going green. Tata Metaliks Limited also suffered the shocks of the slump, with a PBT reflecting a loss of Rs. 149 Crore opposed to a record profit just the previous fiscal. But the Company's transparent disclosures and strong fundamentals reassured investors. At the same time, despite a tough fiscal, the Company did not resort to "greenwashing" corporate sustainability initiatives; rather, it co-opted corporate sustainability for operational agility and industrial harmony.

Armed with guidelines like the GRI Guidelines for the Triple Bottom Line, the UN Global Compact, the revamped Tata Code of Conduct, the Tata Business Excellence Model, and the Tata Index for Sustainable Human Development, the Management at TML strove to legislate and execute systems and processes to minimize its carbon footprint and maximize human capital.

TML's concerns across both plants overarch across its manufacturing operations, business ethics and relationship with the neighboring community. The Triple Bottom Line approach is visible through 10 interrelated strategies such as:

- Precautionary energy/resource consumption across all operations
- Reduced greenhouse gas emission through control mechanisms
- Carbon Credit initiatives
- Greenery enhancement & respect to bio-diversity
- Reduced water conservation
- Occupational hazards control & emergency preparedness
- Integrated community engagement & support
- Customer delight through products, prices, before & after sales service window
- Integrity in all internal & external dealings & communications
- Reputable certifications

# + Vision:

Reaching tomorrow first



# + Values:

Speed and Agility  
Learning and Innovation  
Integrity and Candour



"At TML, sustainable principles and practices are drivers of growth, delivering business returns."

#### From the Managing Director's Desk

Dear Stakeholders,

Co-creating a sustainable economy is the defining task of this millennium. So we are ready with the Corporate Sustainability Report of your Company for 2008-09 based on GRI Guidelines as a part of our long-term commitment to reporting and transparency. 2008-09 was a year when the bears conquered the bulls. From a half-yearly PBT of Rs.50 crore and a PAT of Rs. 33 crore, we nosedived to a loss of Rs. 168 crore in the third quarter. Foreign exchange fluctuations and the universal drop in realizations played havoc with bottomlines. Courageously, we fought our way to achieve an operational profit of Rs. 2.84 crore and a PAT of Rs. 19.66 crore in the fourth quarter—ending the fiscal with reduced losses of Rs.149 crore.

But as this Corporate Sustainability Report will show, the year in report has actually been a profitable one if we go by the Triple Bottom Line. Leaving aside unannounced crises like the US sub-prime crisis—

the impact of which widened across the world in 2008-09—the manufacturing sector is cyclical in nature, so a manufacturing company's profitability may not be a steady graph. However, what ensures its sustainability is its commitment to the Triple Bottom Line concerns of planet, people and profit. In this Sustainability Report, you will see how Tata Metaliks Limited (TML) has proven its strong fundamentals in a difficult financial year by taking care of its Triple Bottom Line, where each bottom line dovetails into the other. At TML, sustainable principles and practices are drivers of growth, delivering business returns.

#### The Green Bottom Line

Tata Metaliks has always applied its core competencies—innovative agility and corporate integrity—to reduce the environmental impact of our business. Daily efforts are aimed at reducing carbon emissions, optimizing resources, and mobilizing all employees and service providers to

participate in the 3Rs (Reduce, Reuse, Recycle)

- We have continuously reduced raw material consumption per tonne of hot metal over the years, taking drastic steps to reduce coke conversion.
- We use waste LD slag produced in our Kharagpur and Redi plants as raw material for the cement industry. We have invested Rs. 2 cr in a slag granulation plant at Redi for higher returns from waste slag.
- We follow the 3 Rs in the case of water consumption throughout our manufacturing processes.
- We follow the closed-loop model to try and achieve zero waste throughout the supply chain. We are also a zero discharge organization.
- The blast furnace gas (BFG) produced from our manufacturing process is rich in carbon monoxide (CO) and acts as fuel for our captive power plants. BFG is also used in the Blast Stoves to produce hot air that is blown in the blast furnace.
- We are energy efficient at our plants and corporate offices.
- Earlier, trucks travelled 700km from the phosphate mines to our Redi manufacturing unit; now, a railway line has been laid from the phosphate mines to Sawantwadi, just 40 km away.
- We have almost reached the MOEF target of a 33% green zone in an industrial area across both our plants at Redi and Kharagpur.

#### The People Bottom Line

For your Company, people mean both employees and the rural communities around the plants. As social harmony and satisfied human capital are prerequisites of industrial harmony, TML's investments in its people and community are inclusive and have been intensifying over the years.

- To promote employee retention and ownership,

we provide a good working environment—a Six Sigma benchmarked safe and congenial workplace, acceptable and easy-to-follow daily systems, alignment of Company goals to that of individual careers, worker empowerment, support and recognition.

- The community development team "Sadbhavana" with the Sadbhavana Trust Account, is volunteered by officers and employees across all levels. TML employees, forming various outreach teams, go to the villages as resource and knowledge partners.
- In the year under report, Kharagpur plant's community outreach increased from 10 villages to 15 villages. The Redi plant's corporate care extends to six villages, including the mining village of Dongarpal. As most of the population falls under the Below Poverty Line category, extensive activities for community empowerment fall under each of these four heads—health, education, training and livelihood programmes.

#### The Profit Bottom Line

At TML we are committed for improved profitability for our all stakeholders—shareholders, employees, vendors and suppliers, customers, government, etc. The promise is embodied in our vision "RTaB" or Race to A Billion by 2012 (Rs. 1 Billion in revenue by 2012). However, the profit bottom line is not at the expense of our concerns for the planet and people, it is aligned with both as our sustainability roadmap.

- We have ensured a judicious use of working capital, using long-term debt than short term, applying for Minimum Alternative Tax (MAT) and taking advantage of close demand-supply synergies between TML and Tata Metaliks Kubota pipes Limited (TMKPL).
- To overcome the challenge of raw material availability and price volatility, we had applied for and have received a prospecting license for iron ore over an area of 154.80 ha from the

Maharashtra State Government at Sindhudurg, in the Dongarpal district, near the Redi plant. With captive mining, the cost of iron ore, the principal raw material, is likely to come down considerably.

- Through the customer-oriented Project SCOPE (Strategizing for Customer Oriented Processes & Excellence), we are creating customized product grades and enhancing value propositions for our customers.
- Most of our green initiatives like recycling waste, reusing and reducing resources, also contribute to the economic bottom line. We have also taken steps like using blast furnace gas to partially replace LDO, operating plants at high power factor, installing a waste heat recovery boiler in the annealing furnace to generate steam for the cement curing chamber, using high efficiency motors, improving the casting machine design to reduce mould change-over time—saving both energy and cost.

In the coming years, your Company's focus on sustainable enterprise will increase. The Triple Bottom Line approach will be more seamlessly integrated across your Company's business strategies, aimed at providing sustained and increased returns to Tata Metaliks' business, employees, contract workers, vendors and suppliers, consumers, communities and the planet. I thank you for supporting us in our evolution.

H.K. Jha

Managing Director





All the activities of  
TMKPL are directed  
towards sustainable  
growth of the  
economy

#### Commitment from TMKPL on Corporate Sustainability

Tata Metaliks Kubota Pipes Limited (TMKPL), a joint venture of two large industrial groups – Tata and Kubota – is as much committed to corporate sustainability as its parents. Both the groups care for the people and environment – we at TMKPL are also committed to the same. All the activities of TMKPL are directed towards sustainable growth of the economy and the people who are in and around its centre of activities.

Our first commitment to the mankind is through the product itself - ductile iron pipes - used for carrying one of the most essential commodities needed by the people – drinking water. Of course, this also shows the vision of our promoters who decided to invest in a plant to manufacture such a vital product. A large population in India is still not having clean drinking water and ductile iron pipes from TMKPL will reduce the shortage of this product

in the country.

#### Green commitment

Concern to environment was transmitted into our DNA from our promoters, Tata Metaliks and Kubota, and therefore all our key initiatives implemented right from the birth of TMKPL in 2007 reflect our commitment to the environment:

- The ductile iron pipe plant has been designed in the most environment friendly manner with all state-of-the-art pollution control equipment to keep the impact on the environment to the bear minimum.
- The entire plant building of 20,000 sq m is a closed building without any impact on the environment outside and has been designed in such a manner that it is well lighted during the daytime without any use of electricity.

- The entire plant building was built from pre-engineered and pre-fabricated structures at vendors' factory rather than conventional open-environment fabrication at site and thus preventing direct impact on the local environment.
- The induction furnaces are most modern furnaces with complete fume extraction system by which no hot fumes are there in the shopfloor during production process.
- Liquid pig iron from Tata Metaliks is directly used in the process of pipe making with huge saving in energy consumption of melting solid raw materials.
- The factory is a zero water discharge plant with all water being treated in an effluent treatment plant and re-circulated. Processes have also been designed to consume less water. Huge factory building roof area will be used for rain water harvesting.
- Blast furnace gas from Tata Metaliks is used in the annealing furnace as fuel to minimise the consumption of fossil fuel.
- Waste heat from annealing furnace flue gas is fully recovered to generate steam which is used in the pipe cement lining curing process. We have made large investment on a waste heat boiler for this purpose.
- Waste iron scrap generated in the process is recycled in the induction furnace.
- Energy efficient motors have been used all over the factory to keep the electrical energy consumption at the minimum.
- ERP (SAP) system has been implemented right from the beginning, not only for data integrity, but also to minimise unnecessary manual documentation and thus resulting in lower paper generation.

#### People commitment

During the plant construction stage as well as after commencement of production, our following initiatives have touched the lives of the people:

- During plant construction more than 1000 persons from local community had livelihood for several months.
- After the plant start-up, we have generated employment for many people from the neighboring areas and the state of West Bengal.
- Our product will bring smiles on face of many persons when they will receive drinking water through those pipelines at their homes.
- Through our various training initiatives including training of personnel at Kubota's plant in Japan, we have added value to our most important asset – the human resource.
- TMKPL employees have whole-heartedly supported the community initiatives of Tata Metaliks with active participation in blood donation camps, health check up, relief activities, etc.

#### Profitability commitment

While we have just started production and yet to realise our dream of profitability for all stakeholders, our following efforts are directed towards that goal:

- We have adopted the most modern technology from our promoters, Kubota, to keep our conversion cost at a very competitive level.
- The world class product with international certifications enhances value for money for our customers – higher product life and lower energy consumption at competitive price.
- The internal cement lining of our product is made extremely smooth which results in low consumption of energy during drinking water



transmission for our customers – mostly government bodies.

- The ductile iron pipes are absolutely defect-free with no corrosion, no cracks and no leakage of water during transmission resulting in long life and conservation of water.
- Heavy capital investment in the project has been financed through low cost overseas loans.
- Several processes adopted by us for production will lead to lower energy consumption, lower rejection levels and lower waste generation, therefore improving the profitability.

As we travel ahead in the journey of our stabilization and growth, we will ensure our pledge to move on the footsteps of our promoters for a creating a sustainable entity ensuring long-term value to all our stakeholders.

[Rajesh Mishra]

Managing Director

Tata Metaliks Kubota Pipes Ltd.



## Governance, Commitments & Engagement



Board of Director of TML is the highest governance body. The Board of TML has an appropriate mix of skill and experience. It works together as a team while encouraging diverse and healthy debate in the interest of the Company and its shareholders. It makes sure that the Company has clear goals relating to shareholders value and its growth. The Board reviews its policy from time to time to assess its relevance and suggest appropriate intervention.

The Company has a judicious mix of Executive and Non-Executive Directors. At present, there are eleven directors on the Board, with one Executive Director. The Chairman is a Non-Executive Director and more than half of the Board (54.55%) consists of Independent Directors. Board members are concerned, technical and professional expertise, specialization in the respective fields, experience, leadership skills are some of the attributes of the Board members. Members who have proven their expertise in economic, environment and social areas in other renowned corporate houses in and outside India and are aware of the Tata style of functioning to maintain the spirit of TCoC (Tata Code of Conduct) at the highest levels are recommended for selection to the Board. Members of the TML's Board of Directors are competent to provide leadership, strategic guidance, objective judgment of management and control over the Company, while remaining accountable to shareholders.

**The board of directors performs the following tasks:**

- Reviewing strategic plan for the Company

- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed
- Identifying principal risks and establishing a Risk Management framework to manage and mitigate these risks
- Succession planning, including appointing, training, fixing the compensation of senior management and officers one-level below the Board;
- Developing and implementing an investor relation programme or shareholders communications policy for the Company; and
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including system for compliance with applicable laws, regulations, rules, directives and guidelines.

The terms of reference of the Board Committees are determined by the Board from time to time. Presently, the Company has five committees, viz.

- (i) **Audit Committee** - On 26 June 1995, the Audit Committee was constituted to provide and monitor financial accuracy, adequacy, disclosure and transparency for ensuring that the Financial Statements furnished by the Management, including reports of the Internal Auditor, Statutory Auditors and Secretarial Auditor are correct, sufficient and credible. It also oversees the effectiveness of the External and Internal Audit systems to assist the Board in providing useful supervision of the overall

financial reporting process.

(ii) **Remuneration Committee** - The Remuneration Committee of the Board has been in operation since 1994. The broad terms of reference of the Committee are to recommend to the Board the salary (including annual increments), perquisites and commission/performance linked remuneration to be paid to the managing/whole-time directors of the Company and to finalize the perquisites package within the overall ceiling fixed by the Board.

(iii) **Shareholders'/Investors' Grievance Committee** - The Shareholders'/Investors' Grievance Committee of the Company was formed on April 28, 2000. The Committee looks into and monitors the redressal of complaints made by shareholders and investors.

(iv) **Share Transfer Committee** - The Share Transfer Committee was formed in April 1993 to approve transfer/ transmission of share and reject transfer/ transmission applications according to law. The Transfer Committee is also empowered to issue duplicate share certificates.

(v) **Investment /Borrowing Committee** - The Investment and Borrowing Committee was formed on April 30, 1996 to approve the investments made by the company at a given period of time and for borrowing purposes.

Each committee has an appropriate combination of Non-Executive and Independent Directors. The Company Secretary acts as Secretary to all Committees. The Board decides the membership criteria of the Committees and its selection policy at regular intervals. The Chairman of the concerned

Committee along with the Company Secretary, decide the frequency,

The Company currently does not have any defined written process for evaluating the highest governance body's own performance, however, the Chairman on the basis of the number of meetings attended by the Directors, evaluates the performance and contribution in discussions related to operational matters and matters covering economical, social and environmental performance. Moreover, the performance of the senior executives, one level below the Board and the independent directors themselves is assessed and evaluated by the Board.

Shareholder committee formed under the Board of Directors has the direct responsibility of addressing the concerns of the stakeholders. The Committee did not meet during the period under review. The Registrar and Share Transfer Agents address the shareholders / investors grievance on a day to day basis and the same is monitored by the Compliance Officer. Further, on a quarterly basis the Board reviews the Complaints received and redressed by the Company and in compliance of Clause 41 of the Listing Agreement the Company makes due disclosure as to the number of investor complaints pending at the beginning of the quarter, those received and disposed of during the quarter and those remaining unresolved at the end of the quarter.

The Company publishes the quarterly financial results in major newspapers and posts the same on the website of the Company. Further, significant events are informed to the Stock Exchanges from time to

## Governance, Commitments & Engagement



time and then the same is posted on the website of the Company.

Employees' Satisfaction Survey is also conducted periodically and placed before the Review Committee consisting of senior management leaders. The Talent Review Forum holds its meetings thrice every year to assess the feedback and also to chalk out plans for succession planning in the Company.

The Remuneration Committee of the Board has been in operation since 1994. The broad terms of reference of the Committee are to recommend to the Board the salary (including annual increments), perquisites and commission/performance linked remuneration to be paid to the managing/whole-time directors of the Company and to finalize the perquisites package within the overall ceiling fixed by the Board. Following are the terms of reference of the Remuneration Committee of the Company:

1. Approving of the annual increment in the remuneration payable to the Managing Director within the salary scale as sanctioned by the shareholders
2. Varying, altering or widening the terms of remuneration of the Managing Director within the limits sanctioned by the shareholders
3. Determining commission/performance linked remuneration payable to the Managing Director and the Non-Executive Directors within the limits specified by shareholders
4. Sanctioning retirement benefits within the limits approved by the shareholders

The recommendations of the Remuneration Committee are considered and approved by the Board subject to shareholders' approval.

### Remuneration Policy

For Executive Directors, Increment in salary (within the salary scale sanctioned by the shareholders) is granted annually on the basis of merit and taking into account the Company's performance. Commission or performance linked remuneration is sanctioned (within the limits specified by the shareholders) based on the criteria of production, cost of production, profit, industrial relations, inventory and additional business initiatives (overall performance).

The weightage assigned for determining the increment in salary is distributed proportionately between

- Individual performance
- Company's performance and
- Breakthroughs achieved and continuous improvements.

However, it is paid after the approval of the Annual Accounts by the shareholders of the Company.

While deciding the remuneration package of the Senior Management members, the factors taken into consideration are:

- a. Employment scenario
- b. Prevailing remuneration package of the Industry
- c. Remuneration package of the managerial talent in related Industries

In case of annual variable pay of the Senior Managers, the performance of the Company in general and the individual performance for the relevant year measured against their specific Key Result Areas (KRAs) are also taken into account. The Remuneration Committee decides the remuneration and performance linked bonus, if any, for the Executive Directors/ Managing Director, and also for the Non-Executive Directors in terms of the shareholders' approval obtained at the AGM.

The Non-Executive and Independent Directors, except the Nominee Director from WBIDC, are eligible to receive sitting fees. Performance linked bonus for attending Board Meetings and other Committee Meetings is distributed on the basis of their attendance and contribution at the Board and Committee Meetings as well as time spent on the operational matters other than at the meetings.

The contracts, if any, made with any parties wherein the Directors may have some interest, are entered in the statutory register maintained by the Company, as per the requirements of the Companies Act, 1956. These disclosures are also audited by the Statutory Auditors at the end of each financial year.

As and when directors disclose their interest in other companies they are put up before the Board members during the next Board Meeting held after such disclosure for the purpose of discussion and approval, in case there is any possibility of a conflict of interest. All such proposals are vetted by the joint decision of the other Board members along with the consent of the Chairman of the Board.

Further, all the independent directors refrain themselves from getting involved in any activity which may not be in consonance with the concept of "independence" as defined in Clause 49 of the Listing Agreement, along with the internal guidelines issued by Tata Sons.

Risk Management is a structured and disciplined approach to manage enterprise risk. The Company recognizes Risk Management as a forward looking, integrated and process oriented approach for managing all key business risks. In translating Company's Vision and Mission into specific strategies, objectives and priorities, each business unit of Company addresses opportunities and the attendant risks through an institutionalised approach that is aligned with its Objectives. Company's Risk Management process is based on the framework of the Tata Business Excellence Model (TBEM). The Risk Management process commences with the preparation of the Long Term and Annual Business Plans and managing the performance of the business in conformity to the above Plan.

Chief of System Assurance has been designated as the Risk Officer of the Company and has been assigned the responsibility to conduct an Annual Enterprise Risk Management assessment on the basis of an expectation matrix from Company's senior management team. It has a robust process to update that assessment through continuous auditing and ongoing analysis of key business processes, revisiting the organizational risk matrix and reviewing status of strategic initiatives.

## Governance, Commitments & Engagement



The Audit Committee is also periodically apprised of the risk management framework and initiatives taken by Company to mitigate risks. The external economic environment which had severe impact on Company's working in the past year is being closely monitored. The function also follows up on the implementation of corrective actions and improvements in business processes after a review by the Audit Committee and Senior Management.

The Board members regularly review the Economic, Environment and Social risks and opportunities. The Board Meeting agenda paper along with the explanatory note and the supporting details on Economic, Environment & Social performance including legal compliance are sent well in advance to all the Board members so that the feedback from the Board members is either discussed in the Board Meeting or analysed by the Top Management for future business effectiveness.

Other than the aforesaid, the Company has also developed the following policies on major issues to be adopted and used suitably by various stakeholders:

- IT Policy
- ESHQ (Environment, Safety, Health & Quality) Policy
- HRM Policy
- TPM Policy

TML is a signatory to the mandatory TATA-CoC (TCoC). The values and ethical norms enunciated in the Code are binding on the Company and all of its

employees. TATA group has also adopted United Nations Global Compact (declared on 31 January 1999) in July 2002. TML, being part of TATA group of companies, abides by ten principles of the UN Compact pertaining to Human Rights, Labour, Environment and Anti-corruption. The Company ensures compliance to these principles through ESHQ Management System and various contracts e.g. Purchase Orders (of service purchase and declaration by service providers regarding non deployment of child labours), wage contract (collective bargaining through Charter of Demand).

Besides, TML has implemented and has been actively pursuing various other models which integrates the standards for economic, environmental and social excellence, viz. ISO (9001:, ISO 14001, OSHAS 18001, TPM Total Productive Maintenance), TBEM (TATA Business Excellence Model based on Malcom Baldrige model), EFQM through CII-EXIM Bank Excellence Model. The Tata-CoC, ISO 9001, ISO 14001, OHSAS 18001 and the TBEM are all obligatory initiatives whereas the remaining are all voluntary initiatives.

TML has membership of various industry bodies and national organisations for promoting economic, environmental, social and business excellence concerns and addressing these issues.

### Stakeholder Engagement

We at TML realize the importance of stakeholder engagement in business decisions. Engaging with stakeholders in important decisions is a de-risking strategy because it reduces risk of stakeholder activism and ensures smooth implementation of company's plan & processes. We engage with a large group of stakeholders on a day-to-day basis. The major stakeholders identified by the organization are as follows:

- Employees
- Shareholders

- Customers
- Suppliers
- Local Community
- External Public/Government etc.

TML identifies its stakeholders based on those who are affected by its products, services and operations or those who affect the company's performance. As of now, TML does not have a formal process of identification and prioritization of stakeholders. But, there are various forums where we interact with a large group of stakeholders on a continuous basis. The following table gives details of various channels of stakeholder's dialogue:

Stakeholder	Forum for assessing requirements, communicating direction and receiving feedback	Frequency	Responsibility	Methods
Employee	<ul style="list-style-type: none"> <li>• MD Dialogue</li> <li>• EIC Communication (E&amp;I)</li> <li>• Mahabhoj</li> <li>• Officers Dialogue</li> <li>• Departmental Communication Meeting</li> <li>• Dialogue with committee members</li> <li>• Awards function (Suggestion, R&amp;R, Safety etc.)</li> <li>• Meetings (daily morning meetings, monthly PMS, monthly team meetings/RTaB)</li> <li>• Business Excellence meet</li> <li>• Strategy formulation workshops</li> <li>• TCoC awareness &amp; feedback meetings</li> </ul>	Daily/ Monthly As per plan	Sr. Leaders including Chairman, MD & Directors	Procedures, Work instructions, OPLs, CTT/WT manuals, notices, circulars, two way dialogue

## Governance, Commitments & Engagement



Stakeholder	Forum for assessing requirements, communicating direction and receiving feedback	Frequency	Responsibility	Methods
Shareholders	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Quarterly &amp; Half Yearly reports</li> <li>Investor's meet</li> <li>Plant Visits</li> <li>Analyst Meet</li> <li>Shareholder Feedback through questionnaire</li> </ul>	Annual/ Half-Yearly/ As per plan	MD/GM (CS) & CS	Print/e-mode, Registrar, Notice, Annual Report, Communication to settle grievances, two way dialogue
Customers	<ul style="list-style-type: none"> <li>Regional Customer Meets</li> <li>Annual Lifter's Meet</li> <li>Annual Dealer's Meet</li> <li>Quarterly Technical Meet</li> <li>Visit to customers- as per plan by Sr. Leaders and by other supervisors/officers</li> <li>Business Development team visits customers for technical support, raw material supply and learning from trial runs</li> </ul>	As per plan	Senior Leaders including MD, C (M&S) and supervisors/ employees	Print/e-mode, seminar, two way dialogue, web access
Suppliers/ Partners	<ul style="list-style-type: none"> <li>Meeting with Key Suppliers (domestic and foreign) by Senior Leaders – as per plan</li> <li>Visits to suppliers' place – need based</li> <li>Providing vendor evaluation feedback–half yearly</li> <li>Suppliers' Feedback on performance expectations - annual</li> <li>Key suppliers' visit to plant – need based</li> <li>Meeting with Labour Contractors – need based</li> <li>Regional Suppliers' Meet at defined frequency</li> </ul>	As per plan or need based	Senior Leaders, External Ethics Counselor (EEC)	Print/e-mode, seminar, two way dialogue, web access

Stakeholder	Forum for assessing requirements, communicating direction and receiving feedback	Frequency	Responsibility	Methods
Community	<ul style="list-style-type: none"> <li>Meeting with BDO</li> <li>Public Representative like Anchal Pradhan to understand community expectations</li> <li>Feedback report to TCCI – as &amp; when required. /as per plan</li> <li>Meeting with local NGOs/village volunteers and involving them in survey</li> </ul>	As per plan	Sr. leaders including MD/GM (CS) & CS, C(MS), CHR (C) and employees	Letters, invitations, membership, meeting, two-way dialogue
External Public/ Govt./Press /Analysts/ Banks/ FIs	<ul style="list-style-type: none"> <li>Meeting with Central or State ministers/ Development Commissioner Iron &amp; Steel/DM/ Directorate of - Industries/ WBPCB /WBIDC/WBSEB/ DED .</li> <li>Meeting with Trade Bodies/Industry Associations: CII, AIM, IIF, IFA, EEPC, Trade Delegation (China).</li> <li>Representatives from press, financial analysts/consulting firms, bank and FI officials.</li> </ul>	As per plan	Sr. leaders including MD/VP/GM (CS) & CS	Print/e-mode, membership, meeting, seminar, two-way dialogue

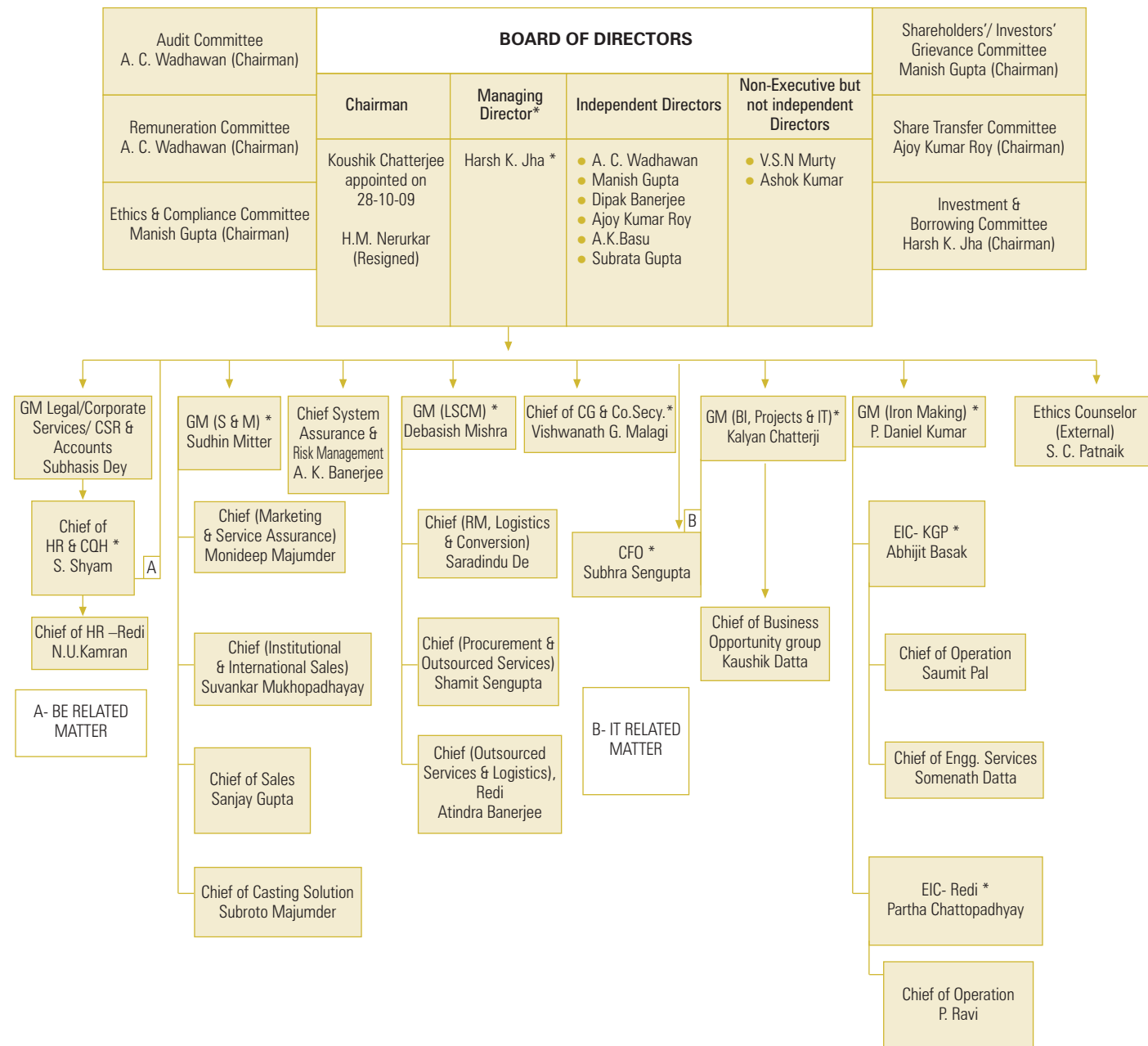
The inputs collected from the stakeholders' engagement calendar is used to conduct an environment scan, which is the process of analyzing and understanding the information collected by the company with respect to stakeholders and competitors and the business scenario in general that affect its present and future competitiveness, success and growth. Balancing of stakeholders needs/expectations are addressed through developing strategies in variety

of perspectives viz. economic and financial perspective for shareholders; customers & market perspective for customers; capability perspective for employees & suppliers and environmental & social perspective for key community & society. Balancing also ensures that needs/expectations of one category of stakeholder do not have gross adverse impact on the interest of other categories of stakeholder.

## Organisational Structure



### ORGANISATION STRUCTURE OF (CORPORATE AND KHARAGPUR)



### Report Profile

The reporting period for the information provided in the report is April 2008 to March 2009. Tata Metaliks has adopted a very proactive stance on sustainability reporting. We are the first pig iron manufacturing company in India to start a practice of sustainability reporting. This is our third sustainability report; two of our previous reports have come out in 2005-06 & 2006-07. Due to some unavoidable reasons, we didn't publish a report in 2007-08, yet we were in the process of collecting information on our sustainability performance. Hence, wherever feasible, we have tried to furnish information for the past three years to showcase a fair, transparent view of the sustainability of our organization. Now onwards, we aim to publish our Corporate Sustainability Report on an annual basis.

The topics to be covered in the report have been identified based on:

- a) Issues that we have identified as significant & which may impact our ability to deliver long term value to our stakeholders;
- b) Expectations of our key stakeholders. We have followed the principles and methodology as suggested by the GRI guidelines 2006 version – G3. The relevant indicator protocols and technical protocols have been followed for reporting the various sections of the report. We have also considered the reporting principles of completeness, sustainability context, balance, timeliness, accuracy and comparability while preparing the report.

The report covers the corporate office of TML at Kolkata and the following manufacturing facilities:

- SBU, Kharagpur
- SBU, Redi

The process of collecting the information for reporting follows the international standards and guidelines. The carbon footprint has been calculated on the basis of ISO 14064 guidelines and World Resource Institute (WRI)'s GHG protocol. The data presented in the report is based on actual monitored values. In case of any estimation or assumption, the rationale behind the same is specified in the respective sections in the report.

For obtaining any additional information on the report, one can contact:

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Phone: 033- 66134222

## Economic Performance



### Management Approach

Our Vision of 'Reaching Tomorrow First' is the guiding direction for aligning our activities to be always ahead of competition for sustained growth and long term sustainability. To be always ahead of competition, it is our endeavor to capture the stated and unstated needs of the customers and meeting the requirements as well as creating wealth through operational excellence. TML has adopted the three values of – a) Speed & Agility, b) Learning & Innovation, and c) Integrity and Candour. We believe that our three values essentially capture the anchors that we need to 'Race Towards a Billion' (RtaB) by 2015 thus enable TML "Reaching Tomorrow First".

2008-09 was the most difficult years in recent corporate history. TML also suffered the unprecedented shock of the slump and suffered a loss of Rs. 168 crore in the third quarter due to unexpected fall in raw materials and finished goods prices. This sudden crashing of raw materials prices resulted in high cost inventory and thus, huge operational losses. But TML made use of its operational excellence to fight out the tough times and come out triumphant. Our strategies going forward would be:

- Judicious use of current assets so that the working capital could be evenly used as per internal norms to help in mitigating risk (as envisaged now)
- Deploying the option of long-term debt rather than short, as the former is less expensive
- Applying for Minimum Alternative Tax (MAT) for

2009-10, to provide a transparent institutionalized reporting of economic performance to help the Company, banks, auditors and shareholders

- Taking advantage of the close synergies between TML and Tata Metaliks Kubota Pipes Limited (TMKPL)
- Establishing a synergy to sell assured customers, including subsidiary company TMKPL for DI pipes.

At TML, we are very confident that with the constant support of our stakeholders, we would emerge winners from these testing conditions and achieve our short-term aim of 'Recouping the Lost Ground' and long-term aim of 'Race Towards a Billion'.

Please refer to the 'Board's Report and Management Discussion and Analysis' section of the Annual Report of the company for a detailed discussion on the business environment, opportunities, key risks & challenges, etc.

### Economic Performance Indicators

#### Economic Value Generated



At Tata Metaliks Limited, the year started on a buoyant note. We were geared to improve upon the performance of best-ever fiscal of 2007-08. As the world's biggest pig iron producer with five blast furnaces across two locations, TML always needed a continuous supply of raw material for large-scale production. As a prudent resolution, the Company decided to invest in raw material inventory, enough for around 90 days of production to avoid

the uncertainties of spot buying and market volatility. In the beginning of 2008, as the markets were buoyant, prices of imported coke and coal (for converting into coke) rose steadily from the first quarter of 2008-09. In September 2008, the landed cost of coal and coke peaked to around \$350+ and \$550+ per tonne, respectively. In the first half of 2008-09, TML achieved a Gross Income of Rs.683cr with a Profit before Tax of Rs.50cr.

However, the global catastrophe in the first two weeks of October 2008 caused a dramatic market slump, crashing prices of raw materials and finished goods alike. During this period the Rupee experienced wide fluctuations vis-à-vis US Dollar. While the average net realizations came down rapidly, the Company was saddled with high cost inventory which led to heavy operational losses. In addition, following global trends, demand for finished goods came down severely in the third quarter, and for the first time in the history of TML, more than 35,000 tonnes of finished goods piled up and we

were forced to curtail production to 40-50%, to reduce losses to the extent possible. This led to stretching of the 90 days inventory to nearly 180 day. This sudden recessionary onset did the damage in the third quarter. TML suffered unprecedented losses of around Rs.218 cr including Forex loss of Rs.32 cr. The Net cumulative loss as on 31.12.2008 was recorded as Rs. 168 cr. During the year 2008-09, TML recorded Gross Income of Rs.1107cr against Gross Income of Rs.1185cr for the year 2007-08.

To overcome the challenge of raw material availability and price volatility, we had applied for Mining and Prospecting leases. In this regard, we received a prospecting license for Iron-ore, over an area of 154.80 ha from the Maharashtra State Government in the Dongarpal district at Sindhudurg, which is in the vicinity of the Redi plant. With captive mining, the cost of the principal raw material viz. Iron Ore, is likely to come down considerably and will help insulate the Company against vagaries of price volatility.

(in Rs. millions)

Sr. No.	Direct Economic Value Generated			
		FY' 06-07	FY' 07-08	FY' 08-09
1	Net Sales - Domestic	6,331.53	9,554.69	8,326.06
2	Net Sales - Export	479.24	778.89	1699.23
3	Profit/(Loss) on sale of surplus raw material (net)	0.69	0.21	(6.75)
4	Revenue from Financial Investments	6.55	6.96	11.98
5	Other Operating Income	145.20	243.22	222.34
	<b>Total</b>	<b>6,963.21</b>	<b>10,583.97</b>	<b>10,252.86</b>

## Economic Performance



### Economic Value Distributed

The table below provides a snapshot of the economic value distributed by TML. We primarily impact the national and local economy through generation of direct and indirect employment opportunities, payment of taxes to the local

government, sourcing of raw material / spare parts / consumables / payments of dividends to our shareholders. As an organization, focused on future growth we also retain a portion of the economic value generated with the Company for future investments.

(in Rs. millions)

Direct Economic Value Distributed			
	FY' 06-07	FY' 07-08	FY' 08-09
Operating Costs	6097.7	8937.04	11243.14
<b>Employee Wages &amp; Benefits</b>			
Salary & Wages	140.1	195.52	163.07
Benefits & Contribution	32.3	40.44	36.66
<b>Payments to providers of Capital</b>			
Finance Costs	141.85	192.47	303.75
Dividend (Including tax on dividend)	177.51	207.1	-
<b>Payment to Government</b>			
Sales Tax	133.5	242.5	164.4
Direct Tax	90.5	312.1	-
Excise Duty	1,006.8	1,521.2	810.3
Customs Duty	107.6	130.8	-
Others	0.4	0.4	0.5
<b>Others</b>			
Community Investments	3,33,270	6,66,985	5,37,464
Charity & Donations	1,22,740	1,65,000	3,22,050
<b>Total</b>	<b>4,56,010</b>	<b>8,31,985</b>	<b>8,59,514</b>

### Climate Change

Our Prime Minister has come up with India's National Action Plan on Climate Change which lists out eight missions; one of them being Mission on Enhanced Energy Efficiency. The mission has identified nine energy intensive sectors among which 'Iron & Steel' is also one of the 'designated' consumers. Hence, we realize the legal & operational risk arising out of climate change in the future.

We acknowledge the fact that Pig Iron manufacturing is an energy-intensive & Greenhouse Gas intensive process. Tata Group has identified action against Climate Change as one of the strategic key initiatives and has developed a corporate policy against climate change. Tata companies will play a leadership role in climate change by being knowledgeable, responsive and trustworthy and by adopting environment-friendly technologies, business practices and innovation, while pursuing their own growth aspirations and the enhancement of shareholder value. TML, being a group company, has followed the same and is in the process of measuring the impact of climate change on its business operations.

We have already measured our corporate carbon footprint to identify the amount of greenhouse gases we are emitting in the atmosphere. In addition to that, we have also been taking a lot of proactive initiatives for the reduction of our carbon footprint. So far, we haven't carried out a formal assessment of financial implications of risks & opportunities due to climate change. But we aim to demonstrate our commitment towards being a responsible corporate

and take real, measurable action against climate change.

### Employee Benefit Plans

All the employees of TML are covered under the Pension Scheme, 1995 of the Central Government.

### Financial Assistance from Government

The table given below depicts the financial assistance received by TML in the last three years:

2006-07	2007-08	2008-09
0.00	10.5	30.5

The financial assistance received represents state capital investment subsidy under WBIS - 2000 for expansion of unit at village - Gokulpur, P.O. - Samraipur.

### Market Presence

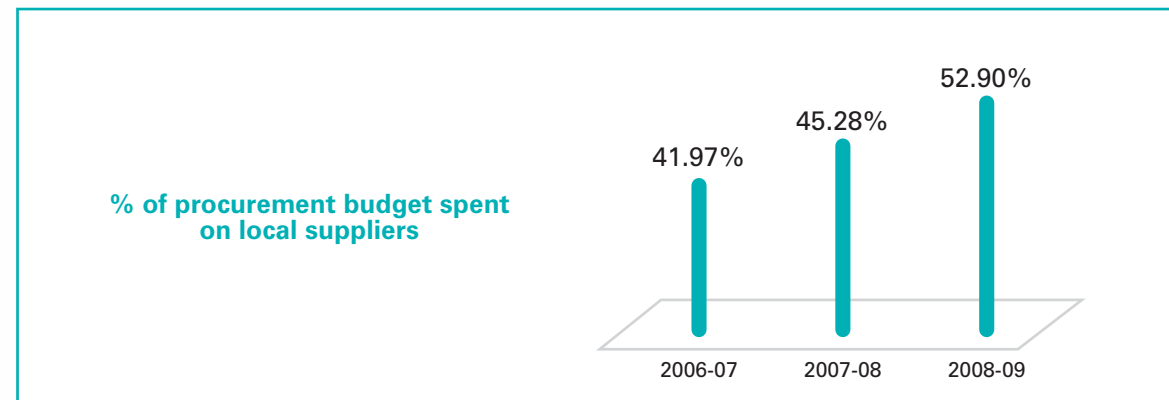
#### Locally Based Suppliers

TML doesn't have a policy for preferring locally based suppliers but we procure a major portion of our raw material from Indian or India based suppliers (which we define as 'local' suppliers for us). The percentage of procurement budget on local suppliers has been continuously increasing over the years (as shown in the figure below). Suppliers are selected based on various criteria like quality, cost, delivery time, size, technical capability etc. The total cost of raw material procured from locally based suppliers is as given in the below table:



Economic Performance

	2006-07	2007-08	2008-09
Raw Material Consumed (local)	2261	3551	5408
Raw Material Consumed (total)	5387	7843	10224
Percentage	41.97	45.28	52.90



**Local Hiring & Senior Management**



TML is an equal opportunity employer. Although we encourage local employment but the selection is on merit.

We recruit quality people irrespective of their location, gender, religion etc. More details regarding the same can be found in the social section of the report.

**Indirect Economic Benefits**

TML, because of its proximity to rural area is actively involved in activities directed towards raising the standard of living of the local population by focusing on education, environment and healthcare. TML has successfully undertaken projects that have proved to be sustainable in the longer run, both at Kharagpur and Redi. More details about various projects undertaken by TML are covered in the social section of the report.



## Environmental Performance



### Management Approach

It's a fact: Manufacturing pig iron poses several challenges to the environment. For every tonne of hot metal, 1.4 tonnes of iron ore and 0.72 tonnes of coke are used; harmful effluents and wastes are discharged and a lot of noise is produced. Simultaneously, as a wealth-creator for shareholders, TML is obligated to ensure profitability and operational growth, with its vision being "RTaB" or Race to A Billion by the year 2012. But what makes TML's Management stand apart is its proactive green conscience. Daily efforts are aimed at reducing carbon emissions, optimizing resources, and mobilizing all employees and service providers to participate in the 3Rs (Reduce, Reuse & Recycle). The Company prioritizes waste reduction during manufacture and maximizes re-use of by-products, continuously setting stricter norms that what is statutorily required. Few of the highlights of our environmental performance have been:

- We have made the most efficient use of Blast Furnace (BF) Gas generated from our iron manufacturing process. We use BF gas in captive power production unit, hot stoves and also sell it to our subsidiary Tata Metaliks Kubota Pipes Ltd. Efficient use of BF gas is a major stride towards reduction of our greenhouse gas emissions
- With continuous support of workers and their ideas, we have been able to reduce our energy consumption over the years. We are planning to make use of waste heat recovery mechanisms and coke heating mechanism to further improve

- our energy usage
- In Kharagpur, we have increased the greenery and vegetation area to more than 30% of the total plant premises of 197 acres
- We utilize wastewater after recycling and nothing is discharged outside the plant boundary making us a 'Zero Water Discharge' organization
- We have taken umpteen measures to reduce the noise pollution in the plant premises
- We aim to become a 'Zero Accident' workplace. We have formed separate SHE & safety committees at both our manufacturing locations. We conduct regular trainings and awareness workshops for raising environmental awareness in the workforce
- We have conceived the unique concept of 'energy-efficient pig iron' which would decrease the energy consumption at our customer's front. With the conscious and continued efforts of all the stakeholders, we aim to achieve higher levels of environmental performance and demonstrate a path of environmental sustainability.

### Material is 'Material' to us

#### Raw Material Consumption

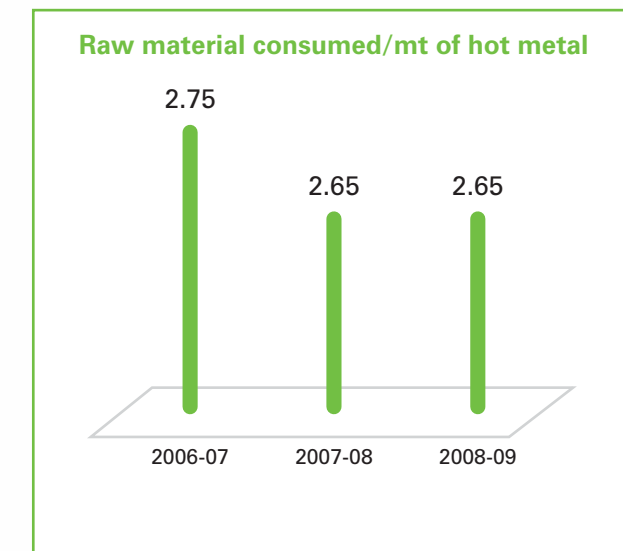
The global meltdown forced all the industry sectors to decelerate growth and curtail production. Pig iron industry received one of the major blows from the automobile sector which was passing through a very tough time post Global Meltdown. This impacted the demand of castings used in vehicles, ultimately affecting the demand of pig iron in the international as well as domestic market. In addition,

the prices of major raw materials, witnessed a sharp fall. All this led to piling of materials with some of the major pig iron producers, who were left with no option but to curtail production by around 40% - 50% in the latter half of 2008-09. TML also had no option but to curtail the production to 50% (for the first time since the Company's inception) to reduce as much loss as possible. Thus, only one MBF each

in Kharagpur and Redi remained operational, with controlled coke consumption. This explains the decreased consumption of raw materials, associated process materials in the reporting year. Detailed description of various raw materials, associated materials utilized by TML in the past three years has been depicted below.

Raw Material	Units	2006-07	2007-08	2008-09
Iron Ore	MT	685667.47	866088.37	617740.88
Coke	MT	369129.25	407727.99	292275.05
<b>Flux</b>				
Dolomite	MT	22670.17	43832.20	35304.00
Limestone	MT	81748.69	75879.84	49658.66
Manganese Ore	MT	10791.80	13601.30	8618.63
Quartzite	MT	22307.48	33218.35	18540.44
Pyroxinite	MT	19320.68	3673.92	1346.92

We have evaluated how much flux in a violent market scenario TML can absorb, by fixing a prudent Value-at-Risk for finished goods and raw material. We are in the process of acquiring captive mines to insulate ourselves from raw material volatility. A major de-risking move was supplying molten metal to our JV Company, Tata Metaliks Kubota Pipes Ltd. (TMKPL). With the successful application of Tata Business Excellence Model (TBEM) across our manufacturing locations, we have been able to reduce the raw material consumed per ton of hot metal over the years. The stretched target given by the Board has also been instrumental in achieving efficiency in the process.



## Environmental Performance



Few of the several initiatives taken in the reporting period for improving the material efficiency are as follows.

- Installation of drum mechanism for leveling the coke mark
  - Improved crusher for improving the size of the coal
  - Reduction of undersized fines by reducing the no. of handlings from three to one
  - Use of vibrator screen instead of manual loading for removal of lumpy cokes
  - Prevention of heat loss by shading of coke oven
- We have plans of installing Waste Heat Recovery mechanism and Coke Heating mechanism in future which would further improve the utilization of

resources.

### Percentage of material recycled

We make use of LD slag in the manufacturing of pig iron in our Kharagpur manufacturing unit. LD Slag is a waste material from Steel plants, produced as a byproduct of Blast Furnace process. This LD slag is (up to certain extent) used in the process of manufacturing of Pig Iron for the following reason:

- LD slag is used as a flux for partial replacing of limestone to economize the flux input cost
- Iron % in LD slag reduces the consumption of iron ore
- Calcite Lime in LD slag helps in reducing coke rate

The quantity of LD Slag used in the last three years is shown below. (Redi plant doesn't use LD slag because of unavailability of the same)

Recycled	Units	2006-07	2007-08	2008-09
L.D.Slag	MT	2506.758	1962.598	2415.32



### Water

Water being one of the scarcest resources, needs to be utilized in the most efficient manner. We follow the principles of Reuse, Recycle throughout our manufacturing processes and try to make maximum use of the water withdrawn. Most of the water withdrawn by TML is groundwater from nearby

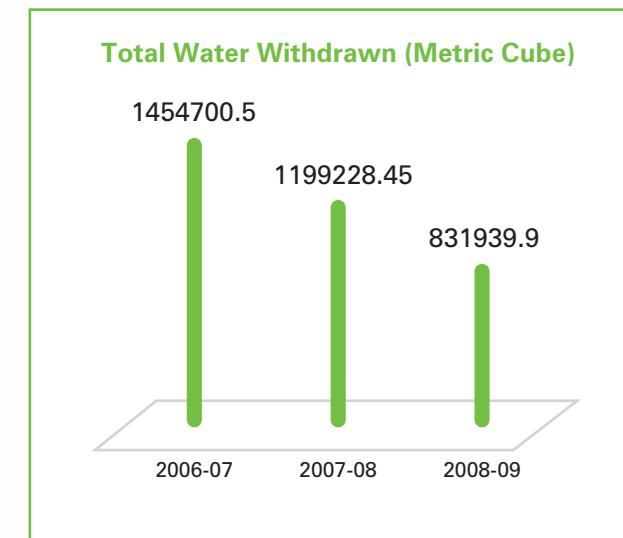
lakes, mines pits etc. With the help of our initiatives taken to reduce our water consumption and also with the decrease in production, we have been able to reduce our water consumption from 1199228.45 metric cubes in 2007-08 to 831939.9 metric cubes in 2008-09. The table below lists down the total water withdrawn by different sources in the past three years.

Source of Water	Units	2006-07	2007-08	2008-09
Ground Water	Metric Cube	1434828.50	1189531.45	829908.9
Municipal Supply	Metric Cube	19872.00	9697.00	2031.00

We haven't carried out a formal study to evaluate the effect on water sources from the withdrawal of water. But we believe that there is no significant effect of water withdrawal on the available water sources, at least until the next ten years. Our Redi unit withdraws water from the Kanyal Lake which is recharged from Gokate Mines (Pit No. 203). As a part of our contribution to societal development, we have made arrangements for the villagers to use a part of this water for their drinking & irrigation purposes as well.

TML has taken a lot of initiatives for improving the water efficiency in the last two years. A "Breakthrough & Continuous Improvement" project was initiated in the year 2007-08 for reduction of water consumption in Kharagpur plant. In the year 2007-08, the internal team mapped the complete processes & installed water meters to gather data for water consumption in different processes. After

the initial data collection, we started a detailed root-cause analysis in 2008-09 to find out the improvement areas. From the identified root causes, we started implementing the action plans.



### Major modifications made by the team to reduce water consumption in the plant were,

- Interconnection of Tuyere & Shell cooling sump of MBF#2,
- Increase of height of bottom turf & additional discharge line from bottom turf to sump of MBF#2 to eliminate overflow from turf,
- To eliminate overflow of water from bottom turf

- of MBF#1, shell cooling water of the top half of the furnace is collected separately in the middle of the furnace and returned to sump by gravity so that it does not come to the bottom turf,
- Installation of higher efficiency fan-less Cooling tower in MBF#1 to reduce requirement of water for blow down for temperature control,
- Provision made to take water from makeup tank to improve COC of water in Power House.

## Environmental Performance



As a responsible corporate, TML makes maximum use of recycle & reuse of water. A typical example of reuse & recycle is given below:

In units like Shell, Tuyere cooling system and Power House, we do occasional blow down of water, to control water quality & temperature. We also do continuous makeup of water in the Gas Cleaning system, to maintain optimum water seals. This waste water is collected in a pond and re-circulated in Slag Granulation & Pig Quenching system. In Gas Cleaning system, we have an effluent treatment plant called Thickner where dust is segregated from

the water & clean water is re-circulated in the system. The consumption of ground water could have been very high, had we not re-circulated this water.

We are still in the process of establishing accurate measurement mechanisms for the percentage of water reused & recycled in the system. We aim to report the accurate nos. from our next sustainability report. An estimated percentage of, taking into accounts the evaporation losses & process losses, 80-90% of the total water requirement of the organization is fulfilled by the water reused/recycled.



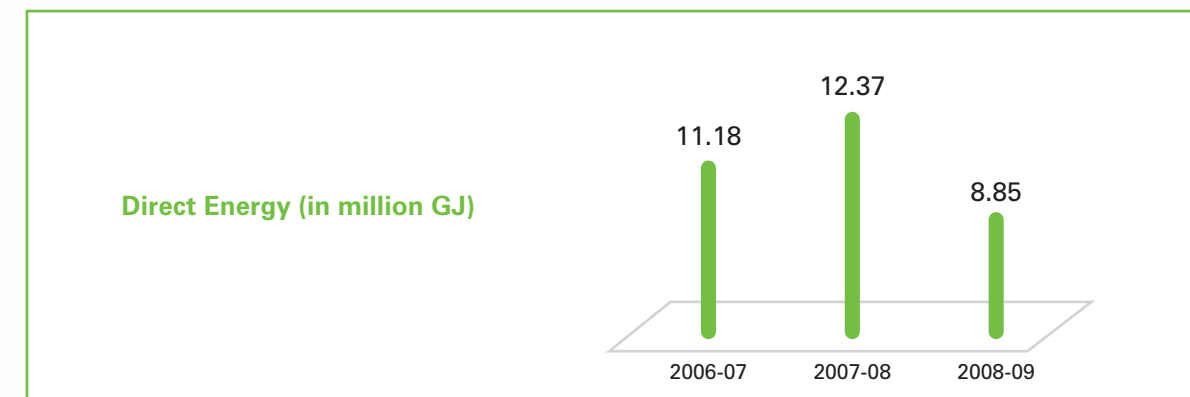
### Energy

Understanding that pig iron manufacturing is an energy intensive process, we endeavor to minimize our energy footprint through application of appropriate measures combined with close and continuous monitoring of energy consumption at every unit. Almost 90% of our power requirement is fulfilled by our captive power plants and the remaining power is bought from the state electricity board. The blast furnace gas (BFG) produced from

our manufacturing process is rich in Carbon Monoxide (CO) and hence, acts as a fuel for our captive power plants. BFG is also used in the Blast stoves for producing hot air which is blown in the blast furnace. The main source of energy used in the blast furnace is Coke which is used to reduce iron ore. Other fuels such as High Speed Diesel (HSD), Light Diesel Oil (LDO) are used as support fuel in Boilers and for running DG sets, on as and when required basis. The detail of all our direct energy sources for the past three years is as follows:

Direct Energy Source (in GJ)	2006-07	2007-08	2008-09
Coke	11110790.52	12272612.60	8797477.65
HSD	37359.00	70027.80	44108.48
LDO	21626.76	12077.56	5255.94
FO	8420.90	14381.31	2591.50
LPG	120.42	314.36	320.84

The comparison of total direct energy for the past three years has been shown below. The reduced production in the reporting period is the main cause of decrease in direct energy consumption.

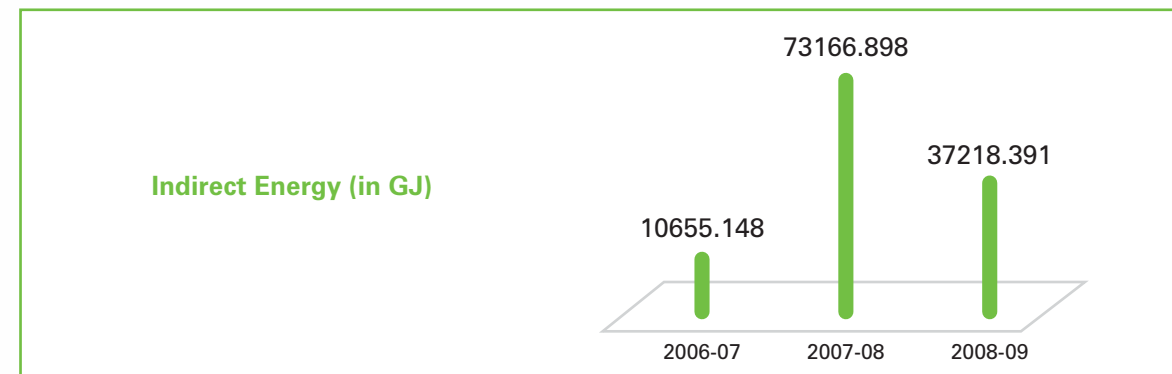


## Environmental Performance



TML purchases electricity from the state electricity board as a source of indirect energy. The Kharagpur plant started purchasing power from West Bengal State Electricity Board from February 2008 to meet its power requirements. The total indirect energy consumption for TML in the past three years is stated below:

Indirect Energy (in GJ)	2008-09	2007-08	2006-07
Electricity	37218.391	73166.898	10655.148



The various energy efficiency measures taken in the reporting period and their corresponding energy savings are as follows:

### For our Kharagpur S.B.U.:

Initiative taken	Approx. Units saved (kWh)	Energy Saved (GJ)
Replacement of Dol Starter with VFD in CPP 1 Boiler & connecting it with PLC Furnace Draft PID Loop	157680	1545.26
Replacement of Dol Starter with VFD in CPP 2 Boiler & connecting it with PLC Furnace Draft PID Loop	131400	1287.72
Improvement in compressors - Using Auto Start-Stop facility has resulted in elimination of one compressor	438000	4292.4
Replacement of shell cooling tower with Fanless Cooling tower	394200	3863.16

### Some of the other initiatives include:

- BF gas emission from furnace contains suspended solids, which was treated in a gas cleaning unit (dust catcher, 2-stage venturi scrubber, saturator and dry cyclone separator), and the heat, about 600-700 kcal/Nm<sup>3</sup> was recycled to remove moisture from coke or used as fuel in boiler, to reduce High Speed Diesel consumption.
- Out of the two mini blast furnaces, one was proven to be energy-efficient, but the other furnace was connected to the captive powerhouse. So we simply connected the energy-efficient furnace to the powerhouse to reduce fossil fuel consumption.

### For our Redi S.B.U.:

In just three years, Redi became another word for self-reliance! Redi followed Kharagpur in all the operational principles of reduce, reuse and recycle. Redi's headline in the year under report was reducing coke rate from 750kg/thm to 700kg/thm. This was done purely by the workers, who innovated with the operational processes to reduce coke consumption. The Boiler's fuel consumption has also been reduced from 12km High Speed Diesel to 7km High Speed Diesel.

### Some of the other initiatives along with their energy savings are as follows:

Initiative taken	Approx. Units Saved (kWh)	Energy Saved (GJ)
Replacement of 180 Kw SGP Pump Motor by 45Kw Motor	378000	3704.4
Two x 110 Kw compressor were running . Leakage arrested & now one compresor running continuously	462000	4527.6
300 Nos - (2x40) watts Flourscent Tubes replaced by 18 Wattts CFL Lamps Qty : 350 Nos	51684	506.5032
Improvement of Power Factor of 3.5 Mw Alternator from 0.89 to 0.95	840000	8232
Stopping of One Booster Pump	189000	1852.2
Fan less cooling Tower Installed & removal of old 30 Kw Motor	252000	2469.6

## Environmental Performance



### Energy Efficient Pig Iron: An Innovation

TML conceived the unique concept of producing energy efficient pig iron for foundries during the reporting period. This concept was conceived for the benefits of foundries which are operating Cupolas and Induction Furnaces all around the country and consuming pig iron in their charge mix. The cupolas consume low / high ash lumpy coke as energy source for melting. The induction furnaces consume electricity. The use of the proposed energy efficient pig iron will save consumption of both coke and power at customer's front, and would also contribute to reducing environmental pollution.

The concept would immensely help foundries in reducing their costs in charge mix and also help them minimize their pollution level of operation.

### Reducing our indirect energy consumption:

The raw material to our Redi manufacturing unit was earlier coming directly from Hospet mines through trucks, which had to travel a long distance of approximately 600km. Now a railway line has been laid from Hospet mines to Sawantwadi, which

is approximately 40km from the Redi plant. TML spent approx. INR 4 crores in this project. Using the rail line has reduced the raw material travel distance from approx. 700 km to approx. 40 km.

In the reporting year, we have installed video conferencing facility at Kolkata corporate office, Kharagpur & Redi plant. This facility is extensively used for meetings, knowledge sharing, knowledge manthan and other communications. This initiative has reduced the need for business travel which was earlier required for meetings like PMS, Projects discussions, and negotiations etc.

We harnessed technology—IP, e-mail—to reduce paperwork and utilized both sides of paper for office printouts. CFLs gradually replaced conventional lights, use of daylight was maximized as lights were switched off between 6am to 6pm, and ACs was kept at an ambient 25°C.

We also encourage maximum use of public transport (e.g. rail travel from Kolkata to Kharagpur) to avoid our indirect energy consumption as well as to reduce the indirect greenhouse gas emissions.

Although Sindhudurg district has been declared as an environment sensitive area by the local government, it doesn't have any protected area or area of high biodiversity.

As per MoEF norms, TML Kharagpur must have 33% of greenery & vegetation area. The total size of our Kharagpur plant is 197 acre which means an area of 65 acres must be covered under greenery

& vegetation. We have already achieved 61 acres of the target and the remaining 4 acres would be achieved during the year 2009-10. The table given

below gives the total no. of plants planted, total area under lawn & garden in the last three years:

**Plantations at Kharagpur Plant ( TML & TMKPL)**

Year of Plantation	Plants	Lawn	Garden
	Total No.	Total Area (Sq Mt)	Total Area (Sq Mt)
2006-07	29965	13900	8650
2007-08	31599	13900	8850
2008-09*	34699	13900	9050

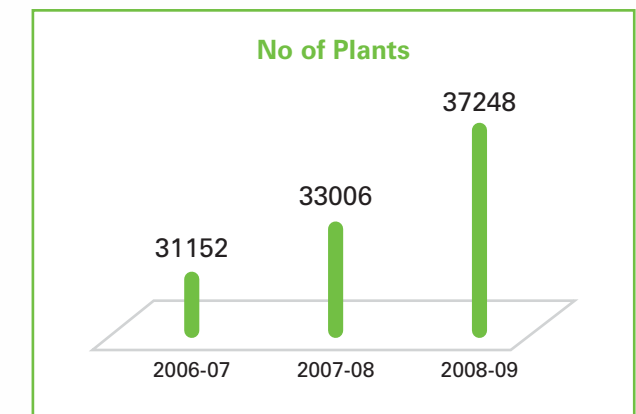
\* The 2008-09 figures includes the no. of plants in TML's subsidiary TMKPL

**Plantations at Redi Plant**

Year of Plantation	Plants	Lawn	Other trees / bushes
	Total No.	Total Area (Sq Mt)	Nos
2006-07	1187	849	13985
2007-08	1407	849	13985
2008-09	2549	135	13250

TML plants species like *Alstonia scholaris*, *Albizia ebbbeck*, *Anthocephalous*, *Polyalthia longifolia*, *Peltaphorum*, *Casuarinas*, *Phycus*, *Neem*, *Dalbergia sissoo*, *Muraya exotica*, *Ticcoma stans*, *Ixora*, *Acalypha*, *Tectona grandis*, *Lantana*, *Mimosops elengi*, *Thespecia Peplonia*, *Glericida*, *Bougainvillea* which absorb more Carbon Dioxide & enrich the environment with oxygen. These species are planted in the dust and noise zone & periphery of plant boundary area. In addition to this landscape covered with vegetation of indigenous plants species, we also plant herbaceous annuals, biannuals, perennials plants & ornamental shrubs and creepers plant varieties inside the plant premises for environmental and aesthetic values.

The chart given below depicts how TML has increased the no. of plants in the last three years and hence, increased its greenery & vegetation cover on a continuous basis.



### Biodiversity

TML is situated at Gokulpur, KGP, within Paschim Midnapore district of West Bengal. The land used by

TML is industrial land and does not constitute rich biodiversity. Redi is situated in the Sindhudurg district of Maharashtra. Redi is declared as an Industrial zone by the government of Maharashtra.

## Environmental Performance



### Aspect: Emissions, Effluents & Waste

Pig Iron manufacturing is an energy intensive process and hence, also a Greenhouse Gas intensive process. The increase in the concentration of greenhouse gases in the atmosphere contributes to climate change which is the biggest problem of the mankind in the current scenario. We understand the need

for urgent and decisive action against climate change, and hence, have started to continuously monitor & reduce our energy consumption and GHG emissions. The table given below demonstrates our direct (Scope 1 of GHG Protocol) and indirect (Scope 2 of GHG protocol) greenhouse gases emissions by weight (tonnes) in the reporting period.

Year	Direct Greenhouse Gas emissions	Indirect Greenhouse Gas emissions	Total GHG emissions (tons of CO2 equivalent)
2006-07	1207281.9	869.8	1208151.7
2007-08	1335183.1	5972.8	1341155.9
2008-09	955817.8	3038.2	958856.0

We have taken a lot of initiatives for reducing our greenhouse gas emissions in the reporting period. Some of the few initiatives are:

- Designing for interconnection between two BF Gas lines coming from Blast Furnaces was made In-house and procurement action of necessary materials for the same was initiated. This initiative was taken to reduce consumption of fossil fuel which was used as support fuel in powerhouse when sufficient gas from Blast Furnace was not available. Even if one furnace has any problem in supplying gas to powerhouse, gas can be taken from the other furnace to run the powerhouse.
- We have commissioned one line from TML to TMKPL so that excess gas can be supplied to TMKPL to heat the Induction furnace. This will reduce energy demand of TMKPL from WBSEB

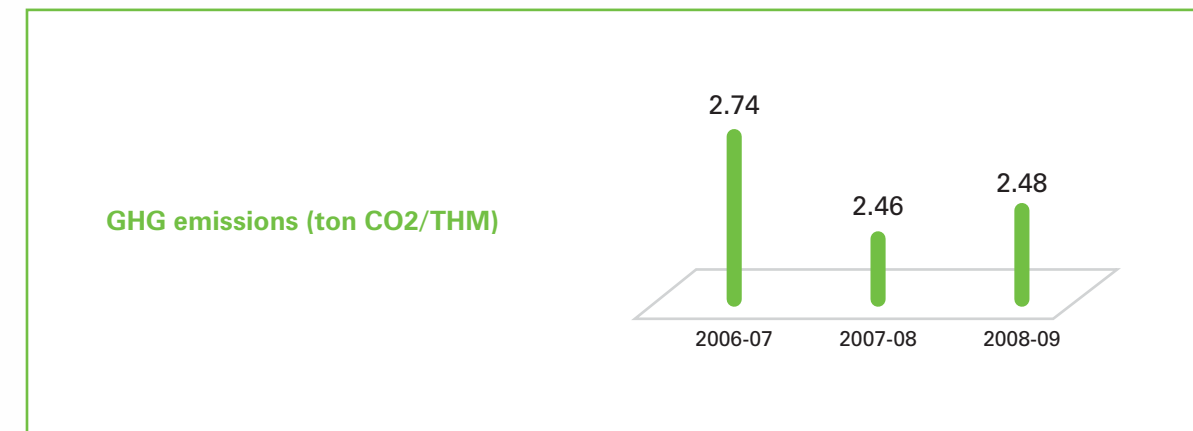
- During recession period from November 2008 till February 2009, management decided to stop one furnace. But while looking into the matter, we found that Blast Furnace gas cannot be supplied from most efficient furnace (MBF#1, which was consuming less coke to produce pig iron) to the most efficient Power House(P/H#2, which has more power generating capacity). The objective was to consume less coke to run the furnace and at the same time consume less fossil fuel to generate power. So we took the initiative to connect the gas line of MBF#1 to Power House #2 and run Power House#2 along with MBF#1 for those 3 months
- By making modification in our in plant logistics process, we have started direct feeding of raw material from railway yard or coke conversion agent (Kalimati) in our furnace. This reduces vehicle movement and also reduces wastages

of raw material due to multiple handling. Our previous process was to store all materials in raw material yard & then feed the furnace from there

- We have replaced the petrol operated motor bike by an electric operated two wheeler (Yo bike) for our employees' movement inside the

plant.

Through our continuous efforts, we have been able to reduce our GHG emissions per ton of hot metal produced over the years. We are currently in the process of measuring our indirect emissions related to business travel, employee commuting etc. We aim to report those emissions in our next report.



### Ozone-depleting substances

Since the scope of using ozone-depleting substances is limited to window air conditioners only, we are replacing window air conditioners gradually with more suitable substitutes.

### Air Emissions: SOx, NOx etc.

#### At Kharagpur

In 2008-09, we ensured that no blast furnace gases evolved from the flare stack. We prevented dust build-up by spraying mist in the stockyard, main vehicular road within plant premises, etc, and prevented dumper emission through improvements

in the raw material handling system. Flue gas emissions of NOx, SOx and SPM were displayed for employees, monitored and calibrated through a quarterly review.

#### At Redi

Dust pollution was kept under control by spraying recycled water. Pollution Under Control certificates were made mandatory for all trucks and outside vehicles entering Redi plant, otherwise, the offending vehicle was blacklisted. NOx, SOx and SPM levels were displayed at the entry of main gate everyday and reviewed every quarter.

## Environmental Performance



### EN20 - NOx, SOx, and other significant air emissions by type and weight at Kharagpur

Air Emissions	2006-07	2007-08	2008-09
SOx	62.81 mg/ Nm3	72.80 mg/ Nm3	55 mg/ Nm3
Nox	93.90 mg/ Nm3	22.85 mg/ Nm3	29.86 mg/ Nm3
Hazardous Air Pollutants			
Suspended Particulate Matter	53.49 mg/ Nm3	58 mg/ Nm3	39 mg/ Nm3

### EN20 - NOx, SOx, and other significant air emissions by type and weight at Redi

Air Emissions	2006-07	2007-08	2008-09
SOx	12.8 micro gram / m3	20.5 micro gm / m3	24.7 micro gm / m3
Nox	28.20 micor gm / m3	21.98 micro gm / m3	19.96 micro gm / m3
Hazardous Air Pollutants			
Suspended Particulate Matter	26.78 milli gm/m3	30.47 milli gm / m3	30.7 milli gm / m3

#### Effluents

TML is a 'Zero Water Discharge' organization as we do not discharge any wastewater to any water body (surface or ground), outside our organization boundary. For achieving this coveted status, different arrangements have been made in MBF#1 and MBF#2. Water going out (process requirement) from different process circuits are re-used as input to other circuits (where the processes permit).

In MBF#1, an integrated re-cycle water circuit is made with a pakka pond to collect all the outgoing process water. Through a pump set and a network of pipelines and valves, pond water is sent in different circuits as input compensate water such as in Slag Granulation and Pig Quenching circuit or for dust suppression in stock yard.

In MBF#2, the process outgoing water is directly taken in Slag Granulation as Make-up Compensate water.

#### Waste

Manufacturing one tonne of pig iron generates 200 kg of solid waste. As a result, solid waste management is an imperative of the Company, including reuse wherever possible. Since most of the waste generated in the process of manufacturing pig iron cannot be reused or recycled in the manufacturing processes, it is sold to third party. However, some of the waste like sludge from Gas Cleaning Plant, iron ore fines are used in the plant for filling of low land and construction of road base respectively. We have reduced the no. of handlings to reduce the no. of undersized fines. At Kharagpur, Cotton wastes and Polythenes were thrown into the incinerator to generate heat instead of on the top soil. At Redi, earlier lump ore of 10mm or less were screened as waste. But we discovered that technically we could use lump ore up to even 6mm for manufacturing. We also lowered the mm screen for coke fines for optimum usage of coke.

The various types of wastes produced in our manufacturing processes along with their disposal methods are as follows:

Waste	Units	2006-07	2007-08	2008-09	Disposal Method
Iron Ore fines	Metric Tons	84089	88329.105	69193.219	Sold in the market
Coke fines	Metric Tons	34806	27940.29	29686.23	Sold in market
Sludge from GCP	Metric Tons	14511	20181	15946	Used for land filling within plant premises
Dust from Dust Catcher					
Granulated Slag	Metric Tons	98781	122543	112909	Sold to authorized agency
Waste Oil & Oil Sludge	Metric Tons	8.1	7.98	16.36	Sold to authorized dealer
Scraps	Metric Tons	5292	7748	5561	Sold to market

#### Significant Spills

There was no major spillage inside or outside the company premises during 2008-09. Further, we are not transporting, importing or exporting any hazardous waste internationally as specified under the Basel Convention. The Breakthrough for Continuous Improvement (BOCI) Team maintained a zero spillage of chemicals, hydraulic and other oils and fuels. This was done through Root Cause Analysis, targeting leakage points.

#### Compliance with Statutory Requirements

All statutory requirements pertaining to environment management have been identified as a part of the Integrated Management System. TML has all relevant permissions for establishing and operating the different plants in its premises. Regular monitoring ensures strict compliance with the statutory requirements. In 2008-09, no monetary or non-monetary fines or sanctions were imposed on the organization on account of any environmental issue.

#### Total Environmental Expenditures & Investments by type

The total expenditure on environment protection in the last three years is as given in the below table:

Sr. No.	Types of Investments	Yearly Expenditure (INR)		
		FY' 06-07	FY' 07-08	FY' 08-09
1	Repair & Maintenance (Greenery, Vegetation Solid Waste Management, Disposal & Cleaning)	2946925.91	2722695.41	3560855.55
2	Store Consumables	13585.1	206435.5	5278
3	Hiring Charges of equipments (JCB, Dumper etc.)	238700	2054745	2253400
4	Testing & Inspection (Soil, Water, Air, Waste Water Drinking Water, Stack Monitoring)	368760	396950	324000
	<b>Total</b>	<b>3567971.01</b>	<b>5380825.91</b>	<b>6143533.55</b>



## Social Performance Indicators



### Labour Practises & Decent Work

#### Management Approach

TML views its workers as caring & dedicated to the business. The management trusts in them and asks for their input on important decisions. The workforce focus of TML is aligned with the HR vision "informed, engaged and aligned TMLians in an inspired workplace". On the strength of our sustained workforce outcome since inception, we are making ready TMLians in an aggressive phase of growth and sustainability. Our workforce has thrust areas like:

- Engaging workforce to achieve organizational and personal success
- Identifying future leaders for growth and developing their capabilities
- Enabling employees to build an effective environment through learning, sharing & innovation

Being committed to employee wellbeing, TML maintained excellent labour relations and work practices. The smooth merger of Redi plant to the TML work culture since 2006 speaks volumes about TML's trust among employees. Today, at both

Kharagpur and Redi, workers, their Unions and the Company Management share a synergic relationship—examples of continuous industrial harmony.

For employee retention and growth, the Company's robust processes map personal growth with career progression. In the year under report, these processes included a well-defined career chart, training and skill enhancement through job rotation and industry exposure, employee satisfaction surveys, 360° evaluation, revised pay scale and allied benefits, and last but not the least, health and safety management. Despite the lean balance sheet, the Company ensured that its human capital was well looked after.

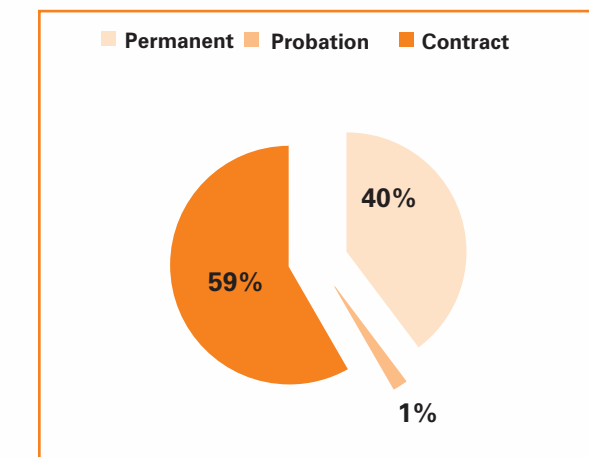
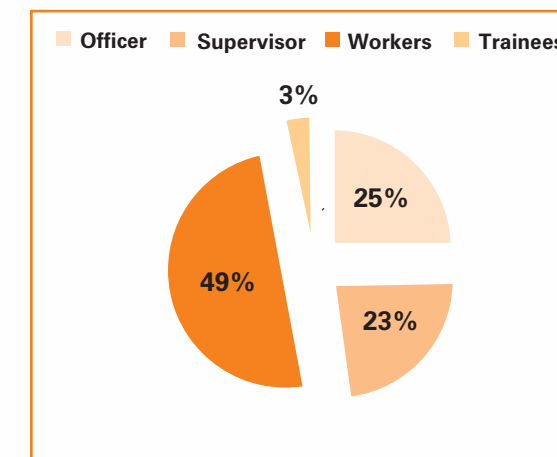
#### Employment

TML has adopted various HR initiatives for overall associate development as well as for development of a sense of belonging amongst the associates. As we are into manufacturing process, we also engage a lot of contracted labour for carrying out several operations. There were 736 contract workers in Kharagpur & 300 contract workers in the reporting period. The total workforce of TML decreased from 728 in 2007-08 to 711 in the reporting year.

Grade	2006-07			2007-08			2008-09		
	Kolkata	Redi	KGP	Kolkata	Redi	KGP	Kolkata	Redi	KGP
Officer	40	70	72	40	68	72	47	59	77
Supervisor	0	137	54	1	119	55	2	107	59
Workers	1	254	136	1	237	135	1	222	137
Trainees	6	15	31	3	20	10	1	18	6
Contract Labour (Avg.)	-	300	896	-	300	898	-	300	736

Grade	2006-07			2007-08			2008-09		
	KGP	Redi	Kolkata	KGP	Redi	Kolkata	KGP	Redi	Kolkata
Male	257	455	35	257	419	37	269	384	45
Female	5	6	6	5	5	5	4	4	5

The total workforce (excluding on probation & contract labour) broken by employment type & employment contract for 2008-09 is as shown below:



At TML, we attract, retain & engage talent of high quality. Our recruitment policy for entry level of officers is done through campus selection from reputed institutes. For worker level entry, the recruitment is done from technical institutes for injection of new skills & capabilities. A unique model for developing skilled workers from local ITI campus has been implemented under the aegis of our CSR initiative – "Sadbhavna". Our employee turnover has reduced from 5.77% last year to 3.8% this year. Our processes for retention of new employees are as follows:

- Reward & Recognition: Performance linked bonuses, Incentives, Suggestion Awards, Gift

Coupons, Picnic Grants, Mahabhoj, Well Done Award, etc.

- Pre-placement presentations on campus: These help to set expectations of the prospective employee and reduces chances of expectation gap in future

- Structured Induction: Helps the new recruit understand the work culture & processes

#### Strong two-way organizational communication

Age	2006-07	2007-08	2008-09
Less than 30	4	8	12
Between 30 & 50	23	29	20
Above 50	2	5	1
<b>Total</b>	<b>29</b>	<b>42</b>	<b>33</b>

## Social Performance Indicators



The employee turnover by gender & region is shown by the following table:

Grade	2006-07			2007-08			2008-09		
	KGP	Redi	Kolkata	KGP	Redi	Kolkata	KGP	Redi	Kolkata
Male	16	10	2	19	19	4	13	9	6
Female	0	0	1	0	0	0	2	1	1

Our permanent employees are entitled to get some additional benefits compared to our temporary or part-time employees. These benefits include Canteen facility at highly subsidised rate (Approximately 79%), transportation facility (for all shift), medical facility (First-aid for contract employees) uniform, picnic, soap & duster, certificate incentives (financial benefits on producing course completion certificate), giving an opportunity to appear in different educational examinations, releasing for higher education, Statutory benefits (recently we have started some statutory benefits like ESI for contract employees also, where some contractors have implemented it & some are in progress).

### Labour Management Relations



We recognize and respect our workers' right to join associations and choose representative organizations for the purpose of engaging in a collective bargaining in a manner consistent with the applicable laws, rules & regulations. At TML, 100% of the workforce (other than officers and supervisors) is represented by TML Workers Union. At KGP, the TML workers union is affiliated to a national level

trade union called CITU and at Redi, workers are represented by TMLWUR, Redi affiliated to BMS, a national trade union. The management recognises and has harmonious relationship with the union at both its units.

TML has direct consultation system that ensures free flow of dialogue, interaction and participation of workforce at all levels. We ensure that any significant operational change is taken in consultation with the affected workforce and sufficient notice period is allowed before the change actually happens. HR department of TML is entrusted with the responsibility of sharing all the relevant information amongst the employees through ISO procedure (controlled), Notice Board, Notice copy to union office through IP message on Intranet and Internet. The senior management and the union officials meet in a structured forum every month with agenda on employee productivity, safety and welfare

### Occupational Health & Safety

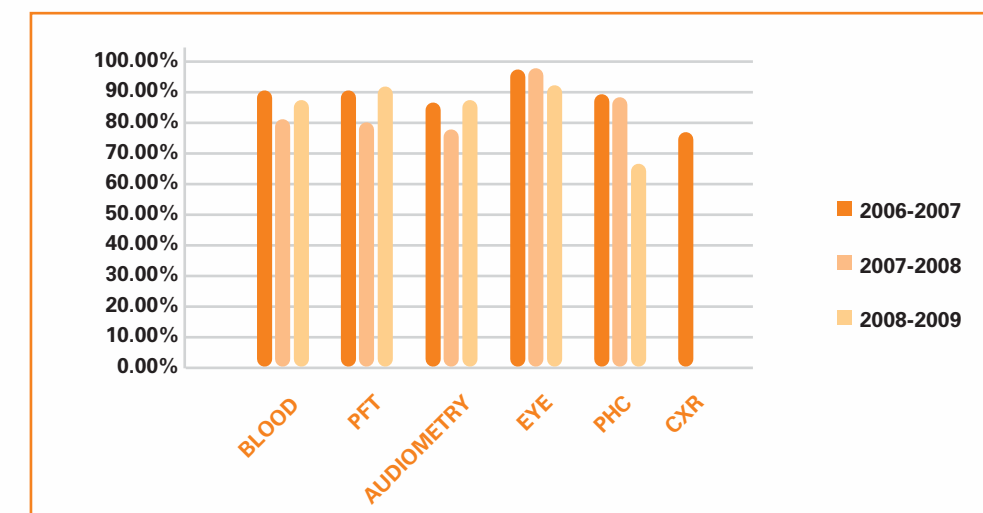


We recognize the importance of health & safety of our workforce for the success of our organization. At TML, we strive hard to become a Zero

accident workplace and hence, place the highest value on the safety of their workforce. Our approach to health & safety is incorporated in our ESHQ (Environment, Safety, Health and Quality) policy. We have separate SHE & Safety committees at both our manufacturing locations which have

representation from all strata of organization. We conduct periodic checks of all our workers for identifying the occurrence of any occupational diseases. There has been no incidence of any occupational disease in the reporting period.

The compliance records for the various occupational checks carried out during the last three years are as given in the below table:



There were no fatalities in the reporting period and we aim to achieve the same in future also. The details about the no. of injuries, lost days and absenteeism are given in the following table:

	Unit	2006-07		2007-08		2008-09	
		KGP	Redi	KGP	Redi	KGP	Redi
Injury (FAC)	Number	136	151	127	246	108	72
Occupational Disease	Number	0	0	0	0	0	0
Fatalities	Number	2	0	0	0	0	0
Lost Man Days	Man Days	115	109	129	208	243	90
Total Absenteesim	Man Days		1214		2047		759
Total Man Days	Man Days		Not Available		117789		111317

(Note: The nos. reported above include the contracted workers also. The no. of injuries include minor - First Aid level injuries also)

## Social Performance Indicators



We have a standing order agreement with the Union in which health and safety is also taken into account. The SHE (Safety, health and environment) Committee has 24 members. 10 members are nominated by the Union. The Chairman of the Committee is the Chief of the plant i.e. the EIC. The Heads of all departments are members of the committee. Special invitees are also there in the committee. The special invitees are those who have either worked in such committee previously or have knowledge in this area.

### Training & Education



Our workforce learning & leadership development is an integral part of the leadership system of the organization. The need for desire for learning & development are identified through

TNI (Training Needs Identification) process. The key organizational needs for achieving short term (ST) & long term (LT) objectives are identified keeping in mind development requirement, business growth & future capabilities. A systematic process leads to identification of development needs which ensures that after training the learning is utilized on the job.

Our training delivery methods developed on the basis of required maturity level of skills. The training delivery methods are designed by taking feedback from internal facilitators and/or trainers and the participants. The feedback is also evaluated by the supervisors and HoD's where they give their inputs. When highly specialized training is required, we employ external consultants to impart training. The details of various trainings for career development of our workforce are as follows:

Category	Induction & Attitudinal (0 to 2 yrs)	Job & process related (3 year onwards)	On Maturity, system related & continuous up gradation of skills (3 year onwards)
Workmen	Attitudinal, Team Building, Trade related	Multi skill, Competency Development programmes, Educational Courses through institutes, Course as trainer	Individual training plan, TPM, ISO training
Supervisors	Supervisory Development, Process Orientation	Competency/ Skill Development Programmes, Technical education course	Positional training, TPM, ISO, SAP training
Others	Induction Training, Process Orientation	Personal development training, training based on TNI & TRF, Educational through IIT	Competency Development training, professional degree, new business initiatives, project management

The details of the total no. of hours spent on training, categorized by employee category are as follows in the below table:

Training Hours (Manhours)	2006-07		2007-08		2008-09	
	KGP	Redi	KGP	Redi	KGP	Redi
Officer	38.79	42.51	47.22	49.00	16.27	69.75
Supervisor	7.31	8.64	7.33	16.90	5.72	31.77
Workers	2.94	4.04	35.01	8.17	2.55	9.91

For learning & career development of employees and hence to increase their employability we have different facilities under which the employees get benefited for long time. For this we have different training programmes at SNTI, Jamshedpur, like master technician programme for technician. Completing the programme & qualifying the test increases the scope of promotion & their enhanced employability. Our employees get an opportunity to get study leave for higher education, financial benefits for certificate course completion. We also invite faculty from renowned institute (like Indian Institute of technology, Kharagpur) to deliver technical training sessions for skill & knowledge development of our employees.

Hundred percent of our workforce receives regular performance & career development reviews.

### Diversity and Equal Opportunity



We are an equal opportunity employer and do not discriminate on the basis of gender, race, colour, language, caste, religion or political opinion, national or social origin, property, birth or other status in employee recruitment or compensation. Our "Equal Opportunity policy", non-

discrimination in workforce brings diversity in workforce planning.

TML is committed to gender equality. The company treats all as equal and gives equal opportunity to all.



## Social Performance Indicators



### Human Rights

#### Management Approach

TML, as a responsible corporate citizen, upholds human rights across every operation, transaction and tier of its human capital. Guiding the Company is the revamped and comprehensive Tata Code of Conduct—business ethics tenets for all Tata Group of Companies.

TML follows the TCOC in all its internal dealings and transactions with customers and suppliers. Accountability starts from the top: the Company's Managing Director personally owns the Management of Business Ethics (MBE) process. The Company hires independent external ethics counselors at both Kolkata/Kharagpur and Redi to assess, fairly and transparently, ethical issues concerning employees, customers and service providers, keeping the confidentiality factor intact. The MD then monitors and reviews the results.

TML has appointed an External Ethics Counsellor (EEC) to collate any ethical issue pertaining to employees, suppliers, customers, or the company, this has been a benchmark in the TATA Group. EEC reports directly to the MD for addressing those issues. The company has appointed the EEC (for both Kharagpur / Kolkata and Redi operations). The EEC monitors any discrimination in the organization's activities, services and products. A notice is given when the counsellor comes to facilitate employees by meeting and discussing their ethical problems with him. The problems are kept confidential and the results are monitored and reviewed by the MD.

There has been no recorded case of human rights violation during the reporting year.

#### The human resource policy of TML is as follows:

- We create an inspired work place guided by high ethical and human values with a passion for innovation, creativity and seamless teamwork. It will be a preferred destination for energetic people with strong desire to excel.
- We shall create opportunities for developing human skills through extensive use of knowledge management tools bringing tacit know-how to explicit know-how.
- Our selection, reward and recognition policies are based on the philosophy of positive discrimination conducted with fairness.
- We shall remain an equal opportunity employer, consciously develop and respect diversity in our workforce.
- We will hold our stakeholders – shareholders, customers, suppliers, community and our own fellow employees, with respect.

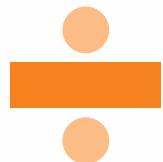
#### Investment and Procurement Practices

At TML, we do not currently explicitly include human right clauses in our investment agreements; neither do we have a systematic process of human rights screening. We do not have a formal structure at TML on screening of suppliers and contractors on the basis of human rights. Although, all our work orders have a clause for not engaging child labour in any kind of work executed for us.

We make full efforts to make sure that if any discrepancy regarding human rights violation is brought to our notice, immediate steps are taken to address those issues including demand of a formal explanation irrespective of the formal arrangement with the party.

Human Rights issues are covered under "TATA-Code of Conduct (CoC)". Training is given on the Code of Conduct to improve the awareness of all employees about it. This training is given to all the employees during Induction programme by the EEC himself.

#### Non Discrimination



We are an equal opportunity employer and do not discriminate on the basis of gender, race, colour, language, caste, religion or political opinion, national or social origin, property, birth or other status in employee recruitment or compensation. There has been no reported incident at TML of any such discrimination. Employees at TML are encouraged and guided to develop a sense of companionship. Any such incident of non-discrimination is directly reported to the EEC who helps in reconciliation of the same.


#### Freedom of Association and Collective Bargaining



TATA-CoC emphasises on Freedom of Association. Accordingly all employees except Officers and supervisor of the organization are the members of TML Workers' Union at both KGP and

Redi. There has been no incidence of violation during the year

#### Child Labour




As per Standing Orders of TML, the 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 the age bar. TML has identified Canteen operations which have significant risk for incidents of child labour but proper heed has taken to ensure that no child labour is present in TML canteens.

#### Forced and Compulsory labour:



Since we employ a lot of contracted labour, we recognize that our manufacturing operations have risk of forced & compulsory labour. But, TML follows the legacy of the TATA group and hence, ensure that there is no forced or compulsory labour in any our manufacturing divisions.

#### Disciplinary Practices:



All security personnel are trained for handling offenders without violating basic human rights. Training is given by the security agency during their induction for 15 days. All security personnel are also given training with respect to organization's policies / procedures concerning human rights. Some of the aspects of human rights

## Social Performance Indicators



relevant for security personnel include no child labour employment, no sexual harassment at workplace and no gender based variation in treatment to employees.

### Society

#### Management Approach

TML treats the society and community it inhabits as a vital stakeholder for our sustenance. In India, plant sites are normally surrounded by villages, with a great disconnect in living standards. So, instead of top-down charity to combat rural poverty and hunger, TML focuses on creating opportunities for them to become self-reliant.

Support to key communities around our plants in a radius of 10km at both Kharagpur and Redi is the pivot of our social sustainability process. At Kharagpur, 15 villages in the Anchal Kalaikunda No. 4, while at Redi, five villages identified as the Panchakroshi Area, and a mining village, are under the ambit of TML's welfare activity. For each of these 20 villages, three key development concerns are health, education and employability.

In recent years, TML's involvement in community services is intensifying with the formation of community development team "Sadbhavana" with the Sadbhavana Trust Account, volunteered by officers and employees at all levels. Seniors lead societal project teams. In 2008-09, employees were encouraged to take part in community services during duty hours as well. A Corporate Citizenship Committee chaired by the MD met regularly to address societal issues and concerns gathered from

stakeholder and legal requirements. The main highlights of the reporting period are as follows:

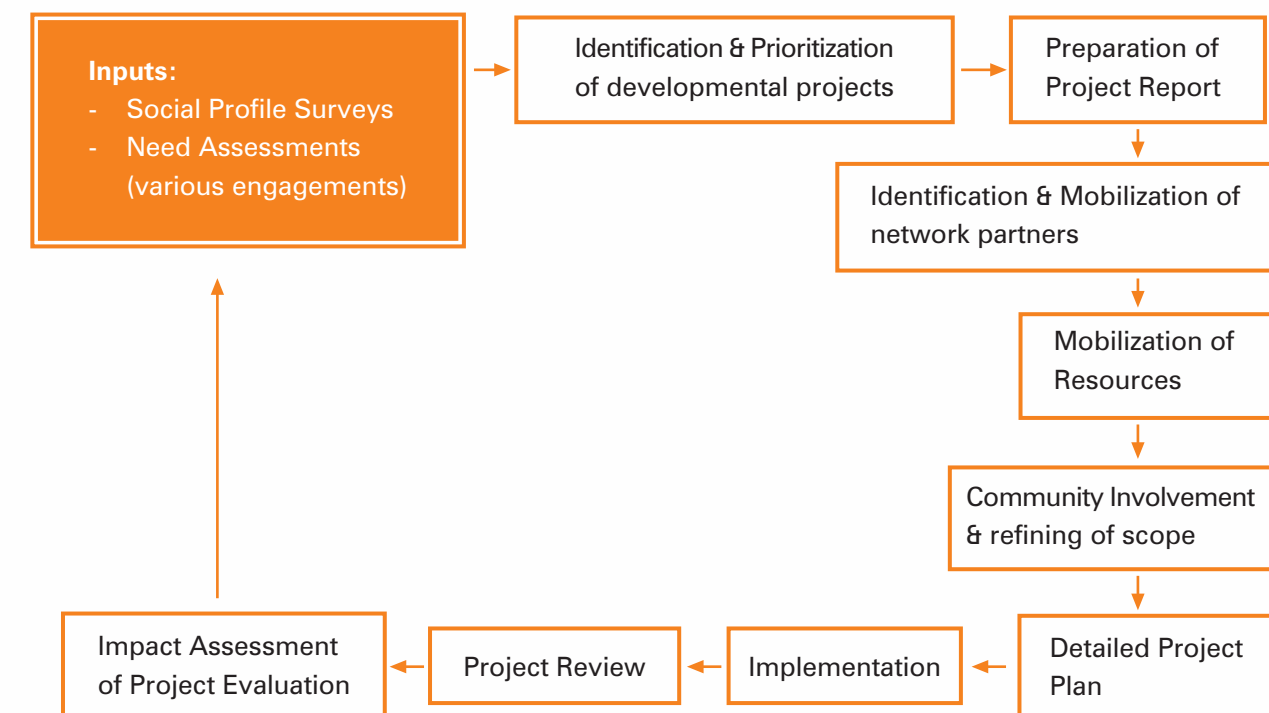
- Nutritional Survey Camps for 250 students, Comprehensive Eye Camp in Jogai Village, Free spectacles distribution to 300 underprivileged people, Blood Donation Camp, Gynecological Camp and HIV/AIDS awareness camp
- Establishing Scholarship Certificates, donating computers & laboratory equipments and other infrastructural developments in the school
- Teaching livelihood skills to women and youth through vermicomposting and drivers training respectively



### Community

TML believes that the larger purpose of a business is to serve society – through best value delivered to the stakeholders – which includes, employees, customers, investors, vendors and service providers and the community. Support to key communities is

an integral part of leadership process of Tata Business Excellence Model (TBEM). The process of identifying key community needs, prioritization of needs, planning and implementing societal projects through community development projects is depicted below:



#### Action @Kharagpur

TML Kharagpur has a well-entrenched mechanism of sustaining corporate trust among its local stakeholders through three integrated community-based initiatives on health, education and self-employment and livelihood skills for men and

women. Apart from this, we help in emergencies like natural disasters.

In the year under review, the number of villages under the Anchal (Area) Kalaikunda .No. 4 brought under TML's corporate care was increased from 10 to 15. The villages were Maheshpur, Latibpur,

## Social Performance Indicators



Narayanpur, Pratabpur, Mahatabpur, Chandavilla, Krishnanagar, Amba (Pashim), Amba (Purba), Jogai, Kantapal, Gumriapal, Liluakola, Kantapal and Panchrulia. The total population in these 15 villages is around 25,000, dominated by about 50% of Scheduled Caste and 30% of Scheduled Tribe population.

TML interacted with the Anchal Pradhan, who then connected the Company's representatives to the Gram Panchayats & Self-Help Groups for needs-based assessment and implementation of initiatives. The Company took technical guidance from IIT Kharagpur for women's self-employment.

### Health: Strength to Survive

Addressing the manifold concerns of rural health is no easy task. So TML undertakes concentrated action for chosen segments and at the same time, supplements public health activities undertaken by the local BDO and Panchayat.

**Healthy Start:** TML conducted Nutritional Survey Camps for 250 students between Class I to IV across Maheshpur Primary School, Maheshpur Madrasa and Latifpur Shishu Shiksha Kendra, distributing school stationery and bags as an incentive. We identified malnutrition cases—based on child's height, weight, mid-arm circumference, vision testing, clinical assessment of anemia, scabies, fungal infection, colour blindness, congenital ailments, oral hygiene and ENT. Based on findings, prophylactic treatment was suggested, and referred serious cases to the Midnapore College & Hospital.

**See the Care:** TML conducted a Comprehensive Eye Camp in Jogai village, collaborating with the

Anchal Pradhan Office. It offered the following features:

- Free computerized power testing
- OPD facilities, free medicine distribution
- Free spectacles distributed to more than 300 underprivileged people recommended by the Anchal Pradhan Office
- Cataract diagnosis and tie-up with eye hospitals for free cataract microsurgery

**Liquid Life:** TML also conducted a summer Blood Donation Camp within plant premises where 77 TML employees took part. This was in direct response from several NGOs who were battling a summer crisis, when the demand for safe blood was much greater than the supply. All donors were given a Blood Card entitling them to one-time free blood within one year, if needed.

**Ladies' Special:** TML also conducted a Women's Gynecological Camp at Narayanpur village, which diagnosed uterine problems including cancer. 111 women participated in the camp, of which 16 women were referred to a senior gynecologist in Midnapore.

**Awareness Aids:** An HIV/AIDS Awareness camp was conducted at the TML's Canteen Hall by TML's Medical Officer, two visiting doctors and an HIV+ social worker from Sparsh, an NGO.

**Education:** A Bigger Blackboard

TML zeroed in on Gokulpur Bidhan Chandra Vidya Bhaban, a co-educational school with 2100 students and the only higher secondary school in the area catering to 40 villages.

### Our efforts:

- Establishing the Sadbhavana Scholarship Certificate—for top two meritorious students who scored above 70% in their Matriculation, have taken admission in the Science stream in Plus 2 and hail from families with an annual income of less than Rs.50,000
- Establishing a cycle stand and shed, a goal post and a playground for the school
- Electrifying and plastering the School Assembly Hall
- Donating two barometers and hydrometers, maps and topographical sheets for the Plus 2 Geography laboratory
- Donating 10 microscopes and many preserved specimens for the Plus 2 Biology laboratory
- Donating four computers for students of Class V to Class VIII, and deploying TML's Systems Officers to train the rural children in MS Word and Excel

TML also pioneered some long-lasting changes in Amba Primary School, a co-educational school of around 350 students.

- Repaired school bathroom and toilet
- Reinstalled tube well for drinking water
- Conducted the yearly water quality test
- Constructed a shed for cooking midday meal
- Conducted nutrition survey-cum-treatment camp

**Livelihood:** Earning Self-worth

Livelihood skills for the community had to be based

on the context and the capacities of the people. So, we bifurcated our activities to cater to specific groups who most needed to be self-reliant—women and youths.

### Earthworms—Women's Ally to Self-reliance

As community women are doubly discriminated against, on account of poverty and gender, women's self-reliance is a pressing concern for TML. When the pot-making experiment failed, we looked at simpler livelihood options under the Sadbhavana Scheme. The humble earthworm was the answer.

Manufacturing vermicompost or natural fertilizer is a patent of IIT Kharagpur, pioneered by Prof. B C Ghosh (Department of Agriculture and Food Engineering). Being a neighbour of IIT Kharagpur came in good stead, as TML took his help in training the tribal women of the Sidukanu Birsa Self-help Group the techniques of vermi-compost. Prof. Ghosh also donated the first batch of earthworms, *Eisenia foedita*, to the SHG.

Finding organic waste on which the earthworms would do their magic was not a problem. Disposing canteen waste at TML had been a worrying concern. This waste was readily given to the women, who had to add cow dung and other organic wastes to this mixture, make slurry out of it, and let loose the earthworms. About 5kgs of earthworms are capable of 100 kgs of vermicompost.

### It's a win-win situation for both TML and the village women:

**Finance:** TML did not have to incur cost of canteen waste management, while the SHG did not have to incur any raw material costs. Canteen waste and

## Social Performance Indicators



cow dung were free of cost, while earthworms are self-propagators which multiply very fast (1kg of earthworms become 30 kgs in a year).

**Buyback:** TML as a regular vermicompost buyer helped the women's SHG and also helped itself—vermicompost is free from the chemical hazards of commercial fertilizers, and so enriched TML's own gardens.

**Clientele:** Besides TML, the SHG has started attracting other clients, with a fixed selling price of Rs. 5 per kg of vermicompost. So far, they have prepared 200kgs of vermicompost & earned Rs. 1000, out of which IIT Kharagpur has bought 132kgs.

**Driving:** Steering youth to employment

Most unemployed rural youths are matriculates, college-goers or graduates, but lack job-oriented skills that may bag them a job. Driver's training by TML has been addressing this gap for many years now. In the year under report, 60 village youths received this specialized training.

- Six-month's training course in driving four and three-wheelers by TML-deputed trainer, using Company vehicles
- Two batches a year, 30 students per batch
- Arrangement of Driver's Test at the end of course, with Driving License given to successful students

**Community welfare:** Help at Hand

When River Kansabati flooded, TML rushed to the aid of flood victims.

- Donated 20 tarpaulin sheets for flood relief
- Held a flood relief camp, distributing packets of

flattened rice and jaggery for flood victims

- Held a two-day medical relief camp in public-private partnership in the affected areas of Pratappur, Sovapur and Chandavilla

### Action @Redi

TML Redi has fast evolved itself into an integral element of the community, populated by mostly Other Backward Classes, many of whom who live below the poverty line. TML has been building trust among community of the five Panchakroshi villages—Redi, Shiroda, Arawali, Ajgaon and Arandha—and the mining village of Dongarpal, 30 km away from the plant. Apart from Dongarpal, it concentrates its grassroots interventions of health and hygiene, education, employability and social development across the 10km radius of its plant.

### Health Roadmap

- In 2008-09, two health camps were held, with a pediatrician and a gynecologist where 76 participants benefited by getting on-spot medication and expert advice.
- TML also partnered the Government through the Gram Panchayat in its Pulse Polio drives, by giving aids like company vehicles, doctor and volunteers

### Campus Care

- In 2008-09, across five schools, one each in the Panchakroshi villages, the three toppers of class X were given Sadbhavana scholarships of Rs. 300, Rs. 250 and Rs. 200 per month for a year.
- Under a structured policy for Sadbhavana, 10 educated youths with BSc degrees/ITI diplomas

were given a one-year training and work exposure within Redi plant, with a stipend.

- TML Redi conducted a needs-based Educational Survey in the villages under its ambit and based on findings, chose four schools. These were given science laboratory instruments worth Rs. 25,000.

### Vocational Training

- Thirty youths were chosen for Drivers' Training and all obtained Drivers' License. TML spend Rs. 60,000 on their training.

### Corruption

All employees of TML have signed the TATA-CoC. It has a specific clause (Clause 9) pertaining to bribery and corruption. The Company has an EEC to ensure all the issues pertaining to TATA-CoC and ethical business practices are followed religiously. During the year, there has been no adverse reporting related to bribery and corruption.

All the employees at the time of joining attend a session conducted by the External Ethics Counselor on Tata Code of Conduct. Clause 5 of TCoC clearly states that "A Tata Company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations, or comparable benefits, which are intended to or perceived to obtain business or un-competitive favours for the conduct of its business and shall participate in efforts to eliminate such forms of bribery, fraud and corruption ..."

There has been no incident related to bribery or corruption in the reporting period.

### Public Policy

Senior Members of our top management participate in a large no. of industry fora to help contribute to debates on public policy and issues related to businesses.

TML doesn't contribute directly to any political parties, politicians or related institutions. However, all TATA companies contribute to TATA Trust which contributes to all registered political parties depending upon the votes achieved in the last elections. The details of the contributions made by TATA Trust are available with the Election Commission of India.

### Compliance

The organization follows the TATA-CoC and monitors the compliance related to various clauses of the same. There has been no instance of legal action for anti-competitive behaviour, anti-trust and monopoly practices during the reporting year.

### Product Responsibility

### Management Approach

Tata Metaliks is a customer centric organization. The pig iron produced by Tata Metaliks Limited is rated as the best in India. The Company also provides its customers with critical support across their entire business cycle – raw material, process and end product – helping it emerge as their business partners. It emerged as a one-stop shop for raw materials and end products for a large number of customers.

The Customer Service Center of Tata Metaliks

## Social Performance Indicators



Limited has been set up with a view to provide an end-to-end service bouquet - supplying customized feedstock, cupola related services, helping optimize production processes, facilitating chemical analysis of the raw materials and so on. It is a pioneering industry initiative, taken with the aim to not only give best service to customers, but also to improve the competitiveness of the local foundries and help them resolve their queries immediately.

Pig iron manufactured by Tata Metaliks meets exacting product and quality standards. Low sulphur and low phosphorus grades are standard product offerings suitable for the manufacture of ductile grades of castings, and it is the only supplier of such grades in eastern India. Tata Metaliks' pig iron is ideally suitable for specialized applications such as pressure tight precision castings, automobile engine blocks, crankshafts, gears, rolling mill rolls, motor and generator housings, railway and machine tools.

### Project SCOPE (Strategizing for Customer Oriented Processes & Excellence)

We are working towards creating differentiators by way of offering more customized grades and are also enhancing value propositions with the customers for which several interventions have been taken, like introduction of "Performance Solution Package". TML has also undertaken several other Customer Relationship Management initiatives, like Web access for Intermediaries and Key customers, Complaint management for service related complaints, registering and addressing new enquiries from customers, Communication packages for customers, Customer engagement calendar,

etc. SCOPE has helped us address the dynamic business environment, changing customer expectations and challenges of competitive landscape. TML believes that the need of the hour is to be 'pro-active' rather than reactive.

### Customer Health & Safety

Tata Metaliks exercises utmost care in the manufacturing of its products which is mainly pig iron. We deploy controlled hot iron pouring methodology to avoid the formation of sharp edges which can hurt the workers while handling & transportation. We have also exercised due care in the designing of the moulds so that the pig iron after cooling forms smooth surfaces and chances of sharp edges formation is reduced to almost zero.

TML is used to address the environment issues by controlling its Charge-mix in the production process and by "improving the melt rate of foundries". These activities have resulted in improving productivity and reducing pollution in the customers' processes. To enhance health and safety of the workers, weight of the Pig Iron billets have been reduced from 10-14 kgs to 7-8 kgs.

The fact that, there has been no instance of non-compliance with regulations related to health and safety aspects of the Company's product, demonstrates the levels of operational excellence set by the company.

### Product & Service Labeling

Although there are no regulations on product information and labeling applicable to the products of TML, we try our best to provide maximum information about the products sold e.g. Chemistry,

Grade, Size of the product etc. Test certificates are issued along with the deliveries to the customers

on demand. The various types of products sold by TML are as follows:

Sl. No.	Grade	Matl. Code No.	Carbon (%)	Silicon (%)	Manganese (%)	Sulphur (%)	Phosphorus (%)
1	FG - I	PI101	3.5 Min	2.00 - 2.25	0.50 - 0.90	0.06 Max	0.20 Max
2	FG - Low Phos	PI102	3.5 Min	2.00 - 2.50	0.50 - 0.90	0.06 Max	0.10 Max
3	FG - II	PI103	3.5 Min	2.25 - 2.50	0.50 - 0.90	0.06 Max	0.20 Max
4	FG - High Mn	PI104	3.5 Min	2.00 - 2.50	0.90 - 1.50	0.06 Max	0.20 Max
5	FG - High Phos	PI105	3.5 Min	2.00 - 2.50	0.50 - 0.90	0.06 Max	0.20 - 0.50
6	SG	PI201	3.5 Min	1.60 - 2.50	0.30 Max	0.05 Max	0.08 Max
7	SSG	PI202	3.5 Min	1.60 - 2.25	0.20 Max	0.025 Max	0.08 Max
8	SSG Ultra Low S	PI203	3.5 Min	1.60 - 2.25	0.20 Max	0.015 Max	0.08 Max
9	CG Spl. Appln	PI302	3.5 Min	1.75 - 1.99	0.50 - 0.90	0.07 Max	0.20 Max
10	CG High Si	PI303	3.5 Min	Above 2.5 - 3.00	0.50 Min	0.06 Max	0.20 Max
11	Ultra High Phos	PI305	3.5 Min	2.00 - 2.50	0.50 Max	0.05 Max	0.50 Min

There has been no instance of non-compliance with regulations related to product and service information of the Company's product nor have any fines / penalties been imposed.

### Marketing Communications



TML advertises for its corporate image and product promotion. The advertising campaigns have been governed by the Ethical standards advocated by Advertising Council of India and TATA group Corporate Communication guidelines. There had been no breaches of regulations concerning marketing communications during the reporting year. There were no fines for non-compliance with laws and regulations concerning the provision and use of products and services.

### Compliance



The company has well established procedures, systems, and feedback mechanism to ensure adherence to statutory norms as well the code the company has chosen to follow voluntarily. This encompasses one and all of our activities. We had no cases of non compliance with any of the applicable laws.





Sonali Mudi (3), rescued burn victim  
**Baby Phoenix**

**Right Now**

Sonali shyly shows off her tiny feet painted with alta and bright pink nail polish. Her dream: to go to school. The tribal girl-child of unemployed parents at Mahatappur, a tiny hamlet near village Pratappur, Paschim Medinipur district, has no recollection of the horrific incident that could have ended her life.

**Rewind**

Two-and-half year old Sonali fell straight into the boiling cauldron of khichuri (a meal of boiled rice and lentils) of a community kitchen, after its derelict walls collapsed in July 2008. Minutes before, she had been happily playing with other children near the makeshift kitchen set up at an elevated structure of the flood-ravaged Mahatappur.

The child suffered 35-40% second-degree burns and superficial burns. She whimpered in agony, but her paternal grandmother let her be in pain for over 48 hours. After all, she was only a girl.

But the child's condition worsened, and mother Champa and maternal grandmother Swarna Mudi couldn't bear Sonali's pain. Acting on a tip, they brought her to the Tata Metaliks Flood Relief Camp headed by Dr. Sutirtha Dasgupta, Medical Officer, TML Kharagpur.

Dr. Dasgupta immediately realised the extent of the damage, gave her First Aid, food and painkillers. Her next task: an urgent phone call to the Midnapore Medical College & Hospital. TML bore the entire cost—about Rs.4000—for Sonali's treatment. Thanks to the timely intervention of TML's Flood Relief Camp, Sonali survived, her charred skin healed and she resumed a normal life.



Bikas Bhuiyan (23), Srikanta Doloi (25)  
& Kashinath Singh (22), drivers  
**In Right Gear**

**Right Now**

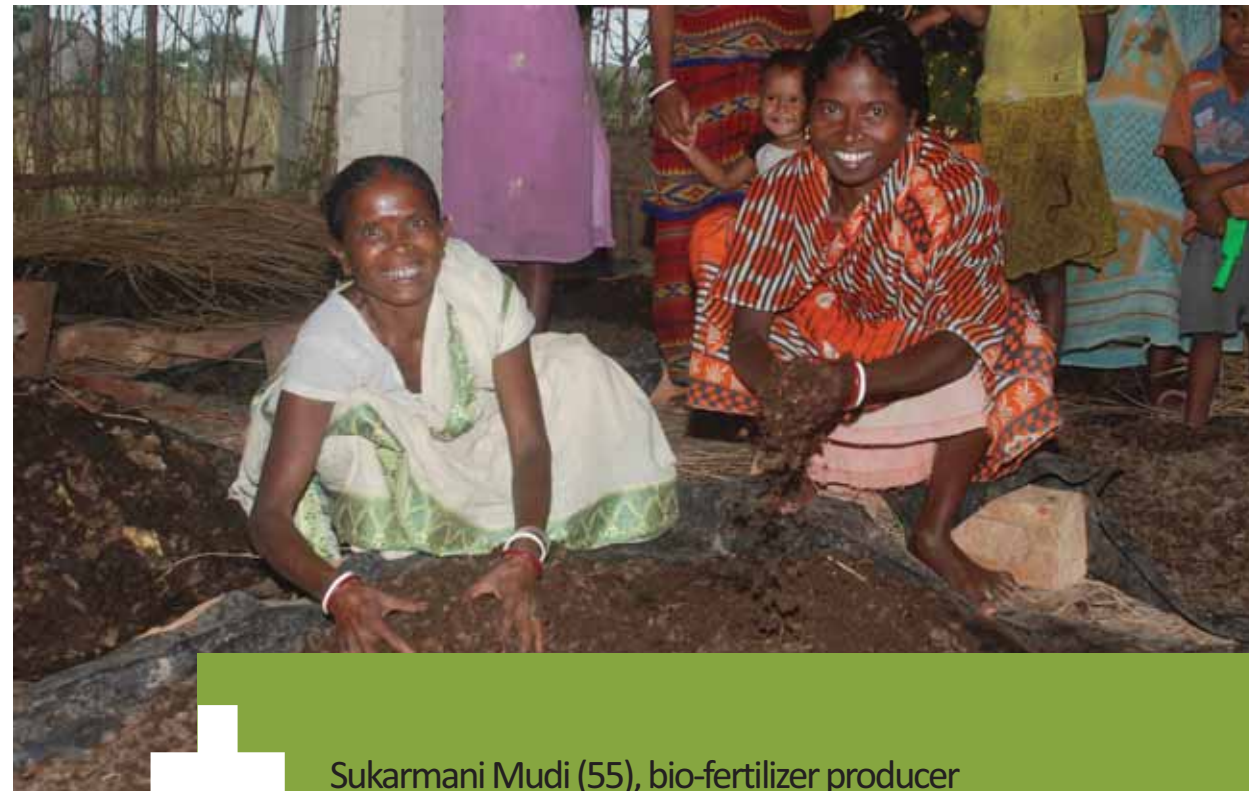
Bikas, Srikanta and Kashinath cannot stop grinning. The three young men have just got their driving licenses, and were among the 40 students trained in 2008-09 to drive four and three-wheelers as a part of TML's ongoing Youth Livelihood Programme. All have received driving licenses and are revved up about being able to get jobs anywhere.

**Recap**

Bikas, like any youth of Khalkona village, was clueless about his future. He'd casually enrolled in Garbeta College as a BA Pass student, not sure whether he could bag a job after his degree. Village Risha's Srikanta had passed his Secondary exams long back, but neither had he got a job and nor did he want to work in his father's farm. Village Tarapur's Kashinath always dreamt about being a driver, but felt it was an impossible dream for a rural boy.

For rural youths of Paschim Medinipur, job options are few. They often watch drivers in Kharagpur—who often were drivers trained in earlier batches of TML's Youth Livelihood Programme, earning between Rs 3500 and Rs 5000 a month—whizzing in three-wheelers, cars and mini vans. Often, these drivers inspire youths to sign up for TML's six-month driver's training course.

The six-month driver's training was a professional exposure to a job-oriented skill in a live industry environment for Bikas, Srikanta, Kashinath and their classmates. Thanks to TML, from gawky village youths, they are in the driver's seat.



Sukarmani Mudi (55), bio-fertilizer producer  
**Organic Empowerment**

**Right Now**

Sukarmani’s blissful expression suggests she is standing in a rose garden. Actually, she is standing amid rotting foodstuff, cattle dung slurry and bio-wastes. As one of the 10 women of the Sidhukanu Birsa Self-Help Group, she will prepare a compost pit, layer it with a soil vermi-bed, mix the rotting bio-waste matter and let loose hundreds of earthworms on it. After 120 days, Sukarmani knows that the earthworms will transform organic waste to organic fertilizer. Her SHG has already sold 45kg of vermicompost to Tata Metaliks Limited for their gardens within the plant at Rs. 5 per kg.

**Recap**

Sukarmani, a widow and a grandmother, lived with her sons Nirmal and Amal, both farmers. She knew that the business of farming was unpredictable, and her sons struggled to make ends meet. She wanted to chip in with her own earnings. When TML suggested women’s empowerment and livelihood trainings through SHGs, Sukarmani, the oldest, was also the most enthusiastic.

Her first attempt: making earthen pots. But that proved too physically challenging for this frail woman. That’s when TML suggested vermicompost production. Not only was this extremely low capital intensive, it was physically easy for women and yielded sure results. In this new enterprise, Sukarmani collected cattle dung from nearby fields and took TML for canteen leftovers and earthworms. Her ingredients for “original” (her expression for “organic”) fertilizer were ready, and so was her recipe for self-reliant entrepreneurship.



Madan Roy (35), lifter  
**Positive Thinking**

**Right Now**

Madan, a husband and a father, works as a lifter—a contractual labourer within the TML plant premises. A migrant labourer from village Latifpur, he knows the dangerous consequences of unsafe sex. As a participant of TML’s HIV/AIDS Awareness Camp, he is informed not just about the four routes of HIV transmission, but also about the myths surrounding HIV/AIDS. Madan has broken the conspiracy of silence about HIV/AIDS and talks about safe sex with conviction to other lifters, drivers, security men and labourers, as well as his wife, Dipu.

**Recap**

For many migrant labourers, HIV/AIDS was a nightmare which was too terrible to be spoken aloud. Hand in hand with fear was ignorance, which ironically, increased their chances of getting infected.

TML, with a significant concentration of migrant labourers, knew that this segment was a high-risk group. Staying away from their families, they were vulnerable to specific temptations. To address them directly, TML organized an AIDS/HIV Awareness Camp in the TML Canteen Hall. Madan was among 200 participants who attended the camp which was conducted by Team TML, state doctors and an HIV+ lady. Madan came out of curiosity and fear, but by the end of the daylong camp, he walked out fearless and informed.



Ranjana Yashwant Chavan (23), Sadbhavana Trainee  
Right Click

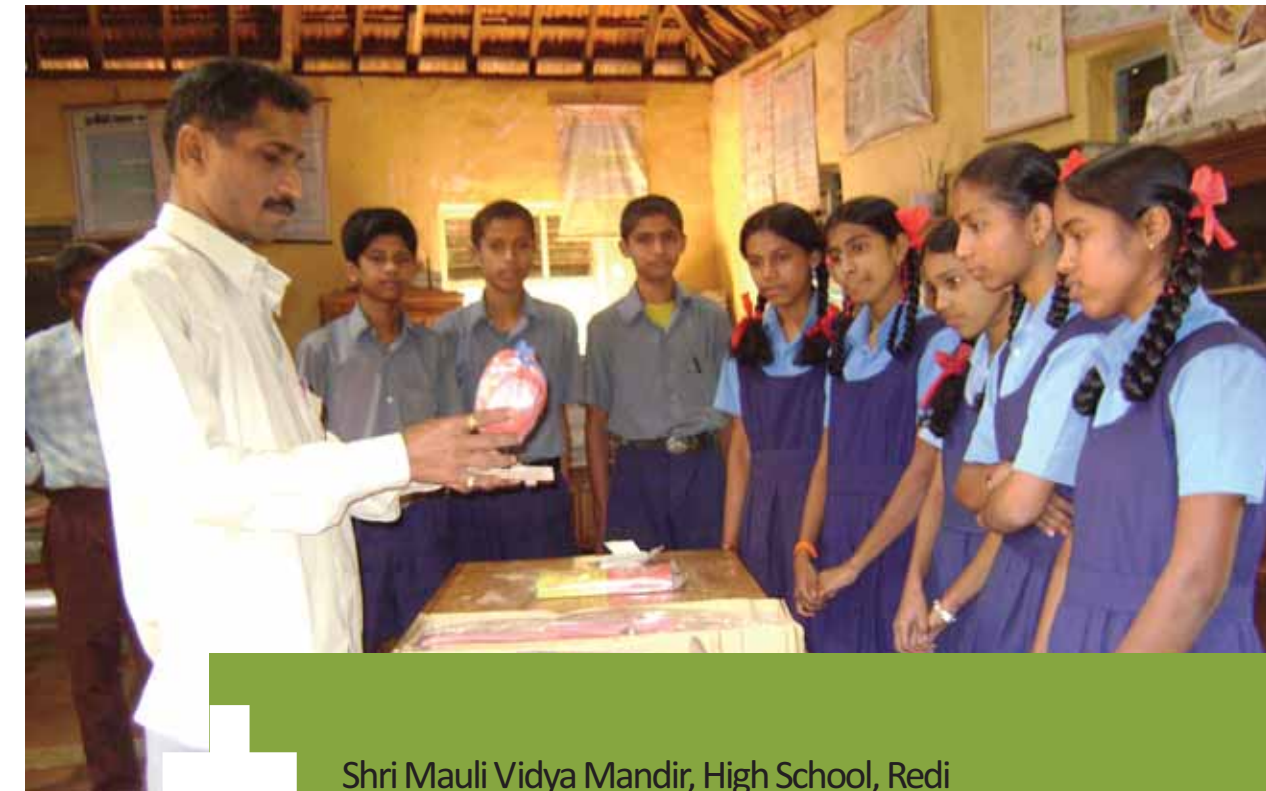
#### Right Now

Ranjana is a Pune-based computer professional, working on computer and ISO documentation at a private firm. Few would guess that this smart and confident singleton has strong rural roots.

#### Recap

Ranjana, hailing from village Chaukul, Taluka-Sawantwadi, near TML's Redi plant, was luckier than most rural girls her age. A science graduate, she was also the youngest daughter of progressive parents, who supported her zeal to have a career. But like most rural youths, Ranjana was hampered by her ignorance of the corporate world and lack of professional skills.

Enter TML's Sadbhavana Trust. For one whole year, Ranjana, as a Sadbhavana Trainee, learnt computers and ISO documentation at TML, Redi. She also received a monthly stipend of Rs 4,000 as part of her scholarship, which made her self-reliant. Apart from the monetary benefit, Ranjana's stint at TML exposed her to a live industry environment and inculcated in her a confident professionalism. This rural girl was ready for the world!



Shri Mauli Vidya Mandir, High School, Redi  
Lab of Learning

#### Right Now

Mr. P.K.Rege, the principal of Shri Mauli Vidya Mandir at Redi, cannot believe his eyes. Science teacher Mannohan B Mahale is surrounded by a swarm of interested students in the laboratory. Mahale can teach his subjects Physics/ Chemistry using new laboratory equipment. With new lab equipment, both students and staff are learning new things: students, learning by doing, and teachers, learning the rewards of teaching in 3-D.

#### Recap

For senior students, science classes were a big yawn. Experiments were learnt by rote as lab equipment was missing or damaged. Both Mahale and Rege knew that tattered posters were a poor substitute for lab equipment and models, but were constrained by the budget. When bright students asked conceptual questions, Mahale asked them to refer to textbook pictures, knowing it was of no use. That's when TML conducted a Needs-Based Educational Survey in the schools of Panchakroshi Area and found that rural schools lacked lab equipment. TML gave equipment worth Rs. 25,000 to four schools, including Shri Mauli Vidya Mandir, enabling rural school kids to experience firsthand the wonders of science.