

KIRLOSKAR OIL ENGINES LIMITED

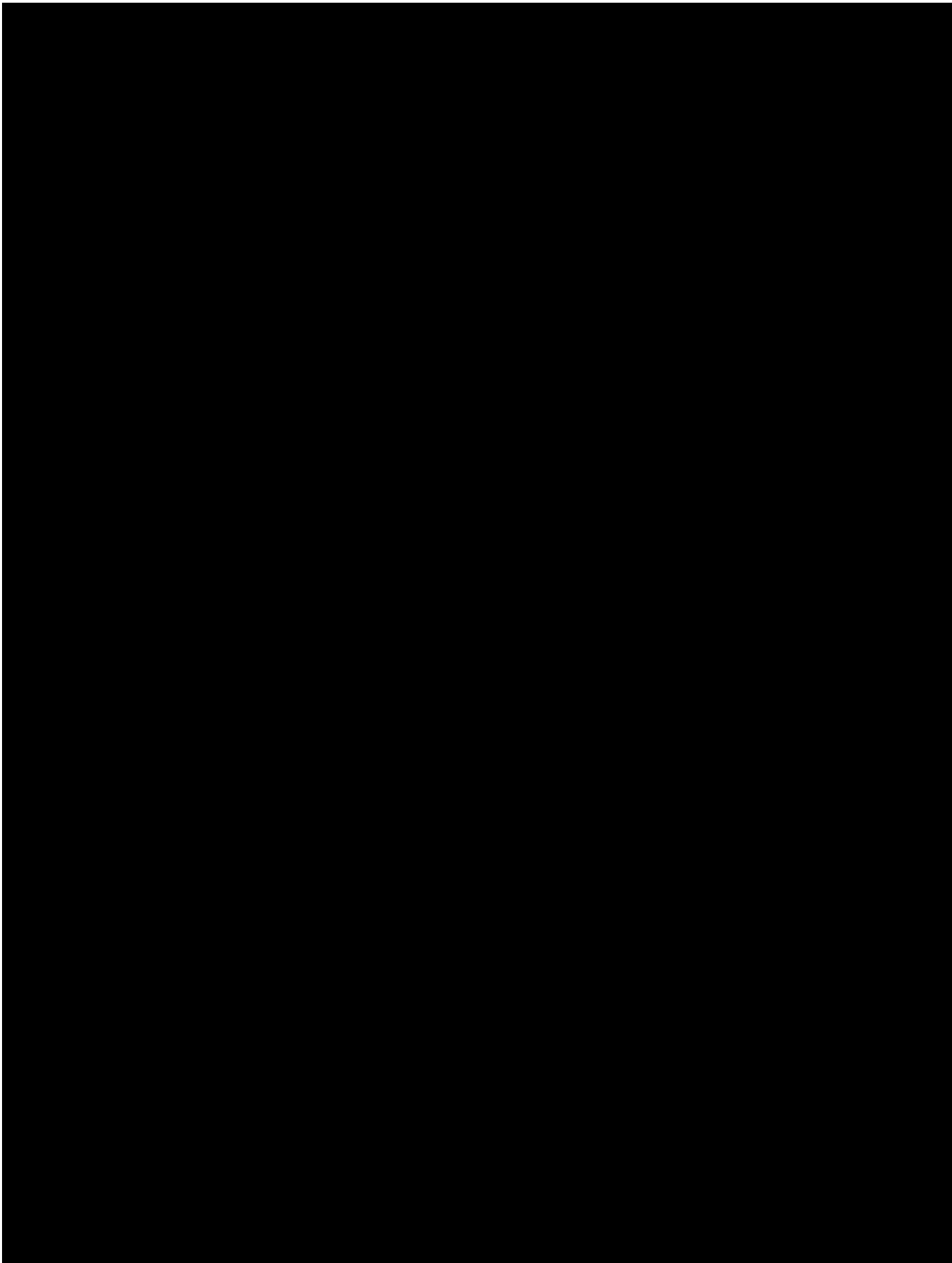
CORPORATE SUSTAINABILITY REPORT 2011-12



Enriching Lives



THE ENGINE FOR SUSTAINABLE GROWTH



THE ENGINE FOR SUSTAINABLE GROWTH

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unified machine, we are driving forward	03
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for our sustainability report, is the visualiza	08
is the spark, the plants channel the fire (the cylinder heads), our people are the driving shafts, with different divisions functioning	09
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that create more fire for growth (valves) – all of which stream-lined (lubricant) by the	13
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STATEMENT FROM THE EXECUTIVE DIRECTOR



Dear Reader,

rate Sustainability Report, 'The Engine for Sustain
on the Global Reporting Initiative (GRI) G3.1 Guide

sure. In this report, we present highlights of triple

tion score, adoption of BS-III emission norms and
EHS certification of our manufacturing plants. Our

ing of the country's industrial growth, agriculture

Commodity prices continued to rise, and coupled
with sluggish growth in industrialized economies
and the Euro crisis, it further contributed to the
sluggish growth of the Indian economy. Our growth,

in turn, was also impacted by sluggish industrial

reporting period, driven by our ENCON cell. We

Continuing with our focus on product innovation,

prestigious 12th National Award for Excellence in

launch of this product, the company will enter a

of Indian Industries (CII). This is the second con

velopments, our entire product portfolio for indus

this prestigious accolade. In addition to this, the Pune and Nashik plants received the State Level ENCON Awards from Maharashtra Energy Development Agency (MEDA). Also, Pune plant received 'Best Performer Award' and Rajkot Plant received 'First Runner Up Award' in the Kirloskar Group ENCON Competition for year 2010-11.

creates efficiency in our supply chain. Selective year, improving delivery performance.

losophy. It is our firm belief that wealth generation

education, health, sustainable livelihoods and programme for adolescents, called Saakav. We also

ply chain has enabled us to optimize material costs.

hara film festival. Our commitment to the growth of

iciency through the use of energy efficient tech

company and all our stakeholders, we welcome

R. R. Deshpande

Executive Director, Kirloskar Oil Engines Ltd.

ABOUT THE REPORT

'The Engine for Sustainable Growth 2011-12' is Kirloskar Oil Engine Ltd.'s (KOEL) third annual sustainability report. Through this report, we have at

sues that are material to our stakeholders, pre

(Application Level A+) as per the Global Reporting Initiative's (GRI) G3.1 reporting guidelines. In addition to providing disclosure on all core indicators, we also report on a few additional indicators, such

sibility, that are of relevance to us. Wherever necessary, we have explained the assumptions and/

ees, investors, customers, suppliers, regulatory authorities as well as individuals and organiza

mental, social and economic aspects. We intend

On September 30, 2011, we divested our Bear

plants at Pune, Kagal, Nashik and Rajkot. To cater to the export markets, we have sales teams stationed at Dubai, South Africa, Nigeria, Kenya and Indonesia. In some of these countries, we share office space with the Kirloskar Group companies. Our sales and support teams abroad, joint ventures, associates and subsidiaries are outside of

Ernst & Young (India) Pvt. Ltd, an independent and professional services firm, has provided external



Disclaimer

The terms 'KOEL', 'the Company', 'we', 'us' refer to the sake of convenience. All financial values are expressed in terms of Indian rupees ('INR' or 'Rs.'). Large number may be expressed in lakhs, crores

ABOUT KOEL

gines, incorporated in 1946 as a part of Kirloskar Group of Companies, a leading engineering conglomerate, which was founded by late Mr. Laxman

passed on its core purpose of 'Enriching Lives' to us at KOEL. In serving the core purpose, our business innovation, Speed & Transparency.

economy i.e. agriculture, industry and services

al, diesel generator sets for power generation, construction, earth moving, material handling, mining, transport, off shore oil & gas. KOEL is listed on the National Stock Exchange and the Bombay Stock

We have presence in the international markets, with offices in Dubai, South Africa, Kenya, and representatives in Indonesia and Nigeria along with a

leader in the manufacture of diesel engines, and

1946, we have been a prime mover in the nation designing products that fulfill the power needs of the nation. In our long journey, we have relentlessly

Vision

Mission

In our previous sustainability report, we had stated

profitability in 2014.

ness Excellence, we continued to be placed at the same band. In FY 2012, we took a deeper look at our performance parameters and realized that the key bottleneck was indeed our growth and profitability – which have both remained flat over the last

prove internal efficiencies and have taken stretch EBIDTA targets to address this concern. Further,

higher kVA range. The first quarter in FY 13 has shown a 15% growth, and we remain positive that

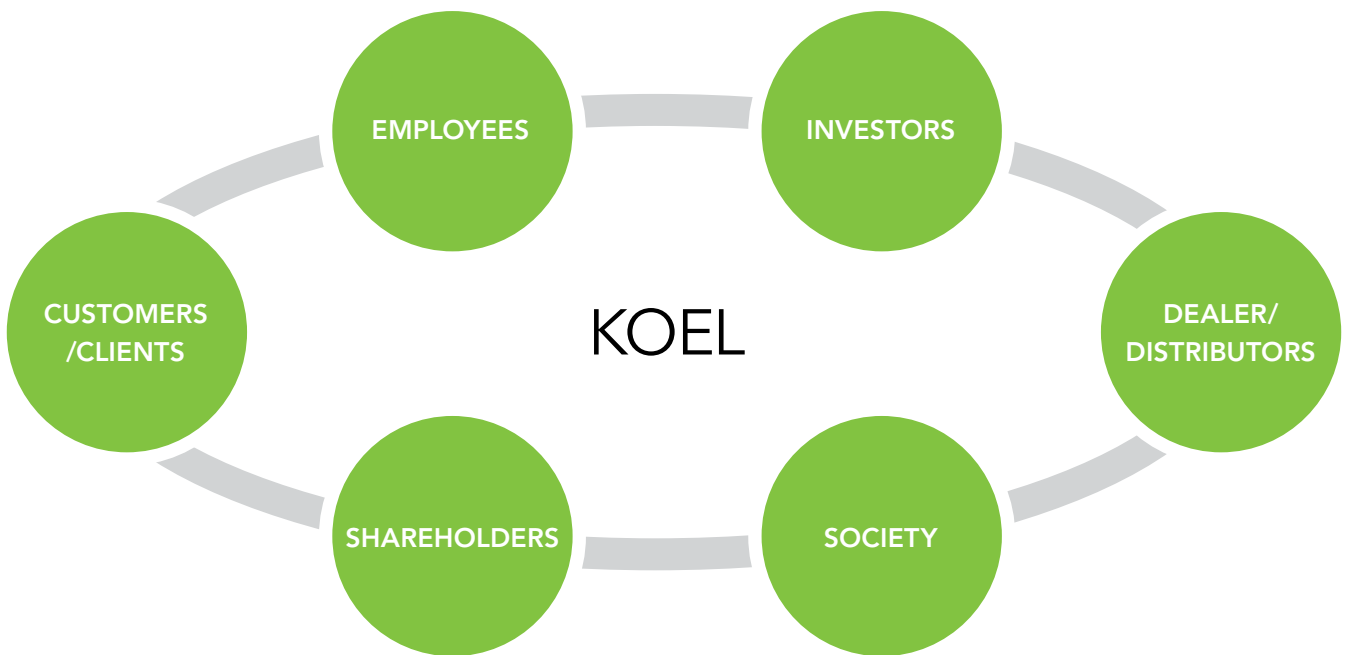
not immediately reflect on the balance sheets. Therefore, we have decided to participate in the Business Excellence Awards after significant pro

Values



STAKEHOLDER ENGAGEMENT AND MATERIALITY

Stakeholders are essential pillars of our business. In last year's report, we had stated our key stakeholder categories. The identification of key stakeholders remains largely internal - heads of the different direct impact on our business. In doing so, they considered aspects such as extent of impact, frequency of interaction, systematic engagement process and identification of common concerns and aspirations.



different ways such as regular meetings, partner ships, newsletters, forums, conferences, etc. The purpose, mode and frequency of the engagement rized in the table below and further described in

-
-
-
-

We respect and act upon the messages, sugges tions, comments and feedback thus received from for our business, it helps us identify areas of im

of the sustainability context, taking into account di

principles for guiding the report content viz. materi ality, stakeholder inclusiveness, sustainability con

closed in a balanced manner, indicating both our

primary importance to us as an organization. We

Summary of Stakeholder Engagement

Stakeholder		Engagement	Frequency
Employees	Develop relationship, term expectations, Cap	fraction Survey, One to ed, Regular Customer Meets, Helpdesk, Peri odic campus, exhibitions	
Customers	sharing, Communicate cesses, Understand	Monthly / quarterly re views, One-to-one inter action, Helpdesk, Regu	
Suppliers	sharing, Quality, cost and delivery improvement, best practices, Vendor recognition, Strategic	(need based), Supplier	a vy u
Community	Good corporate citizen		
Government	Understand concerns and expectations, create		
Investors	Improve job satisfaction, Ensure career growth, ment, Understand needs		

SUSTAINABILITY ROADMAP AND PROGRESS AGAINST OBJECTIVES

Last year, in our 2010-11 annual sustainability report, we had charted out a roadmap to steer our sustainability initiatives in with specific targets under each of the triple bottom line over the next three years. Apart from the regular reporting on our material issues, we intend to give specific progress on initiatives

	work for financial reporting		<p>the new framework, the Government of India has</p> <p>ported from basic tools of the organization. In this regard, we have prepared process manuals for all processes. Further, we have moved all processes</p> <p>system has been fully automated, thereby helping</p>
	7% (year on year), over current year (2010-11) score of 75%		
	EHS certification for manufac over that of base year 2009-10		<p>been certified by ARAI for CPCB norms on emissions and noise levels (for power range up to</p> <p>18001 certified for best environmental, health and</p> <p>rect emissions were 21929.46 tons CO2. We are</p>

AWARDS AND ACCOLADES IN FY 2011-12

The Commendation Certificate for Strong Commitment to Excel from CII. This award is a testament to our

For the second consecutive year, the Engineering Export Promotion Council (EEPC) conferred its award to KOEL. This award is sponsored by Ministry of Commerce & Industry, Government of India

KOEL participated in the national convention on Quality Concept 2011 organized by the Quality Circle Fo

The Pune and Kagal plants received the prestigious '12th National Award for Excellence in Energy Management 2011' from the Confederation of Indian Industries (CII)

KAIZEN on DV Cylinder Head won 1st prize at the national level in "INDIZEN 2012" contest

QCFI, Pune Chapter Trophy for the Financial Year 2010-11 for spreading Quality Circle activities across the organization

The Pune and Nashik Plants received the MEDA ENCON award

'Gurukul', the Company's training center at the Kagal plant, received 'Best Prax Benchmark 2011 Award'



AWARDS AND ACCOLADES Contd...



MEMBERSHIPS AND ASSOCIATIONS

KOEL is an active member of the Confederation of Indian Industries (CII), and a signatory of the CII Code for Affirmative Action. Our commitment to achieving a world class standard of performance has been recognized by CII.

- » Bombay Chamber of Commerce and Industry
- » Confederation of Indian Industry (Western region)
- » Engineering Export Promotion Council
- » Federation of Indian Chamber of Commerce & Industry
- » Federation of Indian Export Organisation
- » Indian Diesel Engine Manufacturers Association
- » Indian Earthmoving & Construction Industry Association Ltd
- » Indo American Chamber of Commerce
- » Indo German Chamber of Commerce
- » Indo-African Chamber of Commerce & Industries
- » Maharashtra Economic Development Council
- » Mahratta Chamber of Commerce Industries and Agriculture
- » The Automotive Research Association of India



OUR BUSINESS

key sectors of the economy viz. agriculture, industrial markets with offices in UAE, South Africa and Kenya, as well as representatives in Indonesia and Nigeria and a strong distribution network throughout the Middle East and Africa. New markets in the Middle East, South East Asia and New Zealand are

nurture functional excellence, KOEL has a distinct engineering, Research & Engineering, Quality Assurance, Finance, Secretarial & Legal, Information Technology, Human Resources, Personnel and Industrial Relations, Utilities, Corporate Communications and Business Excellence. In addition, we have an office at Pune, which provides the necessary cutting

In this report, we provide the highlights from all our business units as well as from Strategic Sourcing, Information Technology, Human Resources, and

regularly feature in this document in distinct divisions, and strategy, and contribute to the overall report

Our bearings business (including operations at the engines business, we have regrouped the Agri

market segments. There were no other significant changes in operations regarding size, structure or





KOEL

ORGANIZATION STRUCTURE

ENGAGING OUR CUSTOMERS

Given our values of 'Quality First' and 'Customer Focus', it is our priority to enhance customer experience

the market sectors we serve, including those who need network of dealers, distributors and OEMs.

annual customer satisfaction survey (CSS), that we conduct stand and enhance our customer relationship, identify

ers the aspects of Company Image, Business Support and Presales, Product, Order Execution and Delivery, Packaging, Service Support, Documentation, Installation, Service & Maintenance, Training, After Sales Service Process, and Experience with Sales Team. The

to improve product specification, product quality, pre

An action plan on various service parameters, based on earlier CSS findings was taken as a part of the Customer

company, and its impact was evident in the CSS conducted in last quarter of FY 2011-12, which shows sub

during FY 2011-12 was shared with KOEL in July 2012, and is being analyzed and deliberated internally. The plan to be finalized by July 2012.

include individual customer meetings and feedback, business group specific surveys, road shows, exhibition, seminars, factory visits and quarterly client meets.

To ensure high quality service to customer, we conduct

ing calendar is announced at the start of the year, so



OUR BUSINESS Contd...



that the dealers can schedule and fulfill their learning needs. On occasion, we also take dealers to overseas sites for training & best practices learning. 'Best Per

year, a total of 335 service training programs were organized, encompassing 4882 participants.

ders for new applications/ products testify the fact that more, there were no substantiated complaints regard

cies and benchmarking with competition/best in class. Wherever we are best in class, we aim to maintain a

year fulfilling our twin objectives of being closer to our presence of an extensive network, comprising 103 trained lets across India, illustrates our strong commitment

after-sales services to its customers, including those

to satisfactorily meet customer needs, we have proactively introduced centralized Annual Maintenance Contracts (AMC) as well as a customer help desk to handle

The Customer Support Business Group (CSBG)

AGRICULTURE ENGINES BUSINESS

timely monsoon and grid power deficit in many regions

true, especially for portable engines for pump set ap

However, our Agriculture Engines Business registered

gap with respect to competitors (mainly Indian unorganized sector) and Chinese imports. We are currently



INDUSTRIAL ENGINES BUSINESS

cy of the Reserve Bank of India and rising inflation in

52% in the previous fiscal. However, we continue to maintain a significant position in the Indian industrial

During the Twelfth Plan, investment in infrastructure is

ture Finance Company Limited (IIFCL) has put in place

credit to infrastructure projects. Also, the government has indicated a target of covering 8,800 kms of roads under the NHDP in FY 2012-13. With these developments, the Indian construction equipment industry is expected to grow by 19 - 20% over the next few years.



POWER GENERATION ENGINES BUSINESS

(PGBG) manufactures diesel engines and generating sets, which cater to a wide multitude of power generation industry, marine and defense applica

segments such as retail, banking and information

of 'Kirloskar Green' which is India's leading brand

multiple units. We have recently launched the 'Chhota Chilli' brand of portable gensets at present in 3.5-5kVA rating. As part of our green initiatives, we

energy resources such as bio-gas, as well as hybrid power solutions with diesel gensets, wind energy,

At the macro level, the power situation in India has improved with decline in the peak deficit period April 2011 - December 2011, thereby affect

uncertain regulatory landscape, they increased fo

roll-outs, thereby negatively impacting the demand

During FY 2011-12, we achieved a market share

product diversification (to include smaller KVA bracket

LARGE ENGINE BUSINESS

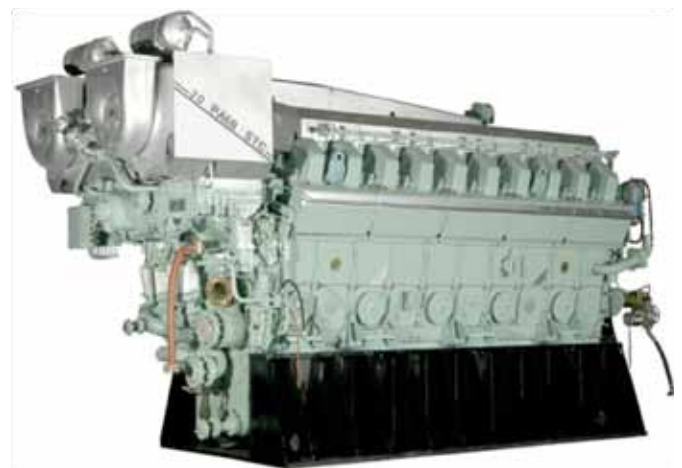
Our Large Engine Business Group (LEBG) manufactures diesel engines in the range of 2,400 hp to 11,000 hp catering to stationary power plants and propulsion of vessels for the Indian Navy and Coast Guard. During the past year, all engines

for stationary power plant application, to provide emergency power using High Speed Diesel (HSD)

In FY 2011-12, we received an order of Rs. 396 Crores from the Nuclear Power Corporation of India Limited (NPCIL) for supply, erection and com

pleted (up to installation phase) in the next 3.5

with Daihatsu Diesel Manufacturing Co. Ltd., Japan, for manufacture, marketing and supply of



INFORMATION TECHNOLOGY

IT strategy is developed based on a) KOEL Vision, Mission and Values b) Organizational Strategy and

During the year, various Business Intelligence por

Information Technology Initiatives in 2011-12

There have been significant improvements in IT enabled processes through initiatives such as first phase of Tier III ready data center, electronic approval for supplier quotation of new parts / price



- and efficiency of process. Some of the major quotation of new parts / price revisions and On
-
- Full-fledged Tier III ready data center
- Desktop virtualization to save power
- Implementation of Office Communicator to re
-

They regularly benchmark our efficiency and effec

various functions. This drive aims to systemize activity, reduce waste and to bring adequate con als, re-engineering of critical intra-departmental &

fectiveness and efficiency of processes through simplification, standardization and automation. Every year, IT initiatives are taken up for major improvements based on corporate objectives, strategies, departmental and function goals as well as



STRATEGIC SOURCING

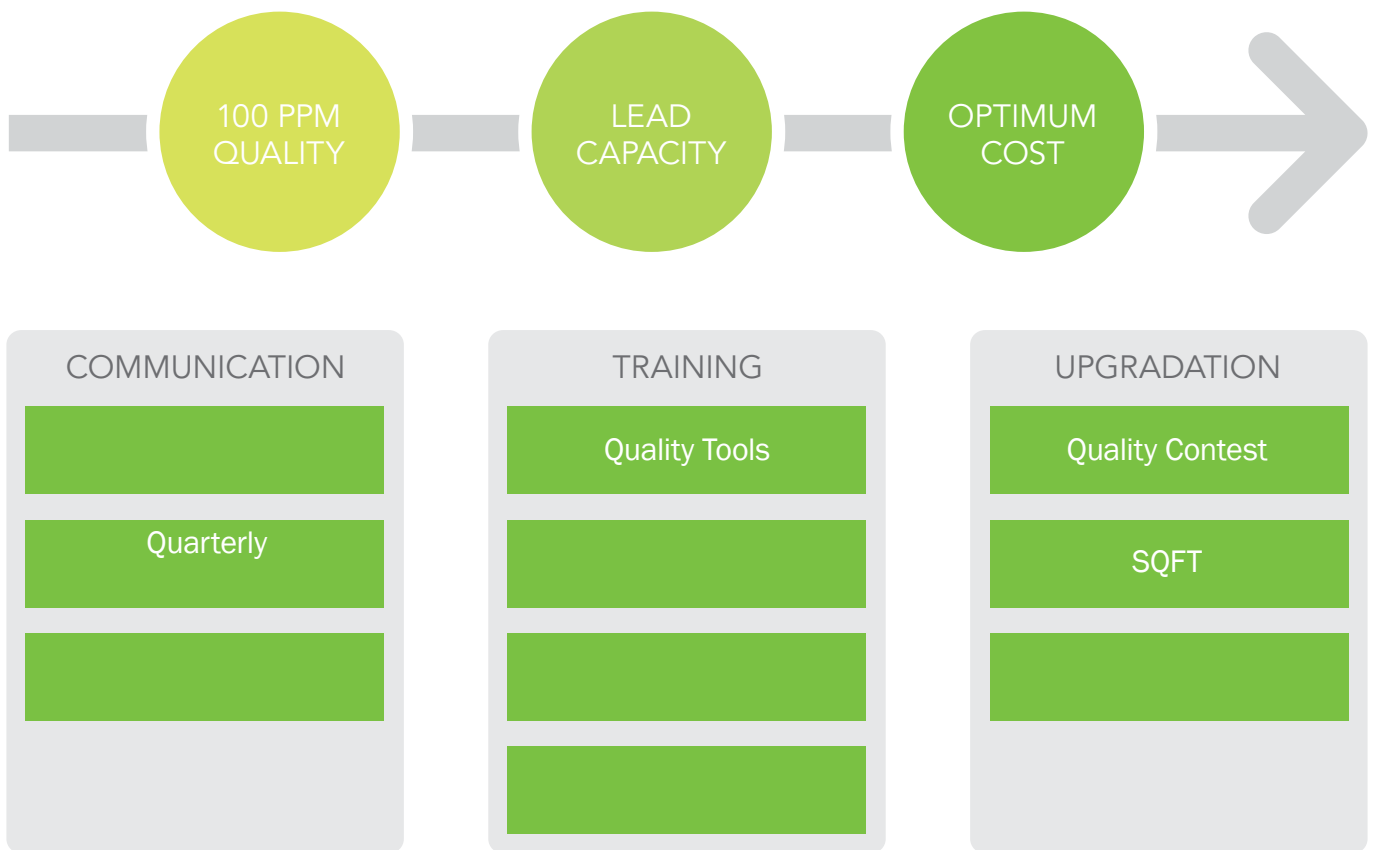
Training, communication and supplier upgradation

ment, but developing an overall self-sustained sup

Quarterly communication, which encompasses the current business environment, KOEL plans

riod, is sent to all suppliers by the head of Strategic

launched, wherein we communicate to suppliers their monthly Quality and Delivery scores.



We firmly believe in having strong ties and part

parameters, we have scored the highest band for suppliers and OEM partnership, for two consecu

This year, we have taken up initiatives with our sup

Quality Improvement Initiatives

year. Specific supplier base Six Sigma training was launched in April' 11, were in 18 suppliers partici pated and 13 were successful in the final test.

OUR BUSINESS Contd...

As a part of our Quality Month, this year too Supplier Quality Contest was conducted in November for two days, which saw a very good response from

SQIC was 'Share, Learn and Apply':

Share- Share the Quality improvement case stud

Learn- Learn from the other suppliers during 'SQIC'

Apply- Apply the learning's from SQIC and accrued benefits to the organization.

Out of all the submitted entries, 44 were selected recognized on each day.

	Group 'A'	Group 'B'
	Bosch Ltd, Adegodi Plant,	
Runner Up		Sanmati CNC
Runner Up		

partner suppliers through initiatives like VA/VE

duction projects, which have resulted in sustained

Technology Up-gradation initiatives

Ill industrial emission norms, we have developed 2600 new or modified parts for our engines including sputtered bearings for 4R, 6R engine models and 'gallery cooled pistons' for 4R 1080 series en

Other initiatives

Supplier Survey

In line with previous years, a supplier survey was

Technology Day

The 'Technology Day' consists of display of pre

FY 2011-12, we celebrated Technology Days with three suppliers – Bosch Limited, Eaton India and

Supplier "A" Panel Meetings

present business, future trends and partnership opportunities. Other critical areas like quality, tech

Strategic Outsourcing

As part of improving the operating efficiency of our product models, strategic decisions have been



CORPORATE RESEARCH AND ENGINEERING

-
-
-
-
-
-
- Introduced engines for fire-fighting pumpset application in South Africa
-

Qualitative Improvements in Products:

Use of tools & techniques	Complete computerized modeling and simulation of
	Up-gradation of Agri Engines to suit the Agro-Industrial
Introduction of New technologies	New packing (Rotamold) is being developed for Varsha
Using alternative materials	New composite material is used to develop KC canopy

NEW ENERGY EFFICIENT PRODUCTS

Technology Up gradation

DV Series Power Up gradation by Common Rail Technologies:

the same power output from the engine. At KOEL,

Currently they are available in 400 kVA (DV8), 500 kVA (DV10) and 625 kVA (DV12) ranges. These en



fuelling. To achieve this, Common Rail Injection Technology (CRDI) is being used. It allows increased

timing control which helps in optimizing the part

thus allows complete flexibility and control on injection parameters at any load point (injection pressure, injection timing, and injection quantity,

Four Valve Cylinder Head:

has to perform several functions, such as bringing

side the cylinder, leading to better combustion. It

Emissions Improvement

in Oxides of Nitrogen (NOx) and Particulate Matter (PM) emissions. In most cases any engine modification targeted to reduce NOx emissions have a

out sacrificing fuel economy, reliability and main

OUR BUSINESS Contd...



components including Piston Cavity, Injector, FIP (rotary), Turbocharger, and Exhaust gas Recirculation (EGR).

IRS Approval for Marine Engines:

SL90, R1040 and HA engine ratings are already approved and ready for field trials. Special compo

requirements such as jacketed high pressure pipe, fire resistant fuel hoses etc. Our marine engines are certified by the Indian Registrar of Shipping.

Implementation for Production

Production of K1080 Engines:

gines. These are downsized water cooled, turbo charged after cooled, inline diesel engines used

cludes 4cylinder, 4K1080TA – 100, 125 kVA and 6cylinder, 6K1080TA – 140, 160 kVA application

	6R1080TC – 6 charged, inline,	4K1080TA – 4 ter cooled, inline,
	6R1080TA – 6 ter cooled, inline,	4K1080TA – 4 ter cooled, inline,
	6SL90TA - 6 cyl cooled, inline,	6K1080TA – 6 ter cooled, inline,
	6SL90TA - 6 cyl cooled, inline,	6K1080TA – 6 ter cooled, inline,



CORPORATE GOVERNANCE

We firmly believe that business ought to be built on ethical values and principles of transparency,

and integrity, the foundation of any business. At KOEL, our philosophy of

is to create a robust system which will assist the management to fulfill

the interests of all our stakeholders, including shareholders, customers, employees, the natural environment, society, suppliers, lenders etc.

effect from 26 January 2012. Mr. Nihal Kulkarni was

Board of Directors

The Board of Directors is the highest decision making body in our organization. As of 31 March 2012, the Board comprised of 12 Directors with 4 Executive Directors (including the Executive Chairman) and 8 Non-Executive Directors. Seven out of the twelve Directors are Independent Directors. Two of our Board members are in the age group 30 – 50 years and the rest are above 50 years of age. Currently there are

Below is the composition of the Board of Directors, as of 31 March 2012:

Name of Board Member	
Nihal G. Kulkarni	
	Non-Executive and Non-Independent Director
U. V. Rao	Non-Executive and Independent Director
	Non-Executive and Independent Director
	Non-Executive and Independent Director
Dr. Naushad D. Forbes	Non-Executive and Independent Director
	Non-Executive and Independent Director
Anil N. Alawani	Non-Executive and Independent Director
	Non-Executive and Independent Director

- Review of Annual operating plans of business, capital budgets, updates;
- Quarterly results of the Company and its operat
- Materially important show cause, demand,
- Fatal or serious accidents, dangerous occur
rences, any material effluent or pollution prob
- Any material relevant default in financial obli
gations to and by the Company, or substantial
- Any issue, which involves possible public or
-
- Significant labor problems and their proposed
- Significant development in human resources
- Non-compliance of any regulatory, statuto
-
- of senior officers just below the Board level, in
cial Officer or Company Secretary.

clude the matters specified under Clause 49 II of exchanges as well as those in Section 292A of the Companies Act, 1956.

The Share Transfer cum Shareholders'/Investors' Grievance Committee looks into the shareholders'/investors' complaints such as transfer of shares, non-receipt of balance sheet, non-receipt of de
clared dividends etc, and the redressal of such complaints. This committee is headed by a Non-Executive Independent Director, and the Assistant Company Secretary is the Compliance Officer. Dur
ing FY 2011-12, four complaints were received and

with the provisions of the Companies Act, 1956, remuneration to the Non Executive directors is also decided by the Board of directors, and is depend
ent upon the profits of the company in the finan
349 and 350 of the Companies Act, 1956.

Board Committees

Currently, the Board has two committees viz. Audit /Investors' Grievance Committee.

The Audit Committee comprises of 4 Non-Execu
tive Directors, majority of who are Independent.

and the Chief Financial Officer attend the Audit

Internal Auditors, Statutory Auditors, Cost Auditors and Business Unit/Operations Heads are invited to the meetings. During FY 2011-12, the Audit

Corruption

At KOEL, we always strive to promote a non-corrupt work environment, and consider it as an important

Risk Management Framework

ganization's long term and short term objectives. We have institutionalized a formal and robust Risk management at KOEL is a holistic, integrated and jective of maximizing shareholder's value. It aligns strategy, processes, people, technology and gov aging the uncertainties faced by the organization 49, the Board members are also informed of the





ECONOMIC PERFORMANCE

In FY 2011-12, we achieved sales of Rs. 2,276 crores (including sales of bearings business of Rs. 62 crores) as against Rs. 2,364 crores in the previous years (including sales of bearings business of

of 3.8%. The profit before tax is Rs. 281 crores (including profit on sale of bearings business Rs. 48

ning orders worth Rs. 396 crores to supply gensets to the Nuclear Power Corporation of India over the

12, with the market demand being adversely affected by poor availability funds, delayed closure

third quarter of the current fiscal. We are gearing to enhance our operational efficiency. Our engines

ownership, and our products are priced at an average

imports as well as from the unorganized Indian

not realized due to low level of buying by telecom

the current fiscal, considering the anticipated rise in crude oil prices and inflationary pressures in the

emphasis on infrastructure, particularly urban in the generation segment, the estimated demand-sup



Component in Crores (INR)		
Employee Wages & Benefits		178.92
	83.79	
Marketing, Administration & Other Expenses		
		194.60

Key Developments in FY 2011-12

On September 30, 2011, we divested out Bear Private Ltd., for a purchase consideration of Rs. 87 crores resulting a profit of Rs. 47.71 crores.

The Board of Directors, in its meeting held on January 25, 2012, approved a buyback of fully paid

maximum price of Rs. 170 per equity share, with

ance sheet on March 31, 2011.

Employee Benefits

Apart from all existing employee benefits outlines in our sustainability report for FY 2010-11, in FY 2011-12, we introduced a new and improved policy for hospitalization for all managers and their de

Community Investments

We, at KOEL, firmly believe in extending the benefits to the community as well as to the stakeholders. We have made significant monetary contributions in the financial year.





ENVIRONMENTAL PERFORMANCE

At KOEL, we give utmost importance to our environmental responsibility. All our facilities comply with the local environmental legislative requirements – such as those enforced by the Central Pollution Control Board, State Pollution Control Boards, in addition to compliance with Factories Act and Rules. Our environmental strategy is shaped by our Energy and Environmental, Health & Safety Policies, as well as the Confederation of Indian Industries (CII) Code for Ecologically Sustainable Growth, of which we are a signatory since 2007. In December 2011, we reviewed our Energy Policy.



Enriching Lives

KIRLOSKAR OIL ENGINES LIMITED

ENERGY POLICY

We, the KOEL, leading manufacturer of Diesel Engines, Gensets, and Pumpsets in the country are committed towards Nation's Mission for Enhanced Energy Efficiency by making continuous efforts to optimize use of energy and to bring about improvement in the energy efficiency in all our manu

-
- Procuring and using highly energy efficient products and technologies in our operations to re
- Eliminating wastage of energy and promoting reuse and recycling of resources, and be environ
- Promoting and increasing use of renewable energy resources, within and outside KOEL.
-
- Conducting periodic energy efficiency improvement studies and implementing all improvement
-
- ing & awareness programs. Recognizing employee's efforts through competitions and schemes.
-
- other organizations
- Complying with National Energy legislations and other related legislations.

KOEL, as a part of our energy efficiency improvement strategy, will make every effort to reduce our specific energy consumption by 2-5% per year by promoting culture of innovation, creativity

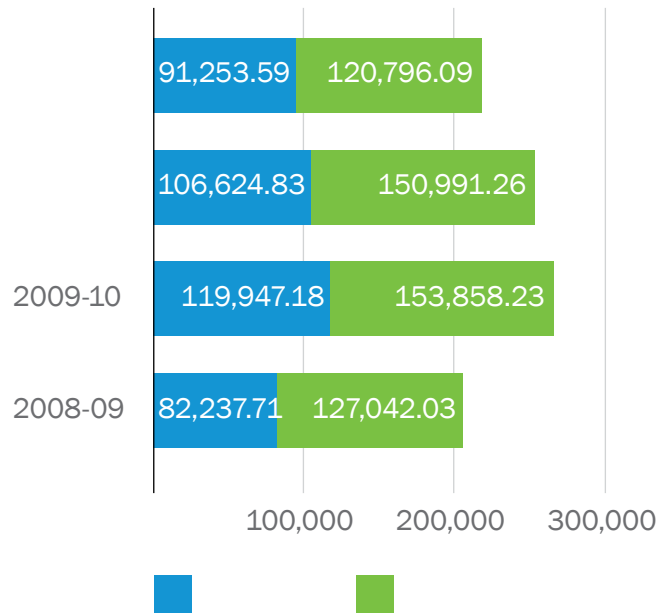
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ENVIRONMENTAL PERFORMANCE Contd...

featuring in the final product are purchased as semi manufactured goods. In the reporting year, our total material use included 21856.89 tons of raw materials, 13328.27 tons of semi-manufactured items, 223.78 tons of associated materials

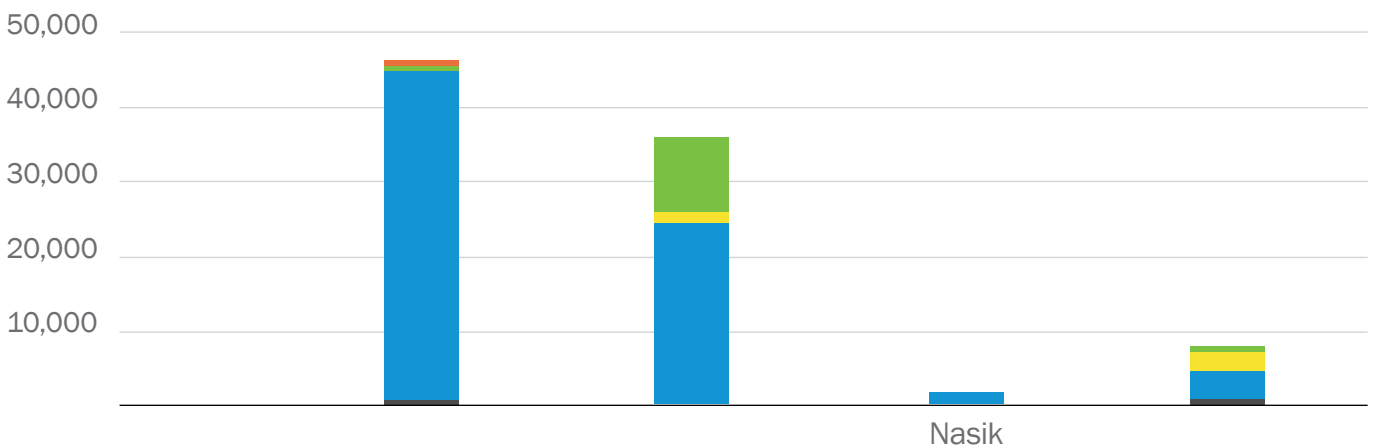
ly, 1916.1 cubic meters of semi-manufactured materials, 1079.08 cubic meters of associated materials and 4074448.69 cubic feet of packaging wood

Energy Consumption Trend (Year on Year; GJ)



91,253.59 GJ. Diesel is the primary source of di

Direct Energy Consumption (GJ)



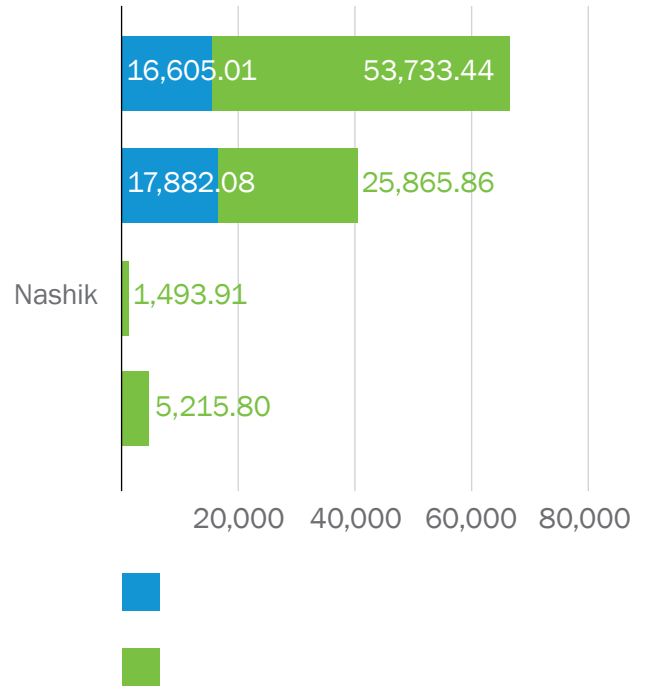
		10,211.74		
		2,140.46		2,579.50
	44,449.77	24,107.26	1,319.89	5,304.74
CNG				

ENVIRONMENTAL PERFORMANCE Contd...

This year we procured 34,487 GJ of renewable en

tCO2e and 21929.46 tCO2e respectively.

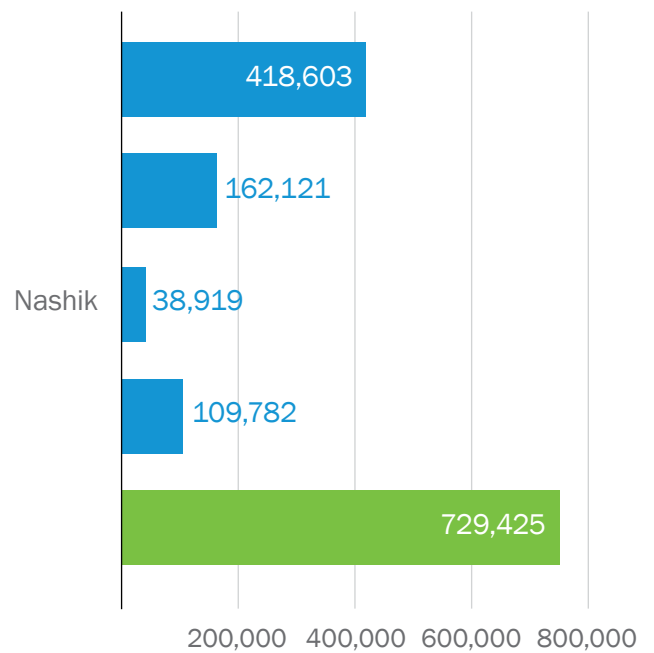
Indirect Energy Consumption (GJ)



At KOEL, we adopt internal projects in terms on process redesigning, retrofitting, as well as en ergy efficiency. The graph below shows the result

rect emissions were 21929.46 tons CO2.

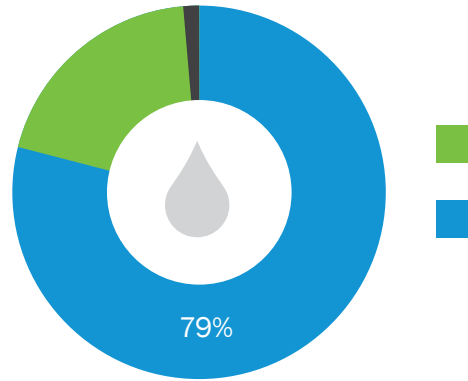
Energy Saved by Plant (kWh)



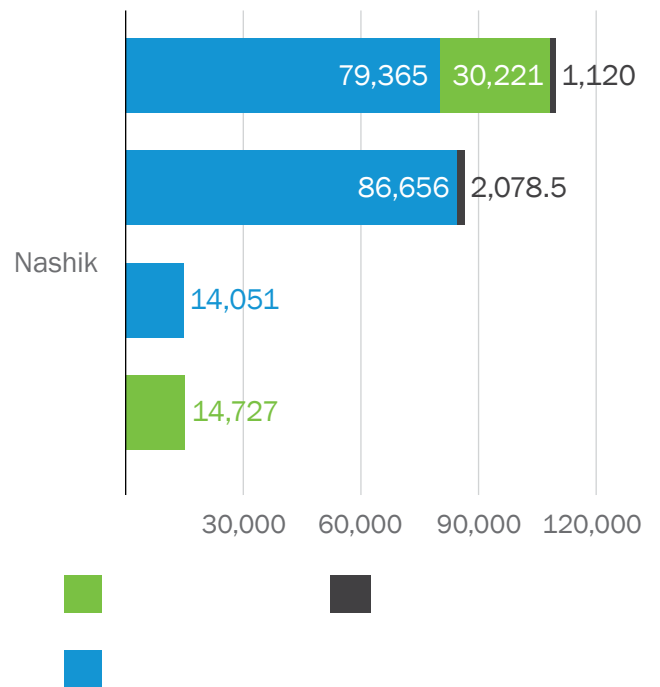
ENVIRONMENTAL PERFORMANCE Contd...

We continue to optimize our water footprint by taking...
 have also installed a rain gauge at our Nashik op...
 ply, which suffices 79% of KOEL's requirements.

Water by Source 2011-12

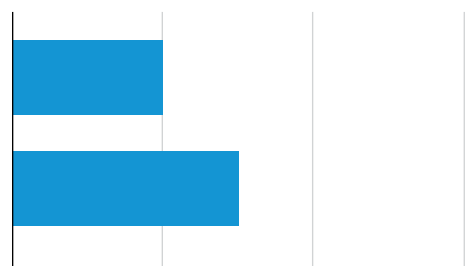


Water by Plant / Source 2011-12 (m³)



At KOEL, initiatives are constantly being taken to utilize the water consumed to its maximum. All the KOEL campuses are zero discharge campus

Percentage of Water Recycled



ENVIRONMENTAL PERFORMANCE Contd...

Ozone depleting substances (ODS) emitted during the reporting period is as follows:

	Ozone depleting substance	Units	
	F22/F410 Gas		
	R22-Chlorodifluoromethene Refrigerant gas.		
Nashik			

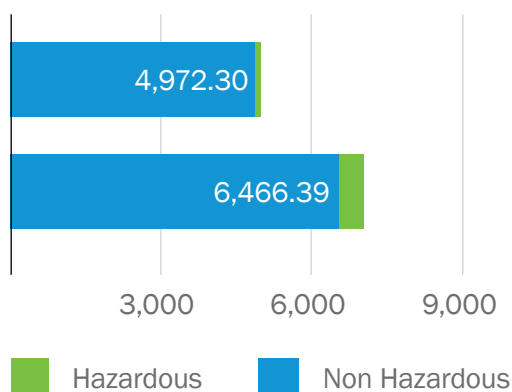
We track emissions from stack at all locations, as a part of the legal compliance requirement. The emis

Stack Emissions (tons)			NOx
Nashik			

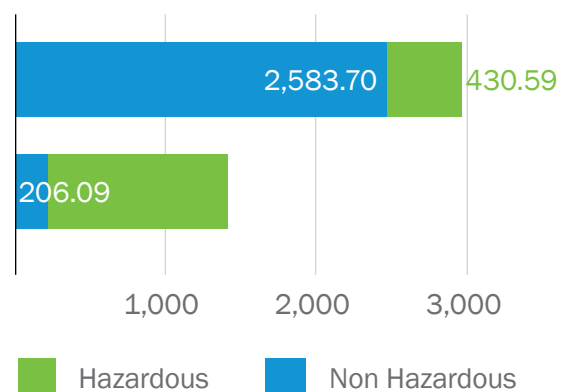
The waste disposal at KOEL is done in accordance to the regulations and through the authorized resellers and vendors. In addition to the waste disposed as mentioned in the graphs above, we also disposed

At our Kagal plant, 100% of skids and about 40% of plastic bins/crates are recycled, while at our Nashik plant, approximately 13% of plastic rolls/bags and 7% of wooden packaging material is recycled.

Disposal by Weight (Tonnes)



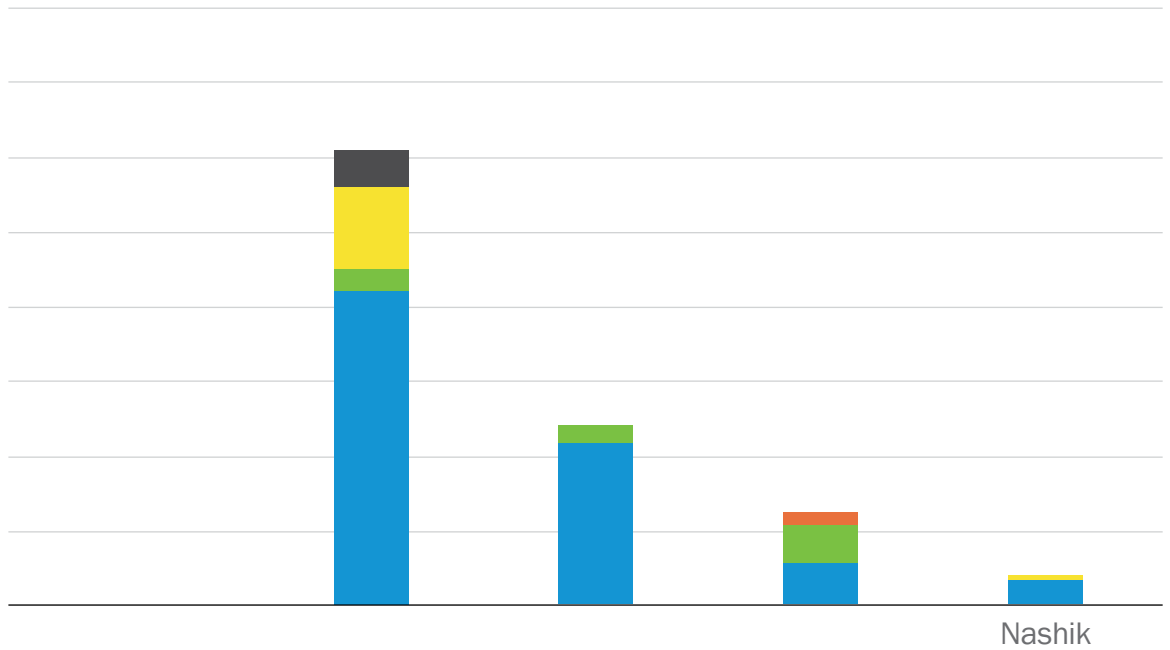
Disposal by Volume (KL)








ENVIRONMENTAL PERFORMANCE Contd...

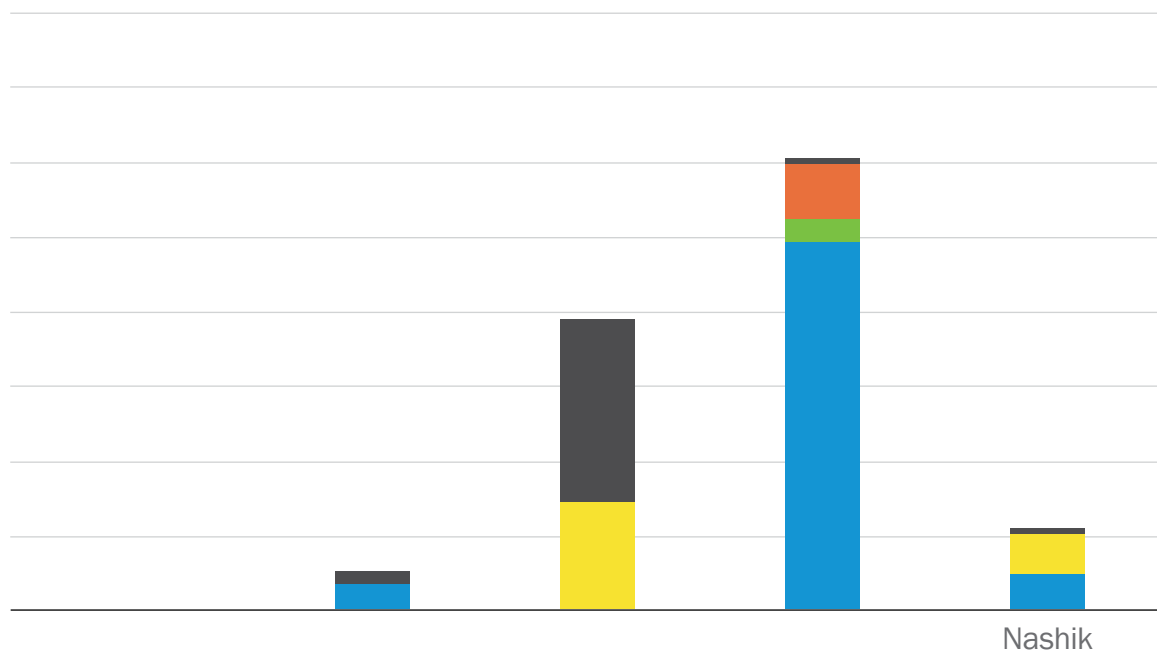
In the reporting year, the total expenditure on the on environmental protection and management activi






Environmental Expenditures on Waste disposal, emissions treatment and remediation costs



				
				
				
 Environment related certificates			1.59	
 Clean-up costs, including costs of re mediation of spills reported in EN23				

Environmental Expenditures on Prevention and environmental management costs



			9.88	
			0.69	
 External certification of managemen		2.91		
				
				

ENERGY CONSERVATION (ENCON) HIGHLIGHTS



ments in the efficiency of processes and products through use of energy efficient and renewable en

(ENCON) has representation from all functions and

ized energy monitoring system, knowledge build ing, technology upgradation and green energy and

During the year, the following major energy conser

Pune Plant

- monitoring system with individual flow meters
- sor by an energy efficient 1000 CFM screw
-
- energy efficient transformer of 3 MVA
- Replacement of diesel fired melting furnace by energy efficient induction furnace at the heat

Nashik Plant

-
- energy efficient light fixtures in the canteen

Kagal Plant

-
- Installation of an energy efficient dryer of 2000
-
- PLC Logic modification done to reduce idle running of hydraulic and coolant motors at the CNC
- Removing the resistances for air flow and sub
-



Rajkot Plant

-
- Installation of LED light fittings in the office area
- sheets for daylight utilization

Certifications

Units	QMS			
	ISO9001:2008	ISO/TS16949:2009		
Nashik				

ENVIRONMENTAL PERFORMANCE Contd...





SOCIAL PERFORMANCE

Employees are our most valuable resource, and we continue to emphasize on employee engagement, fulfilling their learning and developmental

At KOEL, we give the utmost importance to upholding the human rights of all our employees. Further,

Employee Training and Development

To develop a pool of future leaders, the second batch of Leadership Development Program (LDP)

was conducted in Post Graduate Program in Management Studies by Welingkar Institute, Mumbai. The LDP

Development Program (MMDP) for middle level was employees launched in April 2011, and was completed in February 2012. During the journey of MMDP,

(Opportunities for Improvement) identified during RKQP/CII Exim assessment for Business Excel

mentors of KOEL, who offered their valuable sup

port. In addition to these initiatives, a quarterly training calendar is floated in the beginning of every Quarter. This consists of a blend of behavioral, technical and functional programs for managers, identified through a training need analysis on the basis

of Unit/Functional Heads. A total of 88 internal trainers were nominated for a total of 67 specialized

programs. Apart from this, for Team Members / Team Associates, monthly Out-Bound Training programs (OBTs) were organized for team members / team associates. These were designed to address specific is

ssues across different groups, at Pune and Kagal plants.

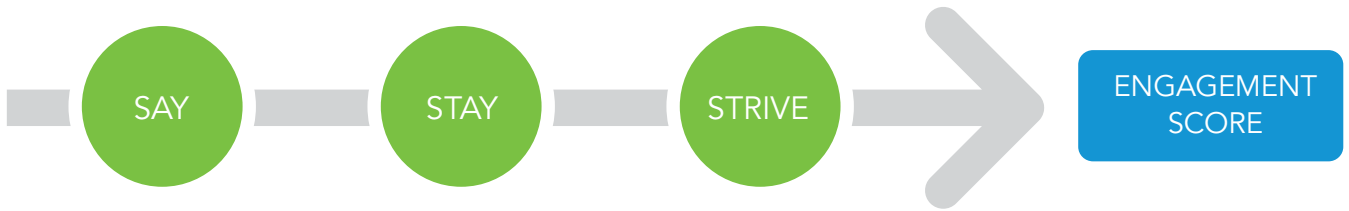
As a result of enterprise-level issues identified and speak-out sessions were organized to enhance

employee engagement score for managers in 2011-12 was 69%.

To meet the expectations. In the reporting year, we have expanded our relationship to leadership commitment, managers

and improved output, in coordination with Aon Hewitt.

Employee Engagement Model



the organization to
co-workers, poten

organization



SOCIAL PERFORMANCE Contd...

Resource processes more efficient and employee-friendly. As part of this effort, we have launched the Oracle Self Service HR (SSHR) through which

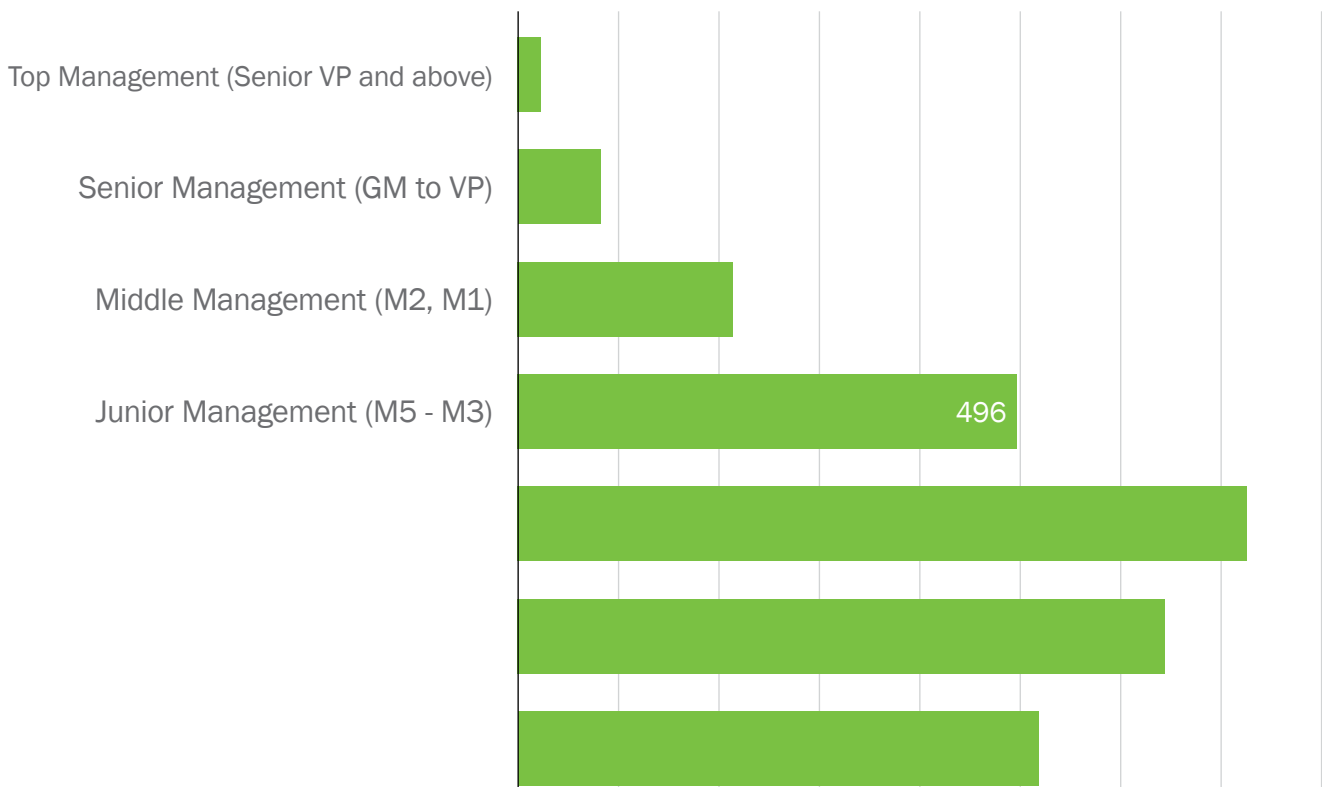
In FY 2011-12, we automated our employee performance process more user-friendly, less time consuming, more accurate and confidential.

Furthermore, we have integrated two of our Human Resource processes into a single application. The benefits of the new online application include online intimation, recommendation and approval, display in 'myKOEL' employee portal upon approval, and a paperless process. A total of

Employee Headcount and Turnover

The headcount of the organization for the reporting year 2011-12 was 2698 (2590 males and 108 females). Of the total headcount, employees in the officer category accounted for nearly 57% (1534 employees). There were 644 workmen and the rest 520 consist of other categories (trainees, retainers etc.). Our entire workforce in the employee (officers) category is permanent and full-time, and comprises of

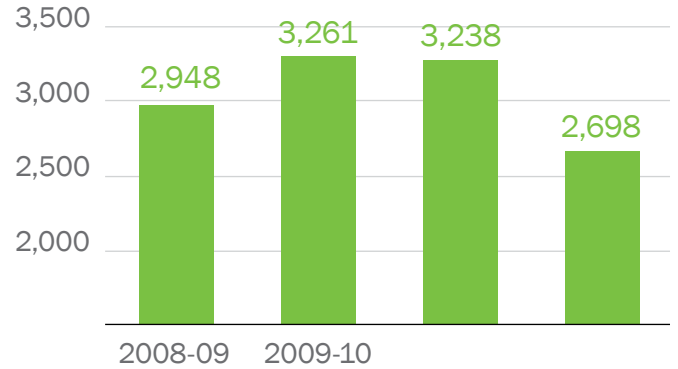
Employee headcount by category, 2011-12



SOCIAL PERFORMANCE Contd...

The organization has witnessed reduction in the

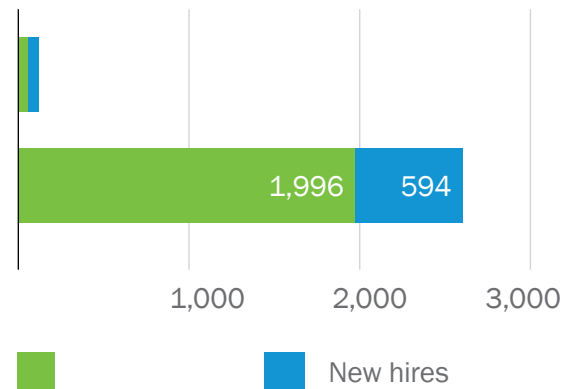
Headcount trend



Women represent 4% of our workforce, which has improved from 3.27% in 2010-11 and 2.94% in 2009-10. This trend is indicative of the efforts be

the organization. Majority of the workforce in the organization is also below 30 years of age.

Employee by gender and new hires

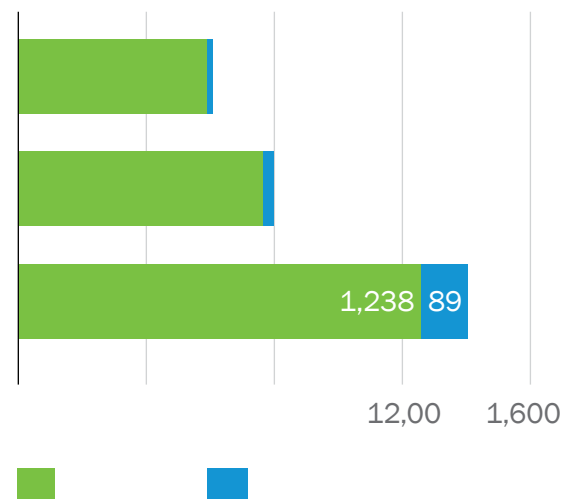


In the reporting year 2011-12, a total of 446 employees left the organization. These included 411

thirty years of age were 315, between thirty to fif

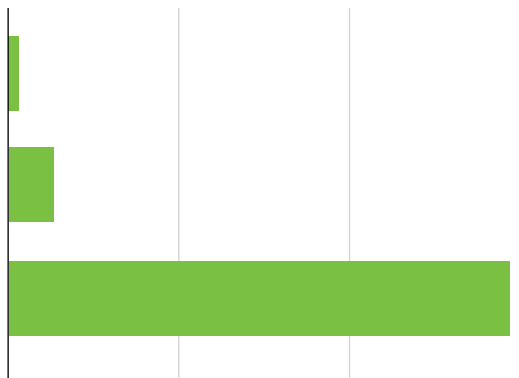
age of fifty. Among those leaving the organization, 2 were from the top management, a combined of 122 from senior, middle and junior management, 63 Associates, 52 Team Members and 207 others.

Employee distribution by gender and age



SOCIAL PERFORMANCE Contd...

New hires by age group



	2489	
		15.59

	Ratio (Female to Male)
Officer/Engineer	
Senior Officer/ Senior Engineer	

Occupational Health & Safety

We adopted a new Environmental, Health and Safety (EHS) policy on 5th June 2012. In addition, a separate Occupational Health and Safety (OHS)

Policy will cover the scope, applicability, guiding principles, policy statement and mechanisms for implementing the policy effectively as well as roles,

responsibilities, authorities and accountabilities of as suppliers, transporters, contractors and visitors

- A web page on Sustainability - FAQs, GRI G3 guidelines, Sustainability Reports of KOEL 2009-10, 2010-11.
- (Directorate of Industrial Safety & Health Maha
- Awareness Training, EHS Internal Auditor Train

KIRLOSKAR OIL ENGINES LIMITED



Enriching Lives

ENVIRONMENT, OCCUPATIONAL HEALTH & SAFETY (EHS) POLICY

We, at Kirloskar Oil Engines Limited (KOEL), are engaged in manufacturing of I.C. Engines, Generating Sets and Pumpsets. We strongly believe that, it is duty of everyone working in KOEL to im

We commit ourselves to:

-
- Prevent environmental pollution due to our activities, product and services.
-
-

We will Strive to:

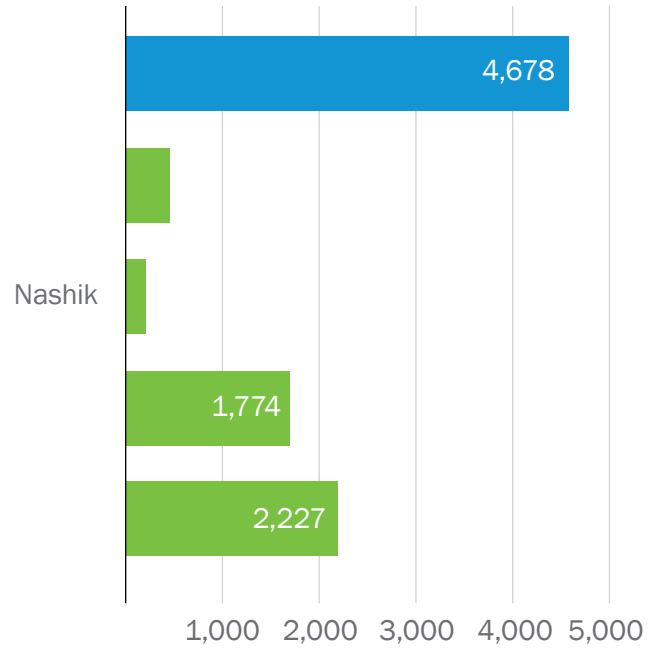
- Conserve resources such as power, water, fuels, oils, compressed air & wood.
- Minimize use and adverse impact of hazardous chemicals handled.
- Minimize generation and adverse impact of hazardous waste.

SOCIAL PERFORMANCE Contd...

clude a health awareness section, location and employee-level specific EHS Management System records, and an online accident & near-miss inci

In the reporting year, we conducted a total of 79 categories, amounting to 23101 man-hours.

Workforce by plant



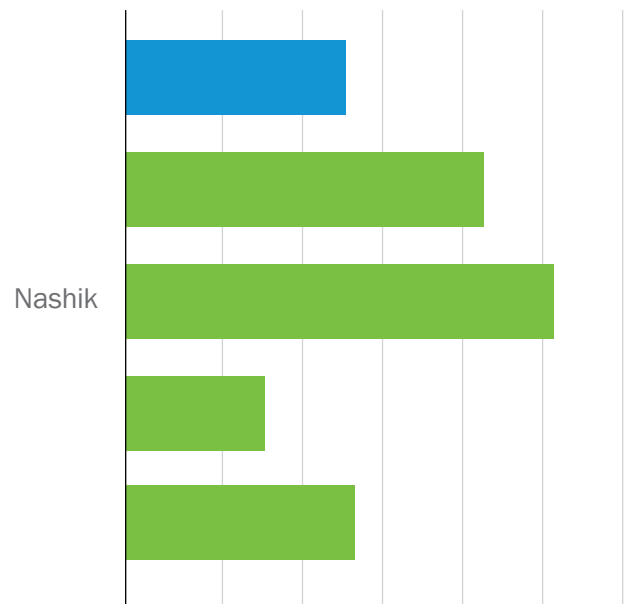
factory level safety committees, one for each fac

The Health & Safety committee, along with the Grievance, IR committees functions primarily to

using Personal Protective Equipment, compliance

for Rajkot, and Plant II, III and MESP related

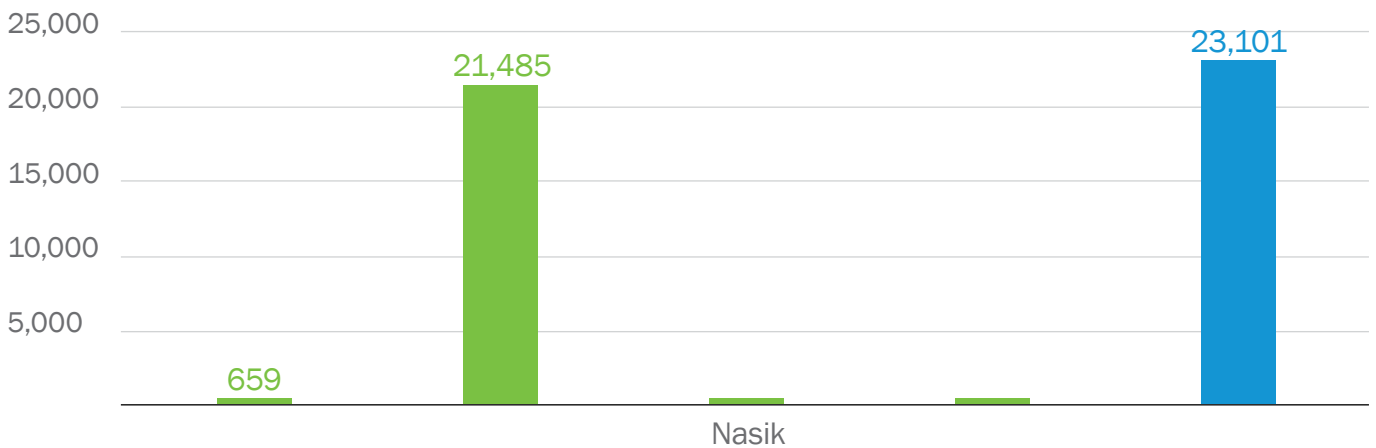
Workforce representation in Health & Safety Committee



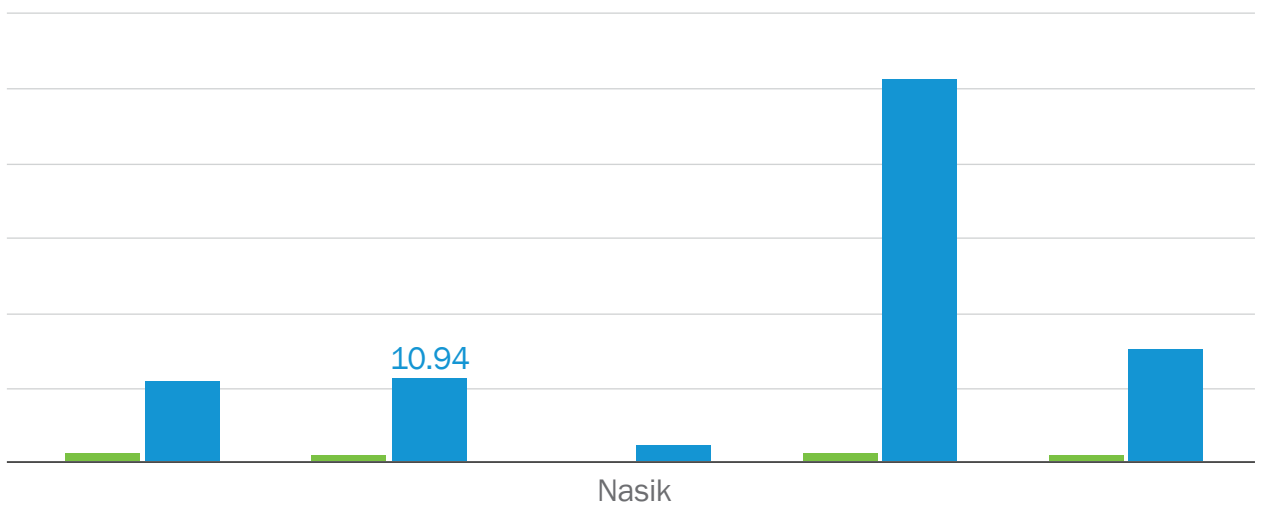
SOCIAL PERFORMANCE Contd...

Our focus on health and safety standards has helped us achieve significant results in many areas of safety performance. We organize regular training programs on EHS. The graph below provides the man-

EHS Training manhours 2011-12



The number of reportable accidents reduced from 11 in FY 10-11 to 5 in FY 11-12. Similarly, the man of the reportable accidents improved from 29.04 in FY 10-11 to 14.97 in FY 11-12, and absentee rate of reportable accidents reduced from 92.33 in FY 10-11 to 39.33 in FY 11-12.

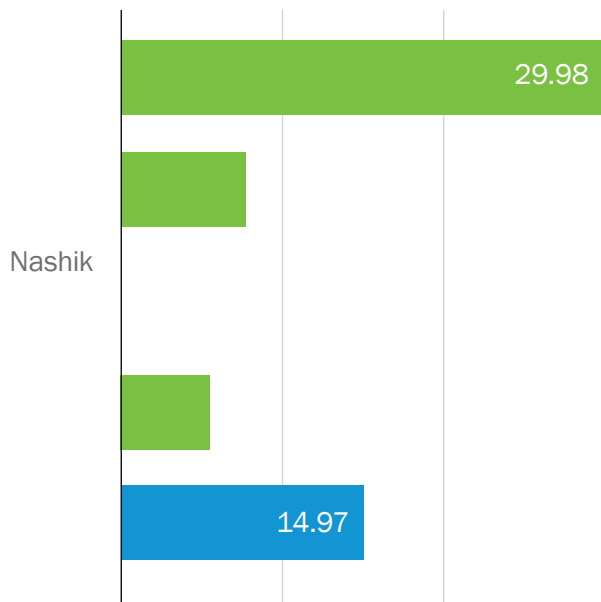


■ FR (Frequency rate of reportable accidents - Number of reported acci

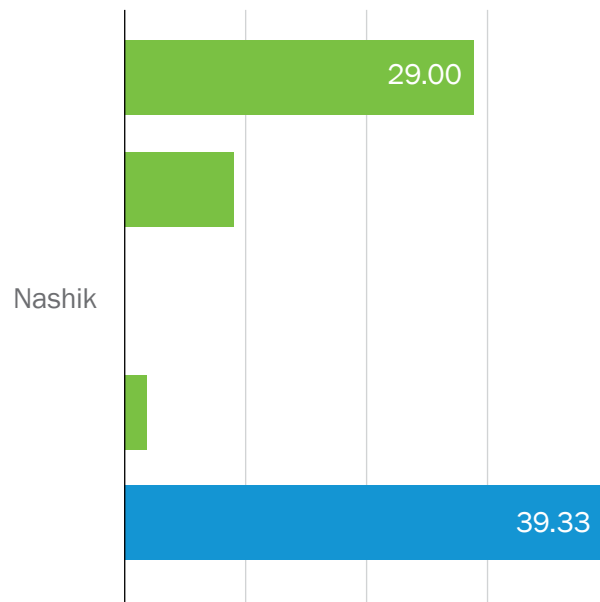
■ FR (B) (Frequency rate of non-reportable accidents - Number of non-reported accidents

SOCIAL PERFORMANCE Contd...

Severity Rate (SR) of reportable incidents



Absentee Rate (AR) of reportable accidents





CORPORATE SOCIAL RESPONSIBILITY

ity towards society, particularly to the people living around our manufacturing setups. Every year, we

Karve Institute of Social Sciences, Pune which is an independent and reputed institute in this field. Perception survey is a mirror which reflects the im

the findings of the survey and the felt needs of the

Social Perception Survey 2011-12

pany and our involvement in our local communities,

400 individual interviews (100 local community

cus group discussions (5 local community groups

- Performance as responsible Citizen
-
-
-

score over last year's results, helping us achieve



Corporate Social Responsibility Initiatives

thrust areas – Education and Training, Health, En
below are updates from our ongoing flagship CSR

Kirloskar 'Vasundhara' Film Festival

We sponsor an annual film festival called 'Vasund
spreading awareness about environmental issues,
motivates citizens to preserve our environment for

SAAKAV Life Skills Training Program

Saakav is our CSR unit's flagship program intend

– capacity building of students through life skills de
velopment sessions, and sensitizing teachers and

Alegaonkar School in Pune, Ambad Municipal
School in Nashik, and Dhanpal Bhojpur School in
training sessions for five days at each of the above
schools, and covered a total of 212 girls and 240
boys. The project emphasized on some of the cru

Akanksha Foundation

dren, we continue our partnership with the Akank
sha Foundation. It is an NGO that aims to equip



from this program 'Paper Bag' making, lecture on 'Non-violence', 'International Festival Day' support

WASH

WASH initiative is an extension of our 'Clean and

students. In the year 2011-12, we extended our WASH reach from 7 schools to 14 schools, 44 Employee-volunteers, comprising of 12 managerial employees and 32 team members, have been

WASH Club Members plus Principals, concerned teachers. In addition to 44 volunteers, 9 female volunteers pitched in as 'spot-volunteers' for the December 2011 theme of 'Adolescence and Hy

-
-
- WASH 2011-12: Reviving/creating a team of
-
- Theme wise Capacity Building of Volunteers/ Process activities for existing as well as new/
-
-
-
- December 2011- organized interactive ses
- January-February 2012 - WASH Mapping After





INDEPENDENT ASSURANCE STATEMENT

Pune, India.

Our engagement

Ernst & Young Pvt. Ltd. ("EY") was retained by Kirloskar Oil Engines Limited ("Company") to provide an independent assurance to its third Corporate Sustainability Report themed 'The Engine for Sustainable Growth' for the financial year 2011-12 (the "Report").

The Company's management is responsible for the contents of the Report, identification of key issues,

Our responsibility in performing our assurance activities is to the management of the Company only, and assume any responsibility for any other purpose or to any other person or organization. Any dependence not be taken as a basis for interpreting the Company's overall performance, except for the aspects men

Scope of assurance

-
- Review of information on sample GRI G3.1 (2011) core indicators covering the Company's Corporate Office at Pune and the following three sites of operations:
 - » Khadki, Pune, Maharashtra (engines manufacturing)
 - » Nashik, Maharashtra (large engines)
 - » Kagal, Kolhapur, Maharashtra (engines manufacturing)
- The Company's internal policies, protocols and processes related to collection and collation of sus

Exclusions

-
-
- Data and information outside the defined reporting period (1 April 2011 to 31 March 2012);
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or
- 'Economic performance indicators' included in the Report

Level of assurance and criteria used

torical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain

a 'limited' level of assurance (as set out in ISAE 3000) on reporting principles, as well as sustainability performance indicators as per GRI G3.1 (2011) guidelines.

Key steps

- Interviews at the Company's plants with Site Heads, Function Heads and key personnel to understand the sustainability vision, mechanism for management of key sustainability issues and engage
- Visits to three manufacturing plants as mentioned in the 'Scope of assurance' above;
- Review of relevant documents and systems for gathering, analyzing and aggregating sustainability
-
-

Observations and opportunities for improvement

-
-
- (KPIs) across its sites in order to maintain data control and reporting accuracy;
-
- community needs assessments, community perception surveys and need-based interventions;

Our conclusion

On the basis of our review scope and methodology, nothing has come to our attention that would cause us not to believe that the Report presents the Company's triple-bottom-line performance, in material respect, in line with the GRI G3.1 reporting principles and criteria.

Our assurance team

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our Climate Change and Sustainability Services, and undertakes similar engagements with various Indian and international companies. As an assurance provider, EY is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Account

For Ernst & Young Private Limited



GRI G3.1 A+ LEVEL

CONTENT INDEX

KOEL Annual Report FY 2011-12: www.koel.co.in/upload/pdf/Annual_Report_2011-12.pdf

KOEL SDR 2010-11: http://www.koel.co.in/upload/pdf/sustainability_report_1011_KOEL_CSR2011.pdf

Standard Disclosures – Profile Disclosures

Profile			Cross reference / Direct answer
	sion-maker of the organization.		1-2 (Statement from the ED)
	Description of key impacts, risks, and		1-2 (Statement from the ED)
	Name of the organization.		
	Primary brands, products, and/or ser		3-4 (About KOEL), 13 (Our Business), 17 (Agricul tural Engines Business, Industrial Engine Busi ness), 18 (Power Generation Engine Business,
	Operational structure of the organiza tion, including main divisions, operat ing companies, subsidiaries, and joint		3-4 (About KOEL), 13 (Our Business), 15 (Agri cultural Engines Business), 17 (Industrial Engine Business), 18(Power Generation Engine Business, Large Engine Business), 14 (KOEL Organization
	Location of organization's headquar		Khadki (Pune, India)
	Number of countries where the or ganization operates, and names of or that are specifically relevant to the		3 (About the Report)
	Nature of ownership and legal form.		26-28 (Corporate Governance), Page 26 of the An
	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).		3-4 (About KOEL), 13 (Our Business), 15-16 (En
	Scale of the reporting organization.		31 (Table under Economic Performance), 46-48

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

Profile			Cross reference / Direct answer
			(Employee Headcount and Turnover), Page 32 of the Annual Report FY 2011-12 (Statement of Profit
2.9	Significant changes during the reporting period regarding size, structure, or		3 (About the Report)
			3 (About the Report)
	Reporting period (e.g., fiscal/calendar		
	(if any).		
	Reporting cycle (annual, biennial, etc.)		
	Process for defining report content.		6 (Stakeholder Engagement and Materiality)
	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).		3 (About the Report)
	State any specific limitations on the		3 (About the Report)
	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.		3 (About the Report)
3.9	the bases of calculations, including		3 (About the Report)

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

Profile			Cross reference / Direct answer
	in earlier reports, and the reasons for		No such restatements in this report
	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied		3 (About the Report)
			3 (About the Report)
	Governance structure of the organization, including committees under the		26 (Board of Directors), 27 (Board Committees)
	ble for specific tasks, such as setting strategy or organizational oversight.		
	tive officer.		26 (Board of Directors)
	For organizations that have a unitary board structure, state the number and		26 (Board of Directors)
	ent and/or non-executive members.		
			27 (Board Committees)
			27 (Board Committees)

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

Profile			Cross reference / Direct answer
	body, senior managers, and executives and the organization's performance (including social and environ		
	governance body to ensure conflicts		The Code is available online at the link http://kirloskarapps.kirloskar.com/upload/pdf/Code_of_Conduct_as_per_Clause_49_Mar_12.pdf
	tion, qualifications, and expertise of ance body and its committees, includ		Currently, there are no clear processes at the Board to guide the organization on ESG issues,
	mission or values, codes of conduct, and principles relevant to economic, environmental, and social perfor		4 (About KOEL). The Company has adopted a Code
4.9	body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence agreed standards, codes of conduct,		28 (Risk Management Framework)

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

Profile			Cross reference / Direct answer
	governance body's own performance, economic, environmental, and social performance		27 (Under Board Committees), 28 (Risk Management Framework)
	addressed by the organization.		28 (Risk Management Framework), The Board is responsible to ensure timely identification, prevention and mitigation
	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.		4 (Mission), GRI Sustainability Reporting Guide
	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization.		11 (Memberships and Associations)
	the organization.		6-7 (Stakeholder Engagement and Materiality)
	Basis for identification and selection		6-7 (Stakeholder Engagement and Materiality)
	engagement, including frequency of engagement		6-7 (Stakeholder Engagement and Materiality), 15-16 (Customer Engagement), 20-21 (Strategic Sourcing), 44-45 (Employee Engagement), 54 (Social Performance)
	engagement, and how the organization addresses stakeholder concerns, including through its		6-7 (Stakeholder Engagement and Materiality), 15-16 (Customer Engagement), 20-21 (Strategic Sourcing), 44-45 (Employee Engagement), 54 (Social Performance)

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

Standard Disclosures – Disclosures on Management Approach

		Cross reference / Direct answer
		Page 31 of our Sustainability Report 2010-11 (DMA - Economic), 4-4 (Mission), 9-10 (Sustainability Roadmap and Progress against Objectives)
DMA - EN		Page 37 of our Sustainability Report 2010-11 (DMA - Environment), 32-41 (Envi
		Page 54 of our Sustainability Report 2010-11 (DMA - LA), 42-50 (Social Perfor
		Page 57 of our Sustainability Report 2010-11 (DMA-HR); Human Rights aspects
		Page 62 of our Sustainability Report 2010-11 (DMA-SO)

Standard Disclosures – Performance Indicators

			Cross reference / Direct answer
	and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings,		31 (Table under Economic Performance)
	ganization's activities due to climate		1-2 (Statement from the ED)
	Coverage of the organization's defined benefit plan obligations.		31 (Employee benefits), Page 30 of our Sustainability Report 2010-11 (Employee Benefits)
	Significant financial assistance re		Page 38 of our Annual Report 2011-12 (Subsidy)

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	local minimum wage at significant lo	Not	
	Policy, practices, and proportion of at significant locations of operation.		India. Nearly three quarters of the monetary value Our sourcing strategy is based on cost, quality and continuous availability, which the local suppliers
	from the local community at signifi		supporting our preference of hiring locally, as we
	provided primarily for public benefit through commercial, in-kind, or pro		31 (Table under Economic Performance)
EC9	Understanding and describing sig nificant indirect economic impacts,	Not	
EN1			
EN2			No significant recycled inputs materials were used
EN3			
EN4			
EN5	and efficiency improvements.		

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
EN6	Initiatives to provide energy-efficient and services, and reductions in ener		22-24 (New Energy Efficient Products)
EN7		Not	
EN8			
EN9	Water sources significantly affected	Not	
EN10			
EN11	Location and size of land owned, leased, managed in, or adjacent to,		areas. None of our plants are located in areas or
EN12	Description of significant impacts of activities, products, and services on		stantly making our products eco-efficient (See CRE section), none of our activities have direct impacts
EN13			areas. None of our plants are located in areas or
EN14	Strategies, current actions, and fu		areas. None of our plants are located in areas or
EN15	Number of IUCN Red List species		

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	by operations, by level of extinction		areas. None of our plants are located in areas or
EN16			35, Using emission factors (IPCC Guidelines) for GHGs (CO2, CH4, N2O) for fuels used (such as Diesel), we have established the emissions from direct energy consumption. For India, an emission for indirect energy consumption, as per UNFCCC
EN17			
EN18		Not	
EN19	Emissions of ozone-depleting sub		
EN20	NOx, SOx, and other significant air		
EN21			
EN22			37 (Graph showing the total hazardous and non-hazardous waste generated; Percentage of pack authorized resellers or recognized agencies that
EN23	Total number and volume of signifi		No significant spills occurred in the reporting year
EN24	Weight of transported, imported, exported, or treated waste deemed		No hazardous wastes have been transported outside of the Indian borders. Hence, this indicator is

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported		
EN25	Identity, size, protected status, and related habitats significantly affected by the reporting organization's		Besides, all our facilities have achieved the zero discharge status. Hence, this indicator is not ap
EN26	impacts of products and services,		22-24 (New Energy Efficient Products)
EN27			
EN28	Monetary value of significant fines		We did not pay any fines for noncompliance with
EN29	Significant environmental impacts organization's operations, and trans	Not	
EN30			38-39
	Total workforce by employment type, employment contract, and region,		46-48 (Employee Headcount and Turnover)
	by age group, gender, and region.		46-48 (Employee Headcount and Turnover), All our

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	Benefits provided to full-time employ ary or part-time employees, by ma		31 (Employee benefits), Page 30 of our Sustain ability Report 2010-11 (Employee Benefits)
	after parental leave, by gender.		leave. In the reporting year, two female employees availed maternity leave and returned to work, out
			100% of our workforce is unionized.
	Minimum notice period(s) regarding significant operational changes, in cluding whether it is specified in col		In case of any changes in shift, line or superan nuation, atleast 14 days and 6 months notice is
	Rates of injury, occupational diseas es, lost days, and absenteeism, and		
	Education, training, counseling, pre vention, and risk-control programs in place to assist workforce members, their families, or community mem		51 (Occupational Health & Safety); 55-57 (Life Skills Training, WASH Initiative)
LA9			49-50 (Occupational Health & Safety)

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	per employee by gender, and by em		
		Not	
	velopment reviews, by gender.		
	gender, age group, minority group membership, and other indicators of		26 (Board Composition)
	category, by significant locations of		
	nificant investment agreements and porating human rights concerns, or		
	Percentage of significant suppliers, rights screening, and actions taken.		
	relevant to operations, including the		Conduct, which includes aspects of human rights. Currently, training on human rights aspects is car

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
			Hence, this is not being tracked separately. Going forward, we will strive to capture this data sepa
	Operations and significant suppliers identified in which the right to exer at significant risk, and actions taken		No such operations where the freedom of associa at plant level, we have a committee which meets
	Operations and significant suppli ers identified as having significant risk for incidents of child labor, and		above the employable age (as specified by the
	Operations and significant suppliers identified as having significant risk labor, and measures to contribute to		None of our operations run a risk of forced or com
	trained in the organization's policies	Not	
HR9			
			assessment on this issue, the enforcement of our

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	human rights reviews and/or impact		organization
	Number of grievances related to human rights filed, addressed and		No such formal grievances filed in the reporting
	ment, impact assessments, and de		54 (Social Perception Survey, that is carried out in
S09	Operations with significant potential		No significant potential or actual negative impacts on our local communities have been identified
	nificant potential or actual negative		No significant potential or actual negative impacts on our local communities have been identified
	ness units analyzed for risks related		While there were no units specifically analyzed for corruption related risks, we subjected our organization to the TRACE check, and obtained it suc agement on corruption, bribery related aspects
	organization's anti-corruption poli		The Code of Conduct, covering aspects on anti-corruption, bribery and ethics are circulated to all em The Managing Director has declared the affirma

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by		
	anti-competitive behavior, anti-trust,		of anti-competitive behavior, anti-trust and monop
	Monetary value of significant fines		sulting in fines or non-monetary sanctions
	vices are assessed for improvement, and percentage of significant prod		Right from research, product development, certifications, manufacturing, marketing, storage and final use and disposal, we continually strive to keep the emissions, noise, vibration well within specified to gensets that can run on alternative fuels, our Our products have received a variety of certification - FM/ UL being one. We are a ISO 9001 certified company, with all our manufacturing units being ISO 14001 and OHSAS 18001 certified
	vices during their life cycle, by type of		fine, penalty or a warning
	tion required by procedures, and percentage of significant products and		We provide information on our product, spare

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
			<p>well as through Operations & Maintenance (O&M)</p> <p>on environment, health & safety during the life of the product. We obtain test certificates for engine</p> <p>ed through government authorized agencies. Our products are also certified by BIS (Bureau of Indian Standards) and 'Conformite Europeene' (CE) or</p> <p>and services are subject to the specified require</p>
	and service information and labeling,		has resulted in a fine, penalty or a warning
	faction, including results of surveys		15-16 (Engaging our Customers)
	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and		

GRI G3.1 A+ LEVEL CONTENT INDEX Contd...

			Cross reference / Direct answer
	communications, including advertising, promotion, and sponsorship by		
			No substantiated complaints regarding breaches
PR9	Monetary value of significant fines		No such fines paid during the reporting period



Enriching Lives

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