

COMMUNICATION ON PROGRESS (COP)-2010

**KONKAN RAILWAY CORPORATION LIMITED
(KRCL)**



AT A GLANCE

Registered Office: 334-C, 3rd Floor, Metro Station Building,
Pragati Maidan, New Delhi-110 001.

Tel.: 011-23370564

Fax: 011-23370563

Corporate Office: Belapur Bhavan, Plot No.6
Sector 11, CBD Belapur
Navi Mumbai 400 614
Maharashtra, INDIA

Tel: +91-22-27572015

Fax: +91-2227572420

E-mail: general@konkanrailway.com

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From the Desk of Managing Director : Global Compact Compliance Statement

Dear Friends,

In October 2001, Konkan Railway Corporation Ltd. joined United Nation Global Compact and became signatory to the 10 principles of the Compact. It is indeed a pleasure to update our organisation's **Communication On Progress (COP)** and compliance to the 10 principles of United Nation Global Compact. I also take this opportunity to reiterate our Corporation's commitment to the 10 universally accepted principles of UNGC and our Corporation will always continue to strive to comply with them while conducting our day-to-day business.



Konkan Railway Corporation Ltd. is the lifeline of Konkan Region in particular and that of Nation at large. As such, the trust and faith of millions of customers, be it passengers or bondholders or general populace along this Railway Line, is interlinked to the growth of the Corporation.

Through this endeavour, we would like to share with you KRCL's various initiatives in the field of human rights, labour, environment and anti-corruption besides highlighting progress and events in KRCL.

Further, KRCL has incorporated and aligned the principles of UNGC and Corporate Social Responsibility into its business strategy and operation for its success.

Since our inception in the early 1990s we have conducted our business duly taking into consideration construction and completion of the Railway Project and in the operational phase, the growth in profit and development of infrastructure to meet with the growing demand, safety, security, punctuality, passenger amenities and improvement in financial performance in an ethical and responsible manner. These form an integral part of our business planning process.

KRCL achieves financial and business objectives while constantly contributing to social cause, organizing and displaying over-all responsible corporate behaviour in all the three areas of business – Social, Environmental and Financial performance.

Konkan Railway Corporation Ltd. deploys the best practice in line with the 10 principles of UNGC in its business, so that KRCL employees take pride in being part of the Team and commitment to perform its business with responsibility and transparency.

With best wishes and regards,

(Bhanu P Tayal)
Managing Director

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Our Mission and Mode

A CUSTOMER IS THE MOST IMPORTANT VISITOR OF OUR PREMISES

MISSION

- ❖ **Konkan Railway shall evolve into economic, eco-friendly & cost effective catalyst for growth & prosperity in the Konkan Region.**

MODE

- ❖ **Konkan Railway Cares & Provides**

- **For People –**

- Safety
- Punctuality
- Comfort
- Amenities
- Services

- **For Goods -**

- On Time Loading
- In Time Delivery
- Intact Transit
- Instant Compensation
- Value Added Logistic Support

- **Konkan Railway Adds Value to the Society -**

- Integrity & Self-Discipline
- Austerity & Economy
- Polite & Confident
- Skilled & Trained
- True Public Servants

- **Konkan Railway Technology –**

- Cutting Edge for this Millennium
- Eco-Friendly & Promotes Sustainable Growth
- Less-Maintenance or Maintenance Free
- Fault-Tolerant & Open to Growth for Future Needs
- Reliable, Available & Enabling

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01 Business should support and respect the protection of internationally proclaimed Human Rights.

Our Human Rights Statement, through our 'Mission' articulates our values and informs how we conduct our business. Guided by our values, we support universal human rights for our employees and in the communities where we operate.

Konkan Railway Corporation Ltd. (KRCL) believes companies can play a positive role in contributing to safeguard human rights, their protection and promotion. Our principles prohibit child labour, forced labour and discriminatory behaviour as well as recognize the right to freedom of association and collective bargaining.

We continued to inform and educate our employees about our commitment to the society and social accountability.

Konkan Railway Corporation Ltd. is committed to the displaced people, who have lost their land for the Project. One member from each affected family is being provided job as per their eligibility and suitability. Further, the policy is relaxed in the case of reserved community (SC/ST) so that now there is no restriction of number of candidates per family in reserved categories. **During the year 2010, 194 candidates who are landlosers were recruited in KRCL against various posts. Further, notification for the recruitment of physically challenged person has been issued.**

There is no discrimination on the grounds of sex, religion, place of origin etc. in the organisation as all employees are treated equally.

02 Make sure that the organisation is not complicit in human rights abuses.

Konkan Railway Corporation Ltd. ensures strict adherence to labour laws enacted by the Government of India, to protect the interests of the workers.

Konkan Railway Corporation Ltd. ensures prompt handling of grievances of employees and customers to uphold human rights, for which there is a well established grievance redressal machinery.

Konkan Railway in principle and in action places highest importance towards Human Rights and ensures that at no point these rights are abused. Such rights are not only ensured in the regular employment but are also ensured in contractual employment and other works as well.

For the work being carried out by the contractors, it is ensured that appropriate steps are taken by the Contractors for safety and welfare of the workers including insurance.

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A woman officer is specifically nominated in KRCL for dealing with cases of sexual harassment, if any, to the working women in KRCL.

In Konkan Railway Corporation Limited no case of human right violation has been reported during the year 2010.

03 Business should uphold the Freedom of Association and effective recognition of the right to collective bargaining.

Konkan Railway Corporation Limited employees have the option to join any labour union functioning in KRCL. The Management has accorded recognition to the Union through Secret Ballot under the supervision of Deputy Chief Labour Commissioner, Mumbai. **The verification of membership of unions operating in KRCL was held in the month of March-2010 smoothly and peacefully without any disruption.**

The Management maintains contact with labour and resolves disputes and differences between Labour and the Management through Permanent Negotiating Machinery (PNM). The Management and Union have regular meetings at fixed interval. Besides, they meet as per need also. **Promotion Policy for Non-executives have been issued during the year 2010.**

The privileges of SC/ST community as per the Constitution of India have also been taken care of in KRCL. Various facilities have also been extended to All India SC/ST Railway Employees' Association in KRCL as per the guide-lines of Ministry.

For the officers of Konkan Railway Corporation Ltd., an association called Konkan Railway Officers Association has been formed to look after the interest of the officers also. **A detailed Promotion Policy for executives has been issued during the year.**

Participation of employees has been ensured in staff welfare activities.

04 The elimination of all forms of forced and compulsory labour.

There is no forced or compulsory labour as all staff are governed by Hours of Employment Regulation Rules 2005.

Further, under Hours of Employment Regulation Rules 2005, labour official, who are enforcing authority inspects the establishment regularly and no incidence of forced or compulsory labour has been reported in KRCL. Wherever employment of contract labour in non-core areas are made, it is ensured that they have been paid the minimum wages, provident fund, including meeting of all the statutory requirements.

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05 The effective abolition of child labour.

KRCL ensures strict adherence of the Child Labour (Prohibition & Regulation) Act, 1986, which prohibits the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. However, KRCL has prescribed the minimum age limit for employment as 18 years. No person below this age can be employed in KRCL, thereby ensuring that child labour is not employed.

Our contractors and vendors are required to scrupulously follow the laws/rules and regulations in respect of engagement of Child Labour. This is addressed and ensured through our contract agreement and inspection by KRCL and enforcing authorities.

06 Eliminate discrimination in respect of employment and occupation.

KRCL does not believe in any kind of discrimination based on caste, colour, gender, religion or region. We firmly believe in inclusivity and strongly oppose discrimination in hiring, remuneration, access to training, promotion etc. at work place.

However, as per policy, KRCL gives preference to the landlosers in employment in certain categories. We also follow the guidelines issued by the Government of India for recruitment of persons belonging to Scheduled Caste, Scheduled Tribe and Other Backward Castes.

In Konkan Railway Corporation Ltd. there are 171 executives and 4378 staff are working out of which 14 executives and 318 staff are females. There is no discrimination in terms of employment, place of posting, nature of work, duty hours, training, promotions, emoluments etc.,

	Total No. of employees	Male	Female	SC/ST Community
No.	4549	4217	332	770
%	100	92.7	7.3	17.0

KRCL does not allow any kind of behaviour that is threatening, abusive, exploitative or sexually coercive, including gestures, language and physical contact at the workplace. Our system is well equipped to deal with such situations, as we have a very well defined and laid out process in our Standing Orders.

As per the guidelines laid down by the Hon'ble Supreme Court of India, the Corporation has appointed a Special Counsellor and also constituted Complaints Committee for each Region to address any such grievances.

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07 Business should support a precautionary approach to environmental challenges.

Right from the construction phase of Konkan Railway Corporation Ltd., a policy decision was taken to adopt measures for safeguarding environment. Afforestation was done in a big way throughout the Konkan Railway route. **18,830 trees are planted all along KRCL route during the year 2010, and it is an on going process.**



Boulder Netting and Geo-safety works have been carried out on a large scale throughout Konkan Railway route to strengthen the cuttings and to protect the environment.

Railway Coach washing is a very water intensive activity, whereas KRCL has designed and fabricated a mechanized Coach Washing Plant at Madgaon Coach Care

Centre, which uses minimum water and further an environmental friendly water recycling plant has also been installed for even more reduction in water requirement.

Rain Water Harvesting is being ensured in a big way at various places of Konkan Railway.

Konkan Railway has abolished use of plastic in its operational areas and the same is also incorporated in various contracts. Eco-friendly passengers shelters have been erected at all stations on Konkan Railway route. Efforts are made to reduce the use of paper in office. UFL lighting system has been provided at all offices of KRCL to reduce energy consumption. Solar Energy is being used at KRCL rest houses for various purposes.

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Roll On - Roll Off (RO RO) services has been introduced in Konkan Railway since the year 1999 in which loaded trucks are transported by trains from one end to other end which results in saving fuel and reduction of pollution caused by road traffic and also leads to safe transportation of trucks. **During the year 2010, 29,729 number of Trucks were transported through RO-RO.**



08 Undertake initiatives to promote greater environmental responsibility.

Protection of environment is a core value as well as the motto of the organization. For conservation of non-renewable energy, in a First in the country, KRCL has developed and provided '**Intelligent Lighting System**' for stations, platforms and circulating area lighting, which is need based, computerized, and user friendly system for switching ON/OFF of lights linked with movement of trains. The System operates automatically without any human intervention and thus provides most energy efficient solution for station area lighting, besides giving higher productivity.

Further, for conservation of electrical energy, passive infra red occupancy sensors have been provided in the officers' chambers which automatically switches OFF the lights and air conditioners when the chambers are left unoccupied for more than a pre set duration. This saves significant amount of wastage of electrical energy.

In addition, energy efficient luminaries and electrical appliances have been provided. Power factor is being maintained high, as a result of which we are receiving monetary incentives as reward from the State Electricity Boards.

The ROLL ON – ROLL OFF (RO-RO) Service has been introduced on Konkan Railway Corporation Ltd. in 1999 for the first time in Indian Railway's history on commercial basis in which loaded trucks are transported by train from one end to other i.e., from Surathkal (Mangalore) to Verna (Goa) and Mangalore to Mumbai with minimum duration in both ways.

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This service is highly patronized by the truck users. The scheme benefits not only the truckers and KRCL but also it is service to the nation in a large way by increasing the Government revenue.

This service leads to significant savings on fuel, wear and tear of trucks' tyres and parts, with least pollution and high safety. This service is the hallmark of KRCL.

Railway Coach washing is a very water intensive activity whereas we have designed and fabricated a mechanized Coach Washing Plant at Madgaon Coach Care Centre, which uses minimum water and further an environment friendly Water Recycling Plant has also been installed for even more reduction in water requirement.

Rain water harvesting is being ensured in a big way at various places of Konkan Railway Corporation Ltd. jurisdiction as a part of conservation of ecology.

Also, planting of vetiver has been done on a large scale on hill slopes to prevent erosions and it is proving quite effective in arresting the soil erosion.

Konkan Railway Corporation Ltd. has prohibited use of plastic bags, plastic cups etc. at all stations and for ensuring hygiene, purified potable water has been provided at all stations.

09 Encourage the development and diffusion of environment friendly technologies.



Sky Bus Technology : Unlike other urban transportation solutions, **Sky Bus Metro** concept developed by KRCL - an innovative approach to deal with the challenges of urban mass transportation - does not place aggressive demands on precious limited urban space, causes minimum traffic disruptions, is environment friendly and provides faster, safer and comfortable travel. KRCL

has secured international patents for the Sky Bus Technology.

Konkan Railway Corporation is developing Anti Collision Device to prevent Train accidents.

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The mission statement of Konkan Railway Corporation Ltd. is to evolve into economic, eco-friendly and cost effective catalyst for growth and prosperity. To achieve this mission statement. Konkan Railway technology has cutting edge for this millennium which is eco-friendly and promotes sustainable growth, less maintenance.

10 Businesses should work against all forms of corruption, including extortion and bribery.

- (i) Financial and commercial transactions are fully computerized on a network. Therefore, the working is transparent and least susceptible to fraud.
- (ii) All tenders are put up on Web site to ensure transparency in action.
- (iii) For eliminating corruption, KRCL has a lean but devoted and motivated Vigilance department which keeps watchful eyes on the functioning of the organisation by conducting regular preventive checks to ensure that the employees while discharging their duties maintain high integrity and honesty. Lot of emphasis is given on "Preventive Vigilance" and educating the employees bringing out the areas of common mistakes, with the aim of reducing irregularities likely to be committed by the employees in their day to day functioning.
- (iv) Chief Vigilance Officer (CVO) is the Nodal Officer for filing complaints regarding corruption and has contact numbers which are displayed in the Konkan Railway Time Table and also in the Website of Konkan Railway.
- (v) Konkan Railway has also circulated through its Standing Orders for the guidance of all that those found guilty of having accepted and having obtained from any person in gratification stringent penalty will be imposed on him either removal from service or dismissal from service.
- (vi) Immovable Property Returns Statement (IPRS) are collected from the executives in the month of January so that their assets are known which is monitored by Vigilance department.
- (vii) KRCL has taken a landmark decision to show the answer sheet to the candidates after declaring the result and before finalizing the selection to bring more transparency in the selection.

Thus, KR is committed to upholding the principles of United Nations initiative and feels proud to be a part of this worldwide compact, sharing the values of good governance and corporate social responsibility.

(U P L Das)
Chief Personnel Officer