

Working for a Better Tomorrow, Today

Sustainability Report 2014 - 2016

Godrej

Godrej & Boyce Mfg. Co. Ltd.

Limited copies of this report have been printed on recycled paper.

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CHAIRMAN'S MESSAGE

I am happy that we are releasing our second Sustainability Report for the period 2014-16. This report has been prepared by our Corporate Sustainability Team with inputs from various businesses and corporate functions within the Company.

As our Company grows, we believe that all our stakeholders should also reap the benefits of our economic well being. Towards this end and in the spirit of continuous improvement, we have conducted a comprehensive stakeholder engagement and identified material issues. We have initiated actions to address these issues and our report will highlight some of these.

Some of the initiatives taken during the reporting period are as under:



Safety

Safety of employees is our primary concern. Therefore, as an organization, we have taken a systemic approach to improve the safety performance of our organization. We have initiated the process of institutionalizing “behavior based safety” which, we believe, will help us become a ‘zero incident’ Company in future.

Talent

The management of human capital is key for sustained success in the market place. We have designed a robust talent management framework where future leaders are identified and groomed through specific and individual interventions. This process also ensures that the objectives of succession planning are addressed.

Compliance

Given the large number of rules and regulations that companies need to follow, monitoring compliance has always been a challenge. We have deployed an online compliance system which not only lists what we need to comply with but also assists in tracking function level and business unit level compliance.

Managing Risks

We have fine-tuned the risk management process introduced in the previous period to link it with achievement of performance objectives. All business risks and their mitigation plans are examined during quarterly business reviews.

Design and Innovation

We continue to embed the principles of design thinking. All management trainees joining the organization are now exposed, in a hands-on manner, to the tools of design thinking. Ongoing programs such as Horizon and Sprint continue to help in building a culture of innovation so vital for our sustenance.

Besides all the above, we have gone green in many of our office and residential buildings and manufacturing plants. In addition, a pilot study has been commissioned on the biodiversity index for our industrial garden township, Pirojshanagar and I am happy to mention that the results are encouraging.

Finally, no growth plan can be successful without the support of communities and societies. Our businesses therefore, aim not only for profitable growth but also towards making significant and lasting impact on the environment and society as a whole.

I look forward to your suggestions in taking our organization further on the path of sustainable development.

J.N.Godrej

**Chairman and Managing Director,
Godrej & Boyce Mfg. Co. Ltd.**



EXECUTIVE SUMMARY

This report has been prepared as per the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines. The report is India-centric and includes our 14 business divisions and their manufacturing operations in Vikhroli and other parts of India. Case studies are given in many areas in the report to demonstrate and support our efforts in Sustainability.

Godrej & Boyce Manufacturing Company Limited (the Company) was established in 1897 and is now in its 120th year of existence. The Company's philosophy on corporate governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in its interactions with its stakeholders, including shareholders, employees, lenders, and the government.

RISK MANAGEMENT

Godrej & Boyce (G&B) has implemented a structured Enterprise Risk Management (ERM) system for managing key risks which stresses the importance of understanding, assessing and managing risks in the context of the Company's strategies and business plans. For proper ERM governance, the organizational oversight structure is integrated with the Company's existing management structure in order to make it effective. The ERM policy approved by the board clearly lays down the roles and responsibilities across the Company ranging from strategic to operational.

STAKEHOLDER ENGAGEMENT

G&B launched a comprehensive stakeholder engagement program to facilitate a good understanding of the Company's obligations towards its stakeholders consistent with the business's commitment to corporate responsibility and to identify material issues. This has also provided the Company a platform for promoting transparent communication and an opportunity to recognize and address stakeholder interests.

CSR

Our CSR activities are based on the shared value approach which aims at developing profitable business strategies that deliver tangible social benefits.

Following are our thrust areas in CSR:

-  Skill building as part of Godrej Disha, an initiative under Godrej Good & Green
-  Community development around areas of operation
-  Employee engagement and volunteering

ECONOMIC PERFORMANCE

The Company has continued to make significant investments for the future across its business domains. Thus, the Company's balance sheet size has expanded at a compound rate of 9% over the previous five years to reach Rs. 8,313 crores as on March 31, 2016. Employee benefit expenses have gone up from Rs. 986 crores in 2014-15 to Rs. 1,038 crores in 2015-16.

ENVIRONMENT

Energy

Since air compressors, central air conditioners, manufacturing processes (oven, paint booth, molding and pretreatment section) contribute to a major share of energy consumption, lots of thrust has been given on operations and maintenance resulting in improved energy efficiency. Specific energy consumption has been reduced by 39% compared to our baseline year 2011. **Renewable energy** share w.r.t total energy consumption is at 9%.

In the period under review, seven of our manufacturing units were awarded GreenCo certificates by CII-GBC. Two of these units, namely, Godrej Lawkim and Godrej Interio, Shirwal plant obtained GreenCo platinum certificates. As of March 2016, of the 60 GreenCo certified factory units in India, nine, the highest in any single company, are from G&B. Of these nine, four are GreenCo platinum certified, which is again the highest for any company in the country.

Water

Against a target of 20% reduction in water consumption by 2016 w.r.t base year of 2011-2012, we have achieved 43% reduction. And against a target of becoming water positive by 2020, we are water positive in 2016. We have been able to offset 55% of the total fresh water consumption by rainwater harvesting initiatives within the fence, demonstrating a long term water management plan by increase in groundwater table for sustainable use.

Waste

Against a target of 25% reduction in generation of hazardous waste by 2016, we have achieved 33% reduction. About 99.6% of non-hazardous waste generated due to industrial operations is recycled. These are in line with our long-term goal to have 'zero non-hazardous waste' to landfill and '50% reduction in generation of hazardous waste' by 2020. E-waste generated at various G&B facilities includes scrapped computers, monitors, servers, among others and specified electronic and electrical items. The PUNĀH project detailed in the report is a good example of generating wealth from waste.

Biodiversity

More than 75% of G&B's total land is unconstructed, water permeable and available for thriving biodiversity, demonstrating the organization's commitment to biodiversity conservation. G&B commissioned a biodiversity index research study by CII-Godrej GBC along with World Wide Fund For Nature (WWF) to assess status of biodiversity on the campus, thus becoming the first Indian corporate to conduct research of such a nature on a private campus and obtained 63 points out of a total of 92. The research findings are being used to further enhance the biodiversity index of the campus. G&B also conducted carbon sequestration research to estimate total carbon stock present in Godrej mangroves. The research estimated 5,97,112 tCO_{2e} sequestered with annual addition of about 50,000 tCO_{2e}. This great service provided by the mangrove ecosystem conserved by Godrej benefits all of the Mumbai Metropolitan Region.

Pirojshanagar's biodiversity consists of 964 floral species and 276 faunal species. 68 floral and faunal species are identified as near threatened, vulnerable and endangered and which need conservation. G&B, under the leadership of CMD Mr. Jamshyd Godrej, is also among the first business entities to support the India Business & Biodiversity Initiative (IBBI) which serves as a national platform for businesses to promote sharing and learning and ultimately lead to mainstreaming sustainable management of biological diversity by companies. G&B actively supports IBBI by offering its infrastructure and expertise.

SOCIAL

Training and Education

The capability building framework of the organization focuses on short-term and long-term programs to develop functional and leadership competencies of employees for their present roles and career development. The organization has a six-monthly rolling calendar for in-house learning and development programs based on the leadership competency framework. Also, based on the business plans for every year, specific training programs/modules are conducted across identified areas such as innovation, global adaptability and project management. There are customized learning programs such as supervisory development, cell leader development, accelerated learning programs in safety, production and design which strengthen the functional capabilities of employees.

Human Rights

The code of ethics and business conduct of the Company upholds the principles of human rights and fair treatment. The code provides that the Company conduct its operations with honesty, integrity and openness and with respect for human rights and interests of employees.

Occupational Health and Safety (OHS)

G&B management strongly believes that frontline supervisors and managers play a very important role in the OHS performance of the Company. Hence the top management felt that line supervisors should be thoroughly trained to improve their skills in OHS systems and practices. In view of this, a safety course was devised in collaboration with the National Safety Council (NSC). The course is called the 'Accelerated learning program (ALP) in safety'. Around 200 line managers have been trained under this course. This is a unique practice which has received appreciation at national and international levels. Recently, a paper on the ALP initiative was shared in the Asia Pacific Occupational Safety & Health Organization (APOSHO) conference held at New Delhi.



JAMSHYD GODREJ

Jamshyd Godrej is the CMD of Godrej & Boyce Mfg. Co. Ltd., the holding company of the Godrej Group. He is the President of World Wide Fund for Nature – India, Chairperson of the Board of Directors of Shakti Sustainable Energy Foundation, Director of World Resources Institute, USA and Director of Global Footprint Network, USA. He is also a member of Toyota Motor's Global Advisory Board, past President of CII and IMTMA. For his contributions to Indian industry, he has received several awards and recognitions including the Padma Bhushan in 2003.



ADI GODREJ

Adi Godrej is the Chairman of the Godrej Group and a Non-Executive Non-Independent Director of the Company. He has been president of several Indian trade and industrial bodies and associations. He is a recipient of several awards and recognitions including the Rajiv Gandhi award 2002, AIMA-JRD Tata Corporate Leadership award 2010, the Padma Bhushan 2012 and the All India Management Association – Business Leader of the Year 2015, among others.



NADIR GODREJ

Nadir Godrej is a Non-Executive Non-Independent Director of the Company. He is also a Managing Director of Godrej Industries Ltd., Chairman of Godrej Agrovvet Ltd. and Director of public limited companies such as Godrej Consumer Products Ltd., Indian Hotels Co Ltd. and Mahindra & Mahindra Ltd.



VIJAY CRISHNA

Vijay Crishna is the Executive Director of the Company - Lawkim Motors. He joined Lawkim Ltd., a bankrupt manufacturer of special motors taken over by the Godrej Group, in 1977 after eight years of management experience in Shipping and Tea in Kolkata and five years in advertising with DaCunha Associates in Mumbai and was able to turn it around. Vijay is also a Director of Godrej Industries Ltd., Godrej Agrovvet Ltd. and Precision Wires India Ltd.



ANIL VERMA

Anil Verma is the Executive Director and President of the Company with effect from October 1, 2015. He has been with the Company since 1983 and is presently an Executive Committee Member of the Employer's Federation of India (EFI), on the Advisory Board of the CII Institute of Quality, Chairman of the CII National Taskforce on Industrial Safety and serves on the Board of Governors of the National Safety Council of India (NSCI).



PHIROZE LAM

Phiroze Lam is the Executive Director of the Company and was designated President until September 30, 2015. He has been associated with the Company since 1975. Prior to joining Godrej, he was a partner in the solicitors firm Payne and Co. He is also a Director of Mercury Mfg. Co. Ltd. and a trustee of the Pirojsha Godrej Foundation.



KYAMAS PALIA

Kyamas Palia is the Executive Director (Finance) of the Company. He has considerable expertise in financial management, business strategy and corporate governance. He is also a trustee of the Soonabai Pirojsha Godrej Foundation.



KAVAS PETIGARA

Kavas Petigara is a Non-Executive Independent Director of the Company and the Managing Partner of Scitech Corporation. He is a chemical consultant and a businessman and has been associated with chemical and allied business activities in India and abroad for many years. He is on the Boards of Godrej Industries Ltd., Godrej Agrovvet Ltd., Vora Soaps Ltd. and Swadeshi Detergents Ltd.



PRADIP SHAH

Pradip Shah is a Non-Executive Independent Director of the Company and was the founder Managing Director of The Credit Rating Information Services of India Limited (CRISIL), India's first and largest credit rating agency. He is a qualified Cost Accountant and ranked first in India in the chartered accountancy examinations. He has given talks in India, Europe, Southeast Asia, Australia and the United States on credit rating, housing finance, capital markets, venture capital and allied subjects.



ANITA RAMACHANDRAN

Anita Ramachandran is a Non-Executive Independent Director of the Company. She is a leading human resources consultant in India and is well known for her work in compensation and HR strategy. She has won several academic honours and was a Dorab Tata scholar for six years. She has been a champion of various women's causes.



KEKI ELAVIA

Keki Elavia is a Non-Executive Independent Director of the Company and a Chartered Accountant in Public Practice. He is a member of India UK Accountancy Task Force, constituted by the Ministry of Commerce, Government of India. The Reserve Bank of India appointed him as a member of the Indian Advisory Committee of the Hong Kong and Shanghai Banking Corporation Limited, where he was the Chairman of its Audit and Corporate Governance Committee. He is a member of the Board of Godrej Industries Ltd.



NAVROZE GODREJ

Navroze Godrej was the Executive Director of the Company and directed Strategy and Innovation. He set up the Innovation Centre which implements Disruptive Innovation and Human-Centered Design and works with a diverse set of employees from various businesses of the Company to imbibe a culture of innovation at the grassroots level. He holds a Master of Design degree from the IIT Institute of Design, Chicago. He resigned from the Board with effect from October 1, 2016.

COMPANY PROFILE

One of the largest privately-held diversified industrial corporations in India, the Company celebrated its centenary in 1997. In 1897, a young man named Ardeshir Godrej gave up law and turned to lock-making. Ardeshir Godrej went on to make safes and security equipment of the highest order, and then stunned the world by creating toilet soap from vegetable oil. His brother Pirojsha Godrej carried Ardeshir Godrej's dream forward, leading Godrej towards becoming a vibrant, multi-business enterprise. Pirojsha laid the foundation for the sprawling industrial garden township (ISO 14001-certified), now called Pirojshanagar, in the suburbs of Mumbai.

Godrej touches the lives of millions of Indians every day. To them, it is a symbol of enduring ideals in a changing world.

INCORPORATION

Established in 1897, the Company was incorporated with limited liability on March 3, 1932, under the Indian Companies Act, 1913.

SHAREHOLDERS

Since its inception, the Company is being run by the Godrej family based in Mumbai, India. Its shares are not listed on any stock exchange. About one-fourth of the Company's share capital is held by the Pirojsha Godrej Foundation, a public charitable trust.

AN AERIAL VIEW OF PIROJSHANAGAR IN VIKHROLI, MUMBAI AT NIGHT



BUSINESSES:



AEROSPACE

Godrej Aerospace, engaged in hi-tech aerospace manufacturing activities, started in 1985 with development of critical, high-precision spacecraft components, made out of exotic alloys. Currently, they make systems for land, air and outer space application equipment.



APPLIANCES

Godrej Appliances began its journey in 1958 with the very first refrigerator in India. Today, it has a market presence in white goods such as refrigerators, air conditioners, washing machines and microwave ovens.



AV SOLUTIONS

Godrej AV Solutions provides AV (audio/visual) products and solutions that seamlessly integrate audio, video, display, lighting equipment and system controls. Pan India presence, reliable after-sales support and innovative designs give them a differentiating edge.



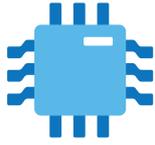
BATTERIES

Godrej has an international range of consumer batteries and allied products in partnership with GP Batteries, one of the world's largest manufacturers of consumer batteries. The product range includes zinc chloride, alkaline and rechargeable batteries, a range of chargers and torches.



CONSTRUCTION

The Construction business of Godrej & Boyce Manufacturing Company Limited began in 1948. Godrej Construction has complete in-house capacities for architectural and structural design and construction of industrial and residential projects. It has also constructed warehouses, offices and Godrej Bhavans in metropolitan cities like Delhi, Kolkata, Chennai and Hyderabad.



ELECTRICALS & ELECTRONICS

Godrej Electricals and Electronics caters to the needs of customers in the areas of energy and environment. They provide all types of engineering services in electricals, electronics, compressed air technology, busbar systems, instrumentation, telecommunication and automation technology.



INTERIO

Godrej Interio is India's largest furniture brand. They design products, set up processes and use raw materials that are eco-friendly to ensure preservation of natural resources. The product offerings include home and office furniture, along with solutions for laboratories hospitals and healthcare establishments, education and training institutes, shipyards and naval requirements, auditoriums and stadiums.



LAWKIM MOTORS

Lawkim is a specialist motor manufacturer, in business since 1961. Lawkim joined Godrej in October 2008. Along with the calibration laboratories in Mumbai, Pune and Vapi, it has now has started a new laboratory in Chennai.



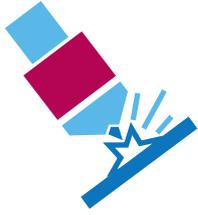
LOCKS

The Godrej story began in 1897 with the manufacture of locks. Godrej Locking Solutions & Systems provides locking solutions that reach homes, offices, industries and the hearts of millions of people in India and around the world for whom 'locks' means Godrej.



MATERIAL HANDLING

Godrej Material Handling has a state-of-the-art manufacturing facility at Vikhroli, Mumbai with a capacity to manufacture over 200 forklifts and completely overhaul 12 trucks every month. Godrej is possibly the only material handling equipment manufacturer in the country today to develop new models and attachments to suit market requirements in an extraordinarily short time.



PRECISION ENGINEERING

Godrej Precision Engineering delivers customized solutions meeting exacting quality requirements for high technology applications in nuclear power, defence, wind and other engineering sectors. It has a legacy of over five decades of machine tool building experience. It has built on this unique experience for developed capabilities for system integration.



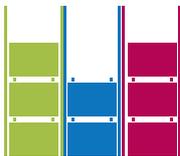
PROCESS EQUIPMENT

Godrej Process Equipment is a leader in fabricating unit static equipment for process industries. Established in 1976, Godrej Process Equipment manufactures the entire range of process equipment for end-users in core industry segments like refineries, petrochemicals, fertilizers, oil and gas, chemicals, pharmaceuticals and power around the world.



SECURITY SOLUTIONS

Godrej Security Solutions offers diverse security product solutions including technologically advanced sphere-like cameras with analytics, substance detectors (bomb, bullets, narcotics), X-ray baggage scanners, biometrics and access control systems, burglary and fire-resistant safes, road blockers and marine solutions.



STORAGE SOLUTIONS

Godrej Storage Solutions are pioneers, visionaries and market leaders for over five decades in India in the field of storage and material handling with products ranging from slotted angle shelving, selective pallet racking to integrated man-less intelligent warehousing solutions.



TOOLING

Godrej Tooling is among the country's most advanced tool rooms. Since inception, it has emerged as a key player in design, manufacture and proving of tools. The product range includes pressure dies, casting dies, thermo-compression moulds, complex and large sheet metal tooling for auto panels and progressive dies.



VENDING

Godrej Vending produces high-quality table-top beverage vending machines for the world market in collaboration with Veromatic International BV of the Netherlands. The latest technologies, stringent quality control and excellent after sales service are the key ingredients that have made Godrej Vending a trusted name.



VALUES

Integrity, Trust,
To Serve, Respect,
Environment
*An enduring source
of our strength...*

VISION

Godrej in Every
Home and Work Place
*This is what
we aspire for...*

MISSION

Enriching Quality of Life
Everyday Everywhere
*This is what we are
committed to
accomplish...*

AWARDS 2014 - 2015



SR. NO	MONTH	AWARDS
1	April'14	Godrej Security Solutions wins the International Spotlight Award for Supply Chain Excellence from the Association of Management Consulting Firms (AMCF)
2	April'14	Godrej & Boyce gets the honour of being the 'Second highest fundraising Company' at the Standard Chartered Mumbai Marathon
3	May'14	Godrej & Boyce employees secure one first and two second places at the CII National Workskills Competition in machinist and fitter trade categories
4	June'14	Godrej Security Solutions' press campaign bags a Bronze Lion at the Cannes Lions 2014
5	June'14	Godrej Precision Engineering wins the platinum prize in the mid-size category at the 3rd FICCI Quality Systems Excellence Awards for Manufacturing 2014
6	June'14	Godrej Security Solutions bags two gold, three silver and seven bronze medals at ABBY 2014 for its 'Ab Musibat se Darna Kaisa' campaign
7	June'14	Godrej Appliances, Shirwal Plant declared first runner-up in the Mission Energy Challenge conducted by NDTV and Grundfos
8	July'14	Godrej Security Solutions wins TOCICO (Theory of Constraint International Certification Organization) International Achievement Award 2014
9	July'14	Lawkim Motors Group wins the Golden Peacock Eco-Innovation Award 2014 at the 16 th World Congress on Environment Management for its solar powered bamboo cycle
10	July'14	Lawkim Motors Group wins the first prize at the 23 rd Kaizen Conference organized by CII Institute of Quality's TQM Club of India in the senior management category
11	August'14	Godrej Security Solutions wins Best Integrated Campaign (using digital media) at the CMO Asia Awards for Excellence in Branding and Marketing

AWARDS 2014 - 2015



SR. NO MONTH AWARDS

12	September'14	Godrej & Boyce wins the Frost & Sullivan India Electronics and Appliances Award for Economic Development Innovations
13	September'14	Godrej Appliances wins two awards at the DMA Socialthon Awards 2014 – one silver for 'Always on / real time response' and a bronze for 'Best use of Social Nomenclature'
14	October'14	Godrej Interio wins the platinum award at the Reader's Digest Trust Brands Awards 2014
15	October'14	Godrej Precision Engineering bags the first prize at the 14th CII-TPM National Conference in the senior manager level kaizen category
16	October'14	Godrej Electricals & Electronics division recognized as MEP Contractor of the Year 2014 at the Construction Week India Awards
17	October'14	Godrej Tooling adjudged a runner-up at the third Annual Manufacturing Tooling Awards & Conference for Excellence in Technology
18	October'14	Godrej Security Solutions wins bronze at Spikes Asia for its print advertising campaign
19	November'14	Godrej Locking Solutions & Systems wins the CII-EXIM Bank Award for Business Excellence, 2014
20	November'14	Godrej Material Handling wins CII Design Excellence Award for its 1.6 ton, 3-wheel forklift truck
21	November'14	Godrej Interio chosen as one of the 35 ET Best Brands 2014, from among 300 brands researched by the Economic Times
22	December'14	Godrej Appliances awarded the first prize in the refrigerator category at the National Energy Conservation Award 2014 organised by the Bureau of Energy Efficiency India (BEE)
23	December'14	Godrej Precision Engineering's Safety, Health & Environment Pillar team wins first prize at the second National TPM Circle organized by CII Institute of Quality

AWARDS 2014 - 2015



SR. NO MONTH AWARDS

24

December'14

Godrej Appliances awarded the first prize in the refrigerator category at the National Energy Conservation Award 2014 organised by the Bureau of Energy Efficiency India (BEE)

25

December'14

Godrej Tooling awarded a special recognition at the OHS India Innovation Award 2014 for its work on safety

28

February'15

Godrej & Boyce excels at the 54th Vegetable Fruit and Flower show organised by the National Society of the Friends of the Trees and wins several accolades

29

February'15

Godrej Appliances, Mohali wins the Par Excellence Award at the National Convention on Quality Concepts

30

March'15

G&B is ranked first in seven trades at the 27th CII Workskills competition.

31

March'15

Godrej Lawkim Motors, Shindewadi wins gold Trophy awarded to MSMEs by National Safety Council

32

March'15

14 G&B products receive India Design Mark certification of design excellence

A W A R D S



AWARDS 2015 - 2016



SR. NO	MONTH	AWARDS
1	April'15	Godrej Eon and Godrej Interio win ET Promising Brand 2015 awards
2	April'15	G&B recognised as the 'Highest fundraising corporate' for Standard Chartered Mumbai Marathon 2015 raising Rs 70.31 lakhs
3	May'15	Four G&B businesses - Tooling, Interio, Precision Engineering and Locking Solutions & Systems win the TPM Excellence Award given by the Japan Institute of Plant Maintenance
4	July'15	Godrej Appliances wins 1st prize at the 3rd CII National Excellence Award Practice competition
5	July'15	Ravikumar Balakrishnan from Godrej Locking Solutions & Systems secures 1st rank at the CII National Workskills Competition 2015 in CNC milling trade
6	September'15	Godrej's NCR warehouse gets WAREX gold certificate from CII
7	September'15	Godrej wins the Diamond Sabre Award for Excellence in Public Relations
8	September'15	Four G&B manufacturing units receive GreenCo certification from CII - Appliances Mohali, Interio Shirwal, Godrej Locking Solutions & Systems and Godrej Precision Engineering
9	September'15	Godrej Interio wins DMA Asia Echo Award
10	October'15	Godrej Appliances wins the Asian Award for Excellence in Branding and Marketing
11	October'15	Godrej Plant 13 Annexe building, Vikhroli, receives platinum green building certification under the Indian Green Building Council's existing building category
12	October'15	Godrej Edge Digi refrigerator wins the Good Design Award by Japan Institute of Design Promotion
13	October'15	Godrej Material Handling wins the Warehouse / Material Handling Company of the Year award at the 9th Express Logistics and Supply Chain Leadership Awards

AWARDS 2015 - 2016



SR. NO	MONTH	AWARDS
14	October'15	Godrej Process Equipment wins the CII National Kaizen Competition 2015
15	December'15	CEAMA confers Mr. Kamal Nandi with 'Man of Appliances - 2015' award
16	December'15	Godrej wins three awards for Free G and Masterbrand Campaign 2.0
17	December'15	Godrej Electricals & Electronics wins the Emerson Cup 2015 at the CII Green Building Congress 2015
18	December'15	Three G&B businesses receive the OSH Innovation Award 2015 - Tooling, Electricals & Electronics and Interio
19	December'15	Godrej wins IPRCCA 2015 Gold Award for excellence in PR
20	January'16	Godrej Appliances bags the Economic Times Best Corporate Brand award for the second time
21	January'16	Team G&B secures ranks in two prestigious business quizzes of India
22	February'16	Godrej Interio becomes a Superbrand at the 9th edition of the SuperbrandIndia Awards
23	March'16	Godrej Appliances wins the prestigious India Design Mark for its entire range of new Eon frost-free refrigerators
24	March'16	Godrej shines at CII Workskills competition winning 15 ranks in seven job categories
25	March'16	Godrej Locking Solutions & Systems wins India Design Mark award for four products
26	March'16	Godrej Interio bags Marketer of the Year award by DMAi

A W A R D S



REPORT PROFILE AND SCOPE

This report has been prepared as per the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines and the company has selected the 'In accordance Core' guideline for this report. The report is intended for both internal and external stakeholders. However we have decided not to seek external assurance for its contents.

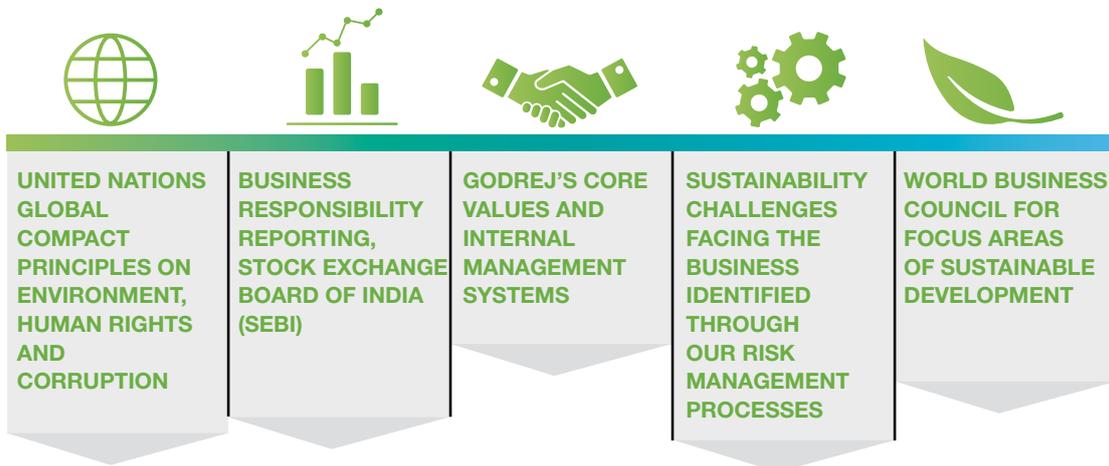
A materiality matrix of the Company has been prepared to identify key issues to be responded to as a part of the corporate strategy.

The report explores how we fulfill stakeholder and environmental responsibilities through a combination of forward looking strategy and robust processes. The report represents a balanced and reasonable representation of our contributions in the area of sustainability.

While applying the reporting principles approach, an attempt has been made to address all relevant and applicable indicators. The appropriate topics and indicators were selected based on their significance for the economic, environmental and social performance of the organization and its influence on the assessment and decision of stakeholders.

This sustainability report, published once every two years, aims to provide information on our performance for Financial Years (FY) 2014-15 and 2015-16. This report is India-centric (excluding international operations) and includes our 14 business divisions and their manufacturing operations in Vikhroli and other parts of India. It does not cover sales offices located outside Vikhroli. We have not made any changes to the scope of reporting or aspect boundaries when compared to our previous sustainability report for the year 2013-14.

The materiality of specific topics and indicators has been determined by using internal and external conventions, including:



Relevant information and data for this report have been collected periodically from SBUs and Corporate Departments directly and through the sustainability software. The data presented is verified and a sign off obtained from the senior management of the Company.

CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Godrej & Boyce Mfg.Co.Ltd. (the Company) was established in 1897 and is now in its 120th year of existence. During this period it has established a reputation for honesty, integrity, and sound governance. The Company's philosophy on corporate governance envisages attainment of the highest levels of transparency, accountability, and equity in all facets of its operations and in its interactions with its stakeholders, including shareholders, employees, lenders, and the government. The Company is committed to achieve and maintain the highest standards of corporate governance. **The Company believes that all its actions must serve the underlying goal of enhancing overall stakeholder value over a sustained period of time.** The corporate governance framework ensures effective engagement with various stakeholders and helps the Company evolve with changing times. It oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders.

THE GOVERNANCE STRUCTURE:

1. Board of Directors

The Company's corporate governance practices are shaped by its Board of Directors. The Board is committed to protecting the long-term interests of all its stakeholders, and considering this, it provides objective and prudent guidance to the management. The information relating to procedures, composition, committees, etc. of the Board is provided below.

A. Board Structure

The Company has an optimal combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board from the management, which is in conformity with the requirements of Section 149(4) of the Companies Act, 2013. As on 31st March, 2016, the Board of Directors of the Company consists of 12 Directors of which four are Independent Directors, being eminent professionals from diverse fields, with expertise in finance, human resources, information systems, marketing, and corporate strategy. The categorization of the Board into Non-Executive Non-Independent Directors, Non-Executive Independent Directors and Executive Directors is detailed below.

I	Chairman & Managing Director	Mr. J.N. Godrej
II	Executive Directors	Mr. P.D. Lam Mr. K.A. Palia Mr. N.J. Godrej Mr. V.M. Crishna Mr. A.G. Verma
III	Non-Executive Non-Independent Directors	Mr. A.B. Godrej Mr. N.B. Godrej
IV	Non-Executive Independent Directors	Mr. K.N. Petigara Ms. A.Ramachandran Mr. P.P. Shah Mr. K.M. Elavia

Directors as on March 31, 2016

B. Board Meetings

The Board looks at strategic planning and policy formulation. The Board meets at least once in a calendar quarter to review the Company's operations and to consider, among other business, the performance and financial results of the Company. The Board also periodically reviews the compliance report with respect to laws and regulations applicable to the Company. Once a year, the Board members participate in a strategy meeting, in which they also interact with the management team of the Company. The maximum time gap between any two meetings is not more than 120 days. The agenda of Board meetings is circulated to all Directors well in advance and contains all relevant information. For all major items, comprehensive background information is provided to Board members to enable them to take an informed decision. The Independent Directors also have meetings amongst themselves, after which they provide their insights to the entire Board and the management team.

C. Independent Directors

At the Annual General Meeting (AGM) of the Company held on 25th September, 2014, the members had appointed all existing Independent Directors of the Company namely, Mr. K.N.Petigara, Mr. P.P.Shah, Ms. A.Ramachandran and Mr. K.M.Elavia as Independent Directors for a period of five years. All the Independent Directors have confirmed that they meet the criteria for appointment as mentioned in Section 149(6) of the Companies Act, 2013. The Company has issued a formal letter of appointment to the Independent Directors in a manner as provided in the Companies Act, 2013.

The Company has also conducted a familiarization program for Independent Directors to enable them to understand its business in depth, to acclimatize them with processes, businesses and functionalities of the Company and to assist them in performing their role as Independent Directors of the Company.

2. Committees of the Board

A. Audit Committee:

The composition of the Audit Committee of the Company is in line with provisions of Section 177 of the Companies Act, 2013. The Company's Audit Committee comprises four Directors of which three are Independent Directors. Mr.K.M.Elavia is the Chairman of the Audit Committee. The Audit Committee invites executives of the Company, Head of Finance and other functionaries, as it considers appropriate and representatives of statutory auditors and internal auditors at its meetings.

B. Nomination and Remuneration Committee:

The constitution, scope and powers of the Nomination and Remuneration Committee of the Board of Directors are in accordance with provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee looks at all matters pertaining to the appointment and remuneration of the Managing Director, the Executive Directors and Key Managerial Personnel.

The Nomination and Remuneration Committee consists of three Independent Directors. Ms.A.Ramachandran is the Chairman of the Nomination and Remuneration Committee.

C. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee of the Board of Directors of the Company comprises six Directors of which two are Independent Directors. Mr.V.M.Crishna is the Chairman of the Corporate Social Responsibility Committee.

The CSR Committee acts in accordance with the following terms of reference:

The CSR Committee has the authority to investigate into any matter in relation to the items specified in Section 135 of the Companies Act, 2013 or referred to it by the Board and for this purpose, has full access to information contained in the records of the Company and the power to obtain professional advice from external sources/ third parties with relevant experience and expertise at meetings of the CSR Committee, if it considers it necessary.

D. Stakeholders Relationship Committee:

The constitution, scope and powers of the Stakeholders Relationship Committee of the Board of Directors are in accordance with provisions of Section 178(5) of the Companies Act, 2013. The Company's Stakeholders Relationship Committee comprises four Directors of which two are Independent Directors. Mr.K.N.Petigara is the Chairman of the Stakeholders Relationship Committee.

The Committee acts in accordance with the following terms of reference:

- | | |
|--|--|
| <p>a Responsible for considering and resolving grievances of security holders i.e. the deposit holders of the Company</p> | <p>b Periodic discussions to assess the nature of grievances and review the status of grievance redressal mechanism before submission to the Board.</p> |
|--|--|

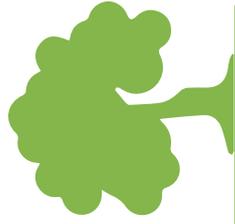
3. Associations, Partnership and Memberships

Godrej & Boyce Mfg. Co. Ltd. is a member of the following associations:

- ▶ Confederation of Indian Industry (CII)
- ▶ Indian Machine Tool Manufacturers' Association (IMTMA)

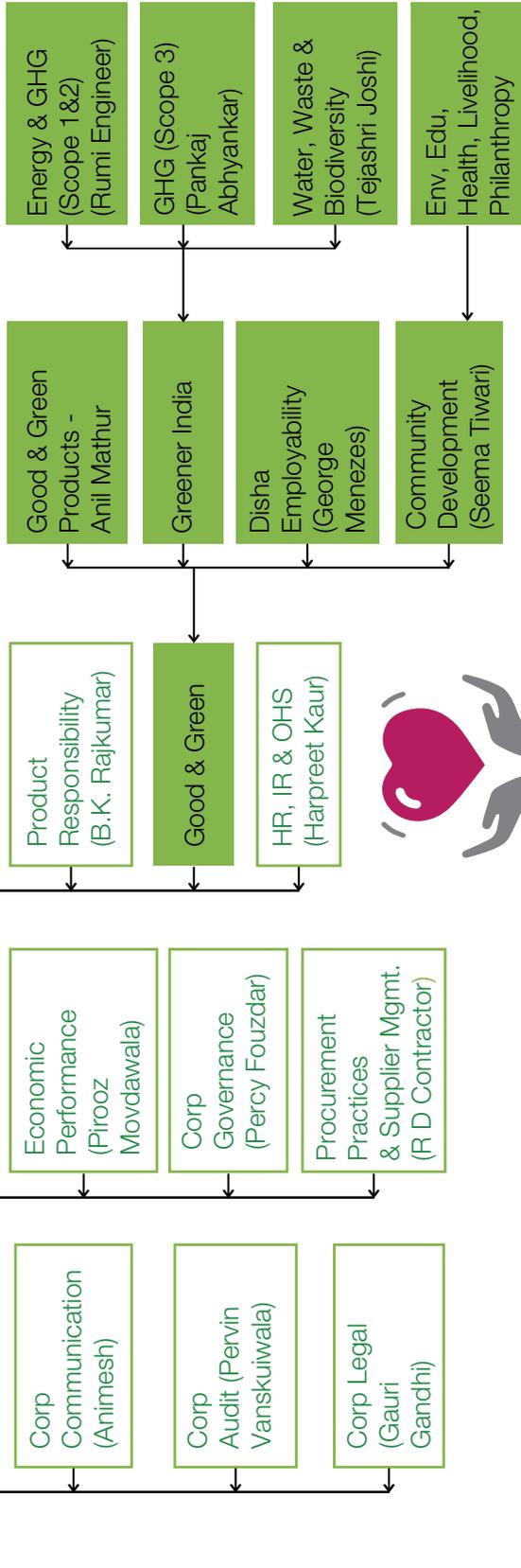


Sustainability Reporting Information Flow



Business Excellence Apex Committee

Sustainability Reporting (B.K.Rajkumar)



RISK MANAGEMENT

G&B has implemented a structured Enterprise Risk Management (ERM) system for managing key risks within a unitary framework, in the context of managing the business such that discussions of opportunities and risks and the management thereof are virtually inseparable from each other. ERM stresses the importance of understanding, assessing and managing risks in the context of the Company’s strategies and business plans. The Audit Committee of the Company has reviewed the ERM framework for the Company, and the board has approved the same.

As a diversified company, Godrej continues to focus on a structured approach to ERM which is an integral part of the Company’s planning, execution and reporting processes and systems. For proper ERM governance, the organizational oversight structure is integrated with the Company’s existing management structure in order to make it effective. The ERM policy approved by the board, clearly lays down the roles and responsibilities across the Company ranging from strategic to operational.

The ERM Executive Committee as an apex body, is in place to drive and facilitate the ERM framework across the Company, and will report on the progress, and critical risks to the CMD/Audit Committee/Board of Directors on a periodic basis.

At the divisional level, Divisional Business Risk Management teams have been formulated at all divisions. Each of these teams comprises of division head, finance head and other selected Divisional Management Committee (DMC) members/ key managers who identify risks pertaining to different lines of business, factories, retail stores and other units in the division, and ensure implementation of risk mitigation plans. Major corporate functions have also formed their respective Functional Risk Management teams, covering all major activities, with members drawn from their respective councils/committees.



At the corporate level, Financial Risk Management teams assist business divisions and corporate functions in management of financial risks. Similarly, the IT Risk Management team works with the businesses and corporate functions, to manage, monitor and report IT hardware/software, communication/broadband, data security, ERP, disaster recovery/business continuity planning risks. The above teams report critical risks and mitigation measures to the ERM Executive Committee.

Internal audit as an independent function provides assurance on risk management processes, as well as risk mitigation measures by conducting risk-based audits across all businesses, enabling identification of areas where risk management processes and internal controls need to be strengthened. The Audit Committee reviews internal audit observations and actions taken thereon and provides strategic guidance on internal controls.

STAKEHOLDER ENGAGEMENT

STAKEHOLDER ENGAGEMENT FOR MATERIALITY ASSESSMENT

G&B has implemented a robust stakeholder engagement process across all corporate functions and businesses. We appointed an external agency who reached out to internal and external stakeholders to understand their expectations and how Godrej & Boyce is performing towards fulfilling them.

Godrej launched a comprehensive stakeholder engagement program to facilitate a good understanding of the Company's obligations towards its stakeholders consistent with the business's commitment to corporate responsibility and to identify material issues. This has also provided us a platform for promoting transparent communication and an opportunity for the Company to recognize and address stakeholder interests.

This is premised on the principles of holistic growth and accountability towards those that are affected by the operational footprint of the Company and thus giving these groups an opportunity to comment and provide inputs for development of decisions that will directly or indirectly affect them.

G&B entrusted thinkstep Sustainability Solutions Private Limited (TSSSPL) with the task of conducting stakeholder engagements and identifying key material issues of the Company.

GRI G4 guidelines on stakeholder engagement were followed throughout the exercise.

Effective stakeholder engagement is a core component of our business and sustainability reporting initiatives.

Approach:

All potential material issues were identified based on the criteria of the Company's values, vision and mission as well as materiality issues identified by various peer companies across India and the world. A questionnaire was created from these issues prior to interaction with the senior management of each SBU.

In order to identify material issues it was decided that business priorities of the Company needed to be identified first. These priorities were identified through one-to-one interactions with around 20 business / corporate department heads and the Executive Directors. The interactions were brief and followed by a specific questionnaire shared with the senior management of the Company. The discussions and the survey were focused on sustainability priorities, challenges, barriers and deployment plans across functional areas of respective businesses of the Company considering a time horizon of three-five years.

After identification of business priority issues, stakeholder-specific questionnaires were prepared. All identified stakeholder groups were contacted through various modes such as one-to-one interviews, surveys and tele-conferences.



Stakeholder	Number contacted
Senior management	23
Employees	300
Suppliers/Vendors	84
Dealers and Customers	34
Community	03 (Shirwal, Khalapur, Mohali)
NGOs	12
Trade, Regulatory institutes	05

Key stakeholders contacted (Fig.9.1)

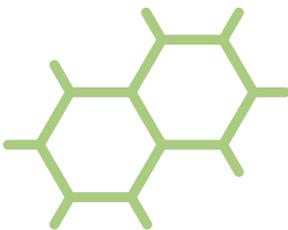
Stakeholder	Consultation frequency	Mode
Customers	Annually and whenever needed	Customer meets, sales visits to customers, customer satisfaction survey
Investors and Shareholders	Quarterly/Annually	Presentations to the Board of Directors
Employees	Annually	Employee surveys and open-house sessions
Community, Society and NGOs	Annually and when needed	Community meetings
Dealers/Suppliers/ Vendors	Annually and when needed	Supplier meets and surveys, visits to suppliers
Policy makers, Regulators agencies	When required	Meetings and visits

Consultation mode and frequency (Fig.9.2)

MATERIALITY ASPECTS

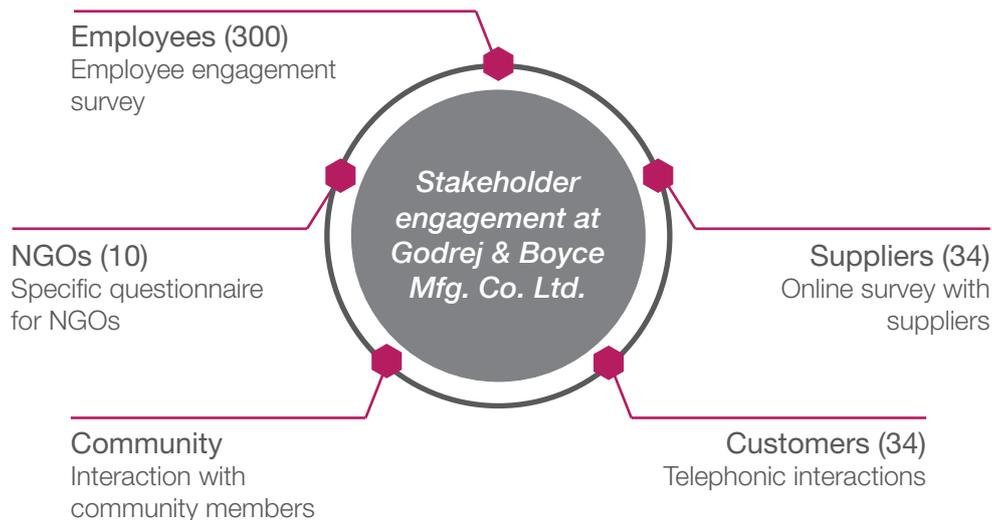
MATERIAL ISSUES OBSERVED FOR EACH TYPE OF STAKEHOLDER:

Sr. no	Type of stakeholder	Top material issues	G&B's response
1	Customers	<p>Customer satisfaction</p> <p>Value added products</p> <p>Affordability of products</p>	<p>With the help of our Innovation & Design Centre, we are embedding design thinking into our new product development process, which implies bringing customers and their context at the centre of new product design and development. All business divisions conduct customer satisfaction surveys on an annual basis. These surveys are analysed and necessary action is taken. We have also increased our focus on customer visits by senior managers of the Company from different functions to obtain first hand feedback about our products and services and take necessary action.</p> <p>One of the pillars of our Good and Green initiative is the Good and Green product development. Under this pillar, all our businesses are working to bring out products that are green (environment- friendly) and also products that solve problems faced by the lower-income strata of society</p> <p>Through the process of design thinking as described above, we are doing our best to ensure that consumers see value in what we offer. On the cost front, all business divisions are taking steps to reduce both, variable as well as fixed costs. The purchase council has formed many teams to work on reduction of common items purchased across businesses. Also, a commodity council has been formed which meets every week and decides on the best mode of purchase of various commodities for the coming week</p>



		<p>Profitability</p> <p>Supplier screening and assessment for environmental impact</p>	<p>When G&B creates economic value, it creates multiple indirect benefits, one of which is in the form of a stable supplier base. We have forged strong relations with suppliers and the partnership has led to mutual win-win relationships. We work closely with suppliers to improve quality and lower costs so that the company ecosystem as a whole is profitable.</p> <p>We recognize that impact of our activities stretch beyond our operational boundaries and we actively engage with our suppliers to collaboratively work on environmental and social agendas. We are working with existing suppliers to bring them at par in terms of environmental impact management by including these parameters in our assessment criteria for suppliers</p>
4	Community and NGOs	Continuing CSR activities	<p>Our CSR activities are based on the shared value approach which aims at developing profitable business strategies that deliver tangible social benefits. Our thrust areas are skill building for employment generation, community development around our areas of operations and, employee engagement and volunteering.</p>
5	Policy makers, Regulatory agencies	<p>Climate change</p> <p>Policy and Tax Regulations</p>	<p>G&B has been at the forefront for creating awareness for climate change mitigation. This not only includes setting ambitious targets for mitigation within the organisation but also supporting such action at the policy level.</p> <p>We proactively participate in all forums and our representation amongst the industry bodies is aimed at voicing opinions for betterment of the business scenario while demonstrating the highest level of corporate citizenship.</p>





Stakeholder interactions (Fig. 9.3)

Prioritisation: In order to rationalize identified issues as high, medium and low, a statistical mode approach was used wherein the highest number of repetitions were considered as being of high importance, and the lowest number of repetitions were considered as aspects of low importance.

Based on expert judgment and discussion with G&B committee members the cut off limits for low, medium and high were defined as under:

- 65% and above: high
- 50% to 65%: medium
- Less than 50%: low

Other stakeholders were requested to respond based on a three-point scale of high, medium and low and responses were evaluated.

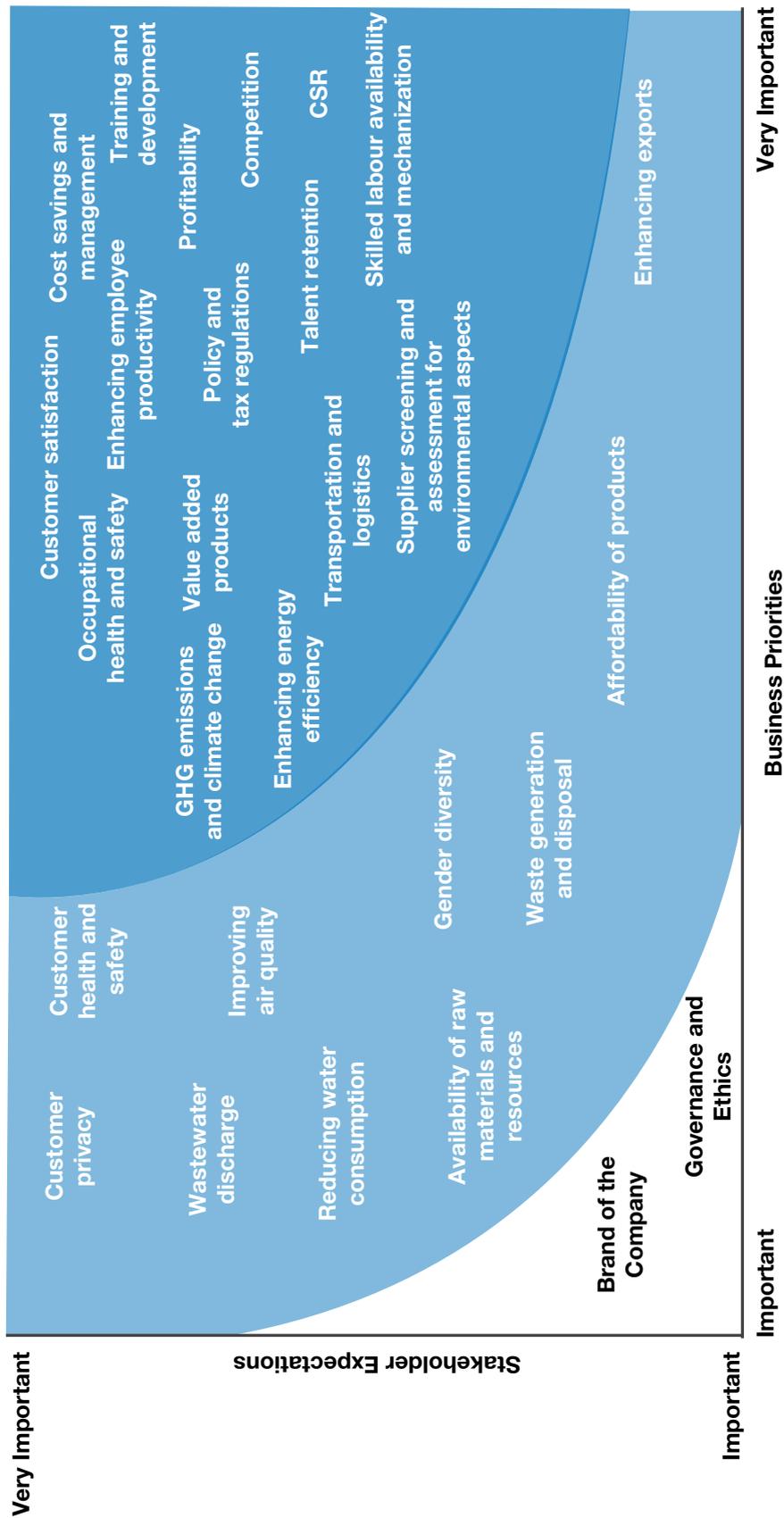
Average scores of responses were converted on a 100% scale. The cut off limits for low, medium and high were defined as under:



The average of various responses to the survey/interactions for business priorities and stakeholder expectations was calculated as 65% and 80% respectively.

Based on the above materiality matrix was prepared (Fig. 9.4)

GODREJ AND BOYCE MATERIALITY MATRIX



Materiality matrix (Fig 9.4)

GRI G4 aspect mapping and boundary

	High material issues	GRI G4 aspects	Aspect boundary (Within (W)/Outside (O) the organization)
BUSINESS SUSTAINABILITY	Competition	Economic Performance (EC-1)	W
	Cost savings and management	Economic Performance (EC-1)	W
	Profitability	Economic Performance (EC-1)	W
	Enhancing employee productivity	Economic Performance (EC-1)	W
	Policy and tax regulations	Indirect Economic Impacts (EC-8)	W
ENVIRONMENT SUSTAINABILITY	Enhancing energy efficiency	Energy (EN-3&5)	W, O
	GHG emissions and Climate change	Emissions (EN-15,16,17)	W, O
	Transportation and logistics	Transport (EN-30)	O
	Supplier screening and assessment for environmental aspects	Supplier Environment Assessment (EN-32)	O
SOCIAL SUSTAINABILITY	Customer satisfaction	Product Service and Labelling (PR-5)	W
	Occupational health and safety	Occupational Health and Safety (LA-8)	W
	Training and development	Training and Education (LA-9)	W
	Talent retention	Employment (LA-1)	W
	Skilled labour availability and mechanization	Local Communities (SO-1)	W
	CSR	Local Communities (SO-1)	O

Mapping of various materiality aspects identified and their boundaries (Fig. 9.5)

GOOD AND GREEN

In conjunction with our vision for “brighter living” for all stakeholders, we have developed a long-term vision for playing our part in creating a more inclusive and greener India. We have named this the Good & Green vision.

By 2020, we aspire to do the following:



CORPORATE SOCIAL RESPONSIBILITY

Ever since its inception, G&B has been known for philanthropy. 25% of the shares of the Company are held in a trust which works for societal good. Our CSR activities are based on the shared value approach which aims at developing profitable business strategies that deliver tangible social benefits.

Following are our thrust areas in CSR:

- Skill building as part of Godrej Disha, an initiative under Godrej Good & Green
- Community development around areas of operation
- Employee engagement and volunteering

A. Skill Building

Skill development leads to sustainable development by contributing to a transition from the informal economy to formal. It empowers the youth with necessary knowledge to gain access to decent employment and thus contribute to the country in the dynamic global market. The government has set a target of reaching out to 40.2 crore youth and work towards building respect about skill development and emphasizing its importance.

Industrial training institutes (ITIs) which provide skill training are not upgraded in terms of infrastructure and technical skill requirements as per current market needs. They require complete refurbishing and revamping. They also require an increase in existing capacities to train more number of youth.

In order to address these issues and back the country's 'I Support Skill India' campaign, the Godrej Group has committed to train one million unemployed and under-employed youth in skills that will enhance their income earning potential by 2020. In accordance with this target, we at G&B, have committed to train two lakh urban and rural youth in employability skills by 2020 through partnerships with government, not-for-profit organizations and social enterprises.

We currently support 74 ITIs, 31 vocational training institutes located in 22 states, one union territory and 109 cities. Trainings are conducted in 32 trades across four sectors including manufacturing, construction, interiors and, sales and services. Along with viability gap funding, Godrej Disha acts as a knowledge partner; in-house trainings are conducted to improve overall quality of training, be it internal or external. In the coming year, Godrej Disha aims to start two new training centers called Godrej Disha training centers run by an implementing partner.

A glimpse into some of our CSR initiatives:

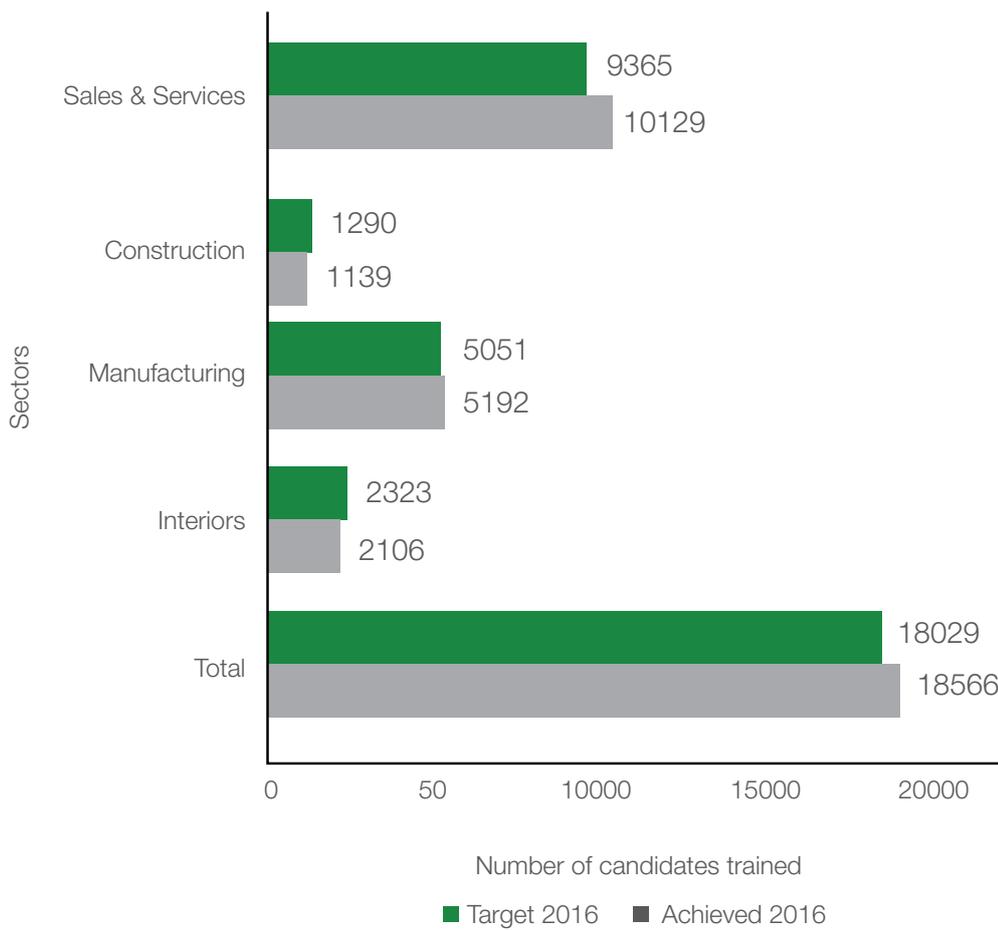


Cleanliness drive



Chulha distribution campaign

Target vs Achievement 2016



Number of candidates trained sector-wise (Fig 10.1)

TRAINING –IN HOUSE AND PARTNER CENTRE



35-day fabrication welding course training conducted by CTC



Masonry and plastering training at Myrada Cidor, Karnataka by Godrej Constructions



FLT operator training at D B Tech, Chinchwad by MHE Electrical



Wiring training at Montfort by Godrej E&E

TRAINING OF ITI STUDENTS



On job training to students of ITI Chinchwad by Lawkim



RAC TTT by Godrej Appliances



Fitter classroom training in Godrej Vikhroli campus by PED

Till date, G&B has trained approximately 78, 589 candidates pan India. Quality audits, third party appraisals and TTTs (Train the Trainers) are conducted as part of focus on quality. With G&B intervention as knowledge partner, mobilization of students, quality of trainers, quality of material availability in training centers and delivery of training to candidates under various trades has improved which has resulted in better prospects for trainees under Godrej Disha.

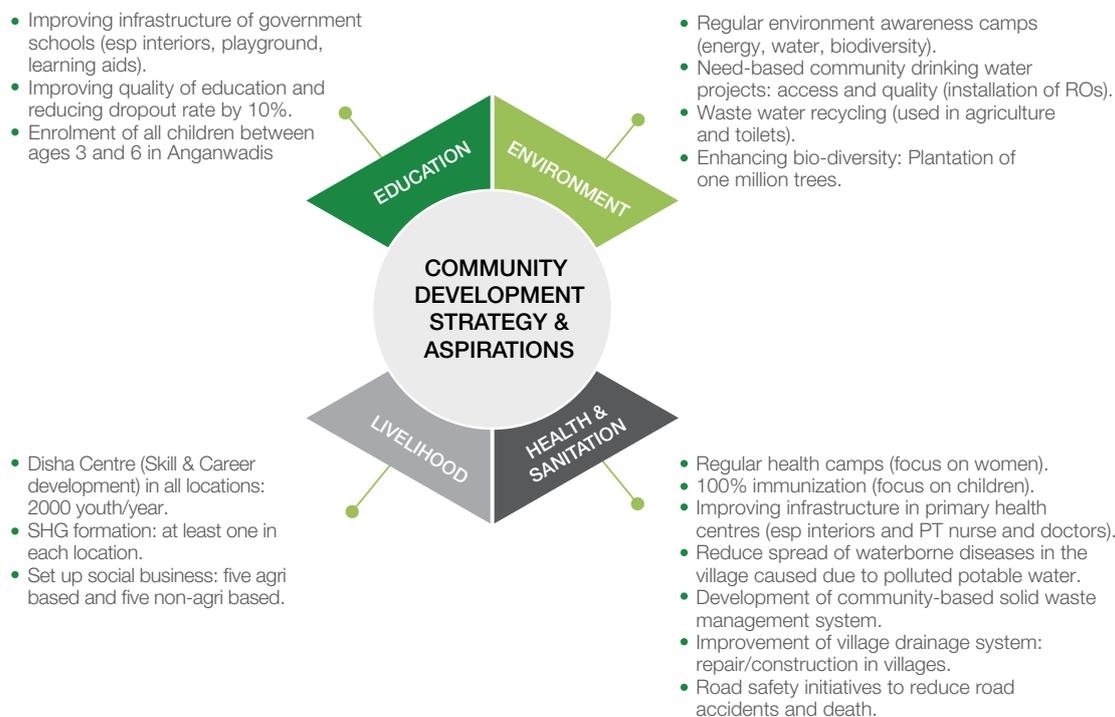
As part of a reach out initiative to Disha alumni, a meet was conducted and hosted by Fr.Agnel at the Mumbra Center in Mumbai.

B. Community Development

The transformation of the global economy means both urban and rural. However, over 50% of India's workforce is dependent on agriculture and allied sectors while contributing less than 14% to Gross Domestic Product (GDP). The rural economy also continues to lag in terms of widening income and lifestyle gaps. Here lifestyle gap means availability of basic necessities for health care, environment, education and livelihood.

We have initiated community development projects to understand above mentioned gaps, willingness of manufacturing units to work in rural areas and carry out need assessment surveys in the surroundings of these units. We have carried out projects like development of model schools, village improvement, rainwater harvesting in villages, among others. Currently we are working in Shirwal, Bhagwanpur, Mohali, Khalapur, Chennai and hope to start projects in other locations as well.

Our strategy and aspirations for community development around areas of operation are detailed in Fig. 10.2.

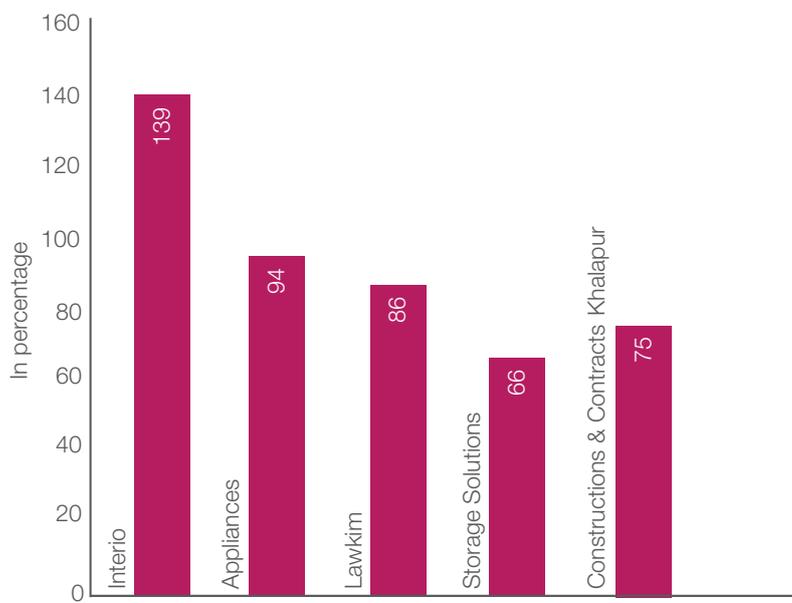


BHAGWANPUR | CHENNAI | DAHEJ | GOA | KHALAPUR | KUDAL | MOHALI | MUMBAI | SHIRWAL | VADODARA

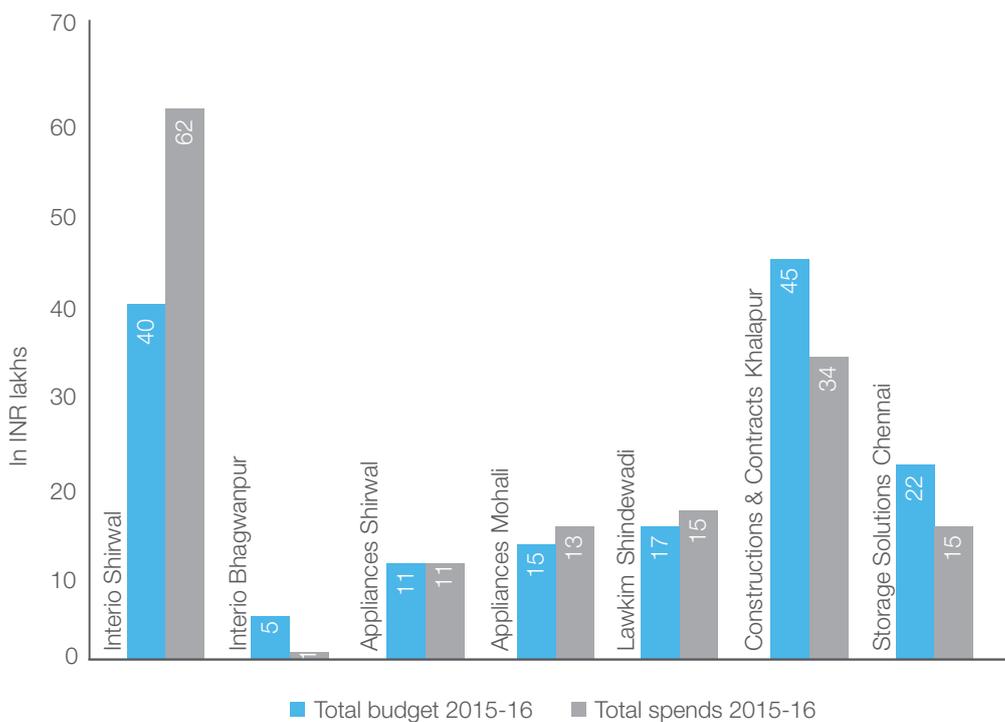
Community development strategy & aspirations (Fig. 10.2)

This year we could spend 97% of the planned budget for creating a positive impact on society through our community development projects. Amongst the five divisions, 66% was spent by SSG in Chennai, 94% by Appliances in Shirwal and Mohali and 75% by Corporate and Construction in Khalapur whereas Lawkim has spent 86% in Shindewadi as per the proposed budget.

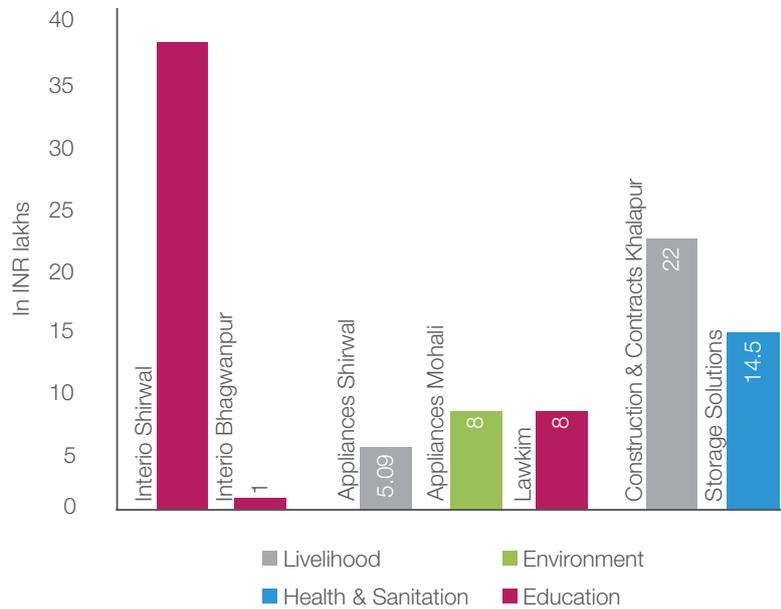
Interio stands out as it has spent 139% against its proposed budget. This year, we have spent maximum i.e. 32% on education, 24% and 23% respectively on environment and health and sanitation categories.



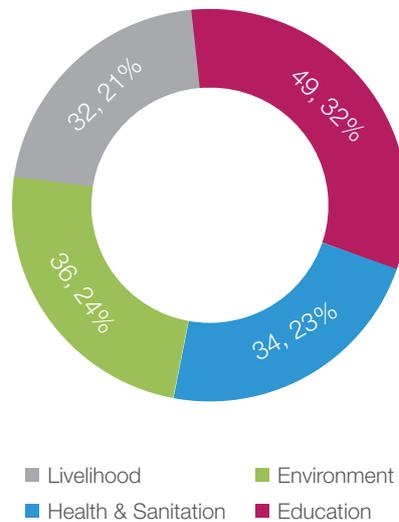
% of budget spend by Divisions (Fig 10.3)



Division and location specific budgets vs spends (in INR lakhs) (Fig. 10.4)



Divisions-wise highest spend category (in INR lakhs) (Fig. 10.5)



Category-wise spends (in INR lakhs) & % distribution (Fig. 10.6)

Interio has spent the highest i.e. Rs. 39 lakh of its proposed budget on education at Shirwal and Bhagwanpur. Appliances has spent the highest, Rs 5.09 lakh of the proposed budget, on livelihood at Shirwal whereas in Mohali the highest expenditure has been done on environment i.e. Rs 8 lakh. Lawkim has spent the highest i.e. Rs 8 lakh of the proposed budget on education, Corporate and Construction in Khalapur have spent Rs 22 lakh on livelihood and SSG in Chennai has spent Rs 14.5 lakh of the proposed budget on health and sanitation.

C. Employee Engagement and Volunteering

Employees at the forefront of community initiatives

1. Standard Chartered Mumbai marathon (SCMM)

Since the past nine years Godrej has been participating in the Standard Chartered Mumbai Marathon (SCMM). In the 13th edition of Standard Chartered Mumbai Marathon, in 2016, 105 Godrejites participated by running the half marathon (21 kms) from Worli Sea face to CST, supporting three NGOs namely War Wounded Foundation, Vasantha Memorial Trust and Republican Sports Club.

War Wounded Foundation: The War Wounded Foundation was incorporated in August 2002 for wounded personnel of the Army, Navy and the Air Force. It was started with the intention of making war wounded personnel financially independent.

Vasantha Memorial Trust: The Trust has been working in the area of cancer care and cure since 1993 and their Mumbai center supports cancer affected patients at KEM, Lokmanya Tilak Municipal General Hospital and Tata Memorial Hospital. They also create awareness on early detection and treatment of cancer among underprivileged sections of society.

Republican Sports Club: Started in 1963 and managed by Marzban Patel, the Club trains, coaches, mentors and helps underprivileged children to become professional hockey players.

The fastest runner this year from the Godrej group was Ajit Shinde from the Security Solutions division who completed the half marathon in 01 hour 44 minutes and 53 seconds.

The total contribution received this year from SCMM totals Rs. 89,36,789/-. The contribution received along with the participation fee (Rs. 1,85,00,00/-) adding up to a total of Rs. 1,07,86,789, is being equally distributed among the three NGOs.

TESTIMONIALS:

1. "On behalf of SCMM 2016 participants, I take this opportunity to acknowledge the efforts of the entire corporate administration team that has been preparing for months to make SCMM 2016 a memorable event for us. This has been one of the best days of my life. The motivation at the race track, the people who cheer for the marathoners, their dedication to serve, the aura, the arrangements are to be experienced to be believed. No matter what the completion timings, we all are winners and we all have run and contributed towards a noble cause. We have collectively made a difference. Proud to be a part of one of the top 10 marathons in the world. Thank you Godrej".

Shekhar Singhal, Tooling division

2. "Either you run the day or the day runs you, and I ran the day. I decided to take the challenge of running the 21.097 km SCMM 2016 half marathon and completed it in 1:59 hours. I felt immensely satisfied because I ran for a cause. Thanks to Godrej which gave me the opportunity to associate with all three NGOs and motivated me to be a part of the run. I truly appreciate the continuous efforts, zeal and motivation of the senior management with their humble and kind approach, that is a constant source of inspiration for me. The Mumbai marathon has completely

changed my thought process and it was a wonderful experience. I am glad and thankful to the entire team for making this event a success”.

Abhishek Gupta, Aerospace division

2. Blood donation drive

28 years ago, we initiated a voluntary blood donation drive at our Vikhroli establishment in the fond memory of our founders – the late Mr. N.P. Godrej and the late Dr. B.P. Godrej. The spirit of selfless service and of giving back to society that was demonstrated by them is being carried forward by Godrejites through this noble initiative.

Over the years, this noble drive has been adopted pan India at all Godrej establishments. We have seen an increase in collection wherein employees have chosen to donate and save lives. As with every other year, we received enthusiastic participation in making the blood donation drive 2015 (6th and 7th August) a record success. 6451 units of blood were collected this year compared to 5020 in 2014.

TESTIMONIALS:

1. “Just the sight of a syringe used to petrify me. But here I am, writing my experience as a blood donor. The talk organized by Mr. Nariman inspired me greatly and that very day, I decided to overcome my fear. And I could do it successfully. Believe me folks, it gave me immense joy to donate blood even though I was scared of being pricked. At the Pragati Kendra, the staff was very cooperative and took good care of all the donors. I really left the place in a ‘feel good’ mode, with a feeling of saving someone’s life. I thank god for giving me the courage and thank Godrej for giving me this opportunity of feeling blessed. The pinch in comparison to the feeling of accomplishment was simply negligible. I just want to spread this message across, that as there is no substitute for blood, donating blood is actually a humanitarian act, this act is beyond compare. It’s a little thing which can make a great difference to someone’s life. So just go for it.”

Namita S. Ambasht, Udayachal primary school.



Path natya (street play) by students of Udayachal school on 'Importance of Blood Donation'



Blood Donation Drive

2. "Even with all of today's technology, there is no substitute for blood. Someone has to give blood in order for someone to receive it. I have been donating blood twice a year since 1999. I have also helped several people by issuing our blood donor card. Seeing smiles and relief on their faces was my reward. My mom was hospitalized in Godrej Memorial Hospital in June 2014. We were in urgent need of four units of blood for her bypass surgery. At that time, we got the support of the KEM Blood Bank through Pragati Kendra and urgently got four units of blood, free of cost. It saved my mom's life for which I am grateful to KEM. I hereby appeal to all my fellow colleagues to donate blood and save lives.

Vijayanand Nautiyal, P&A

3. Employee contribution for disaster relief

Godrej employees have contributed Rs. 49.45 lakh for the Nepal earthquake fund. The Godrej team along with CII Foundation is in the process of identifying projects to support with employee contributions.

CASE STUDIES



Case Study 1

DISHA ALUMNI MEET

Skilling with a difference

As Disha reached a milestone, completed 5 years, it was time to understand the fruits of efforts on ground. That is how the impact study of candidates who have undergone training under Godrej Disha under various trades was proposed across east, west and south zones in association with Ethica Strategy. Gram Tarang, Bhubaneswar from the east zone, Myrada, Labournet and SKIP from the south zone and CTC, PED (G&B), Fr. Agnel and DB Tech WP from the west zone were identified for conducting impact assessment surveys.

For Mumbai in west zone, Fr. Agnel, Disha and Ethica Strategy came up with the idea of getting 300 students together for a meet. It was a challenge for all trainers to reach out to the alumni. Considering Fr. Agnel had the largest alumni, it was mutually decided that Fr. Agnel would host the event at one of their centers since they had previous experience and the required human resource to mobilize students and execute the meet. The theme was 'Disha Got Talent'. Students sang, danced, talked, expressed themselves and told their stories. An NGO mela was organized by female candidates trained under Fr. Agnel where various products made by them were on display resulting in encouragement, motivation and firsthand experience on customer handling.



The theme - Disha Got Talent



A full house at the meet



Expert Speak - Mr. Viraf Saher from E&E division guided students on 'Life skills'



Expert Speak - Ms. Shweta Barge from Corporate CSR spoke on the importance of 'Technology & Skill development for youth'

Case Study 2

THE MAKING OF A MODEL SCHOOL

A school that children love to come to!

Godrej Interio took up the cause of building a model school to contribute, even if in a small way, to nation-building. We adopted and transformed the zilla parishad girls school in Shirwal, as a result. The school is attended by 250 students from the neighbouring community, mostly hailing from the socially-underprivileged section.

We selected our school after a detailed interaction with the Department of Education, Maharashtra who gave us a list of schools with inadequate or no infrastructure. We further pared down the list based on the following conditions:

- proximity to our Shirwal factory so we could be sure of monitoring the work,
- need assessment
and most importantly,
- the scope to promote education of the girl child in the village.

After adopting the school, we set out to build a more inclusive environment for girls by providing a clean, hygienic, safe and green environment conducive to learning and development. The idea was to transform this into a model school whose infrastructure could be easily replicated across other government schools in India.

What started with baby steps of just providing school furniture grew to become a full-fledged revamp of the school with development of the following crucial infrastructure:

Water

1. A new drinking water tank was provided with adequate measures to ensure water remained clean and uncontaminated
2. Four new hand-wash basins were installed near washrooms
3. The roof of the school's new building was waterproofed

Building and furniture

1. The play area and garden were redesigned and developed
2. The exterior and interior of the buildings were painted
3. Tiles on the courtyards were replaced with better ones to improve aesthetics and sanitation
4. New play equipment, such as swings and slides, were provided
5. The principal's cabin and the science lab were refurbished
6. A parapet railing was installed along the entire length of the new building to ensure safety
7. Furniture sets including desks, teachers' tables and cupboards were provided

8. Furniture for the computer lab along with one computer were provided
9. The internal electrical wiring was repaired to eliminate electrical hazards
10. The walls were painted attractively, with innovative themes around sports, learning, fruits and the environment

Health and sanitation

1. New toilet blocks were constructed
2. The mid-day meal cooking shed was refurbished
3. The entire school premise was cleaned to make it spacious and safe for students

The handover ceremony of the model school was done in the presence of Mr Anil Mathur, COO, Godrej Interio. Members of the Shirwal gram panchayat, other local leaders and members of the zilla parishad education department also graced the occasion.

Enthused by this project, Team Interio plans to do more to add value to the quality of education imparted at the school, which will include sessions on health and hygiene, English speaking, sports and life skills, by involving employees as volunteers and mobilizing other community resources.

The multifarious improvements made to a village school, we hope, will pave the way for other rural schools to adopt similar changes for the better.



Walls painted with innovative and attractive themes



The redeveloped play area with new equipment



Parapet railing for additional safety



Refurbished classrooms

Case Study 3

APPLYING CHANGE MANAGEMENT TECHNIQUES BEYOND FACTORIES

Lean manufacturing for strong communities

At Godrej Appliances, community development is guided by the thought of upliftment of the socioeconomic status of societies surrounding our factories. This requires us to interact with the community to understand their needs, provide them facilities to support their daily needs, improve their education and health standards. At Godrej Appliances, we have gone about it in a unique way.

The Godrej Appliances team was a part of the CII-Hybrid Engineering cluster where we were able to imbibe concepts of lean manufacturing like TPM (Total Productive Maintenance), flow manufacturing and integrated quality management based on a strong foundation of 5S methodology and total employee involvement. While 5S has brought in discipline, the practise of total employee involvement helped transform organizational culture, with ownership and self-motivation at all levels, ensuring sustenance of initiatives.

So, the team wondered if the same principles could be put to use in transforming neighbouring communities...

What we did:

We had with us the need assessment and perception survey, which gave us four focus areas; health and safety, education, livelihood and environment. In identifying the project and planning for implementation and operation, we went back to our thought of deploying cluster learning to transforming society. If 5S, kaizen and employee involvement techniques could transform our organizational culture, it could also bring about sustainable change in the community. Thus, instead of doing improvement activities for the community, we involved the community itself in the improvement process.

We started with training villagers in lean manufacturing concepts in a simple way. We followed it up with a case study conducted with the villagers that yielded a list of projects the villagers could take up.

To start with, we communicated the advantages of 5S, safety, kaizens, health and environment conservation in a simple way and showed villagers how it improved our factories and how it could help their village.

Next, we moved on to a case study with them. We chose a topic which would be of interest to them -village temple improvement. We deployed 5S in the village temple, right from preparing a standard operating protocol (SOP) by involving villagers and standardizing the SOP to ensure sustainability.

Once proven, we set out to identifying other relevant projects. The ideation session presented projects such as building a safety wall around the village well, putting up road safety signboards, getting better control over the water pump to reduce wastage, cleaning the garbage area, building toilets, building a

water tank for supply of water, installing drinking water facilities in the village school, using transparent sheets to harness natural light, installing a biogas plant, using solar lamps, constructing a small weir for water accumulation and putting up a common water tap connection to avoid wastage.

We then encouraged community members, .i.e. the villagers to contribute their time and effort in implementing these ideas, thereby creating a sense of ownership.

The ideation sessions and support for implementation to the villagers were led by none other than one of our workmen who is a resident of the same village. He had seen the success in the plant and could convince community members about the effectiveness of the practices.

The project, thus, helped us combine what we are good at and what the villagers are good at to come up with beneficial solutions. It was a symbiotic collaboration where both the groups learnt from each other.

The table below shows how lean manufacturing concepts were tied to community development:

Tools	Shop floor (factory)	Community (nearby village)
5S	Clean shop floor (everything in its place, clear aisles)	Clean village (cleaning of village temple, clearing garbage, clear roads)
Hygiene facilities canteen, toilets	Employee welfare	Society welfare (clean water, provision for dispensary, toilets)
Total Production Maintenance	Machine ownership (cleaning of machine, basic maintenance)	Ownership of village assets (basic repairs of old fort inside village, turning it into a tourist spot)
Kaizen (continuous improvement)	Improving productivity and quality on shop floor	Improving productivity and quality of life (mobile activated water pump)
Green initiatives	Conserving natural resources (water harvesting, optimising energy consumption)	Conserving natural resources (use of CFL bulbs, planting trees in fallow areas)



Knowledge sharing on green practises

ECONOMIC

PERFORMANCE



Business models have to be
crafted in a way that
sustainability is embedded
in them. It should be in their
DNA

ECONOMIC PERFORMANCE

The Company measures its economic performance on the parameters of revenue, profitability and cash flows. In addition, it recognizes the need to create economic value for its various stakeholders by focusing on delivering adequate returns on capital employed. It measures these parameters for each of its business units spread across consumer durables and industrial product segments, internally reporting operational results at the levels of individual lines of business.

The Company delivered resilient economic performance in the face of significant headwinds from a sluggish economic environment; a complex regulatory environment, global competitive forces, domestic and international macroeconomic uncertainty and volatility, and a general lack of optimism for the future, leading to pressure on sales, profitability and return on assets employed.

Despite these challenges, revenues for the year grew by 7%. The consumer durables segment registered a growth of 8% for the year, while the industrial products segment showed a 6% growth. Cash flows from operations amounted to Rs. 399 crore, as compared to Rs. 94 crore during the previous year. Return on capital employed was 6% for the year, compared to 10% for the previous year.

The Company has continued to make significant investments for the future, across its business domains. Thus, the Company's balance sheet size has expanded at a compound rate of 9% over the previous five years to reach Rs. 8,313 crore as on March 31, 2016.

Key economic indicators	Rs. Crore	
	2014-15	2015-16
Revenues *	8,402.43	8,989.89
Operating costs*	5,332.33	5,446.81
Contributing to Government	1,679.77	2,032.55
Employee wages and benefits	985.54	1,037.89
Payment to providers of capital	377.15	434.84
Community investments	5.31	5.85
Retained profits*	22.33	31.95

* Excluding exceptional items

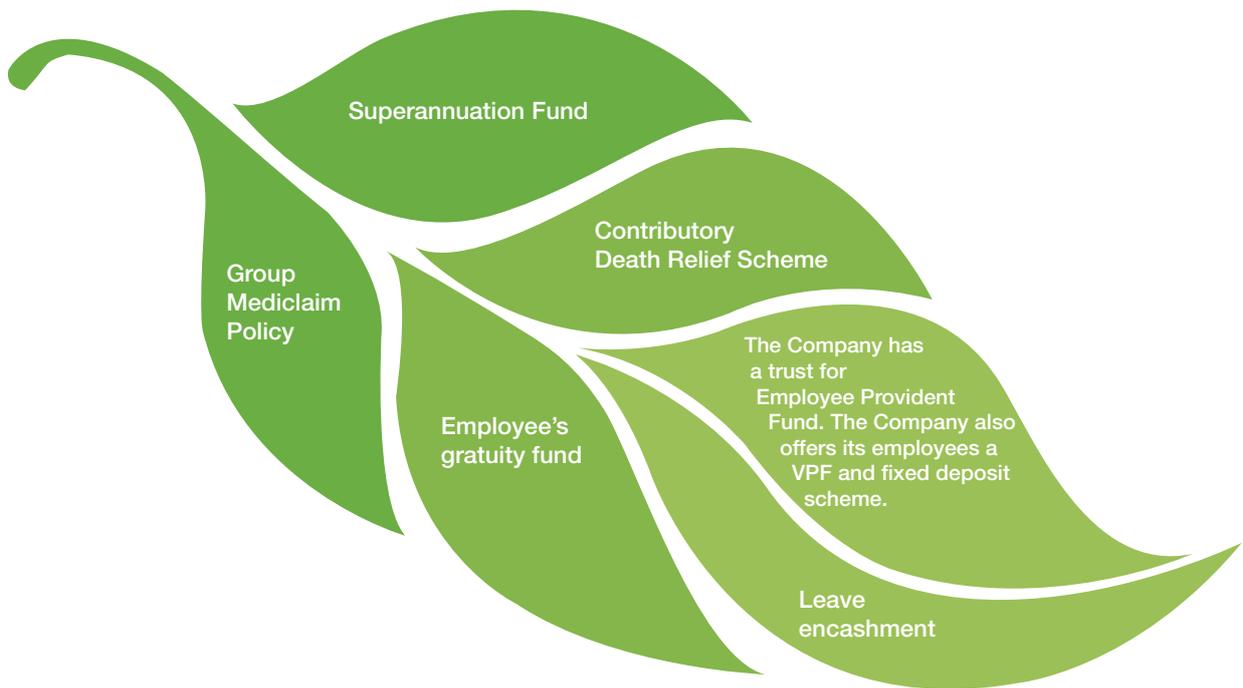
Key economic indicators

All statutory payments, including provident fund and pension contributions are deposited with statutory authorities within the respective due dates. The Company manages retirement trusts for its employees, whose investments are made in accordance with the statutory pattern, with a view to protecting capital and optimising returns within an acceptable risk framework.

EMPLOYEE REMUNERATION AND BENEFITS

Employee remuneration and benefits of the Company were Rs. 986 crores in 2014-15 and Rs 1,038 crores in 2015-16. As a policy, the Company maintains wages of its permanent employees as per wage settlements and industry benchmarks and for contractual employees as per statutory requirements of minimum wages fixed by the state government. There is no gender differentiation made in the remuneration structure in company wages.

The Company has the following benefit plans for its employees:



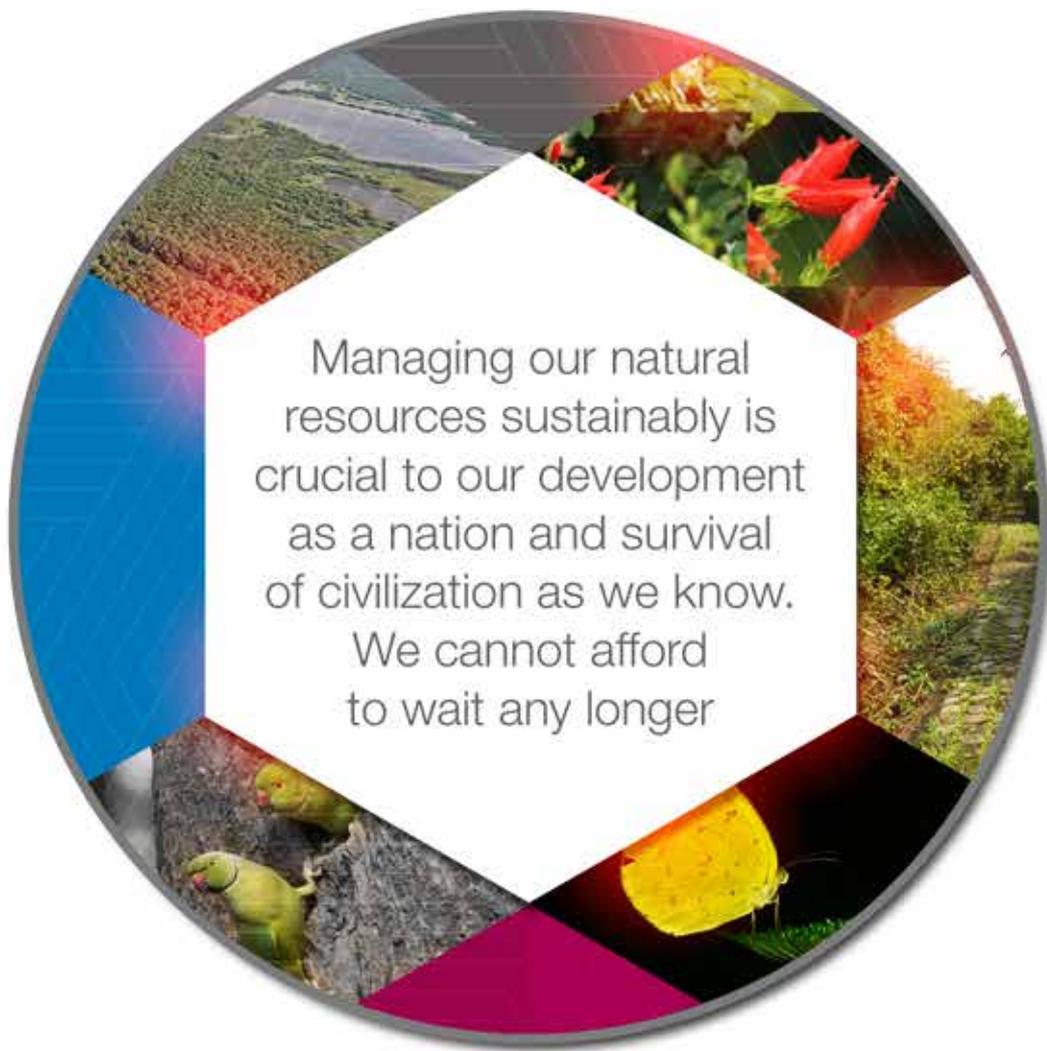
Benefit plans for employees

FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT OF INDIA

The Company claimed reimbursements in 2014-15 for government apprentices from Board of Apprentices, Government of India and the payment is due in 2016.

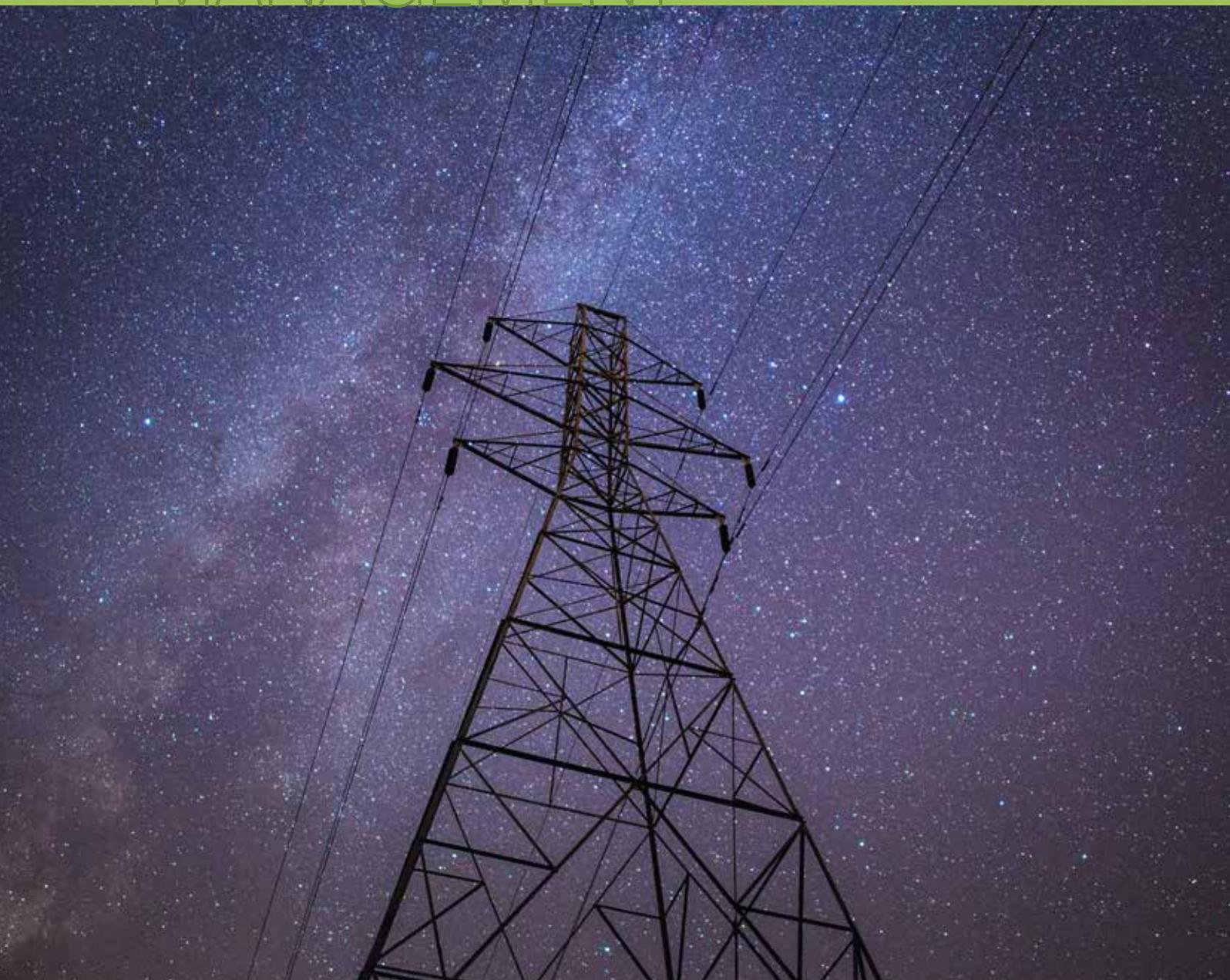
ENVIRONMENTAL

PERFORMANCE



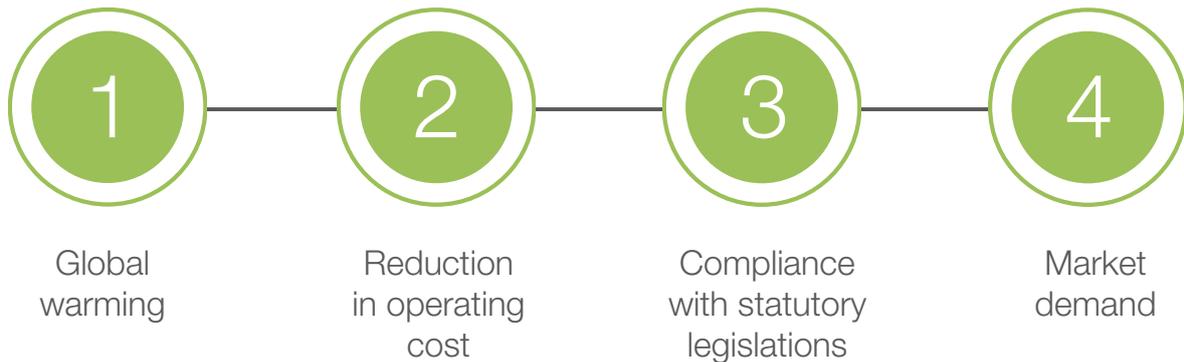
Managing our natural resources sustainably is crucial to our development as a nation and survival of civilization as we know. We cannot afford to wait any longer

ENERGY MANAGEMENT



Nations across the globe recognize that energy security is critical to fuel their economic and developmental engines. However, with the fast pace of industrial development, the world is posing a significant threat to the readily depleting non-renewable energy resources. This model raises a question on our ability to sustain pace of growth and compels us to explore newer ways of development.

There are many pressing reasons why industry needs to embrace energy efficiency, some of them are:



CHALLENGES TOWARDS EFFICIENT ENERGY MANAGEMENT:

Behavioural: Behaviour of employees of an organization can have as much impact on energy consumption as the efficiency of equipments. The attitude of employees is a major factor impacting behaviour.

Organisational: Progress on energy efficiency depends on stakeholders in the industry being aware of the importance of the issue, and then being able and willing to act on it.

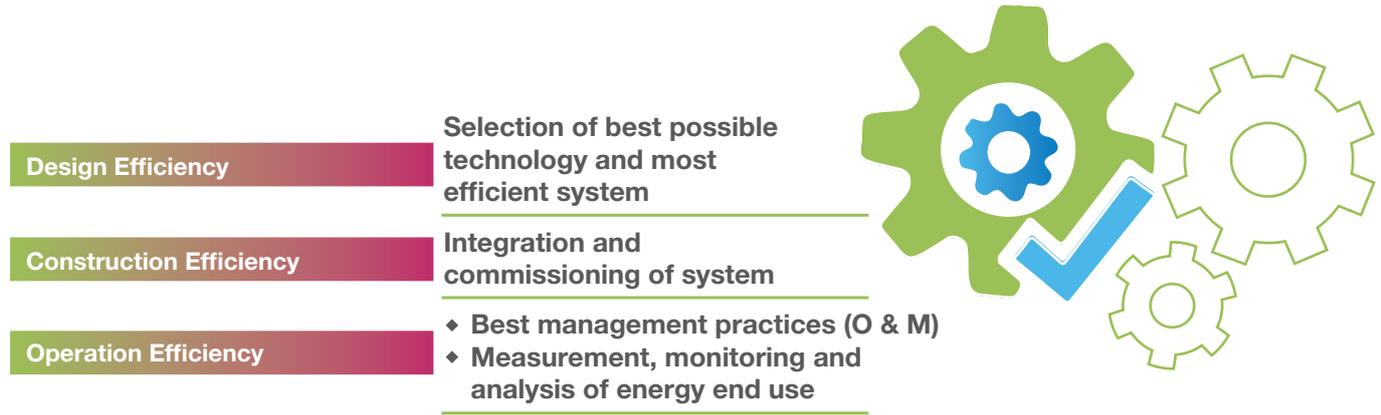
Technology: Implementation of technology and affordability is a major challenge.

Management Approach: At Godrej & Boyce, inclusive growth is an integral part of business operations considering the long-term impact of climate change. Our strategic commitment is to reduce specific energy consumption by 40% and increase renewable energy share by 30% by 2020 across all manufacturing locations. Fuel consumed includes high speed diesel, piped natural gas, liquefied petroleum gas, furnace oil, biomass energy, energy from grid electricity and solar energy.

Energy management has assumed a large role in sustainable and inclusive growth at Godrej & Boyce. With humble beginnings as an energy conservation cell way back in 1980, new dimensions such as green certification, carbon foot printing and sustainability reporting have been added.

The Vikhroli manufacturing facility has maintained unity power factor for more than two decades, resulting in substantial cost savings.

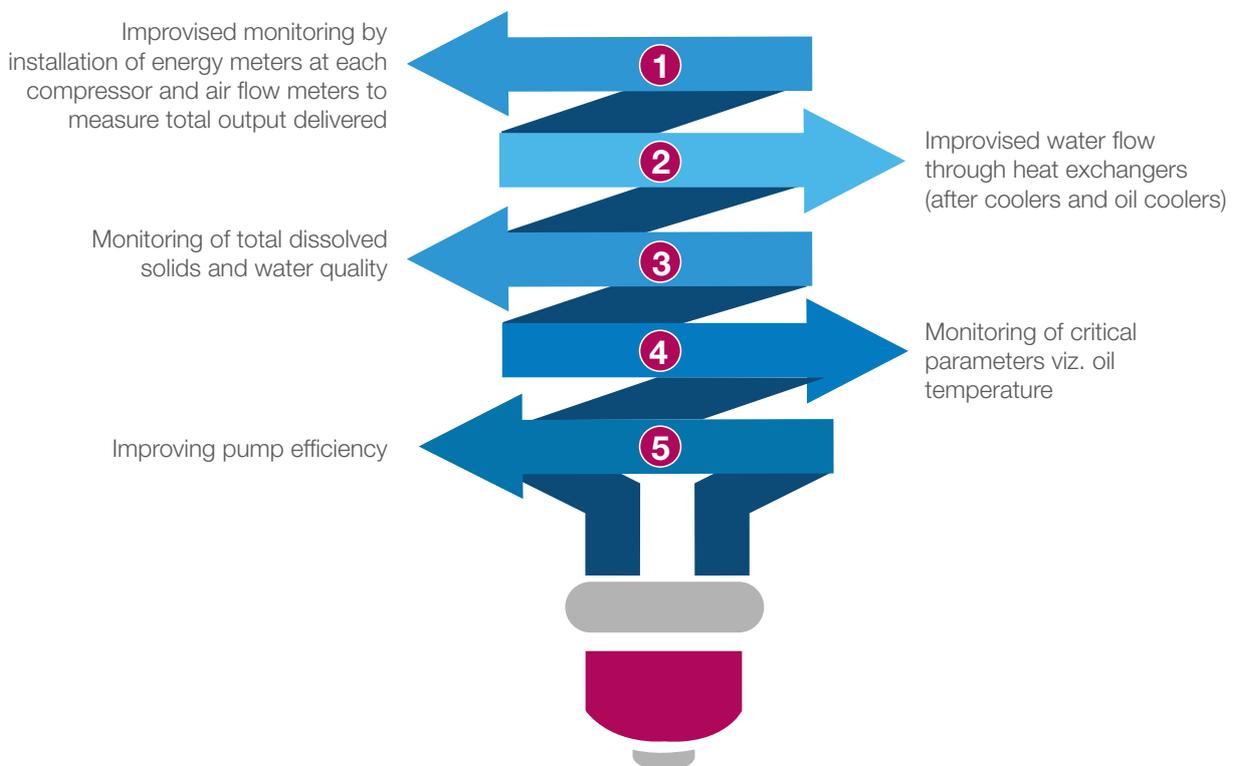
There is a three-pronged approach towards achieving energy efficiency:



MEASURES TAKEN BETWEEN APRIL 2014 AND MARCH 2016:

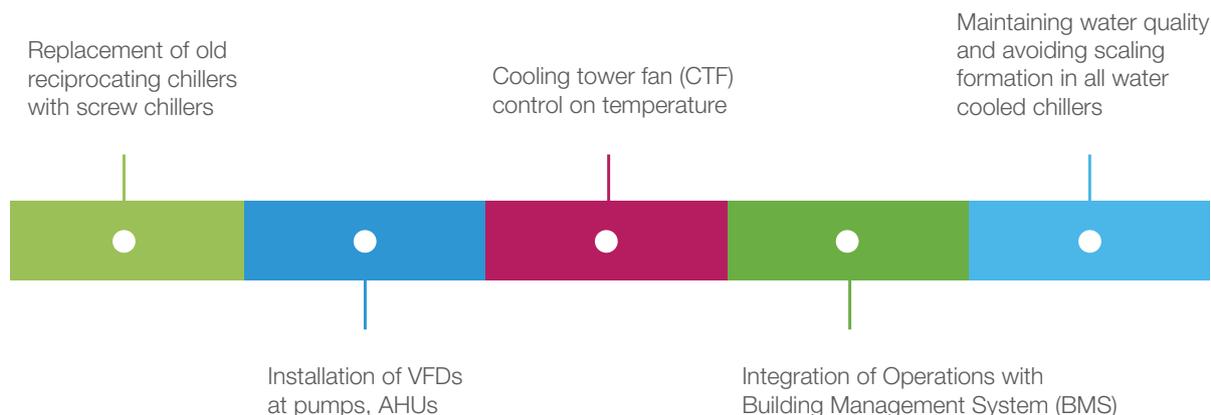
Since air compressors, central air conditioners, manufacturing processes (oven, paint booth, molding, and pretreatment section) occupy a major share of energy consumption, lots of thrust has been given on operations and maintenance resulting in improved energy efficiency.

The energy efficiency of air compressors has been improved by adopting the following measures:



Measures adopted for improving energy efficiency of air compressors (Fig. 12.1)

The energy efficiency of central air conditioners has been improved by adopting the following measures:



Measures adopted for improving energy efficiency of air central conditioners (Fig. 12.2)

In addition, specific process automation projects have been implemented to improve energy performance of paint booth, molding, oven, and pretreatment sections. Also, usage of low temperature chemicals for hot water requirement at the pretreatment section has reduced energy consumption significantly.

Detailed energy audits have been conducted at Godrej Security Solutions, Ambernath, Godrej Interio, Vikhroli and Shirwal plants for improving the energy efficiency performance of respective plants.

RENEWABLE ENERGY

At Godrej renewable energy encompasses producer gas and solar PV. Producer gas plants have been installed at Appliances division (Mohali and Shirwal) and Interio (Bhagwanpur). Agri waste is being used as fuel in place of diesel for heating application as a process.

Onsite Rooftop Solar PV Installation:

Business unit	Location	Installed capacity	Year of commissioning
Interio Plant -01	Shirwal	250 kW	2016
Interio Plant -02	Shirwal	116 kW	2016
Lawkim	Shirwal	250 kW	2016
Plant 13, Annexe	Vikhroli	120 kW	2016
Total		0.74 MW	

Installed solar PV capacity (Fig. 12.3)

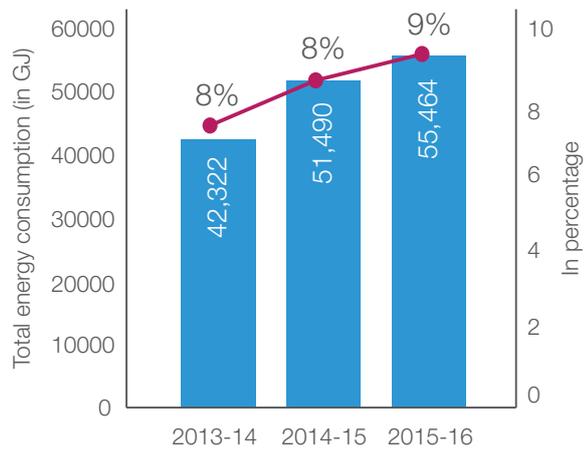
GODREJ HAS SIGNED A PPA WITH KIRAN ENERGY FOR 4 MW OF SOLAR POWER LOCATED NEAR BARAMATI.



Solar PV plant under PPA

Renewable energy share w.r.t total energy consumption

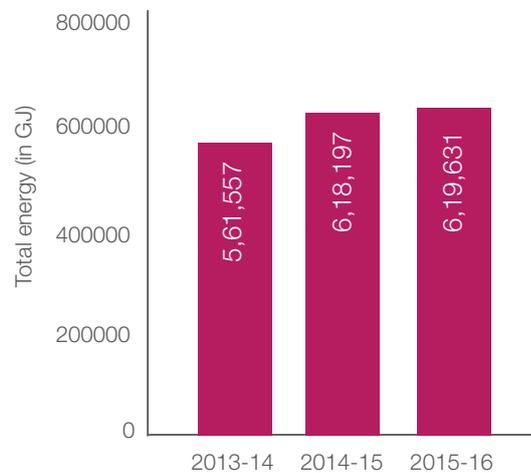
Energy due to fuel consumed has been calculated by using standard calorific values of different types of fuel or energy resources.



■ Renewable energy (in GJ) ● % share of renewable energy

Renewable energy share w.r.t total energy consumption (Fig. 12.4)

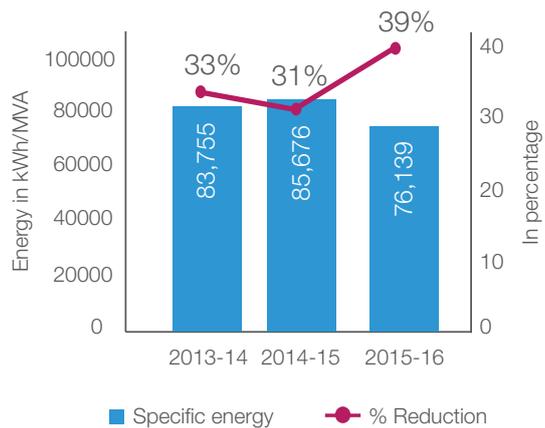
Total energy consumption



Total energy consumption (Fig. 12.5)

Specific energy (kWh/MVA) reduction (2013-2016)

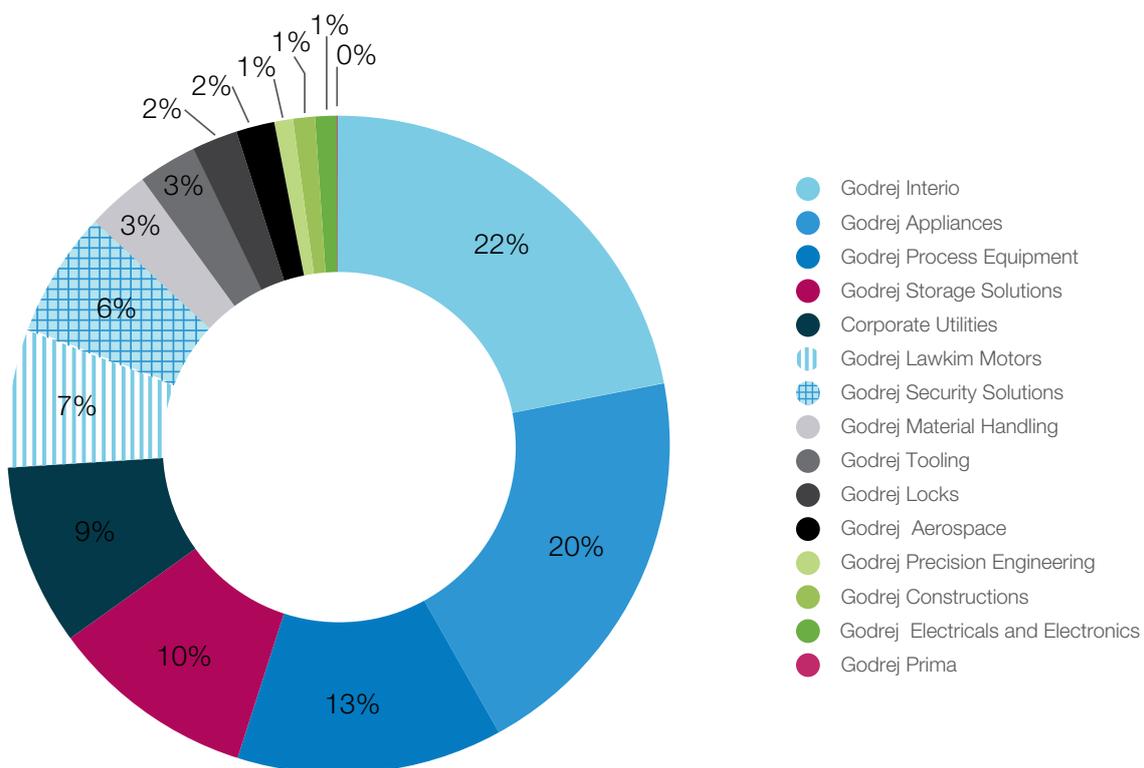
Specific energy consumption has been reduced by 39% compared to our baseline year 2011.



Specific energy (kWh/MVA) reduction during 2013-2016 (Fig.12.6)

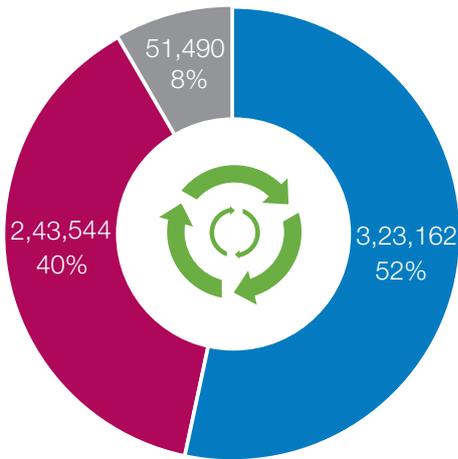
Energy consumption by divisions

Through our continuous effort in process optimization we have been able to reduce total fossil fuel consumption by 2% in the last two years.



Percentage energy consumption by divisions (Fig.12.7)

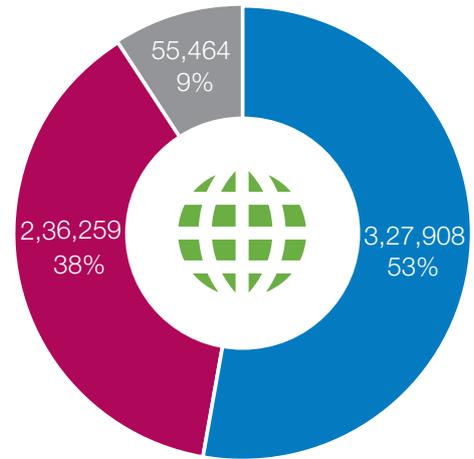
G&B total energy sharing 2014-15



■ Electricity in GJ and %

Energy consumption: 2014-15
(Fig.12.8)

G&B total energy sharing 2015-16



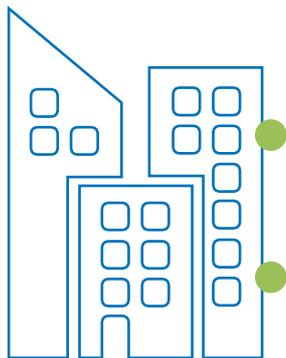
■ Fossil Fuel in GJ and %

■ Renewable in GJ and %

Energy consumption: 2015-16
(Fig.12.9)

CERTIFICATIONS & AWARDS:

The Plant-13 Annexe is a multiple use building housing a canteen with a kitchen having a considerable electrical and thermal load, the Interio office, the Innovation Centre, Hubble, conference rooms, auditorium and banquet hall. It has been awarded the following certifications:



IGBC platinum rating under the existing building category for green building practices

BEE 5 star rating under commercial building category for significant achievement in energy efficiency



The Interio retail outlet at Vikhroli has also received IGBC platinum certification under the new construction category.



Plant-13 Annexe, BEE 5 star and platinum certified green building



Dishwashing machine at canteen in Plant-13 Annexe



Centralized screw chiller plants at Plant-13 Annexe



Heat pump system for hot water requirement in the kitchen at Plant-13 Annexe

GreenCo Certification



In the period under review, seven of our manufacturing units were awarded GreenCo certificates by CII-GBC. Two of these units, namely Godrej Lawkim and Godrej Interio Shirwal plants obtained GreenCo platinum certificates.

As of March 2016, amongst 60 GreenCo certified factory units in India, nine are from Godrej & Boyce, which is the highest number from any company in India. Of these nine factory units, four are GreenCo platinum certified which is also unique in the country.



Godrej Appliances, Mohali
 Godrej Interio, Shirwal
 Godrej Lawkim
 Godrej Appliances, Shirwal

PLATINUM



Godrej Locks, Vikhroli
 Godrej Interio,
 Vikhroli

GOLD

Godrej Security Solutions, Vikhroli
 Godrej Precision Engineering, Vikhroli
 Godrej Tooling

SILVER

PLAN FOR THE FUTURE:

We have aligned our future roadmap, phase-wise, by adopting latest energy-efficient technologies and practices to increase renewable energy share in manufacturing processes across all our manufacturing plants to stay focused on our 2020 goal. Thrust will be on renewable energy and process improvements like hydraulic power packs, energy efficient motors and efficiency improvement in air compressors, air conditioners, pumps and ovens.

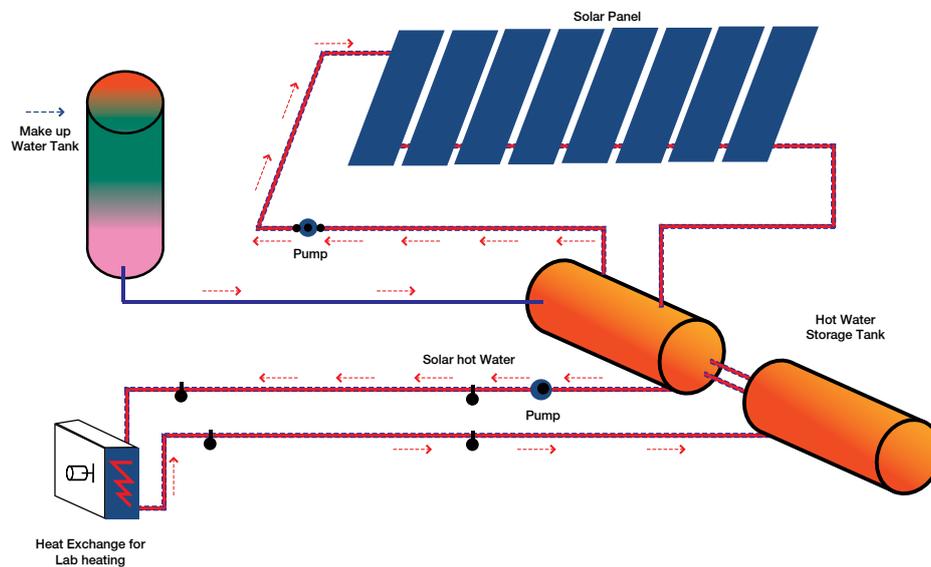
CASE STUDY



Case Study

HARNESSING THE POWER OF THE SUN

Solar heating-testing laboratory at Godrej Appliances, Shirwal



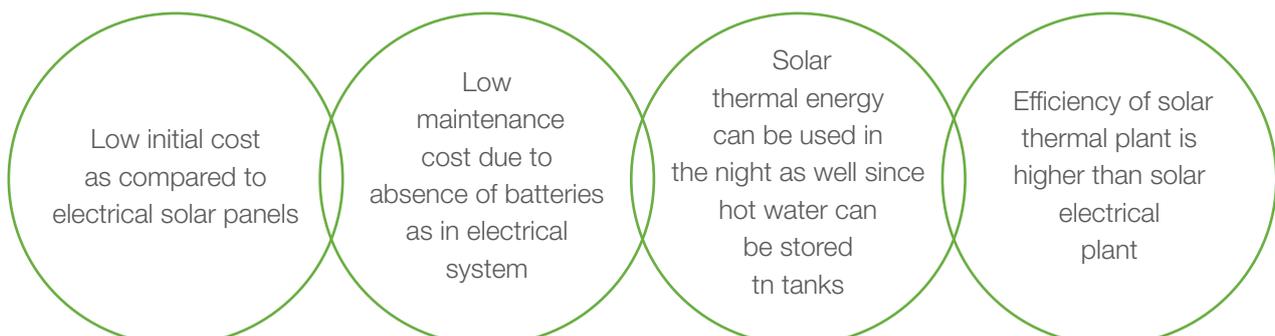
Solar thermal energy harnessed to replace electrical energy for room heating purposes

Manufacturing of refrigerators involves a process requiring multiple tests at a high ambient of 45 degree Celsius. The conventional approach was to achieve and maintain high ambient in testing laboratories by using electrical heaters.

In the recent past, solar thermal systems have found application for hot water requirement in several industries such as hospitality as well as in homes for domestic purposes such as bathing. At Shirwal, we have used solar thermal energy for room heating applications.

Solar thermal energy is used for maintaining high ambient temperature in our laboratories as shown in the figure. Water is heated up to 70 degrees in a solar panel and stored into insulated storage tanks. Hot water is circulated through the heat exchanger which is placed in the laboratory. With the help of fans, hot air is circulated within.

Advantages of using solar thermal energy for room heating applications:

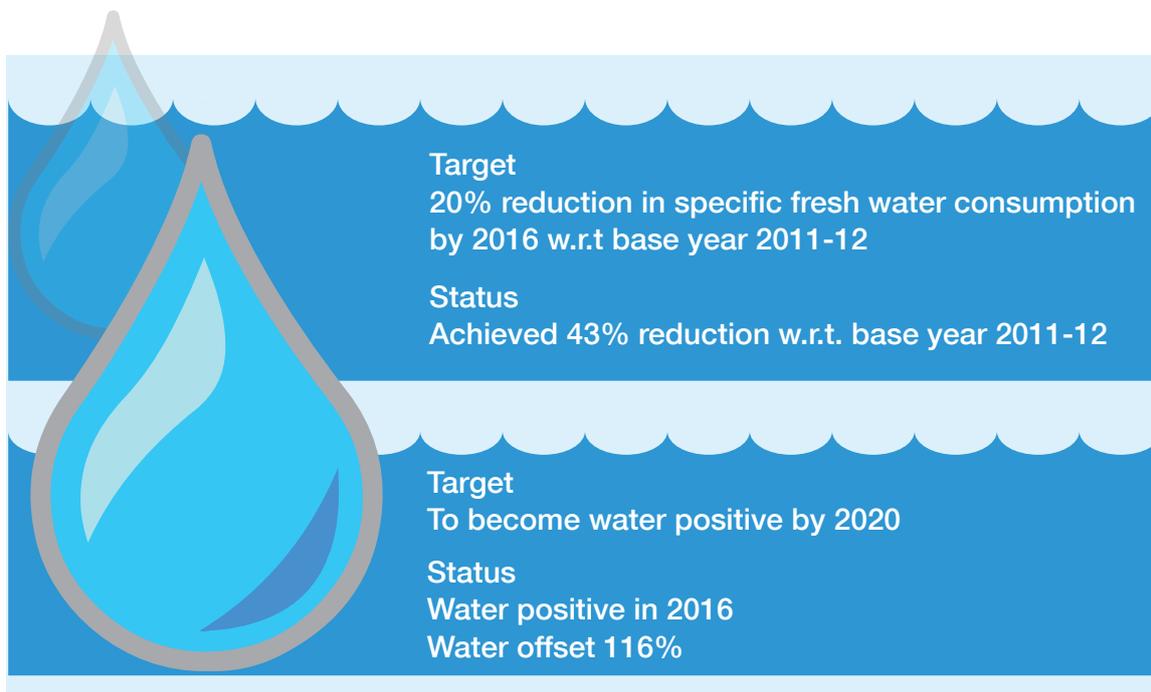


WATER MANAGEMENT



**INSTEAD OF COUNTING THE DROPS,
MAKE EVERY DROP COUNT.**

WATER MANAGEMENT

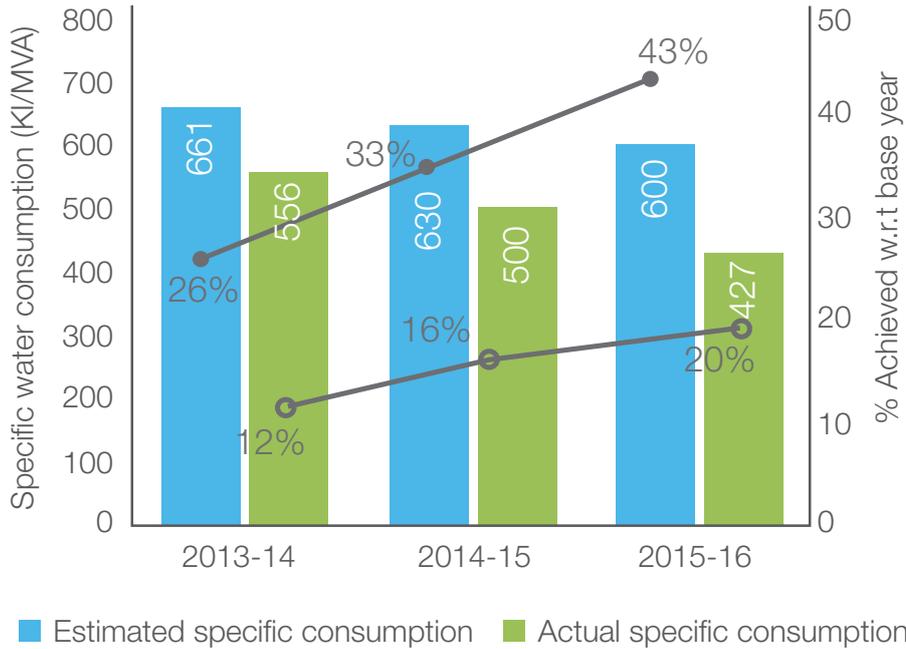


Our water sustainability strategy across campuses comprises of reducing specific freshwater consumption by 40% within a span of 10 years, achieving zero discharge across locations and becoming water positive by 2020 across all manufacturing locations including those where we plan to expand in the future. Status of reduction in specific freshwater consumption is represented in Fig. 13.1. We have strategically aligned our roadmap by forecasting future developments in order to achieve our stretched targets.

Major objectives of G&B's water targets include adaptation of water efficient processes within the campuses, 100% treatment and recycling of effluents and rainwater harvesting (within the premises and outside as a part of CSR initiatives).

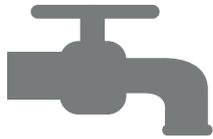
All upcoming manufacturing facilities have been designed on principles of green buildings and have comprehensive effluent and sewage treatment, and recycling systems designed for 100% recycling of treated water and ensuring zero discharge from the facility.

Freshwater for consumption at various locations is sourced from municipal authorities and groundwater sources. The sources are further categorized into municipal or industrial development authority, water tankers, borewells and packaged drinking water (at some sites). The source-wise break up of water consumption for the Company across all manufacturing locations is as given in Fig. 13.2.



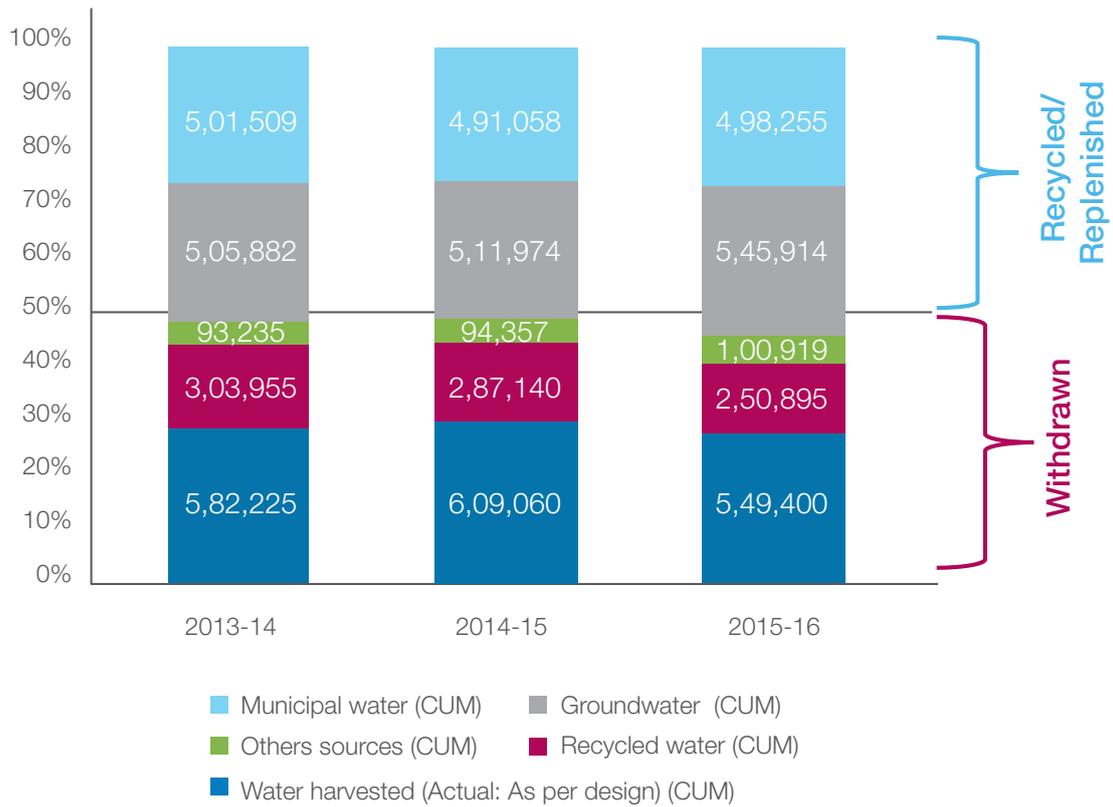
Status on reduction in specific water consumption (KL/crore MVA) (Fig. 13.1)

Over time, G&B has implemented various projects in order to reduce freshwater consumption. As a result of various initiatives, we have been able to reduce specific freshwater consumption for 2016 by 14.6% w.r.t. 2015 (Fig. 13.1).



Some of the major initiatives on water management are listed below:

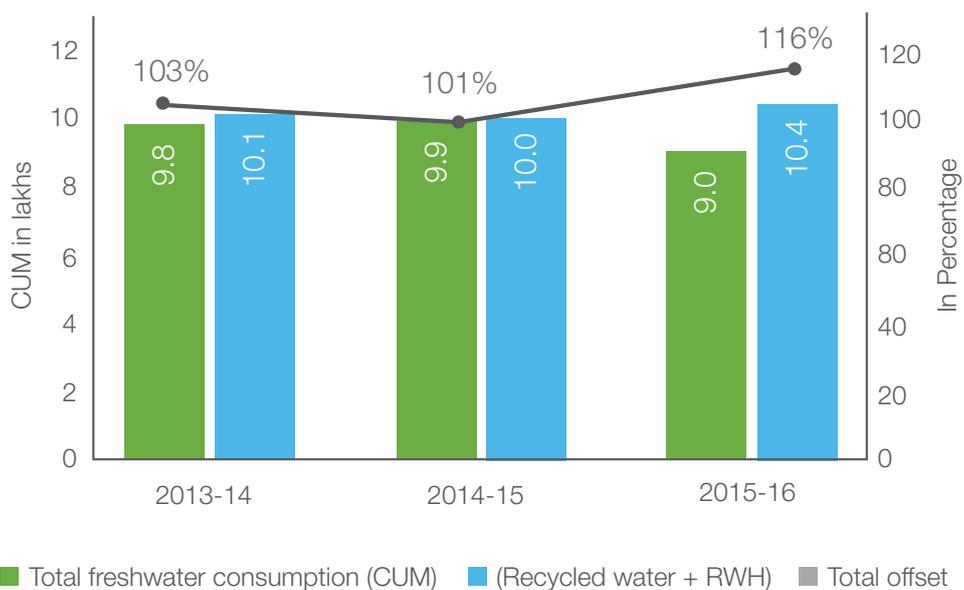
- 1 Use of cooling tower drain water for gardens
- 2 Recycling of effluent water through RO systems to be used in various processes
- 3 Installation of efficient water fixtures
- 4 Using recycled water for ready mix concrete production
- 5 Using recycled water for hydro-testing and storage for future use
- 6 Rainwater harvesting through groundwater recharge
- 7 Regular maintenance of water pumping systems to maintain high efficiency and reduced losses
- 8 Use of treated water from STP for toilet flushes in offices and residential colonies
- 9 Employee involvement in water conservation measures through engagement and awareness
- 10 Conduction of water audits across G&B for data validation



G&B water balance (Fig. 13.2)

Percentage substitution of freshwater use by recycled water in total water consumption has risen by 16% for 2016 over 2012. Proportion of recycled water used totals 38% of the overall water consumption footprint for 2016.

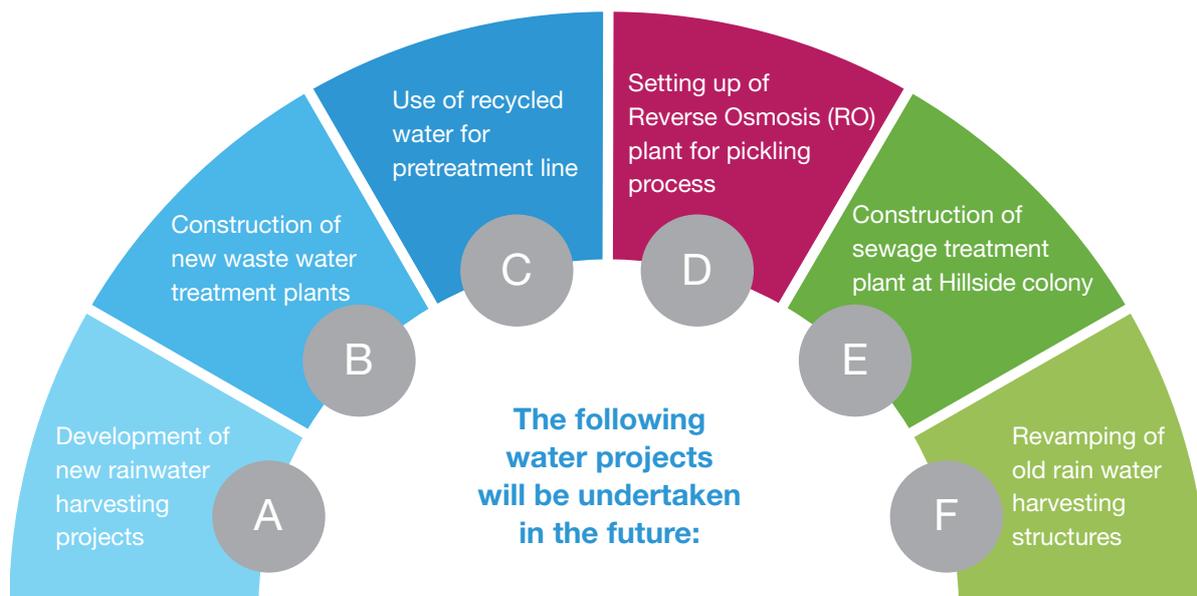
We have been able to reduce absolute freshwater consumption by 17% despite an increase in campus-based operations due to better water management. In terms of total consumption, percentage reduction observed in freshwater consumption has been 6% over 2012.



G&B freshwater offset (Recycled + RWH) (Fig. 13.3)

The organization's efforts to become water positive include but are not limited to recycling of treated effluents for achieving zero discharge. Various G&B facilities have sewage treatment plants (STPs) and effluent treatment plants (ETPs). Quality of treated water is monitored periodically against applicable effluent disposal standards and all of the water is utilised for HVAC cooling towers, toilet flushes, landscaping and process applications. In 2016, G&B has been able to offset 116% of freshwater usage as represented in Fig. 13.3.

The following water projects will be undertaken in the future:

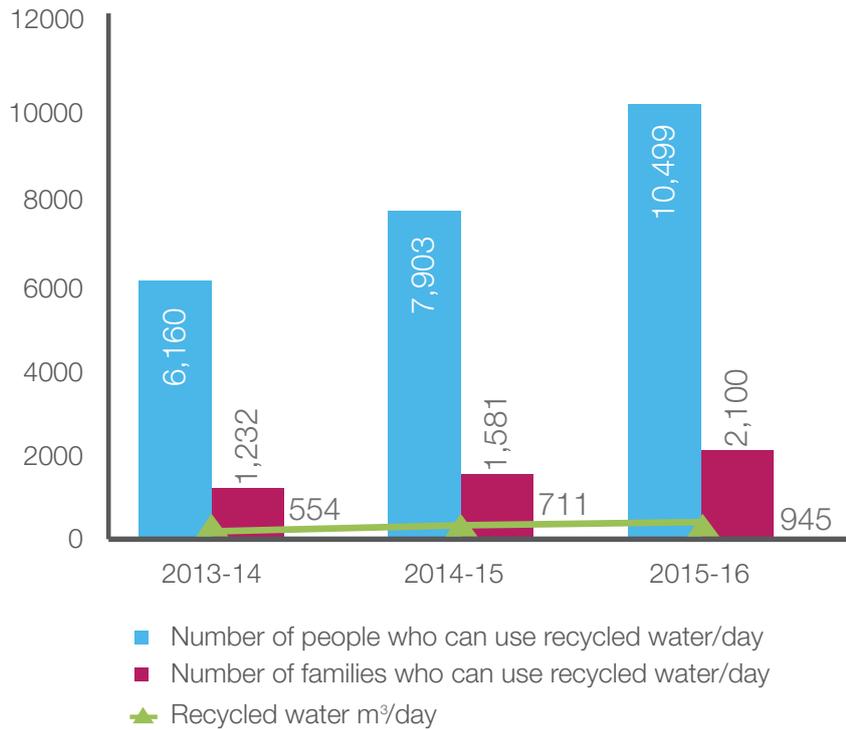


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The sewage treatment plant (STP) located in the residential colony recycles approximately 9.5 lakh litres/day. Recycled water is circulated for flushing in the colony, reducing the load of freshwater consumption.

Water recycled at the STP helped mitigate freshwater requirement of 10,499 persons and 2,100 families for 2015-16 as shown in Fig. 13.4.

Recycling of waste water at G&B,Vikhroli

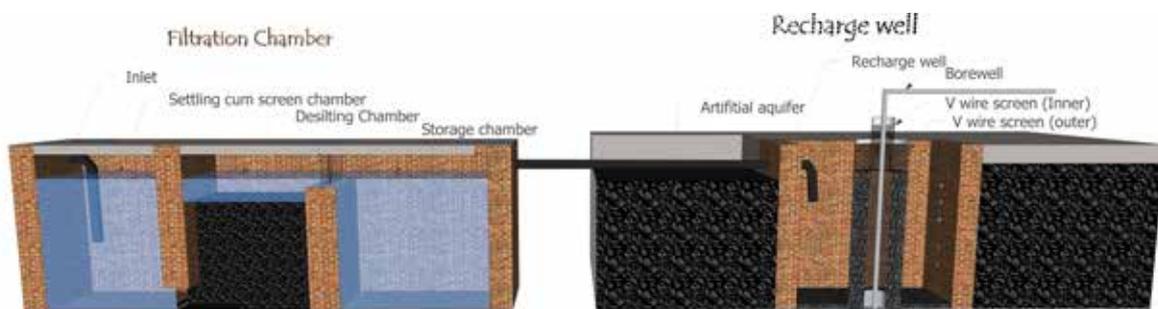


Municipal/freshwater usage avoided due to availability of recycled water (Fig. 13.4)

RAINWATER HARVESTING

Harvesting of rainwater comprehensively to augment groundwater contributes towards water sustainability. Rainwater harvesting is an important feature of building design in the form of roof top collection systems, collection and storage tanks, recharging to borewells and recharge trenches and pits for storing rainwater.

Rainwater harvesting by recharging groundwater aquifers has been taken up at various locations within the industrial garden township of Pirojshanagar in Vikhroli. The mechanism of an aquifer is demonstrated in Fig. 13.5.



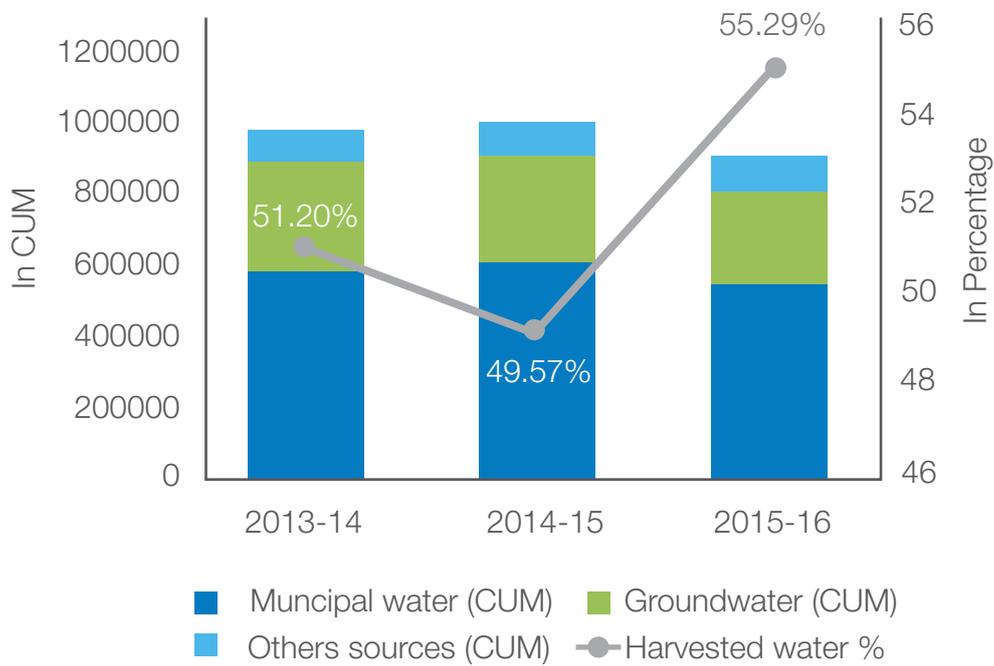
Rain Water Harvesting System Schematic

Mechanism of an aquifer (Fig.13.5)

Against the total fresh water consumption across locations for 2015-16, we have been able to offset 55% by rainwater harvesting initiatives within the fence demonstrating a long-term water management plan by increase in groundwater table for sustainable use. (Fig. 13.6)



Rainwater harvesting at Shirwal



Total water consumption v/s offset % (Fig. 13.6)

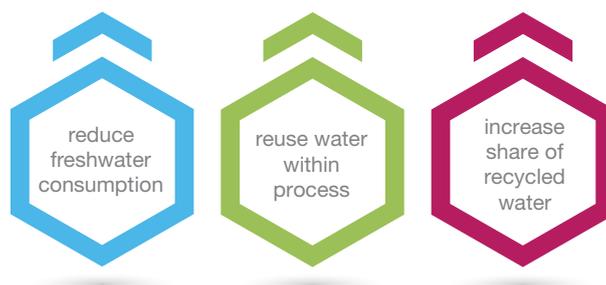
CASE STUDIES



Case Study 1

REVERSE OSMOSIS (RO) PROJECT AT GODREJ INTERIO

In order to achieve freshwater reduction targets, we set out to identify the highest water consuming areas and evaluated that the 'powder coating pre-treatment (PT) line' is a major consumer of water in the plant. We brainstormed on the various methods available to:



Analysis:

The water requirement of the pre-treatment (PT) line operation is 100 KL/day. Earlier, this requirement was met by consuming water supplied by the municipal corporation. Options were explored to reduce the use of freshwater and increase the share of recycled water for the PT line process. The G&B Vikhroli establishment is equipped with centralized ETP and STP facilities which generate 1,050 KL of water per day.

So, we studied the possibility of using this recycled water for Interio's PT line operation. But it could not be used directly for the PT line process as the ETP and STP outlet parameters did not match the process requirement of having pH between 6.5-7.5, electric conductivity 10 $\mu\text{S} / \text{CM}$, MAX, total hardness NIL, chlorides as NIL and silica as SiO_2 less than 0.4 ppm.

Solution:

An RO plant was set up to recycle ETP water so that it matched the conditions that are required to be met for the PT line process.



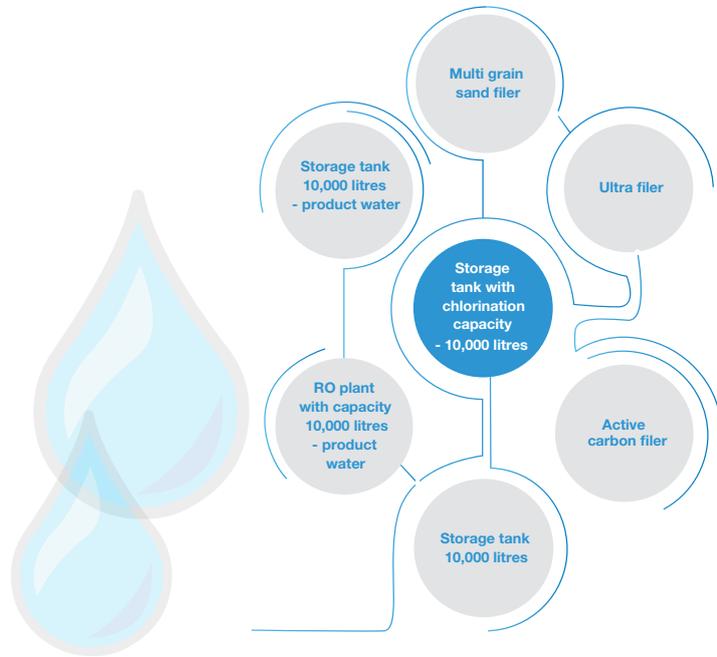
The RO plant

The RO plant that has been set up is capable of delivering upto a maximum of 10 KL/hour which is more than the daily requirement of the pre-treatment line. The schematic diagram of the RO plant is as shown in Fig. 13.7

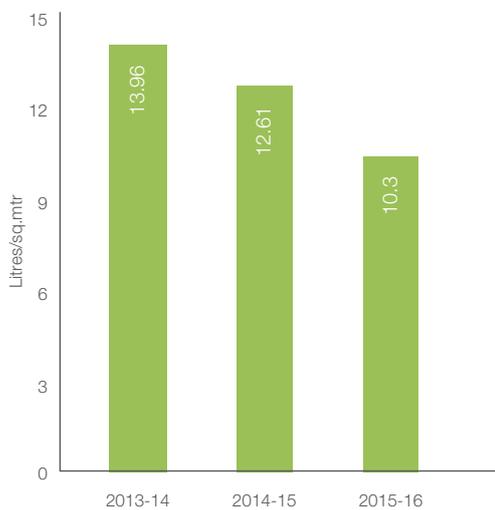
This is a first-of-its-kind RO project at G&B that recycles water as per specific requirement. The project was taken up in August 2013 and completed within a month.

Environmental Benefits:

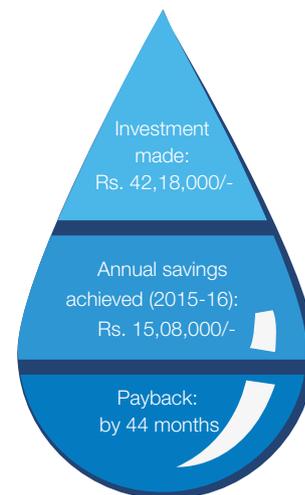
Reduction in absolute freshwater consumption by 23,200 KL/annum due to installation of the RO plant as shown in Fig. 13.8. There has been a 30 % reduction in the last 3 years in specific freshwater consumption.



% of recycled water has increased from 8% to 29 %



Specific fresh water consumption Plant 13 (litres/ sq.mtr) (Fig. 13.7)



Cost economics (Fig. 13.8)

Way Ahead:

- The RO project has already been horizontally deployed at the Godrej Interio plant in Shirwal.
- The plan is to set up RO projects at Plant 14 and Plant 16 at the Vikhroli facility in the future.

There is high potential for replication of an RO plant of this kind within the Indian industry.

Case Study 2

INNOVATIVE RAINWATER HARVESTING PROJECT IMPLEMENTED AT G&B

Objective:

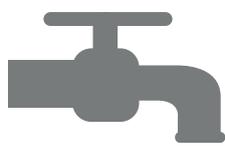
Implementation of a unique rainwater harvesting system with multilayer physical filtration and maximum water catchment area.

Implementation:

Installation of a unique and first-of-its-kind rainwater harvesting system in India: Ulta Chhata. This system has been linked to a 200-foot borewell for recharging water and a domestic water storage tank with a capacity of 1,00,000 litres.



The Ulta Chhata installation



Results & Benefits:

- 1 Achieved the capability to harvest and filter up to 3,85,000 litres of water during the rainy season
- 2 Water conservation by reduced dependency on underground water
- 3 Increased underground water level by borewell recharging system
- 4 Reduced cost for pumping and electricity on domestic water requirements

Case Study 3

G&B RAINWATER HARVESTING PROJECT BEYOND FENCE



The rainwater harvesting project at Village - Ghadagewadi, Taluka - Khandala, District - Satara, Maharashtra

The Maharashtra government has undertaken an integrated water conservation and management initiative, Jalyukt Shivar, aimed at making the state water scarcity-free in five years. The ambitious project involves construction of a series of check dams, rejuvenation of old check dams and repair of Kolhapur Type (KT) weirs and storage tanks.

The Jalyukt Shivar initiative will also involve repair of percolation tanks, desilting village percolation tanks and connecting stream/nullahs with water storage bodies, This Abhiyan aims at initiating permanent measures to make the state drought-free by 2019 and to harvest rainwater within the village boundaries, thereby increasing groundwater levels.

In the first phase in 2015-16, the objective was to make 5,000 villages water scarcity-free.

As per records available with the state agriculture department and the Panchayat Samiti, Ghadagewadi was water scarce. Under the guidance of the Tehsildar of Khandala Taluka, Mr. Shivajirao Talape, we visited the site along with the Talathi, Gramsevak and Agriculture Officer. After successful meetings with villagers and Gram panchayat members, work has been completed between 28th May and 31st May, 2015.

After the completion of this project, the capacity of percolation and storage will increase by around 40 lakh litres which will help in increasing groundwater levels in Ghadagewadi. Due to this project, rainwater harvesting and storage capacity of the village stream has increased by 40 lakh litres.

WASTE MANAGEMENT



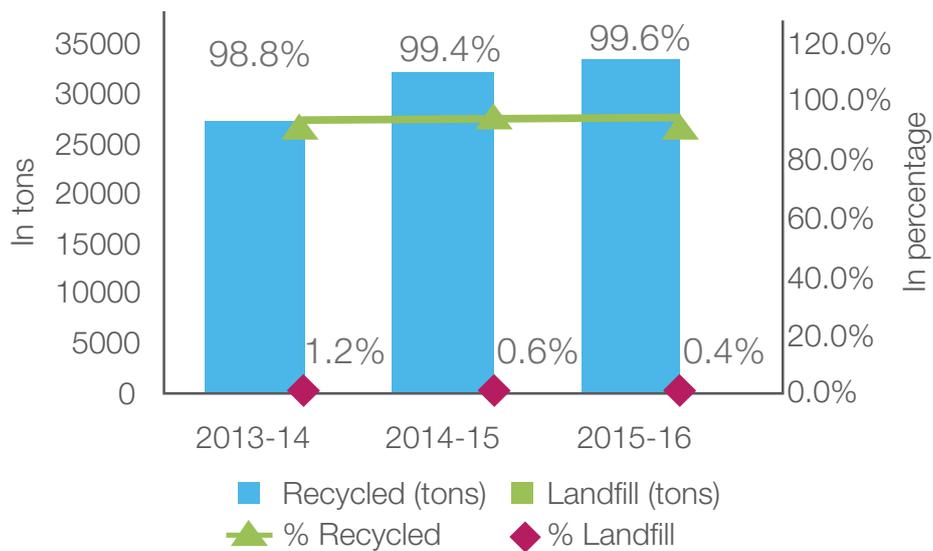
WASTE MANAGEMENT

G&B's waste management practices are designed to minimize environmental impact from waste streams as far as possible by reduction in generation of waste, segregation at source for better management, maximizing reuse and recycle practises along with proper management to accomplish a definitive long-term goal of 'zero non-hazardous waste' to landfill and '50% reduction in generation of hazardous waste' over a span of 10 years. We have devised a focused approach towards waste management.



<p>Target 25% reduction in generation of hazardous waste by 2016</p> <p>Status Achieved 33% by 2016</p>
<p>Target Zero waste to landfill</p> <p>Status Recycling of 99.6% non-hazardous waste achieved</p>

The organization has taken various steps in order to implement efficient waste management practices; the environmental team at G&B conducts on-site compliance audits for creating awareness and organizes various training programs to sensitize staff for proper handling of waste. We have initiated a colour coding process for segregation of waste at source.



% of non-hazardous waste recycled (Fig.14.1)

NON-HAZARDOUS WASTE

About 99.6% of non-hazardous waste generated due to industrial operations is recycled in various ways as shown in Fig. 14.1. To achieve our aim of 'zero waste to landfill' by 2020 we are exploring various possibilities for recycling or reusing residual waste currently being disposed off to landfills.

Apart from efficient management of industrial waste, as small steps towards sustainable growth, we have initiated practices such as recycling of paper, thermocol and all types of metals; and conversion of organic waste to manure.

An organic waste converter is used to convert biodegradable garden waste and canteen waste to organic compost ensuring diversion of this waste from disposal to landfill. We have vermicomposting, pit composting and mechanical composting facilities in our premises.

The compost generated through various methods is used for gardening and enhancement of green cover.

TYPE OF NON- HAZARDOUS WASTE	LIST OF MAJOR NON-HAZARDOUS WASTE			
	UNIT	2014	2015	2016
MS Scrap	MT	5270	8513	10886
SS Scrap	MT	7019	8494	10294
Concrete waste	MT	4598	5752	5302
Wood scrap	MT	1167	2405	3838
Mixed and miscellaneous scrap	MT	532	197	985
Corrugated paper waste	MT	346	2172	758
Epoxy powder scrap	MT	174	275	256
Hip trims and liners	MT	214	455	272
Plastic scrap	MT	164	306	301
C. I. scrap	MT	616	745	642
Charcoal scrap	MT	206	286	372
Mix. Palli and jute sheet bags	MT	21	37	30
Mix. Gi trim punch and component	MT	83	100	104
Aluminum scrap	MT	11	31	130
Grinding scrap	MT	79	67	58
Empty drums	MT	47	49	73
Brass scrap	MT	91	65	6
Paper waste	MT	3	2	2
Iron scrap	MT	9	36	35
Thermocol	MT	8	11	17

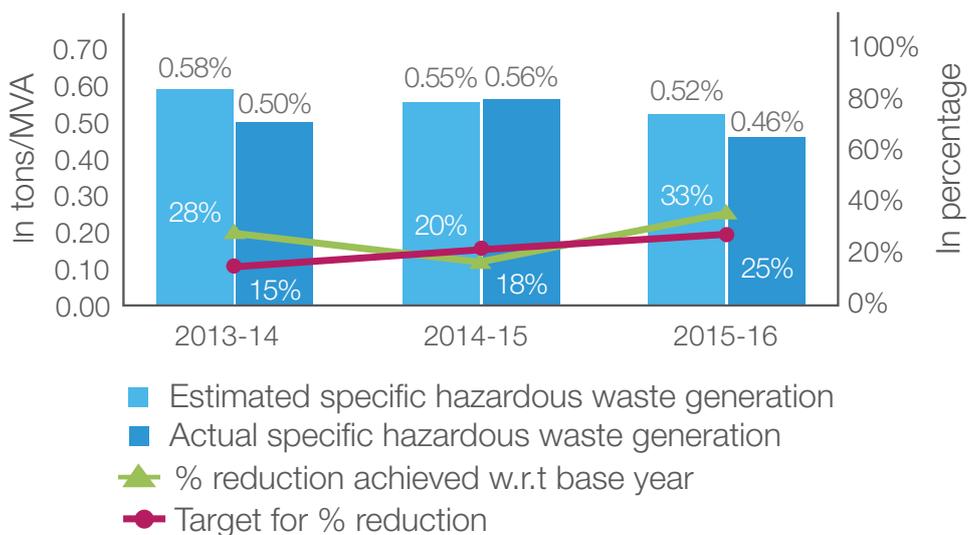


Organic waste recycling at Godrej

HAZARDOUS WASTE

Hazardous waste as defined under Hazardous Waste Handling and Management Rules, 2016 is handled and disposed off as per provisions of the said rules only through MoEF, CPCB, SPCB authorized recyclers or waste management entities. G&B ensures that the registered vendor complies with the necessary approval required under the applicable statutory requirements.

Generation of specific hazardous waste for 2015-16 has reduced by 8% as compared to 2013-14. With respect to the base year defined by the organization, we have been able to bring it down by 33 % due to several projects undertaken towards reduction of hazardous waste.



Status on reduction is specific hazardous waste generation (Tons/MVA) (Fig.14.2)

We have taken up various projects for recycling of hazardous and non-hazardous waste in order to maintain a sustainable environment. Some of the initiatives implemented at G&B are thinner recycling, e-waste recycling, recovery and recycling of waste oil to ensure reduction in hazardous waste generation in line with the target of 50% reduction over base year 2010 as part of the Greener India initiative.

E-waste generated at various G&B facilities includes scrapped computers, monitors, servers, among others and specified electronic and electrical items. Management of e-waste is done as per E-waste (Management and Handling) Rules, 2011. E-waste dismantlers and recyclers are effectively evaluated on necessary compliance, ETP sludge is disposed through authorized vendors and goes to a secured landfill. Residue containing oil, waste from metal surface treatment and paint waste goes for incineration. Waste oil, used oil, discarded containers and barrels go for recycling to authorized vendors.

TYPE OF HAZARDOUS WASTE	LIST OF HAZARDOUS WASTE			
	UNIT	2014	2015	2016
Waste oil	MT	43.98	59.51	52.83
Paint waste	MT	92.2	83.1	106.9
E-waste	MT	8.1	2.8	1.2
Ash from incineration	MT	8.5	11.0	12.5
MDI scum	MT	0.6	0.4	4.6
Discarded containers	MT	339.4	357.1	465.3
Resin	MT	5.0	1.5	1.1
ETP sludge	MT	211	210.8	130
Coolant waste	MT	28.3	15.2	35.3
Waste arising from metal surface treatment such as polishing	MT	2.9	1.3	1.6
Chemical sludge, oil and grease skimming residue	MT	4.1	79.1	2.2
Phosphate sludge	MT	0.5	0.3	0.4

WASTE MANAGEMENT PROJECTS

SOME COMPLETED PROJECTS

- A** SOLID WASTE MANAGEMENT FACILITY AT VIKHROLI
- B** THINNER WASTE RECYCLING
- C** CORRUGATED BOXES AND PAPER RECYCLING
- D** THERMOCOL RECYCLING
- E** REUSE OF MATERIAL OF OBSOLETE MOULDS TO MAKE NEW MOULDS
- F** REPLACEMENT OF CUTTING OIL WITH MIST FREE OIL



A FEW PROPOSED PROJECTS

- A** THINNER WASTE RECYCLING MACHINE
- B** SCRAP REDUCTION ON AUTOMATION CELL
- C** RECYCLING / CO-PROCESSING OF WASTE PAINT
- D** GARDEN, HORTICULTURE WASTE TO FUEL PALLET MACHINE
- E** REPLACEMENT OF SYNTHETIC OIL WITH ECO-FRIENDLY GEAR OIL
- F** REUSE OF POWDER CARTONS FOR PACKING KITCHEN COMPONENTS
- G** INSTALLATION OF MECHANICAL DRYING AND COMPACTING OF ETP SLUDGE

CASE STUDIES



Case Study 1

A SOLID SOLUTION TO WASTE GENERATION



As responsible citizens, we are aware that disposal of waste in landfills leads to contamination of nearby water bodies, enhances epidemic conditions and creates nuisance. Fires in landfills lead to accidents and air pollution.

Taking into account all the above cited facts, the Company has set up a solid waste recycling facility within the premises to manage waste generation across Pirojshanagar as a step towards the 'zero waste to landfill' target. Everyday almost 10-12 MT of solid waste is diverted from the landfill. The total area covered under the zero waste to landfill initiative is about 20.48 lakh sq. meters.

All necessary measures are taken to avoid environmental and safety hazards. Pits are covered with plastic sheets, fumigation is conducted periodically onsite and effluent collection is carried to avoid soil contamination.

This project has ensured we contribute our bit towards society apart from helping achieve business targets. It has also facilitated social upliftment of rag pickers, a socially and economically weaker section.

Case Study 2

WEALTH FROM WASTE

Punāh is an archaic term in Sanskrit and Hindi that literally means “again”.

Godrej recognizes that India’s growing manufacturing ambition will bring with it global issues of waste, from rapid resource depletion to disposal. Punāh was launched by the Innovation and Design centre (IDC) at G&B to proactively counter rapid resource depletion.

Rising consumption and decreasing natural resources required many new and innovative approaches within the business of manufacturing. Globally, commendable work is being done to contain its impact on the environment. Punāh is a different approach which seeks to look at every facet of manufacturing to tackle the issue at its root.

As initiators of the Punāh project, our emphasis was on developing alternative applications for non-hazardous industrial waste through material design and research. Aiming to adopt a ‘zero waste policy’ for Godrej & Boyce, we have been looking into ways of eliminating waste generation as well as rethinking the value of discarded materials.



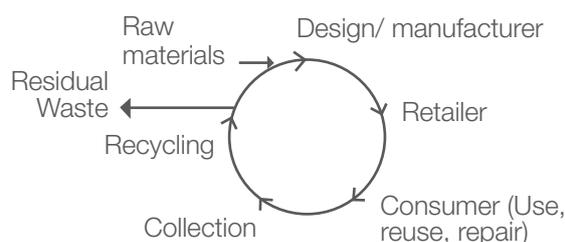
A multi-faceted team ranging from designers, engineers and makers explored over 600 waste materials generated in the 25 manufacturing plants of G&B. These waste types are rigorously documented and categorised with important data on aspects such as quantities, composition, resale value and disposal route.

Through research and experimentation, the team has developed new materials using the diverse manufacturing facilities and expertise of skilled workers. This will be made available to the world in the form of an open source waste library. The IDC team is collaborating with progressive design companies and individuals in different sectors to convert these new materials into products.

LINEAR MATERIAL LIFECYCLES



CIRCULAR ECONOMY



PUNĀH - THE WASTE ARCHIVE



Rubber gloves



Synthetic varnish



Synthetic graphite



Mild steel



Mild steel



Cotton gloves



Metal turning and boring



Bronze



Liquid and powder paint waste



Plastic tubes



Copper wire

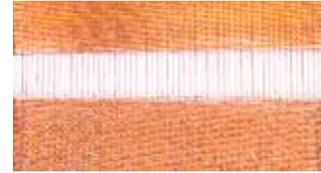
PUNĀH - THE COLLECTION

COPPER WIRE CHAIR

Every month Lawkim Motors generates 1,000 kgs of copper wire waste. Currently, the copper wire is wound onto motors that are subsequently coated with a synthetic varnish to improve its insulation properties.

We used the excess lengths of copper wire to intricately weave a long-lasting and durable seat.

Possibilities: Furniture collection with a nearly 500 % value increase for each material.



HEAT-COMPACTED METAL

Currently, 39,200 kgs of turning and boring waste is generated per month. Remelting this kind of waste is inefficient as most of the yield is lost in the furnace. Different compaction methods were explored as an alternative to remelting the material. Besides the existing samples in copper, mild steel, brass and aluminium, we are working on the development of simple products.

Possibilities: This exploration can help reduce the use of virgin material during the manufacturing process.

VARNISH TILES

Polyesterimide varnish is used for the impregnation of Cummins motors to increase their thermal capacity. We made use of the excess varnish that drips from the dipped motors to create a set of varnish blocks and wall tiles with an aim to reduce the 4,045 kgs of waste going into landfills or incineration every year.



PUNĀH - THE COLLECTION

SYNTHETIC GRAPHITE DUST

About 850 kgs of synthetic graphite dust goes into landfills every year. Synthetic graphite is made of petroleum coke mixed with coal tar compacted under high pressure. We used a combination of ceramic material and graphite dust to create a conductive set of tiles.

Possibilities: It is a futuristic exploration to make conductive surfaces for various architectural uses.



COTTON GLOVES

More than 15,000 pairs of used gloves are collected and discarded every month from various divisions at Godrej & Boyce. Oil soaked cotton gloves are generally sent to incineration facilities while non-oil soaked gloves are sent to landfills. We upcycled the gloves into strips of binding, each glove producing 62 cms of material for weaving or knotting.

Possibilities: Furniture range with a nearly 800 -1000% increase in value for the material.

COLLABORATION WITH 11.11

Every day 2,500 kgs of punching and notching are discarded and 0.125 kgs of brass tin-coated crimping pieces used in vending machines are disposed along with e-waste. In collaboration with clothing label 11.11, we hand embroidered metal crimping pieces onto indigo-dyed organic cotton fabric. Cotton gloves were patchworked together and the pieces were crafted into a sustainable pret-a-porter collection.

Possibilities: Fashion pieces with a nearly 1000 % increase in value for each material.



BIODIVERSITY

Of the total 1698.929 hectare area of Pirojshanagar in Vikhroli, the area covered with forests, green cover and open spaces is 1276.08 ha. Thus, more than 75% of G&B's total land is unconstructed, water permeable and available for thriving biodiversity, demonstrating the organization's commitment to biodiversity conservation.

The organization implemented the following initiatives during 2014-16 for 'in-situ' conservation of biodiversity on its Company campus:

HIGHLIGHTS OF BIODIVERSITY MANAGEMENT INITIATIVES 2014 - 2016

- G&B conducted a biodiversity index research to assess status of biodiversity on Godrej campus. Godrej is the first Indian corporate to conduct research of such a nature on a private campus and was assigned 63 points from a total of 92. The research findings are being used to further enhance the biodiversity index of the Godrej campus.
- G&B also conducted carbon sequestration research to estimate total carbon stock present in Godrej mangroves. The research estimated 5,97,112 tCO₂e sequestered with annual addition of about 50,000 tCO₂e by Godrej mangroves. This great service provided by the mangrove ecosystem conserved by Godrej benefits all of the Mumbai Metropolitan Region.
- G&B has added a green cover of 34,043 sq. metres on the Pirojshanagar campus in 2014-16.
- The Company has sensitized around 13,500 individuals from 425 organized groups like schools, colleges and the corporate sector from the Mumbai Metropolitan Region on ecology and the importance of mangroves through guided nature trails amidst the Godrej mangroves.
- G&B has won 139 prizes in five horticultural exhibitions attended by around 2,80,000 citizens organized by municipal corporations and NGOs in 2015-16 alone.
- The Company presented Godrej's biodiversity conservation initiatives to external stakeholders through six seminars, conferences and radio shows.
- The organization has facilitated five research projects for graduate and post-graduate students focusing on various ecological aspects of mangroves.
- G&B has planted 506 trees of 24 indigenous species at Pirojshanagar in 2015-16 alone. Indigenous plant species support local biodiversity by providing feeding, roosting and nesting habitats.
- The organization has collected 6,000 seeds from the existing gene pool of 21 indigenous plant species in 2015-16 alone. This indicates maturity of ecosystems on Godrej campus. Collection and propagation of local seeds reduces financial burden to procure saplings.

Biodiversity holds great value since it is absolutely necessary to sustain ecological balance. Any disturbance or disruption in the delicately fabricated ecological balance maintained by different organisms will lead to severe complexities, which may threaten welfare or existence of human beings itself.

Today, human beings maintain a lifestyle which is at the cost of surrounding species of diverse flora and fauna that are struggling for survival.

Truly speaking, we actually live in their world. So, it is highly imperative for humans to take care of and conserve the surrounding species, since the very existence of man depends upon the survival of the biosphere.

Pirojshanagar's diverse flora and fauna have been appreciated by campus users, visitors, academic and research institutes and concerned government agencies like the forest department, the environment department at state and central levels since the inception of the Pirojshanagar township. Over the years, G&B has advanced its biodiversity management through progression in organizational commitment, structure, governance, involvement of stakeholders and by undertaking several initiatives.

PIROJSHANAGAR'S BIODIVERSITY:

Ecosystems and Habitats: Pirojshanagar, Vikhroli hosts several ecosystems like creekside mangrove forest, natural wetlands, artificial ponds, grasslands, scrubby areas, hilly areas, open spaces, playgrounds, roadside avenues, vertical gardens, terrace gardens, and plantations.

FLORAL DIVERSITY: TOTAL 964 SPECIES

Trees: 136 species, Shrubs :252 species
Palms: 26 species, Ferns: 44 species
Climbers: 105 species
Cacti: 149 species, Succulents: 180 species
Medicinal and aromatic plants - 4, Mangrove and mangrove associate: 16 species

FAUNAL DIVERSITY: TOTAL 276 SPECIES

Fish: 23 species, Mollusc: 21 species,
Reptiles: 30 species, Butterflies: 82 species,
Birds: 208 species, Mammals: 6 species

PIROJSHANAGAR HOSTS 68 FLORAL AND FAUNAL SPECIES THAT ARE IDENTIFIED AS NEAR THREATENED, VULNERABLE AND ENDANGERED BY THE INTERNATIONAL UNION FOR NATURE CONSERVATION (IUCN) WHICH NEED CONSERVATION

COMMITMENT FOR BIODIVERSITY CONSERVATION

G&B has a corporate environment policy which explicitly mentions “protection, conservation and enhancement of green cover and biodiversity”. All G&B businesses are guided by this policy.

G&B has signed the CII-Code for ‘ecologically sustainable business growth’ that places an emphasis on management of energy, waste, water, life-cycle analysis of products, green purchase policy and use of natural capital. These issues directly or indirectly affect biodiversity and ecosystem services. Godrej’s commitment to creating a socially inclusive, environmentally sustainable and greener India is evident in its ‘Good & Green’ initiative dealt with separately in this report. This includes the entire gamut of efficient and responsible industrial operations, wherein efficient water and energy conservation, reduction in waste generation and greenhouse gas emissions are significant indicators.

STRATEGY FOR BIODIVERSITY MANAGEMENT

- Development of a green belt is part of compliance for every industry. G&B has stepped beyond compliance and taken a strategic decision to plant indigenous species that will support biodiversity with habitats, feeding and reproduction sites. Further, these green belts will function as a local ecosystem.
- The Horticulture department of G&B has taken a decision to plant indigenous species for landscaping and development of a green belt for all locations. These species support local fauna and develop into micro-ecosystems over a period of time.
- G&B business units are in the process of identifying and mitigating impact on biodiversity. For example, Godrej Interio has demonstrated reduction in specific wood consumption with quantified data over the years and will continue striving for further reduction. This step has a direct positive impact on green cover and associated biodiversity.
- G&B business units have evolved organizational governance through formation of specific cells, committees and champions for biodiversity, energy, water, waste, resource consumption and air quality management. Each of these environmental aspects directly or indirectly affect biodiversity and ecosystems and hence improvement in management of these abiotic factors is expected to contribute to enhancement of biodiversity.
- G&B has deployed a number of management systems and tools such as Integrated Management System (ISO 14001, ISO 18000, OHSAS), Business Excellence, Kaizen, GreenCo, Innovation Centre, CII Code for Ecological Sustainability, LEED certification, energy efficiency certification, green products and process certifications that address management of biodiversity and ecosystems.
- For two years (2014-16), G&B carried out a biodiversity indexing research in the Pirojshanagar campus, Vikhroli. This meticulous exercise included literature review and field research to identify and document habitats and flora and fauna within the campus. The list was further segregated into indigenous, naturalized and invasive species. The exercise offered us insights into the current status of biodiversity, ecosystems and scope to strengthen them for which specific suggestions were listed. G&B has published a ‘Biodiversity Index’ report that can guide other organizations.

- G&B collaborates with individuals and organizations with subject matter expertise such as the CII-ITC Centre for Sustainability, WWF India, Bombay Natural History Society, CEED, SACON, B N Bandodkar College of Science, Mumbai University and other organizations for biodiversity research and conservation.

GOVERNANCE OF BIODIVERSITY CONSERVATION

The responsibility of biodiversity management is entrusted to the Construction division of the Company which is responsible for management of G&B campuses. To ensure integration of biodiversity management during planning, designing and use phases of its campuses, the Construction division has formed three departments - Environment Engineering Services, Horticulture Services and Wetland Management. These departments work in collaboration with each other and with G&B's business units, the Pirojshanagar township, Udayachal Schools, the Godrej Memorial Hospital and other campus users. Biodiversity related issues are discussed and resolved during divisional management committee meetings conducted on a monthly basis. Achievements and challenges of biodiversity management are presented to G&B's Board of Directors by the Construction division every year. A Pirojshanagar Township Committee has been formed to maintain and upgrade biodiversity of three housing colonies in Vikhroli. The committee is represented by all stakeholders.

ENGAGING INTERNAL STAKEHOLDERS

G&B employees, Udayachal Schools and Pirojshanagar residents are key internal stakeholders for biodiversity management.

Since 2000, 100% of our management staff has been sensitized on biodiversity through an awareness session on the mangrove ecosystem of Pirojshanagar as part of corporate induction programs. The Wetland Management department collects feedback on its awareness programs from participants of corporate induction programs. The Mangrove Awareness Program has constantly maintained its position of being among the best sessions conducted during the induction program.

Workmen are sensitized through poster exhibitions, presentations, essay writing and other awareness activities by HR departments of respective divisions, assisted by G&B's Environmental Engineering Services team.

Capacity building through employee engagement is one of the key intervention areas identified by the management. Events associated with the environment such as the World Wildlife Week, Van Mahotsav, World Wetland Day, Earth Day, Earth Hour, to name a few, are celebrated by employees and users of Pirojshanagar campus.

The table provides a summary of the biodiversity awareness events conducted in 2015-16:

Event	Period	Activities	Target Group(s)
World Environment Day	June	Nature trails, PHOTOTHON - photography competition, poster exhibition, lectures, screening of documentaries	G&B employees, Pirojshanagar township
Van Mahotsav	July	Nature trails, presentations, plantations, gardening workshops	Udayachal Schools
Wildlife Week	October	Mangrove plantation, school prayer talks, presentations, screening of documentaries, nature trails	G&B employees, Udayachal Schools, Godrej Culture Lab
World Wetland Day	February	Mangrove plantation	Pirojshanagar township
Earth Hour	March	Cycle rally, demonstrations, presentations	Udayachal Schools
Earth Day	April	Rally for awareness on fossil fuels and energy conservation	Pirojshanagar township

Engaging External Stakeholders

The Wetland Management division of G&B shares its mangrove conservation efforts through research papers and presentations with academic and research institutes, government agencies and NGOs.

The table provides a summary of engagement initiatives with external stakeholders for 2014-16:

Period	Activity	Organizer(s)/Media
July 2015	Presented a Godrej case study during a conference on 'Conservation of Thane Creek'	GIZ, Maharashtra Forest Department and B N Bandodkar College of Science
11-13 January, 2016	Published a paper titled 'Godrej Symbiosis of Industry and Nature'during an international conference on 'Education as Driver for Sustainable Development Goals' The case study was appreciated by conference organizers and is being considered for publication by the United Nations.	Nature trails, presentations, plantations, gardening workshops
16-17 February, 2016	<ul style="list-style-type: none"> Published a paper during a conference titled 'Ecosystem Services of Wetlands' Paper titled 'Role of Industries in Mangrove Conservation: Godrej Case Study' was published 	<ul style="list-style-type: none"> GIZ, SACON, Mangrove Society of India, HOPE, Maharashtra Forest Department and B N Bandodkar College of Science Conference proceedings and presented to conference participants
February 20, 2016	Published an article on most interesting natural habitats of Mumbai to be visited	Hindustan Times
March 10, 2016	Radio interview on conservation of mangroves	Radio One

Tata Consultancy Services (TCS) collaborated with G&B for 'Maitree', an employee engagement initiative. About 600 TCS employees visited Pirojshanagar mangroves over six weekends and planted mangrove saplings. This is perhaps G&B's biggest employee engagement initiative in collaboration with another corporate.

CONSERVATION OF MANGROVE ECOSYSTEM

G&B's mangrove conservation initiative at Vikhroli, Mumbai is considered as a leading corporate case study for biodiversity management. The vast mangrove ecosystem spread over 1750 acres shelters 16 mangrove and mangrove associate species. The Soonabai Pirojsha Godrej Foundation and G&B manage this second-largest green lung of Mumbai through a three-pronged approach of research, conservation and awareness. This ecosystem, the only ISO 14001 certified private mangrove forest of India has provided educational services to 13,000 visitors through more than 400+ nature trails during 2014-16. The visitors included G&B employees, Pirojshanagar residents, G&B vendors and customers, schools and colleges across Mumbai, NGOs and their members, government departments, citizen forums and other organized stakeholder groups.

INDIA BUSINESS & BIODIVERSITY INITIATIVE (IBBI)

To guide and mentor business organizations in India on conservation and sustainable use, the CII-ITC Centre of Excellence for Sustainable Development launched the India Business & Biodiversity Initiative (IBBI). This business-led initiative serves as a national platform for businesses to promote sharing and learning, and will ultimately lead to mainstreaming sustainable management of biological diversity by companies. IBBI was initiated by the Ministry of Environment, Forests and Climate Change (MoEFCC), Government of India, and is supported by the Deutsche Gesellschaft für International Zusammenarbeit (GIZ).

G&B is among the first business entities to support IBBI under the leadership of CMD Mr. Jamshyd Godrej. G&B actively supports IBBI by offering its infrastructure and expertise. Mr. Anup Mathew, Senior VP and Business Head, is the convener of the Western Region Chapter. G&B hosts IBBI activities at Pirojshanagar, Vikhroli. Since IBBI's inception, G&B has coordinated the following activities:

- IBBI awareness training program was conducted between August 3-4, 2015 in Mumbai. 30 participants from various corporate organizations took part. During the session, Godrej presented a case study and organized a visit to the mangroves
- The first meeting of the Western Region Chapter held on September 10, 2015 in Mumbai. 20 participants from various corporate companies and other organizations participated.

In May 2014, G&B signed a 10-point IBBI declaration that requires signatories to map biodiversity interfaces with business operations, enhance awareness on biodiversity within the organization, consider the impact of business decisions on biodiversity, set objectives and targets for biodiversity management, designate an individual within the organization as a biodiversity champion, assess biodiversity risks and opportunities, include applicable biodiversity aspects in environment management systems, encourage relevant stakeholders to support better biodiversity management, initiate the valuation of relevant biodiversity and ecosystem services.

Every two years, the signatories make a public disclosure on the progress made on the declaration.

Given below are some highlights of our 2014-16 journey:

Signing of IBBI declaration - May 21, 2014
Understanding IBBI methodology and progress review - Ongoing process
Attending IBBI sessions organized by CII and IBBI signatories - Ongoing process
Selection of sites for IBBI interventions – February 2015
Baseline assessment of biodiversity and related aspects – April 2015
Documentation of natural capital profile for Godrej Interio’s ‘Wish’ range of products – June 2015
Planning and implementing IBBI interventions for selected sites and products - Ongoing process
Developing a biodiversity index for Pirojshanagar campus, Vikhroli - 2014-16

Under IBBI, G&B took following important steps to conserve biodiversity of its Vikhroli and Shirwal campuses:

- Godrej Interio has focused on ‘WISH’, a range of office furniture products for IBBI’s pilot implementation initiative. A preliminary study of biodiversity has been completed at the site to understand baseline status before IBBI interventions. A natural capital action plan has been prepared. It contains main impacts, main market, assessment and monitoring, key areas of improvement, stakeholders, knowledge and support, business opportunities and risks with focus on biodiversity and ecosystem.
- Seven employees have been trained and they are designated ‘biodiversity champions’ to facilitate biodiversity management at an organizational level.
- An awareness program for biodiversity and impact of board making on biodiversity was undertaken for board suppliers of Godrej Interio in 2015-16.
- In addition to green cover in the industrial campus, Godrej Interio has developed green belts in the villages of Wadgaon and Mirjewadi at Khalapur, Maharashtra through participation of zilla parishad schools and gram panchayats.
- Our campus at Vikhroli has become a model for successful development. Since 1948, when the land was acquired, we have been nurturing the flora and fauna and have transformed the land from a tiny village into a biodiversity hub called Pirojshanagar.

Today, it is one of the less ecologically disturbed areas of Mumbai and has an amazing diversity of life forms – a conglomeration of plants, insects, birds, reptiles and mammals.

Godrej commissioned a study by CII–Godrej GBC along with WWF on the city biodiversity index for the Vikhroli campus. The study included visits to the site, detailed data collection, analysis of data with third party experts and development of the report along with recommendations for improving the score.

Our Vikhroli campus is the first private campus in the country to initiate the biodiversity assessment study.

The biodiversity study has been done based on The Convention on Biological Diversity (CBD) endorsed user manual for city biodiversity index updated on November 13, 2013. Since indicators have been developed for a city and Godrej is a campus, scoring on few indicators have been modified to be campus specific.

The finding of the study indicates that our campus has secured a score of 63 points out of 92, considering 23 indicators which is very satisfying.

After the study, the following opportunities have been identified for further improving the biodiversity conservation measures in our campus:

- **Implementation of ecosystem restoration by development of native plant parks in unused areas of the campus**
- **Development of green corridors and connections between existing areas in the campus**
- **Development of natural areas to encourage bird roosting and nesting in built-up areas**
- **Increasing tree density and canopy cover in built-up areas by planting more fruit yielding trees**
- **Conduction of regular bird and butterfly surveys for improving existing data**
- **Development of strategies for regular monitoring and prevention of invasive plant species**
- **Improving measures for rainwater harvesting in paved and unpaved areas**
- **Encouraging citizen science initiatives within campus**
- **Enhancing recreational functions with regard to biodiversity such as nature clubs, education and awareness boards along with guided tours**
- **Increasing number of partnerships with universities for biodiversity research**
- **Organizing biodiversity-centric annual events**

We believe that by doing the above, we will be in a position to put India on the international map as far as biodiversity conservation is concerned.

Key measures implemented in our campus for biodiversity conservation are listed below:

- Protection and management of mangroves comprising about 1228.72 ha
- Conservation of about 964 floral and 276 faunal species
- About 84% of the campus is maintained with permeable areas resulting in reduction of rainwater run-off and also improving microclimate temperature
- Our campus has about 0.5295 ha of recreational area contributing to improving health and wellbeing of residents
- Formal education visits are organised within the campus for creating awareness on various biodiversity features
- Allocation of a separate budget for conservation of biodiversity in the campus
- We have developed and implemented policies and regulations to maintain biodiversity in the campus
- We work closely with inter and intra agencies involved in biodiversity conservation for protecting biodiversity within the campus
- Rescue, treatment and rehabilitation of wildlife in distress is carried out in collaboration with veterinary doctors and NGOs authorized by the forest department

The Masked Booby is a migratory species, named after its grey face mask. It was rescued near the effluent treatment plant in Vikhroli East. It lives in the ocean and only comes on land to breed and raise its young. The bird is included in the Red List of the International Union for Conservation (IUCN) for its endangered status.



BIODIVERSITY IN GODREJ HOUSING COLONY

BY PRAMILA SALIAN AND DEVENDRA LAD, GITL

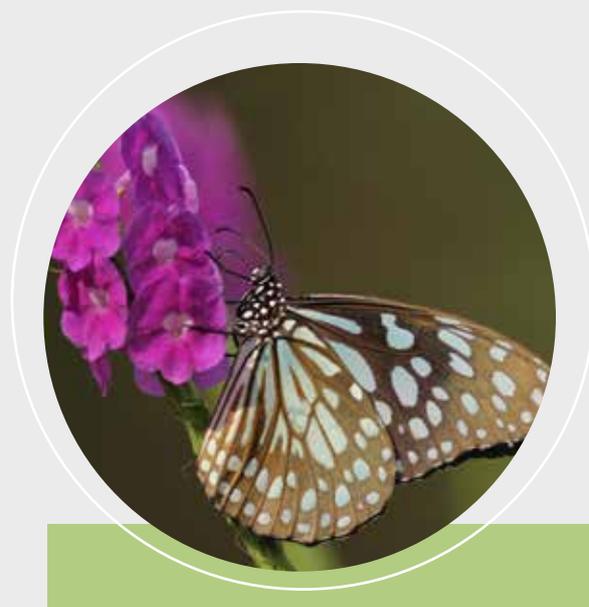
It is interesting to note that Godrej Hillside Colony, a residential township supports a rich and diverse ecology and is home to various species of plants, birds, insects, reptiles and mammals living harmoniously alongside humans.

This residential colony is full of angiosperms, the flowering plants. During spring, the colony is a riot of colours with numerous species of flowers which creates a visual treat not only to the people living in this place but also forms a perfect habitat for various insects and small birds.



Along with flowers, there are quite a few trees that bear berries and other fruits. There are several areas which are covered with grass, thus providing the much needed food for many species of birds and insects.

Various species of butterflies, dragonflies, damsel flies, robber flies, honeybees, carpenter bees and many such insects are spotted around these grass-covered areas and flowering plants.



Scaly breasted munias, Indian silver bills and house sparrows are among the few birds that feed on grass seeds. Further, there are species which are insectivorous and are found in these grasslands and house gardens like the Ashy prinia. Warblers like the Greenish warbler have also been spotted in the colony. Tailor birds, Fantails and the Green bee-eaters which are found in quite good numbers in the colony, are also insectivorous.

The flowering plants invite small birds like Purple sunbirds and Purple-rumped sunbirds.

Rose-ringed parakeets, Coppersmith barbet and the Indian flying fox are species which feed on berries and fruits. Pirojshanagar has one of the largest colonies of fruit-eating bats (Indian flying fox) in the city.

There are species of Robins, Bulbuls and Mynas too that are quite common here. These small insects and birds are food to various lizard species. The common skink, oriental garden lizards and monitor lizards have been spotted quite often in the colony.





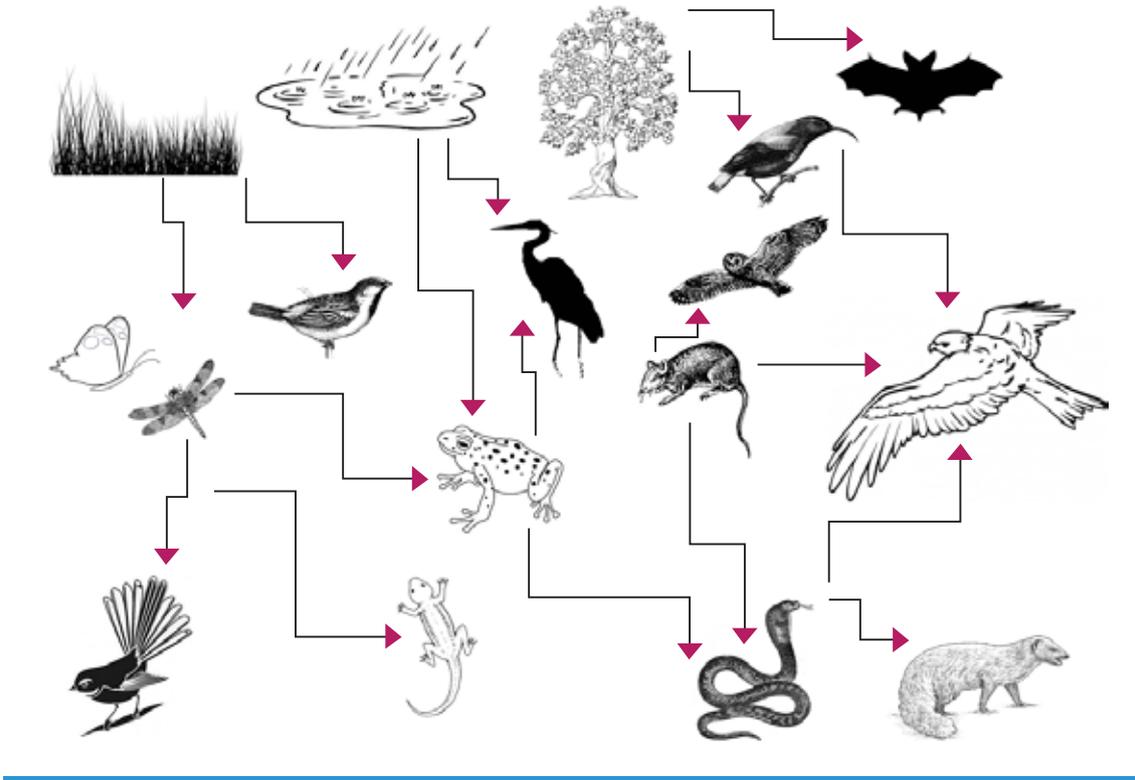
Rodent species like rats and squirrels are found in abundance in the colony. Amphibians like various frog species are common too especially during the monsoon, thus creating the perfect ecosystem for snakes.

Rat snakes, Russell's vipers and cobras have been often encountered by colony residents. Snakes are caught by trained personnel in the colony and released into the mangroves. Snakes also attract mongoose. The Indian grey mongoose is well known for its ability to fight and kill venomous snakes.

This habitat draws a few species of raptors as well. Black kites are common here. Birds of prey such as Spotted owlets, Barn owls, Shikra and eagles have also been seen in the colony.

Kingfishers and water birds like Egrets and Pond herons are found in the colony throughout the year. Occasionally, Cormorants and other water birds too have been sighted.

This colony, thus demonstrates a complex “ Food-Web” which is rare to find in residential townships.



A study held in Sanjay Gandhi National Park (SGNP) in 2015 recorded 194 species of birds. Karnala Bird Sanctuary (KBS), a forest located in the Western Ghats, witnesses around 140 species of birds during the migration season from October to April, most of them being Western Ghats species.

Though the Godrej Hillside Colony is much lesser in area compared to both SGNP as well as KBS, the avifauna found here is varied and abundant. During the last two years around 50 bird species have been recorded in this township. Birds which are rare in the rest of the city, like Paradise flycatchers, Orange-headed thrush, Malabar grey hornbill, Indian golden orioles and Chestnut-tailed starlings have also been spotted here during certain seasons.

Conservation of this rich biodiversity is being done and can be enhanced further by increasing awareness and other such initiatives. G&B Horticulture team has already taken steps towards utilizing free space by planting gardens with flora which attract butterflies and birds.

The most important needs that attract birds to a place, are food and nesting habitats. Having trees and plants suitable for these needs of birds like the Indian cherry trees, fig trees, neem, mango trees, Indian coral trees etc. could help further. Installing bird feeders and baths around the campus can be done too for sustaining and increasing the biodiversity of this place.

It is a known fact that there have been talks about the decline in the counts of sparrows in cities due to a number of reasons like new and modern designs of infrastructure not giving enough room for the sparrows to nest; pollution caused by microwave towers and pesticides; the house sparrow losing its foraging grounds (natural grasslands) as the green spaces in our cities have been replaced by more concrete constructions, etc. In fact, till a couple of years back there was a decline in the sparrow count in the colony as well. But since the last one year, there has been a steady increase in the sparrow count in this area due to availability of suitable habitat.

“The diversity of life forms is so numerous that we are yet to identify most of them, which is the greatest wonder of this planet. We need to understand that biodiversity is the biggest treasure we have, and it should be conserved at any cost ... for our coming generations!

Note: All pictures illustrated in this article have been clicked at the Godrej HillSide Colony.

SOCIAL PERFORMANCE



LABOUR PRACTICES AND DECENT WORK

MANAGEMENT APPROACH

The Company provides a conducive work environment for employees to realize their potential and contribute to its growth. The strong commitment of employees enables the Company to overcome challenging business and economic situations and emerge stronger.

The Company strongly believes and nurtures the culture of innovation, performance, collaboration, transparency and openness.

The management reviews HR related parameters such as attendance, productivity, training and capability effectiveness, safety, attrition, other issues related to employee relations during monthly and quarterly meetings. The Company has put in place various communication and feedback seeking forums. An employee engagement survey - **Let's talk** is carried out every year and the outcome is shared with the management and employees. 'Survey for operators' is conducted every two years and focuses on suggestions from workmen/operators to improve productivity and working conditions.

The Company regularly reviews and updates HR policies on the basis of feedback received in various communication forums and on the basis of benchmark data of best practices from across the industry. HR policies are communicated to all employees each time there is an update and to all new employees at the time of induction. They are also available on the Company's intranet - Godrej Connect, for employees to refer to.

The Company strives towards maintaining healthy employee relations and provide its employees with opportunities to learn new skills and capabilities for their professional development and growth. A six-monthly training calendar is developed twice each year based on the outcome of the training needs identified. Apart from basic technical and functional training, enhancement of functional skills is done through OJT (on job training).

Workmen are encouraged to join the management cadre and the same time is treated as promotion. It is managed through an exclusive and transparent process called the internal selection process (ISP). Each workman, based on his eligibility, gets opportunities to make it to the next level in the workmen category itself. Apart from this, workmen are also promoted to the next skill level based on their performance, competency and other criteria. There is a workmen annual performance reward, which recognizes workmen contributions in performance, productivity, attendance and other improvement contributions. A separate policy is in place to manage upgradation of workmen.

The Company ensures that there is no discrimination against any employee on grounds of race, colour, religion, caste, gender, age, marital status, disability, nationality or any other factors under applicable laws and contemporary practices at the workplace. Recruitment, placement, promotion, transfer, compensation, training and other benefits are based on the merit and competency of the individual and the business needs of the Company.

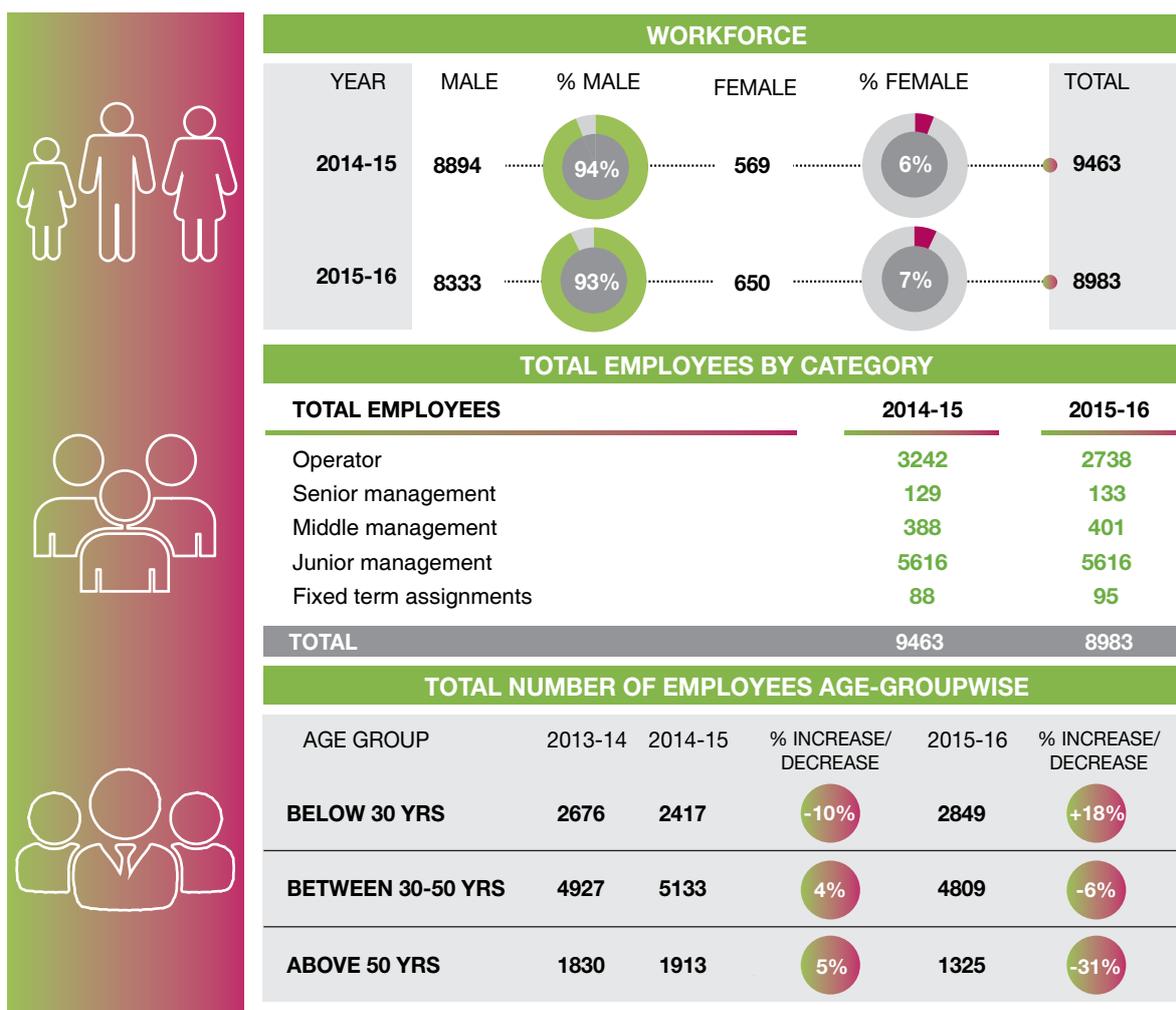
Occupational health and safety is of vital importance for the Company. The Company has developed a robust safety culture across the organization. Over the years, the Company has strengthened safety practices by introducing company-wide initiatives such as interdivisional Safety First contests, accelerated learning programs on safety, online reporting system for hazards and incidents, 'safety champions' and other behavior-based safety initiatives, among others.

Our Company's values of integrity, trust, to serve and respect the environment also demonstrate the importance the management places on human rights and the collective bargaining process. Our mission statement 'Enriching quality of life every day and everywhere' is also an embodiment of the said values.

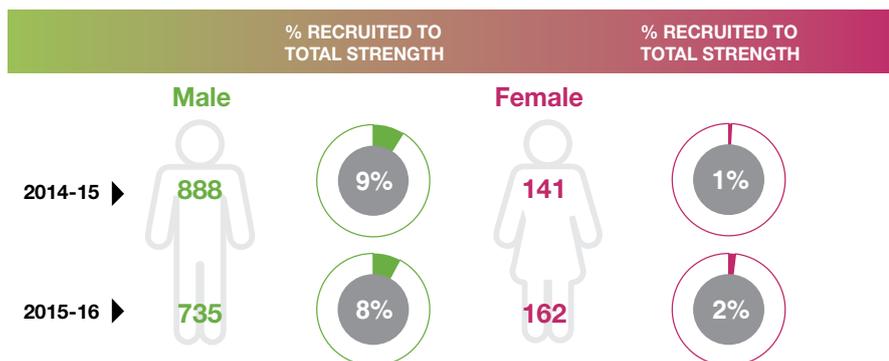
EMPLOYMENT

With a strong focus on talent and making no compromises on the selection process, we hire from industries relevant to our respective businesses. We are an equal opportunity employer and do not discriminate among applicants to our organization.

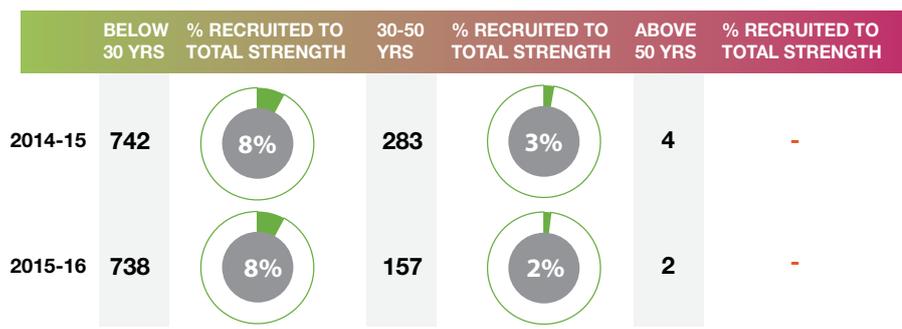
We hire fresh talent by visiting some of the best engineering and business schools in the country. We develop this talent to take up larger responsibilities in our businesses, in the future.



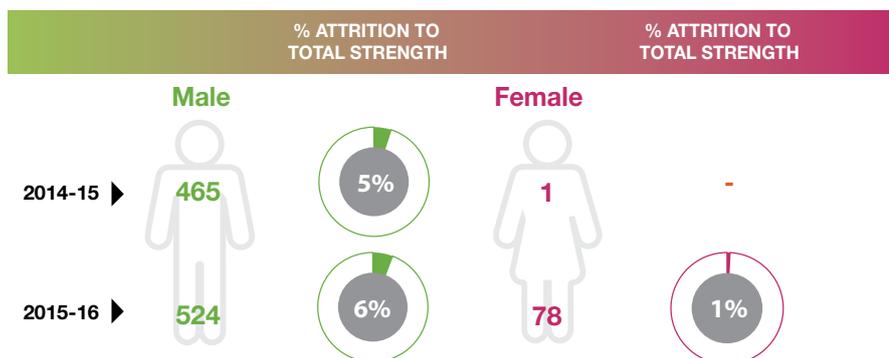
NEW EMPLOYEES GENDER-WISE



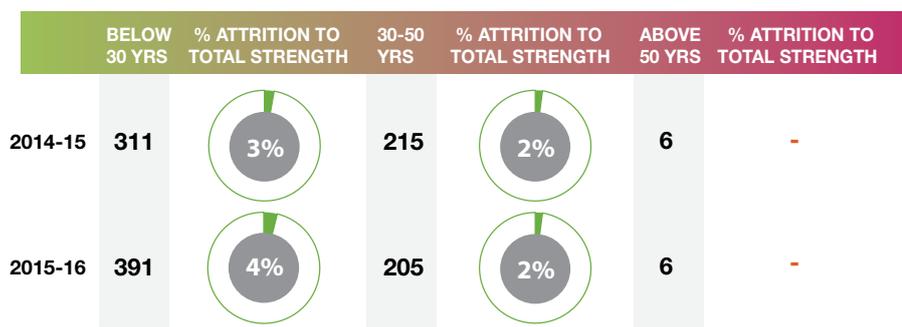
NEW EMPLOYEES AGE-WISE



ATTRITION GENDER-WISE



ATTRITION AGE-WISE





BENEFITS PROVIDED TO EMPLOYEES

Other than wages, the Company provides several benefits to its employees:

- **Subsidized housing facility for employees at Vikhroli location**
- **Clubhouse at Vikhroli location**
- **Schools (pre primary to high school) at Vikhroli location**
- **Consumer society at Vikhroli location**
- **Credit society at Vikhroli location**
- **Community Hall at Vikhroli location**
- **Meals at subsidized rates at Vikhroli location**
- **Dispensary at Vikhroli location**
- **Personal productive equipment depending upon the nature of their work**
- **Mediclaime policy or Government ESIC scheme (as applicable)**
- **Contribution to Death Relief Scheme**

RETURN TO WORK AND RETENTION AFTER MATERNITY LEAVE

The Company has a maternity leave policy for its employees. The policy entitles female employees to benefits under the Maternity Benefit Act, 1961.

EMPLOYEE ENGAGEMENT

The Company believes in connecting work of employees with the larger/nobler purpose of the organization. All new joiners undergo the **Leading Change** program which gives an opportunity to analyze one's strengths, weaknesses, opportunities and threats and also helps one to come up with their life's purpose, values and vision. The purpose of this workshop is to give an insight into oneself, which would enable the person to lead a better life professionally and personally, by aligning oneself better with self-knowledge and awareness.

Also, employees identify an individual mission statement in their performance management plan. We institutionalize the spirit of employee volunteerism through NGO visits during the induction process. Felicitation programs are conducted for children of employees who have passed with merit in class 10 and 12.

THE COMPANY ENGAGES EMPLOYEES BEYOND THE OFFICE, THROUGH EVENTS PERTAINING TO:

HOBBIES



Star Kalakaar (A talent show for singing, dancing and acting), photography competition, rangoli competition, and painting competition, among others

SPORTS



Tug-of-war, women throwball tournament, volleyball tournament, chess tournament, table tennis tournament, cricket tournament, football tournament and Godrej marathon

CSR



Blood donation, Earth hour, Joy of giving week, National cancer rose day, World Environment Day, Standard Chartered Mumbai Marathon - fund raising

KNOWLEDGE



Business quiz

FAMILY ENGAGEMENT



Student felicitation, Anand Mela, among others. Other engagement activities through the welfare centre (Pragati Kendra) for spouses of employee and children viz. health awareness camps, nutrition education, entertainment programs - talent contest, celebrations during festivals etc



TRAINING AND EDUCATION

Capability building and talent management are considered key levers of the HR strategy at Godrej & Boyce. To further strengthen our capabilities, a structured leadership development and talent management process was introduced to identify and nurture leaders in the organization.

The leadership competency framework was reviewed and revised with inputs from the senior leadership, industry experts and learnings from best global practices with a view to enhancing the same keeping in mind the changing business environment.

Going forward, we will align and integrate the revised leadership competency framework with other HR processes and systems in talent acquisition and placement, capability building and development, performance management, rewards and recognition, growth and development, succession planning and so on.

The capability building framework of the organization focuses on short-term and long-term programs to develop functional and leadership competencies of employees for their present roles and career development. Learning and development programs and other interventions are aligned to the same.

For all new joiners, the Company has a well organized induction program focusing on familiarizing them with the businesses of the Company, culture, code of ethics, values, safety, CSR and other processes related to the work environment. As part of the 'Buddy' program, all new recruits are aligned with buddies who help them get accustomed to the work environment in the organization and ensure a smooth transition into the organization.

The organization has a six-monthly rolling calendar for in-house learning and development programs based on the leadership competency framework. Also, based on the business plans for every year, specific training programs/modules are conducted across identified areas such as innovation, global adaptability and project management.

There are customized learning programs such as supervisory development, cell leader development, accelerated learning program in safety, production and design which strengthen the functional capabilities of employees.

Workshops on promotions to higher job responsibilities are conducted for employees to help them understand business dynamics and the shift in job responsibilities as they grow in the organization. The organization has tie-ups with various prestigious institutes like Illinois Institute of Technology, Chicago, BITS, Pilani and IIT for visionary leadership programs in manufacturing to enhance functional competency amongst employees.

Apart from the above the organization nominates employees for management development programs from institutes like Symbiosis, Great Lakes Institute of Management, IIM, Kolkata to enhance their business perspectives and managerial competencies. Student industry exchange programs with institutes like AOTS (Association of Overseas Technical Scholarship), Japan, Employers Federation of India, are held annually to improve job-related skills and knowledge base of employees. The knowledge enhancement policy encourages employees to pursue higher studies in their domain area.

Innovation has been a strong focus area for businesses and thus capability building interventions are planned and executed in the long-term as well as short-term. Student and industry exchange programs are being conducted by IDC (Industrial Design Center), in partnership with the Illinois Institute of Technology, Chicago, where select employees work on innovation projects.

The leadership development program has been designed and introduced for the senior management team. It is based on cohort level leadership themes identified for G&B, through assessments conducted for the target group. The entire target group will be covered in multiple branches spread over the next two years. Each batch will be exposed to multiple inputs and sessions staggered over few months.

As part of strengthening our leadership and talent development capabilities, one focus area was institutionalization of a structured talent management process. The talent management process will cover all employees from job responsibility bands like Executive (E), Tactical (T), Professional (P) and Operational (O). It has already been established for the Executive (E) band in 2015-16.

A structured assessment of individuals is being carried out on the performance matrix based on performance ratings and competency evaluations.

Critical roles are identified across the organization to enable prioritization for succession planning. These are roles that have the most significant impact on the organization's ability to deliver on its strategy. Focusing on critical role profiles enables allocation of talent strategically across the business, ensuring talent is matched to the right roles. While this helps achieve success, it also enable plugging of gaps through appropriate interventions.

As part of a career development initiative, the businesses are encouraged to plan and create job experiences for employees through job rotations within and across functions. This gives employees the opportunity to take up functional and cross functional assignments thereby helping them meet career aspirations. It also aids the organization in building a talent pool for identified positions. Career conversations are held annually with employees as part of performance conversations.

We have an ITI apprentices program which covers more than 600 trainees in 20 trades annually, giving them exposure to modern manufacturing practices. Apart from this, another program known as NETAP (National Employability through Apprentice Program) is organized under the NEEM initiative (National Employability Enhancement Mission) by the government of India under which candidates get the opportunity to hone their skills and the chance to secure a job. It is a 24-month training program with more than a 1000 candidates under its purview in the Company.

PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

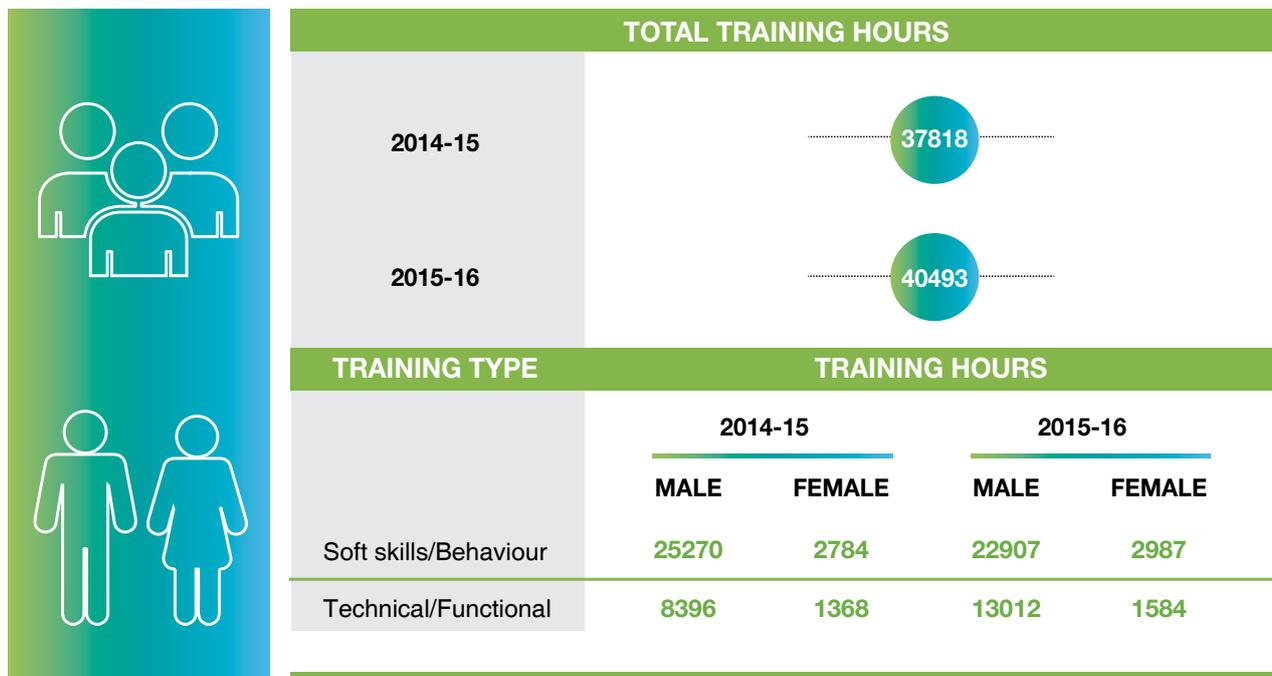
The performance culture of the organization drives leadership by encouraging empowerment, accountability and ownership through SMART goals. It helps employees align their personal 'mission' to a nobler purpose in line with the business.

The Company philosophy on performance management process is based on differentiating performance. It is a tool used to deploy business strategy to individual employee levels and facilitate achievement of business goals and targets. The business objective is cascaded to departmental key focus areas further cascaded to an individual's key result areas and goals.

It focuses on employee development through communication of clear expectations, support and guidance being provided in achieving goals, freedom of operation, objective feedback and fair assessment, and reward and recognition. There is an emphasis on building competencies in technical and leadership areas as part of personal development.

Performance conversations between employees and seniors helps in upward and downward communication. This two-way communication helps in understanding factors that facilitate and hinder progress and assess any corrections required in action plans. It goes a long way in enabling overall achievement of business goals.

The Company believes in rewarding performance through individual and team rewards. Career conversations are part of performance discussions and personal action plans are formulated based on career aspirations and future plans of businesses.



EQUAL REMUNERATION FOR WOMEN AND MEN

As a policy, the Company maintains wages of its permanent employees as per wage settlements and industry benchmarks and for contract employees as per the standard entry level minimum wages fixed by the state government. There is no gender differentiation in the Company’s wages.

LABOUR PRACTICES AND GRIEVANCE MECHANISMS

FOR GRIEVANCE HANDLING, FOLLOWING FORUMS ARE IN PLACE:

TOOL BOX MEETING



Daily meetings with workmen by the frontline supervisor on the shop floor before the start of shift

WORKS COMMITTEE



Monthly meetings between representatives of workmen/union and management to discuss any grievances or issues within the respective business

CENTRAL WORKS COMMITTEE



Quarterly meetings between representatives of workmen/ union and management to discuss any grievances or issues within the organization

SAFETY COMMITTEE MEETING



Monthly meetings that focus on safe work practices, hazard identification, corrective and preventive action etc. with participation from workmen and management representatives within the division

OCCUPATIONAL HEALTH AND SAFETY

1. General:

At Godrej & Boyce, occupational health and safety (OHS) is considered an integral part of business philosophy. All OHS requirements are incorporated in business operations. The safety and well-being of employees is of prime importance to us.

OHS PHILOSOPHY:

Following are the key pillars of OHS philosophy

1 SAFETY IS ABOUT NURTURING A DEEP SENSE OF RESPECT THROUGHOUT THE ORGANIZATION

2 SAFETY IS EVERYONE'S RESPONSIBILITY

3 SAFETY HAS TO BE INTEGRATED INTO EVERYTHING WE DO AND BECOME A WAY OF LIFE

4 SAFETY IS ABOUT OBSERVABLE AND MEASURABLE BEHAVIOUR, NOT PERCEPTIONS OR ATTITUDES

5 BEHAVIOURAL SAFETY IS AN OUTCOME OF LEARNING AND DOING

6 ADVERSE LAG OUTCOMES ARE MINIMIZED WHEN PREVENTIVE BEHAVIOR IS ENCOURAGED



**SAFETY, HEALTH &
THE WORKING
ENVIRONMENT
OF ALL THE PEOPLE
ASSOCIATED WITH
THE COMPANY IS OF
PARAMOUNT
IMPORTANCE TO US**

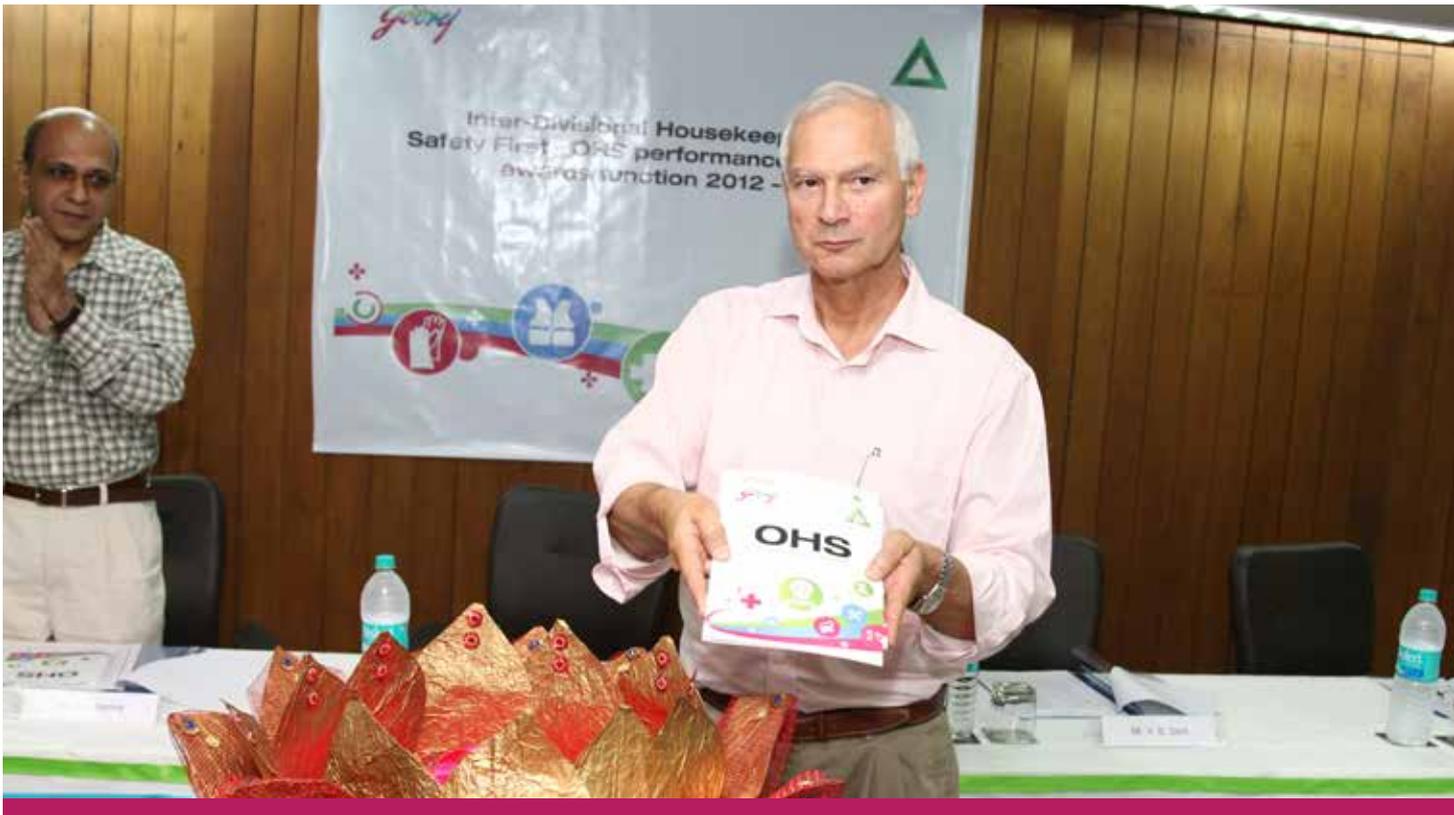
MR. JAMSHYD GODREJ, CMD

3. OHS Policy:

Godrej & Boyce has defined a corporate policy on occupational health and safety signed by Executive Directors. The overall intentions and directions of top management are expressed in the policy. This policy provides a framework for setting and achieving the OHS objective. The salient features of G&B's OHS policy are:

-  Commitment from top management to comply with OHS requirements
-  Roles and responsibilities of all stakeholders
-  OHS improvement framework

Compliance to policy is ensured through regular training, site visits, audits and involvement of sub-contractors in the safety management system.



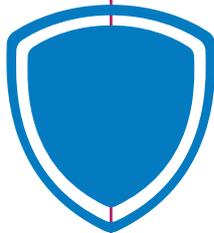
4. OHS Organization:

At G&B, safety is a line management function. Line management is responsible for implementation of OHS initiatives. The management has set up dedicated OHS departments at the corporate as well as business unit levels. The key functions of the OHS departments are:

- 🌿 Formation of policy, procedures and guidelines on OHS in line with OHS policy
- 🌿 Implementation of OHS management system
- 🌿 Ensure all statutory compliance pertaining to OHS
- 🌿 Liaisoning with statutory authorities
- 🌿 Creating safety awareness through training
- 🌿 OHS audits and inspection
- 🌿 Emergency preparedness and planning
- 🌿 OHS promotional activities

5. OHS Best Practices:

Since the inception of the OHS function in 1990, many initiatives and practices have been launched at G&B to improve safety performance. These initiatives have turned into benchmarks for other industries. A few of them are listed here:



- 1 Interdivisional 'Safety First' contest
- 2 Interdivisional housekeeping contest
- 3 Accelerated learning program on safety for line managers
- 4 Online reporting system for hazards and incidents
- 5 OHS corners in each plant
- 6 Department safety performance scores (DSPS)
- 7 OHS kaizen
- 8 'Safety Champion' followed by one week as safety officer
- 9 Weekly safety council meetings
- 10 Safety Incentive Scheme
- 11 Consequence management system .i.e. PROMPT card

6. Safety Practices:

a) 'Safety First' contest:

The purpose of the Safety First contest is to assess safety performance of all the divisions across G&B and recognize best performing divisions. The methodology of this contest is based on the performance of lead indicators (hazards, safety kaizen, safety training and department safety meetings) and lag indicators (incident).

In this contest, each indicator is assigned a certain weightage. Finally, based on scores, performance of each division / plant is calculated. A comprehensive cross divisional assessment mechanism is devised to identify top three divisions. Such divisions are felicitated by the CMD, Mr. Jamshyd Godrej.



b) Accelerated learning program (ALP) in safety for line managers:

The G&B management strongly believes that frontline supervisors and managers play a very important role in the OHS performance of the Company. Hence the top management felt that line supervisors should be thoroughly trained to improve their skills in OHS systems and practices. In view of this, we have devised a safety course in collaboration with the National Safety Council (NSC). The course is called the 'Accelerated learning program (ALP) in safety'. The curriculum of this program is based on ADIS course content which includes classroom training for 25 days, assignments and a group project on safety. Highly experienced and qualified safety professionals from the National Safety Council are engaged as faculty for the program. After successful completion of the course, participants are awarded a certificate in the presence of the CMD and other top management personnel.

Till date, 200 line managers have been trained under this course. This is a unique practice which has received appreciation at national and international levels. Recently, a paper on the ALP initiative was shared in the Asia Pacific Occupational Safety & Health Organization (APOSHO) conference held at New Delhi.



7. Zero accident units:

The following units of G&B have achieved the 'Zero Accident' goal during 2015-16:

- 🌿 Godrej Interio – Plants 14, Bhagwanpur, Shirwal and Bhiwandi.
- 🌿 Godrej Security Solutions - Ambarnath plant
- 🌿 Godrej Locks – Vikhroli plant
- 🌿 Godrej Tooling
- 🌿 Godrej Aerospace
- 🌿 Godrej Material Handling – Sarigram plant
- 🌿 Godrej Constructions – Vikhroli plants and all RMC plants
- 🌿 Godrej E&E – Vikhroli, Bhiwandi and Bengaluru plants
- 🌿 Godrej Appliances – Shirwal and Mohali plants
- 🌿 Godrej Lawkim Motors – Shindewadi plant
- 🌿 Godrej Prima – Bhosari plant

WAY FORWARD:

Based on the analysis of incidents, actions have been identified and work initiated in areas listed below. The prime focus is to improve the safety culture by changing behavioral aspects:

-  Implementation of behaviour based safety module
-  Online work permit system
-  Conducting safety audits as per new rule
-  Revision in existing OHS policy
-  Strengthening safety culture at branches and warehouses
-  Improving safety communication by adopting new technology
-  Conducting specified safety audits e.g. robotic operations, machine guarding etc.

Apart from the above, current initiatives such as the Safety First contest, housekeeping contest, the ALP training program will continue.

G&B will continue to focus on strengthening the safety movement by involving all stakeholders to achieve the 'zero accident' goal.

HEALTH INITIATIVES AT G&B

At Godrej, we strive to ensure a clean and hygienic work environment. We believe that prevention is better than cure and good employee health boosts morale which in turn impacts productivity, positively.

As a socially responsible organization, we comply with all statutory requirements in the area of health and safety like provision of a full-fledged occupational health centre with an ambulance, ensuring nutritious and hygienic food in consultation with expert dieticians, periodic medical check-ups of shop-floor employees, periodic monitoring of workplace air quality, noise levels and gaseous pollutant monitoring, designing facilities with adequate ventilation and illumination, trained first aiders in each shift, among others. Refresher training and awareness programs on health and safety are held periodically by internal and external faculty.

In addition to the above, we have made our entire factory premises a 'no smoking zone'. We are now in the process of starting an anti-tobacco campaign with the ultimate goal of declaring the premise a 'no tobacco zone'. Safety and health tips are circulated among employees on a weekly basis and discussions on occupational health issues are held not just at tool box and safety committee meetings, but also at GMC (General Management Committee) meetings. Godrej is also a member of the Mutual Aid Group of Vikhroli and Bhandup and routinely shares its ambulance and fire tender with this Group as and when required.



HUMAN RIGHTS

MANAGEMENT APPROACH

The code of ethics and business conduct of the Company upholds the principles of human rights and fair treatment. The code provides that the Company conduct its operations with honesty, integrity and openness and with respect for human rights and interests of employees.

NON- DISCRIMINATION AND PREVENTION OF SEXUAL HARASSMENT

The Company is committed to promote a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity.

The Company has formulated a 'prevention of sexual harassment at workplace' policy to ensure that employees are not subject to any form of harassment.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

The Company follows the law of the land and allows freedom of association for workmen, which is a fundamental right guaranteed by our Constitution. It also allows workmen to bargain collectively for compensation and various benefits given to them. Compensation and benefits given to workmen are driven by a wage settlement, arrived at through a collective bargaining process involving recognized unions.

The human rights practices of the Company assure right of freedom of association to its workmen and recognize employees' rights to bargain collectively. There is one workmen association, which has been recognized by the authority at our manufacturing location at Vikhroli. We also have unions at Mohali, Shirwal, Shindewadi and Kolkata.

CHILD LABOUR OR FORCED OR COMPULSORY LABOUR

The Company condemns child or forced labour.

DIVERSITY AND EQUAL OPPORTUNITY

The Company shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

In order to provide a workplace free of discrimination and to foster a work environment where all employees feel comfortable and respected, the Company has, among other things, formulated a HIV/AIDS policy.

Employee policies and practices are administered in a manner consistent with applicable laws and other provisions of the code of ethics and business conduct. Decisions are based on merit and the respect for the right to privacy, the right to be heard and equal opportunity is provided in all matters to those eligible.

INDIGENOUS RIGHTS

The Company does not operate in areas inhabited by indigenous people.

SOCIETY

ANTI-CORRUPTION

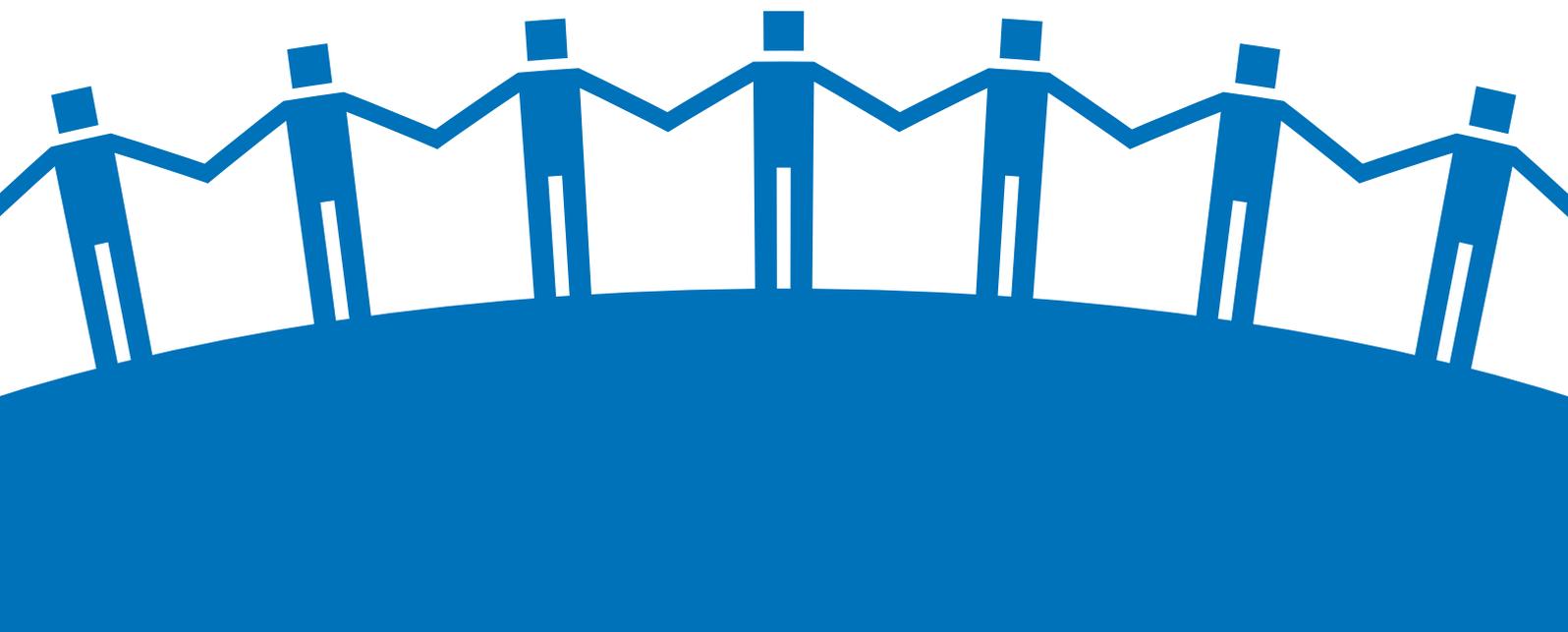
The Company's code of ethics and business conduct includes clauses on honesty, integrity and ethical conduct. All senior management personnel and employees are expected to comply with the letter and spirit of the code of conduct. The code of conduct is available on the Company's website and internal portal. The code of conduct for employees is available on the internal portal.

The Company has created knowledge and awareness amongst all employees on the code of ethics and business conduct by organizing workshops and sessions. The workmen are governed by the certified standing order under the Industrial Employment (Standing order) Act, 1946.

There were no reported incidents of corruption during 2014-2016. There were no contributions made to political parties, politicians, related institutions by the Company during 2014-2016.

PUBLIC POLICY

The Company is actively involved in various committees that decide on future regulations, policies and implementation plans. The senior executives are active members of various industry bodies that participate in the development of public policy addressing issues affecting industry, business, products and customers.

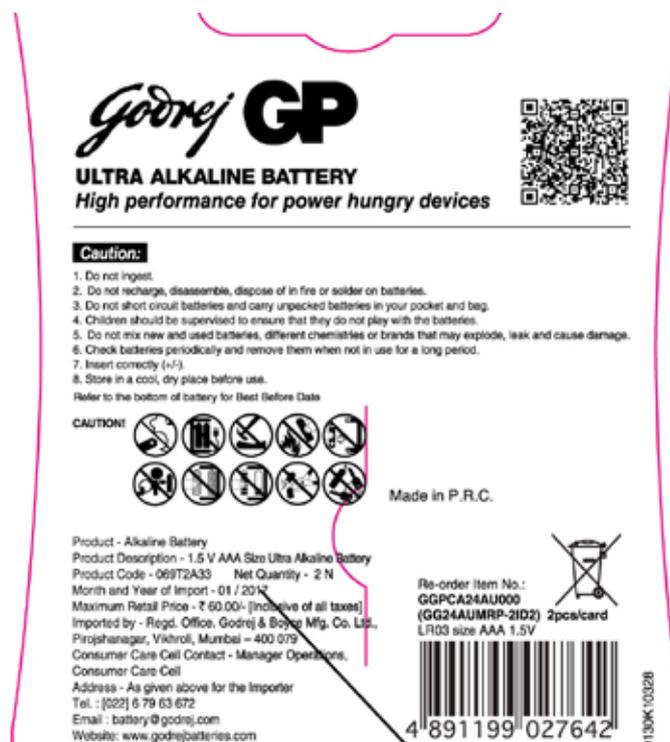


PRODUCT RESPONSIBILITY

At G&B, we realise that our customers and users expect our products and services to perform their intended function satisfactorily and not pose a risk to their health and safety.

Towards this end, some of the efforts undertaken are as follows:

- Safety and health aspects are considered at the design stage itself and products are made following safety norms as per relevant standards
- Information regarding safe handling is communicated through various modes such as instructions, installation and operational manuals, toolbox talks and the induction program
- Wherever applicable, food grade material is used.
- Training is given to on roll and off roll employees periodically. Use of PPE is clearly communicated during training (Use of flame guards, back arrestors on cylinders, use of gloves during brazing and wearing shoes during fitting electrical connections are a few examples)
- In situations where work is carried out at customer sites, employees are trained at clients' end, safety officers are sent to the site to ensure all safety precautions are followed, SOPs are shared with the workforce and sensitizing programs are conducted in the local language
- Warning labels and safety instructions are placed wherever necessary
- Only trained and certified technicians are allowed to carry out installations and repairs of products



Warning labels and safety precautions mentioned on one of our products

Godrej | VENDING

D'SIRE
COFFEE PREMIX

Coffee Premix - Coffee, Coffee Substitutes, Tea, Herbal Infusions and other hot cereal and grain beverages, excluding cocoa. (Food Category: 14.1.5)

PRODUCT - COFFEE PREMIX
PROPRIETARY FOOD

Ingredients: Sugar, Milk Solids, Dextrose, Maltodextrin, Instant Coffee - Chicory Mixture (Coffee 70%, Chicory 30%).

BEST BEFORE 9 MONTHS FROM PACKAGING
WHEN STORED IN A COOL, DRY AND HYGIENIC PLACE.

Net Quantity: 1 kg

Lot No.:

PKD.:

MRP ₹
(Inclusive of all Taxes)

Nutritional Information (per 100g Provides approx.)	
Energy	407.00 kcal
Fat	6.20 g
Total Saturated fat (NMT by weight)	4.50 g
Total Trans fat (NMT by weight)	0.00 g
Protein	8.00 g
Carbohydrate	79.80 g
Sugar	45.90 g

Colours: PMS 187C PMS 286C PMS 287C PMS 288C PMS 289C PMS 290C PMS 291C PMS 292C PMS 293C PMS 294C PMS 295C PMS 296C PMS 297C PMS 298C PMS 299C PMS 300C PMS 301C PMS 302C PMS 303C PMS 304C PMS 305C PMS 306C PMS 307C PMS 308C PMS 309C PMS 310C PMS 311C PMS 312C PMS 313C PMS 314C PMS 315C PMS 316C PMS 317C PMS 318C PMS 319C PMS 320C PMS 321C PMS 322C PMS 323C PMS 324C PMS 325C PMS 326C PMS 327C PMS 328C PMS 329C PMS 330C PMS 331C PMS 332C PMS 333C PMS 334C PMS 335C PMS 336C PMS 337C PMS 338C PMS 339C PMS 340C PMS 341C PMS 342C PMS 343C PMS 344C PMS 345C PMS 346C PMS 347C PMS 348C PMS 349C PMS 350C PMS 351C PMS 352C PMS 353C PMS 354C PMS 355C PMS 356C PMS 357C PMS 358C PMS 359C PMS 360C PMS 361C PMS 362C PMS 363C PMS 364C PMS 365C PMS 366C PMS 367C PMS 368C PMS 369C PMS 370C PMS 371C PMS 372C PMS 373C PMS 374C PMS 375C PMS 376C PMS 377C PMS 378C PMS 379C PMS 380C PMS 381C PMS 382C PMS 383C PMS 384C PMS 385C PMS 386C PMS 387C PMS 388C PMS 389C PMS 390C PMS 391C PMS 392C PMS 393C PMS 394C 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9. In case of project businesses, on closure of every project, a transaction feedback covering aspects of product, manufacturing, quality, installation quality, team conduct, among others , is taken. Customers can also give qualitative feedback in an open ended form
10. Branch office contact details are made available to customers with an escalation matrix. They are free to communicate across levels for feedback related to an immediate complaint / long-term need

The following details regarding products (wherever applicable) are communicated to customers/ users:



1. **Substances used in the product that might produce an environmental impact:** This information is provided on the product, product catalogue and user manual. Communication is also made through presentations to customers. Life cycle assessment of these products is carried out at the design stage itself



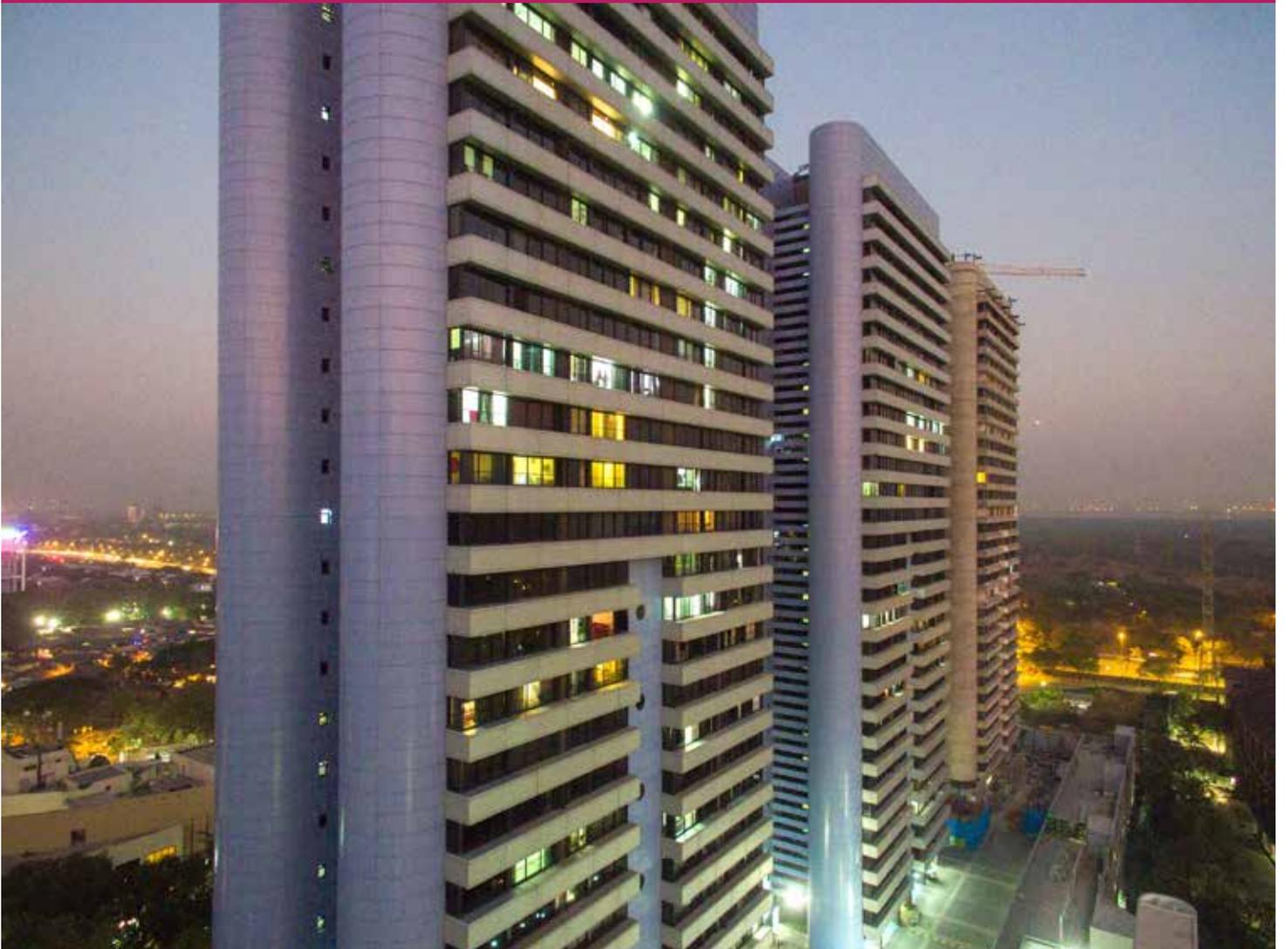
2. **Safe use of product:** Detailed explanation is provided in the user manual on safe use of products, and do's and don'ts. Customers are trained on how to use the system and all features are explained in detail. In cases where safe usage of product is covered by a code (Euro code EN 15635 for racking products), all parameters are complied with. Wherever applicable, safe working load and safety signage are supplied and installed at every project



3. **Disposal of the product:** Information is provided on packaging, products, user manuals and in some cases on the website (Lawkim Motors). Replacement schemes, if any, are offered (security business) and details of agencies for disposal of e-waste is communicated to customers. Customers can also call on the toll free number specified on the website as well as on the product packing box in the event of product disposal. The call center team guides customers on contacting appropriate authorized service centers in their vicinity for disposal and makes sure that it is recycled and disposed in a responsible manner either directly or through the Company

To maintain privacy of customer data available with us, access is restricted to responsible people within the organization even though a confidentiality clause exists in the appointment letters of employees. Non-disclosure agreements are also entered into with partners where necessary.

CASE STUDY



Case Study 1

PRODUCT RESPONSIBILITY

Godrej Constructions (GC) received ISO certifications for its quality and environmental management systems through ISO 9001 (QMS), ISO 14001 (EMS) around 16 years ago and OHSAS 18001 in the year 2006. GC's IMS policy clearly states guidelines for sustainable consumption of resources and the same is cascaded down to all levels, displaying commitments such as maintaining zero liquid discharge status, energy and water conservation and waste management practices. It also ensures optimal utilization and minimal wastage.

Health and safety at work sites is an integral part of GC's culture and policy and it adopts adequate safety measures and periodic training programs to ensure safety. This has resulted in GC winning the 'National Safety Award' on several occasions. Some of the initiatives undertaken by GC to address concerns for public health, safety and environment are listed in the table:

CONCERN FOR PUBLIC HEALTH, SAFETY AND ENVIRONMENT	
Objective	Initiatives
Reduce air pollution	Dust control at construction sites and RMC plants by misting
Reduce inconvenience due to noise to neighbourhood	Working within restricted hours for construction sites
To reuse natural resources	Top soil after excavation used for gardening, use of recycled water for RMC production and construction curing
To reduce waste going to landfill and conservation of natural resources	Proposed unit of recycled concrete block manufacturing will use construction and demolition waste as raw material after processing
Prevent mosquito breeding	Spraying mosquito repellents in stagnant water at construction sites where projects are ongoing
Disciplined parking, increased parking space, elimination of unsafe conditions	Sustainable traffic management plan within campus
Eliminating unsafe conditions with employees walking on roads	Pathway has been made for pedestrians for internal movement
Safety for workers and employees	Enclosures/barricades during excavation and repairs to the buildings
Enhance awareness levels of OHS and ensure a safe working culture	OHS promotional activities like national safety day, OHS foundation day, national safety week, are carried out at all locations in GC
To ensure safety of assets and people	Periodical inspection and certification of equipment and structures is carried out

To enhance customer relationship and safety awareness, a fire evacuation drill was carried out and training was provided to occupants of projects developed by GC. Some of the measures taken by GC for safety are: defined checklists for monitoring OHS aspects and timely compliance of legal requirements. Lead and lag indicators are monitored effectively through an online system to minimise hazards and to strengthen

the safety culture. New concepts like safety passport, height pass etc. have been initiated at GC. Adherence to safety guidelines and procedures is strictly monitored to prevent any occurrence of safety non-conformance and performance is monitored periodically.

The construction materials team uses a fleet of transit mixers to deliver its products from several plants to client sites and GC ensures customers are made aware of their responsibilities with regard to use of products and services. For example, the construction materials team communicates safety instructions to customers by a delivery challan, which has detailed safety instructions, directing the user on the safety measures to be taken during the use of concrete. It also circulates a formal letter stating a checklist containing all safety measures and equipment to be positioned at site.

Safety Instructions by Construction Materials



Wear impermeable gloves doubled with cotton



Use protective cream before and after work



Wear impermeable clothes covering the whole body that will be taken off and washed after work



Wear impermeable boots and knee pads to avoid feet/knees making contact with concrete

Adoption of a 'green building' construction approach by the real estate and property development division (RE-PD) demonstrates GC's responsible business approach while designing of products. GC has received the 'platinum rating certificate' from IGBC for project Godrej Platinum. GC has planned recycling of concrete waste by making blocks to ensure there is no negative impact of product and wastage on the environment. This is expected to lead to resource conservation while addressing the construction and demolition waste problem to a certain extent at the end of life of products for the construction industry. GC has also received a 'green pro' certificate for its TUFF Blocks products made by the construction materials business unit. The proposed recycled concrete blocks that use construction and demolition waste as raw materials will facilitate avoidance of this material going to landfill sites. To ensure that the life cycle approach is transcended across the value chain, GC involves customers and informs them about guidelines for managing natural resources, legal obligations and operational requirements by providing a checklist at the time of handover. Impact analysis of products and their service lifecycles on economic, societal and ecological sustainability is carried out by GC.

RE-PD provides a detailed handing over booklet, which includes green building and common area guidelines along with guidance on proper use of finishes and amenities. It also provides awareness training on fire-fighting services. Real estate estate leasing division (RE-EL) provides Green Building (tenant) guidelines and a fit-out manual to Godrej IT Park occupants to guide them in the design and execution of their office space. Awareness on green initiatives like segregation of wet waste that can be used to produce manure is also provided.



CUSTOMER FEEDBACK METHODOLOGIES AND FREQUENCY

BV/ET	CM	CC	RE-PD	RE-EL	ET
External Survey	<ul style="list-style-type: none"> Once in 3 years Conducted through ACN in 2013 for Mumbai and Pune (SS - 120) Conducted through MRSS in 2016 for Mumbai and Pune (SS – 105) 	<p>No external survey is required because the scope and scale of work varies for each project</p>	<ul style="list-style-type: none"> On project completion basis Conducted through ACN in 2013 for projects A5 and A6 (SS – 60) Plans to conduct through ACN in 2017 for project Platinum 	<ul style="list-style-type: none"> Once in 3 years Conducted through ACN in 2011 (SS - 31) Conducted through ACN in 2014 (SS - 45) 	<p>No external survey is required because services are offered within GC/G&B</p>
Internal Survey	<ul style="list-style-type: none"> Bi-annual wherein perception measures are similar to external survey Continuous feedback for each pumping pour on project site basis Through informal customer interactions 	<ul style="list-style-type: none"> Feedback is received during periodic progress monitoring meetings on project and its milestones Client feedback is taken on project completion Through informal customer interactions 	<ul style="list-style-type: none"> Inputs are received during customer visits to show-flat During flat handover Through informal customer interactions During society formation 	<ul style="list-style-type: none"> Regular structured interaction with CRM, BVH and BH Through informal customer interactions Feedback during fit out stage 	<ul style="list-style-type: none"> Formal feedback is taken from other SBUs of G&B on services provided by CC, CES, EES and HWMS E-mailers and other communication

The Godrej Pirojshanagar township in Vikhroli, Mumbai, developed by GC, has been certified for ISO 14001 Environment Management System. GC plays a custodian role for this township. GC also administrates conservation and management of a vast expanse of a mangrove forest spread over more than 2000 acres area in the midst of the city which is also certified for ISO 14001. GC has adopted eco-friendly initiatives to reduce adverse impact on the environment and thereby help society benefit at large.



GRI G4 CONTENT INDEX

General Standard Disclosures

General Standard Disclosures	Page Number/s	External Assurance	Description
Strategy & Analysis			
G4-1	3-4	No	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability

Organisational Profile			
G4-3	5	No	Name of the organization
G4-4	12-14	No	Primary brands, products, and services
G4-5	End Cover	No	Location of organization's headquarters
G4-6	23	No	Number of countries where the organization operates
G4-7	11	No	Nature of ownership and legal form
G4-8	12-14	No	Markets served
G4-9	12-14, 54, 108	No	Scale of the organization
G4-10	108	No	Details of the employees by employment contract, gender, region etc.
G4-11	121	No	Percentage of total employees covered by collective bargaining agreements
G4-12	32	No	Description of the organization's supply chain
G4-13	No significant changes	No	Significant changes during the reporting period regarding size, structure, or ownership
G4-14	5-7, 23	No	How the precautionary approach or principle is addressed by the organization
G4-15	23	No	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses

G4-16	26	No	Memberships of associations (such as industry associations) and national or international advocacy organizations
Identified Material Aspects & Boundaries			
G4-17	12-14	No	All entities included in the organization's consolidated financial statements or equivalent documents
G4-18	23, 34	No	The process for defining the report content and the Aspect Boundaries
G4-19	36	No	All the Material Aspects identified in the process for defining report content
G4-20	36	No	Description of Aspect Boundary within the organisation for each material aspect
G4-21	36	No	Description of Aspect Boundary outside the organisation for each material aspect
G4-22	No restatements	No	Explanation of the effect of any restatements of information provided in previous reports
G4-23	23	No	Significant changes from previous reporting periods in the Scope and Aspect Boundaries
Stakeholder Engagement			
G4-24	30	No	List of stakeholder groups engaged by the organization
G4-25	29	No	Basis for identification and selection of stakeholders with whom to engage
G4-26	30-34	No	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group
G4-27	31-33	No	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns
Report Profile			
G4-28	23	No	Reporting period for information provided
G4-29	23	No	Date of most recent previous report
G4-30	23	No	Reporting cycle

G4-31	End Cover	No	The contact point for questions regarding the report or its contents
G4-32	23	No	The 'in accordance' option the organization has chosen, the GRI Content Index for the chosen option, the reference to the External Assurance Report, if the report has been externally assured
G4-33	23	No	Organization's policy and current practice with regard to seeking external assurance for the report

Governance

G4-34	24, 27	No	The governance structure of the organization, including committees of the highest governance body
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Ethics & Integrity

G4-56	7	No	The organization's values, principles, standards and norms of behaviour such as codes of conduct and code of ethics
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Specific Standard Disclosures

DMA and Indicators	Page Number	Omissions	External Assurance	Description
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Category: Economic

Material Aspect: Economic Performance

G4-DMA	54	-	No	Disclosure on Management Approach
G4-EC1	54	-	No	Direct economic value generated and distributed

Material Aspect: Indirect Economic Impacts

G4-DMA	38-46	-	No	Disclosure on Management Approach
G4-EC8	38-46	-	No	Significant indirect economic impacts, including the extent of impacts

Category: Environmental

Material Aspect: Energy

G4-DMA	58-59	-	No	Disclosure on Management Approach
G4-EN3	61	-	No	Energy consumption within the organisation
G4-EN5	62	-	No	Energy intensity

Material Aspect: Products and Services

G4-DMA	123-127	-	No	Disclosure on Management Approach
G4-EN27	123-127	-	No	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.

Category: Social

Labour Practices & Decent Work

Material Aspect: Employment

G4-DMA	107-108	-	No	Disclosure on Management Approach
G4-LA1	109	-	No	Total number and rates of new employee hires and employee turnover by age group, gender, and region
G4-LA2	55	-	No	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

Material Aspect: Occupational Health & Safety

G4-DMA	115-118	-	No	Disclosure on Management Approach
G4-LA8	115-118	-	No	Health and safety topics covered in formal agreements with trade unions

Material Aspect: Training and Education

G4-DMA	112	-	No	Disclosure on Management Approach
G4-LA9	114	-	No	Average hours of training per year per employee by gender and by employee category.

Material Aspect: Local Communities

G4-DMA	38-46	-	No	Disclosure on Management Approach
G4-SO1	38-46	-	No	Percentage of operations with implemented local community engagement, impact assessments, and development programs

Product Responsibility

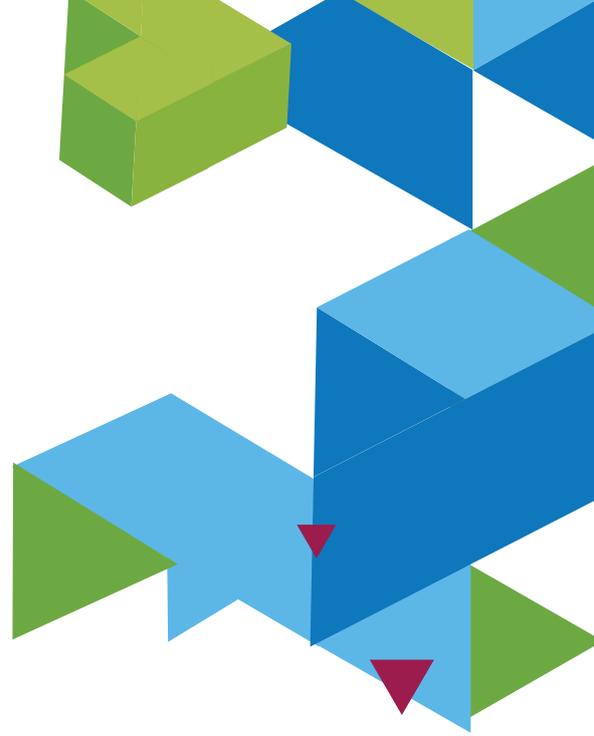
Material Aspect: Product and Service Labelling

G4-DMA	130	-	No	Disclosure on Management Approach
G4-PR5	130	-	No	Results of surveys measuring customer satisfaction

ABBREVIATIONS

AIMA	All India Management Association
ALP	Accelerated Learning Program
AMCF	Association of Management Consulting Firms
AOTS	Association for Overseas Technical Scholarship
APOSHO	Asia Pacific Occupational Safety & Health Organization
BEE	Bureau of Energy Efficiency India
BoP	Base of Pyramid
CBD	Convention on Biological Diversity
CC	Constructions & Contracts
CEE	Centre for Environment Education
CEED	Common Entrance Examination for Design
CFL	Compact fluorescent lamp
CII	Confederation of Indian Industry
CMD	Chairman & Managing Director
CMO	Chief Medical Officer
CNC	Computerized Numerical Control
COO	Chief Operations Officer
CPCB	Central Pollution Control Board
CSR	Corporate Social Responsibility
DMA	Direct Memory Access
DMC	Divisional Management Committee
DSPS	Department Safety Performance Score
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESIC	Employees' State Insurance Corporation
ETPs	Effluent treatments plants
FICCI	Federation of Indian Chambers of Commerce and Industry
GAD	Godrej Appliances, Shirwal
GDP	Gross Domestic Product
GHG	Greenhouse Gas Emissions
GIZ	Gesellschaft für International Zusammenarbeit
IDC	Industrial Design Centre
IGBC	India Green Building Council
III	Information Industry Index
INSDAG	Institute for Steel Development & Growth

ISP	Internal Selection Process
ITC	India Tobacco Company
ITIs	Industrial Training Institutes
LCA	Life cycle assessment
LEED	Leadership In Energy & Environment Design
MEP	Mechanical, electrical, and plumbing
MoEF	Ministry of Environment & Forests
MSG	Mission on Sustainable growth
MSME	Ministry of Micro, Small & Medium Enterprises
MS SCRAP	Mild Steel Scrap
NEEM	National Employability Enhancement Mission
NETAP	National Employability Apprentice Program
NGOs	Non-Governmental Organizations
NMMC	Navi Mumbai Municipal Corporation
NSC	National Safety Council
OHS	Occupational Health and Safety
OJT	On the job training
PPA	Power Purchase Agreement
QC	Quality Control
RMC	Ready Mix Concrete
SBU	Strategic Business Unit
SCMM	Standard Chartered Mumbai Marathon
SDG	Sustainable Development Goals
SOP	Standard Operation Protocol
SSD	Godrej Security Solutions
SSG	Godrej Storage Solutions
SS SCRAP	Stainless Steel Scrap
STPs	Sewage treatment plants
TDS	Tax deducted at source
TOCICO	Theory of Constraint International Certification Organisation
TPM	Total Productivity Maintenance
TQM	Total Quality Management
UNDP	United Nations Development Program
WWF	World Wide Fund for Nature



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