

अमरेन्द्र महापात्र

निदेशक (कार्मिक)

A. MAHAPATRA

Director (Personnel)



## MMTC's Commitment In Support Of U.N.G.C. Programme

**MMTC Limited** is a Government of India enterprise set up in October, 1963. MMTC today is the largest international trading Company of India with annual turnover of over US\$ 8 billion. MMTC is the largest exporter of minerals from India and importer /supplier of bullion and non-ferrous metals into India. MMTC is also a leading international trader of Agro, Fertilizers, Coal and Hydrocarbons. MMTC has its locations throughout the country and also a subsidiary Company (MTPL) in Singapore, which holds prestigious 'Global Trader' status. MMTC is also a major promoter of Neelachal Ispat Nigam Ltd. (NINL) iron and steel plant in Orissa with an installed annual capacity of 1.10 million tonne.

The Company has set for itself ambitious plans of diversification into newer areas in the coming years which include setting up of commodity exchange, opening of LME warehouse in India, setting up of gold/silver medallion manufacturing units and chain of retail stores for sale of medallions, jewellery, exploration of coal blocks, development of Special Export Zones, setting up of permanent iron ore loading berth at Ennore Port, development of Port Jetty at Paradeep Port.

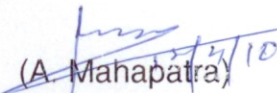
MMTC is an environment friendly company in all its activities, products and services besides providing safe and healthy working environment to all its stakeholders. MMTC has played a pioneering role in creating mass awareness for quality and certified hallmarked jewellery in India.

The company has adopted Corporate Social Responsibility as a policy during the year 2006-07 and has since then undertaken a number of projects under CSR. The details are reflected in the Company's annual reports.

The Company reiterates its commitment to United Nation's Global Compact Programme and the set of core values enshrined in its ten principles on human rights, labour standards, environment and anti-corruption and intent to advance G.C. principles within the company's sphere of influence and has made it part of the strategy, culture and day-to-day operations.

MMTC publicly advocates with its employees and other stakeholders and regularly incorporating its commitments towards G.C. programme through MMTC's house magazine, Press conferences and other media.

Dated : 12<sup>th</sup> April, 2010

  
(A. Mahapatra)  
Director (Personnel)



## **Commitment to Global Compact: Communication On Progress At MMTC Limited**

**CORPORATE MISSION :** As the largest trading company of India and a major trading company of Asia, MMTC aims at improving its position further by achieving sustainable and viable growth rate through excellence in all its activities, generating optimum profits through total satisfaction of shareholders, customers, suppliers, employees and society.

### **CORPORATE OBJECTIVES**

1. To be a leading International Trading House in India operating in the competitive global trading environment, with focus on “bulk” as core competency and to improve returns on capital employed.
2. To retain the position of single largest trader in the country for product lines like minerals, metals and precious metals.
3. To promote development of trade-related infrastructure.
4. To provide support services to the medium and small scale sectors.
5. To render high quality of service to all categories of customers with professionalism and efficiency.
6. To streamline system within the Company for settlement of commercial disputes.
7. To upgrade employees skills for achieving higher productivity.

**CORPORATE CITIZENSHIP:** OUR RESPONSIBILITIES EXTEND BEYOND TRADING: Contributing to the welfare of communities in which it operates is a natural element of MMTC's activities. MMTC continues its unstinted efforts to promote clean environment and scientific development of mines as also support the government relief measures in natural calamities.

The Company and its employees have lived up to the responsibilities as Corporate Citizens and have been playing their role in the times of crisis in the country.

**SOCIAL AND WELFARE ACTIVITIES :** MMTC's social and welfare activities promote welfare of the employees through various schemes i.e. liberal loan facilities like house building advance, conveyance loan, house hold loan, marriage advance, gold loan, education loan for children of employees pursuing higher education etc. MMTC also provides subsidized canteen facilities, medical treatment, residential accommodation in some of the major cities for its employees. MMTC also takes care of employees' families through merit scholarship, tuition fee reimbursement, etc.

MMTC is committed towards environmental up keep through afforestation in the mining areas, development of tribal areas and infrastructure development through rail links, port facilities, etc.

MMTC in the past year has made various earnest efforts to implement the Global Compact Principals and focused on diverse aspects of Human Rights, Labour, Environment and Anti-Corruption. The scope of our actions included focus on socio-economic, environment,



education, health care, natural calamity, infrastructure and cultural upliftment activities other than those statutory and also welfare activities for its employees.

## **Human Rights**

### **1) Business should support and respect the protection of internationally proclaimed human rights.**

Being a Government of India company, MMTC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also encompasses the fundamental human rights as envisioned in the Universal Declaration of Human Rights. MMTC stands committed to support and respect the protection of internationally proclaimed human rights.

### **Systems**

Though there is no specific provision as such for human rights in the Manual on Personnel Management of the company, the sub-stratum of the Manual ensures that its employees enjoy the fundamental human rights. MMTC has 3 tier grievance redressal system called "Sahayata" for resolving employees' grievances.

MMTC has in its management system provisions for health, safety, housing and education. Comprehensively covering all these aspects, MMTC has appropriate systems in place.

### **Actions**

#### **Health**

MMTC provides proper free medical facilities to its employees and dependent members of their families

Under the MMTC Medical Scheme, retired employees and their spouses get medical care for a nominal life-time membership.

#### **Safety**

- MMTC attaches greater importance for safety of the employees.
- Periodical medical examination of employees and their families are done in accordance with the prescribed schedule at Company office or at Company's residential colony.
- Safety appliances such as safety shoes, helmets, rain suits, goggles, etc. are provided to employees periodically.
- Various safety mock drills are also performed as per schedule.

#### Housing

- MMTC provides accommodation for the employees and the members of their families on normal rates.
- MMTC provides liberal house building advances to its employees to build their own houses at such locations in India as suitable to them.

#### Education

- MMTC trains its employees regularly to update themselves, professionally, managerially and technically.
- MMTC encourages its employees to better their education and professional qualification by giving suitable incentives, study leave, etc.
- MMTC takes care of the school education of the employees' children and has scheme for reimbursement of tuition fees, merit scholarship for their education.
- MMTC has also scheme to provide loan to employees for higher education of their wards.

#### **Performance during the year 2008-09:**

- Spent over Rs.135 million on health care of its employees and their family members including retired employees and their spouses.
- The Company organizes free health check up programmes at various locations throughout the year.
- Liberal house building advance rules for employees.
- Employees are nominated to training programmes both internal and external for which annual training calendar is drawn in advance.
- A total 2428 training man-days were imparted to employees during April, 2008- to 31<sup>st</sup> March, 2009 which comes to 1.29 training man days per employee.
- Out of total manpower of 1882 employees in the Company, 150 SC, 66 ST and 229 women employees were imparted training.
- The Company recognizes the long service rendered by the employees on completion of 15/30 years of service in the Company. During the year 2008-09, 15 employees received gift coupons worth Rs.5000/- each and 12 employees received Silver medallions of 70 gms each on completion of 30/15 years service respectively.

#### **2) Business should ensure that they are not complicit in human rights abuses.**

Being a Government of India company, MMTC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also encompasses the fundamental human rights as envisioned in the Universal Declaration of Human Rights. MMTC stands committed to support and respect the protection of internationally proclaimed human rights at its work places.





## **Systems**

- MMTC, conforms to human rights principles and has ensured that no violation of human rights takes place.
- The company has an approved policy for redressal of grievances called “Sahayata” of its Employee, customers, business associates.
- MMTC has recognized Scheduled Caste/Scheduled Tribe Associations in each of its units and corporate office.
- It also shares information on different issues under the Right to Information Act with various interested parties and stake holders.

MMTC is vigilant to implementation of proclaimed Human Rights of citizens/ employees through various measures and strict monitoring and reporting policies.

## **Actions & Performance during the year 2008-09**

No case of human rights violation has been reported during the year.

### Labour Standards

### **3) Business should uphold the freedom of association and the effective recognition of the rights to collective bargaining.**

#### **Commitment**

MMTC stands committed to the protection of freedom of association among its employees and business partners.

Freedom of association is available to all employees. The organization has established policies and practices for collective bargaining on issues of common interest and signs Long Term Settlements for salaries, wages and perks. A copy of the Employee Conduct, Discipline and Appeal Rules, 1975 is always in reach of all concerned employees and the same is also available on Company's website/intranet.

#### **SYSTEMS**

Associations are formed at local and regional levels. Federation of MMTC Staff Unions is recognized as the sole apex level bargaining body on behalf of employees in staff cadres, with the Management. Similarly, Officers and SC/ST employees have formed their separate associations i.e. MMTC Officers' Association/SC ST Welfare Associations.

In order to empower the employees and to encourage their involvement in decision-making and achievement of company's business targets, meetings are held at regular intervals under following forums::

- Structured scheme of meetings at Regional/Zonal/Corporate Level
- Joint Consultative Mechanism(JCM) with Federation of Employees/Officers/SC&ST Associations.
- In addition, a structured internal communication scheme has been introduced recently in the company.

#### **Actions :**

Meetings are held with different bodies of employees on quarterly, bi-annually and yearly basis, at regional, zonal and corporate level under 'structured scheme of meetings'. Besides, regular meetings with employees representatives are held under Joint Consultative Mechanism(JCM). Issues of mutual interest are discussed and resolved in these meetings. The top management of the Company and principal office bearers of the Federation of employee unions/ Officers Associations/ Scheduled Caste and Scheduled Tribes Welfare



Association attends apex level meetings. Representatives from regional units also participate in Apex level meetings.

These meetings act as a platform where frank and free views in the area of business as well as employees' welfare are shared between the management and the employees.

#### **Performance during the year 2008-09:**

- The company has a history of harmonious relationship between the management and employees. During last year not a single man day was lost due to industrial unrest.
- The unanimous decisions taken at the Joint Committees are implemented and monitored.

#### **4) Business should support the elimination of all forms of forced and compulsory labour**

##### **Commitment:**

MMTC stands committed not to resort to any form of forced and compulsory labour. There are in built provisions in the company policy for ensuring payment of minimum wages, Provident Fund and coverage of contract labour under Employees State Insurance Scheme, Workmen's Compensation Act etc.

##### **Systems**

- No employee is required to deposit any sum of money for employment in MMTC.
- A service bond is insisted upon from only such of those employees who have been specifically trained at the cost of the company for managerial positions. The bond period is for 3 years or a nominal amount of Rs.50,000/-.
- Any employee joining the company should declare that he or she is not an insolvent.
- All Regional offices are required to send a certificate that No Workmen is paid less than the minimum amount of wages declared by respective State Governments.

##### **Actions**

- Appointment orders issued by the company very specifically state the various important conditions of appointment.
- Printed copies of Service Regulations and other rules are distributed to all Units for reference and use by every employee.
- Personal Manual containing various rules/regulations is hoisted on Company's website : [www.mmtclimited.com](http://www.mmtclimited.com)
- An Executive Handbook containing the rules and regulations of the company has been prepared and distributed widely.
- Workmen have the additional facility of over time payment for working beyond the prescribed working hours.

## **Performance during the year 2008-09**

No form of forced or compulsory labour was resorted to.

### **5) Business should support the effective abolition of Child labour**

#### **Commitment :**

MMTC stands committed not to engage any child labour and do all that it can to abolish it from its surroundings.

#### **Systems :**

- For appointment in the Company, the minimum age prescribed and scrupulously followed is 18 years.
- Age verification is done with reference to approved documents in accordance with the practices prescribed by the Government of India.

#### **Actions:**

- MMTC firmly adheres to the Government rule of non- recruitment of children for any official work
- All contractors are forbidden to engage child labour.
- The company ensures effective abolition of child labour through its Conduct, Discipline and Appeal Rules under which engagement of child labour by employees even in their residences is prohibited.

## **Performance during the year 2008-09**

- No child labour was employed by MMTC
- No child labour was allowed to be employed by the contractors working for MMTC.

### **6) Business should support the elimination of discrimination in respect of employment and occupation.**

#### **Commitment:**

MMTC by itself and as a Government company, stands committed to follow the policy of non discrimination in all matters – recruitment, employment opportunity, promotion etc.

#### **Systems:**

- The Constitution of India, under Article 15, unambiguously prohibits discrimination on grounds of religion, race, caste, sex or place of birth.
- The Company has a scheme in place for prevention of sexual harassment to working woman at their work place. Under the scheme a committee comprises of senior officers is working in each regional office to monitor implementation of the scheme.
- As a Government company, MMTC is bound to follow the Government directives, which are abundantly clear against any discrimination in any matters.
- As a measure of protecting and improving the conditions of the downtrodden, special provisions have been made in terms of the Government directives in respect of





candidates belonging to Scheduled Caste, Scheduled Tribe and Backward class, both in recruitment and promotion.

- MMTC Recruitment and Promotion rules provide for qualifications, skill and experience required for candidates for recruitment and promotion at various levels.
- The grievance procedure in the company is designed in a very simple and easy to handle way for the employees to get grievances, if any, to be resolved quickly.
- Unions and Associations representing the various levels of employees have easy access to the management to discuss and resolve discriminations, if any noticed, quickly and effectively.

**Actions:**

Personnel Department of the company periodically assesses and evaluates job contents and job requirements.

**Performance during 2008-09**

<b>Total number of employees</b>	<b>1882</b>
<b>Scheduled caste employees</b>	<b>400</b>
<b>Scheduled Tribe employees</b>	<b>137</b>
<b>Backward class employees</b>	<b>20</b>
<b>Persons with differently abled</b>	<b>31</b>
<b>Total number of Woman employees</b>	<b>344</b>
<b>Men Women ratio</b>	<b>5 : 1</b>

## Environment

### **7) Business should support a precautionary approach to environmental challenges.**

#### **Commitment**

MMTC is committed towards environmental upkeep through afforestation in the mining areas, development of tribal areas and infrastructure development through rail links, port facilities, etc.

#### **Systems/Actions:**

In addition to statutory requirement, MMTC 's precautionary approach to environmental challenges include:-

- The company provides safety equipments such as gum boots, rain coats, helmets, gloves, nose masks, torch lights, umbrellas to employees posted in field areas and in port offices.
- All employees are covered under group accident insurance schemes which take care of injuries/ accidents at work place.
- Once a year a drill for fire fighting is conducted in all office premises of the company.
- Tree plantation drives are undertaken in and around Company's residential complexes at various locations.

### **Performance during the year 2008-09**

The Company ensures precautionary steps in its various activities to help environmental preservation.

### **8) Business should undertake initiatives to promote greater environmental responsibility.**

#### **Commitment**

MMTC has made efforts to imbibe the Global Compact Principals in its business process.

#### **Systems/Actions:**

- Training programmes are arranged for employees on environmental awareness.
- Diversification into an area like **Wind power energy generation**, which is a clean and environment friendly source of energy is a fine testimony to the fact that these principals are well integrated with the business activities of the company. The Company has set up a Wind mill in Karnataka state, which is first in the series.
- In addition, MMTC continues its unstinted efforts to promote clean environment and develop green cover surrounding its areas of business activities.
- In procurement of iron-ore from the mines, Company undertakes promotion of afforestation and Social Forestry in and around mining areas..



### **Performance during the year 2008-09:**

Afforestation has been done in 30% area of MMTC's promoted Iron & Steel Plant namely Neelachal Ispat Nigam Limited at Duburi, in the state of Orissa. Besides tree plantation campaigns are also undertaken in and around Company's residential complexes at various locations in the Country.

### **9) Business should encourage the development and diffusion of environmentally friendly technologies.**

#### **Commitment:**

MMTC is primarily a trading organization engaged in International Trade. MMTC stands committed to encouraging the development and diffusion of environment-friendly technologies.

#### **Systems/ Actions:**

As a part of its diversification plans, the company has set up a **Windpower generation plant** in the state of Karnataka, which is a non conventional and renewable source of energy.

**Neelachal Ispat Nigam Limited** an Iron and Steel plant promoted by MMTC is using environment friendly techniques like:-

- Steam and power generation based on full utilization of by product- blast furnace gas and coke oven. No external fuel is used.
- Dust extraction and dust suppression units are installed at dust generation points. The collected dust is recycled in Sinter plant.
- Complete recycle of solid waste generated.
- The liquid slag produced (a by-product) in blast furnace is granulated and sold to cement companies.
- Zero emission of solid, liquid and gaseous wastes.
- Green developed on 200 acres of land inside the plant.

### **Performance during the year 2008-09:**

The adoption of environment friendly technologies is making MMTC more efficient in controlling various types of pollution well within the prescribed limits and improving the health of employees and the members of their families.

### **Anti Corruption**

**10) Business should work against all forms of corruption, including extortion and bribery.**

#### **Commitment:**

MMTC is committed to reduce corruption in any form from all its business activities.

#### **Systems:**

- A full fledged Vigilance Department has been created at the corporate office which is headed by a Chief Vigilance Officer who is appointed by the Government of India on deputation.
- Each Regional Office also has a Vigilance Officer.
- Vigilance cases are monitored by the respective Vigilance Officers.
- At all offices of the Company, name, designation, with telephone number of Vigilance Officer and Chief Vigilance Officer of the Company is prominently displayed for the information of general public who can approach them for redressal of their complaints, if any.
- Employees are required to submit periodical returns of the movable and immovable property they possess.

#### **Actions:**

- Frequent conferences and training sessions are being conducted to apprise the employees on different aspects of vigilance.
- Timely replies of all queries under RTI Act are given with an aim to make all business activities more transparent.

#### **Performance during the year 2008-09:**

- Grievances received were promptly attended for redressal.
- Communication system between Regional Offices Vigilance and Head Office Vigilance Departments has been improved through intranet.
- Preventive Vigilance has also been given prime importance in order to plug the loopholes in the system and to eradicate corrupt practices in the organization.
- Suggestions made by Vigilance Department to help eradicate loopholes in systems and rules are implemented from time to time.