



MISHRA DHATU NIGAM LIMITED

HYDERABAD, INDIA



UNGC - COMMUNICATION ON PROGRESS (COP) 2014-15

UNGC PRINCIPLE		MIDHANI'S STAND AT PRESENT	SIGNIFICANT CONTRIBUTIONS DURING THE YEAR
<u>HUMAN RIGHTS</u>			
Principle 1	Business should support and respect the protection of internationally proclaimed human rights	India, a member of the Human Rights Council, is a signatory and fully committed to all the covenants of human rights proclaimed in the Universal Declaration. MIDHANI being a company owned by the Government of India strictly adheres to the Constitution of India while dealing with any of its stakeholders such as employees, suppliers, contractors, vendors and customer. Special provisions are created for deprived sections of society such as socially backward classes, physically Handicapped persons and minority categories.	MIDHANI is committed to respect the protection of internationally proclaimed human rights like access to basic health, education, housing, safe and health working conditions. Important activities during the year are: a. Post Retirement Medical Benefit Scheme (PRMBS) was implemented and medical insurance cards were issued to the beneficiaries both executives and non-unionized supervisors. b. Dr Brahm Prakash DAV school is run by the company in MIDHANI Township for the benefit of children of MIDHANI employees. A lot of emphasis is laid on all round development of the child including extra-curricular activities such as sports, games, scouts & guides etc. Students of the school have brought glory to the school in academics, sports & cultural activities. c. MIDHANI continues to discharge its social obligations by maintaining a small township consisting of 87 quarters to cater to the housing needs of the employees working in essential services of the company.
Principle 2	Make sure that they are not complicit in human right abuses	Rights of all employees are governed by various laws of the land such as Factories Act, Industrial Disputes Act, Minimum wages Act etc. The Right to Information Act provides	

		right to every citizen to seek information from the company.	<p>d. A policy on "Prevention of sexual harassment at workplace" is in place to provide a safe and harassment free workplace for every individual working in the company with an environment that is free from discrimination and harassment including sexual harassment.</p> <p>e. "Swachh Bharat" program is being carried out in Departments inside & outside the Plant. During this year as part of "Swachh Bharat Mission", construction of 35 toilets at 13 Government schools have been taken up and about 1200 students are benefited. Cleanliness drive at neighborhood areas and within the plant was also conducted and employees administered "Swachh Bharat" pledge as per the directives of the Ministry.</p> <p>f. Special emphasis was given for the development of SC, ST, OBC, PWDs and Minorities among employees. Monetary awards were presented to meritorious students / children of our employees of SC, ST and OBC categories based on marks and in Xth class board examination or equivalent held in March / April 2014. The awards were presented on 15th August 2014.</p> <p>g. A scheme for awarding scholarship to the children of employees pursuing graduation in Metallurgical Engineering till completion of their course.</p> <p>h. A policy for "On Job training for wards of employees" has been implemented according to which children of the employees get an opportunity to work with the organization for</p>
--	--	--	---

			<p>two years with reasonable stipend to get industrial exposure and improve employability.</p> <p>i. As a principal employer, MIDHANI ensures payment of wages, which is higher than the statutory minimum wages and also ensures compliance with various statutory provisions for contract workers.</p>
<p><u>LABOUR</u></p> <p>Principle 3</p>	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining	<p>Elected Union of Employee is a part of the management in various forums such as Joint Council, Shop Council, Welfare Committee, Safety Committee, Canteen Management Committee etc. where issues concerning employees are discussed and decided. Revision of wages as guided by Govt. appointed committees and negotiations in a transparent manner.</p>	<p>The industrial relations scenario continued to be peaceful and cordial during the year under review with management receiving maximum support and co-operation from employees.</p> <ul style="list-style-type: none"> During the year 401 employees were trained on various subjects. Under the Industry-Academia-Interface programme, 09 plant visits at Midhani were organized for Defence personnel, Officers and Workers from other public sector undertakings and student from various colleges. 218 student were provided an opportunity to carry out project works as part of academic curriculum. 69 students were offered various apprenticeship training programs under provisions of Apprentice Act 1961 were continued during the year A memorandum of settlement between the workmen represented by the elected union and the management under section 12(3) of ID Act was signed for the revision of monthly performance incentive scheme (MPIS 2013). Minimum age limit for recruitment is defined. All
Principle 4	The elimination of all forms of forced and compulsory labour	Employment is governed by the Constitution of India that is based on democratic principles of justice, liberty, equality and fraternity.	
Principle 5	The effective abolition of child labour		

			contractors are regularly exhorted to comply with the Child Labour regulation and surprise checks are conducted to ensure compliance.
Principle 6	The elimination of discrimination in respect of employment and occupation	MIDHANI provides Equal opportunity in employment and freedom from discrimination based on region, religion, race, caste, creed and sex is complete. Formulated 'Prevention and redressal mechanism for sexual harassment in work place'.	All facilities are extended as per the statutes for the welfare of all women employees. A new creche is constructed for the benefit of women employees. One exclusive batch of women was selected for employee training stipulated by Central Board for Worker Education during the year. Midhani continues to encourage and develop Micro, Small and Medium Enterprises (MSME). Value of goods/services purchased from MSME units stand at Rs. 38.26 Cr from 70 units during the year.
<u>ENVIRONMENT</u>			
Principle 7	Business should support a precautionary approach to environmental challenges	Compliance with statutory state and central laws of pollution control boards Regular checks on parameters like quality of air, water and ambient noise levels.	MIDHANI continued its efforts to maintain and promote ecological balance in and around factory premises by developing and maintaining an extensive plantation.
Principle 8	Undertake initiatives to promote greater environmental responsibility	Upkeep of equipment and machinery at all times preparedness for emergency situations Use of renewable energy sources, continuous monitoring of specific energy consumption pattern. Prompt maintenance of furnaces. Afforestation measures.	The following sustainability initiatives have been taken during the year: <ul style="list-style-type: none"> • A thick canopy of greenery with thousand of plants of more than 50 species constitutes the green belt in and around MIDHANI. This not only controls air / dust pollution but also attracts birds of different species. • Steps taken on conservation of energy - Introduction of LED lighting system for street lights. • Steps taken for utilizing alternate sources of energy – MIDHANI has put efforts to encourage use of non-conventional energy thereby helping in protection of environment and also preservation of natural resources. A 3.5KW solar
Principle 9	Encourage the development and diffusion of environmentally friendly technologies		

		<p>power unit has been set up for pumping of water to plants to develop greenery.</p> <p>Corporate Social Responsibility (CSR):</p> <p>CSR foot print of the company covers preventive health care, education, empowerment, environmental care & peripheral development. CSR awareness programs were conducted for employees to bring in CSR culture.</p> <p>To meet the above objectives, total amount of Rs 225 Lakhs spent during the year 2014-15 under 7 CSR – projects taken up by MIDHANI as per the details given below:</p> <table><tr><th>CSR project</th><th>Benefits achieved</th></tr><tr><td>Promotion of Health Care and Sanitation at Government schools</td><td>Construction of Toilets – Approx 1200 students are benefited from this project. Distribution of Aids and Appliances to Disabled persons – Approx 300 persons of various disabilities are benefited from this project.</td></tr><tr><td>Promotion of Education</td><td>Infrastructure facilities (provided Dual desks, un-interrupted power supply, special learning software for visually challenged students, computers) – Approx 1200 students are benefited from this project. Mid-day meal to the students – Approx 5000 children are benefited.</td></tr></table>	CSR project	Benefits achieved	Promotion of Health Care and Sanitation at Government schools	Construction of Toilets – Approx 1200 students are benefited from this project. Distribution of Aids and Appliances to Disabled persons – Approx 300 persons of various disabilities are benefited from this project.	Promotion of Education	Infrastructure facilities (provided Dual desks, un-interrupted power supply, special learning software for visually challenged students, computers) – Approx 1200 students are benefited from this project. Mid-day meal to the students – Approx 5000 children are benefited.
CSR project	Benefits achieved							
Promotion of Health Care and Sanitation at Government schools	Construction of Toilets – Approx 1200 students are benefited from this project. Distribution of Aids and Appliances to Disabled persons – Approx 300 persons of various disabilities are benefited from this project.							
Promotion of Education	Infrastructure facilities (provided Dual desks, un-interrupted power supply, special learning software for visually challenged students, computers) – Approx 1200 students are benefited from this project. Mid-day meal to the students – Approx 5000 children are benefited.							

			<p>Environment sustainability, ecological balance and conservation of natural resources</p> <p>Plantation of Medicinal, fruit bearing and Aromatic plants for the benefit of the society.</p> <p>A peacock sanctuary has been created to protect the fast diminishing National bird.</p> <p>90 KLD Sewerage Treatment plant to treat the sewerage generated in the factory commenced operation during the year.</p> <p>Renewable energy</p> <p>Under this project, a 3.5KW solar power unit has been set up for pumping of water to plants to develop greenery.</p>
<p><u>ANTI-CORRUPTION</u></p> <p>Principle 10</p>	<p>Business should work against corruption in all its forms, including extortion and bribery</p>	<p>Government of India promulgated Central Vigilance Commission (CVC) Act making CVC as the apex body for exercising general superintendence and probity in public life. In line with the above, the Company's Vigilance Dept., headed by a senior officer from Indian Administrative Services oversees all the activities of the organization.</p> <p>All business activities are bound by the "Prevention of Corruption Act 1988".</p> <p>Stringent punishment to corrupt practices and protection to informers is followed.</p> <p>Highest priority is accorded for transparency in procurements and recruitments. Integrity Pact is adopted</p>	<p>Integrity Pact, a tool developed by Transparency International is being signed for all procurement contracts valued over Rs. 1.0 Cr.</p> <p>Various awareness programs were conducted during the year with the central theme "Combating Corruption - technology as an enabler". Noted political and social activist Dr Jayaprakash Narayan and Shri A K Khan, Director General, ACB addressed and interacted with officers of Midhani as part of awareness programs.</p> <p>In order to spread vigilance awareness and inculcate moral values among children, programs such as essay writing and elocution competitions were held in local government schools.</p> <p>Vigilance Department, which is responsible for carrying</p>

		<p>for all major procurements and Independent External Monitors are appointed to oversee the process. Awareness programs are conducted on a regular basis.</p> <p>Auditing is carried out by an exclusive Internal Department as well as Govt. designated auditors.</p> <p>Public display of Anti-Corruption policy and contact details for reporting.</p>	<p>out and overseeing anti-corruption measures, has been conferred with an excellence award from ELETJS, New Delhi during PSU-Summit event during the year.</p> <p>A two-day seminar and open house discussions event was conducted by MIDHANI for all the vigilance officers of Defence public sector companies of the country. MIDHANI contributed in another three day program on "A-Z of Vigilance" as part of the Vigilance Study Circle, Hyderabad.</p> <p>An exclusive policy was formulated for managing corruption risks in line with the Enterprise Risk Management policy of MIDHANI. To ensure safety of whistle blowers and encourage prompt reporting, Whistle Blowers Policy has been formulated and made available on the company's website.</p>
--	--	--	--