PROLOGUE

HLL is a corporation that cares for its basic values. The past success of HLL can ultimately be attributed to its well-practiced business practices. Operating as it does within the Indian milieu, the company has identified itself with Indian aspirations and devoted its efforts to upgrading the value of Indian resources to globally competitive levels. Innovation has been away of life in Hindustan Lever. HLL believes in the coordinated applications of technology solutions to resolve quality, cost and competitiveness issues.

The strong and effective financial information and control system maintained by the company permeates every fears of activity. HLL has made a strong ground work for excellence by its struggle over the adversities. People development have also been a guiding principle of HLL human resource development strategy. Profit maximisation has never been objective of HLL. It believes
in sustainable growth of the enterprise as a whole. HLL has managed all organizational changes with the active involvement of people at work with rich R&D and strategic alliances. HLL has adopted a universally acceptable managerial objective which will provide the correct context for judging not only the progress achieved but also the efficacy of the measures that will follow.

In the following discussion, the researcher has examined all aspects of corporate governance in HLL in the following paragraphs:

5.1 **HISTORICAL PERSPECTIVE, GROUP COMPANIES AND PRODUCTS PROFILE OF HLL.**

Unilever, the parent company of HLL was formed on 1 January, 1930 through the merger of Lever Brothers of England and Margarine Unie of Netherlands. The company went through a tough phase during World War II wherever it was operating including India and had to resort to indigenously produced substitutes for many of its products like vanaspati oil. After India became independent, there were huge restrictions imposed on foreign companies. The only alternative left for foreign companies
was to make themselves appear less foreign. Of course, Unilever had already started recruiting more and more of Indian managers since 1942. By 1955, there were 97 Indian managers out of 149.

The first Indian to rise to chairmanship, Prakash L. Tandon, was recruited on a Monday morning in 1937. He has recalled it in his book ‘Beyond Punjab’ that when the chairman of Lever Brothers India, W.S.J. Shaw, interviewed him, he encouraged him saying, “I don’t see why you should not sit in my chair one day”. And that moment came in 1961 when he was appointed chairman of Hindustan Lever Limited, a company formed in 1956 with 10 percent Indian equity participation. HLL at that time had 191 Indian managers out of a total of 205. The Chairman of HLL from 1961 to date are:

- M.S. Banga – 2000 –
In 1955, the company started its Management Training Scheme with encouragement and help from Unilever. Everyone from the chairman downwards had to share his/her experience by teaching at the management training courses. Tandon was himself involved in the management movement. Recruited to lend a hand with the country’s first ever consumer research project, concerning housewives reactions to Dalda, Tandon in his time introduced the discipline of business research using economic and statistical disciplines for forecasting. He was involved in the reorganisation of the company’s already formidable distribution system. In Tandon’s time, research grew wings. He noted that information, intelligently elicited, analysed and utilised, could be a powerful tool in the company’s growth.

V.G. Rajadhyaksha’s was a difficult inheritance, for he was heir to the government price controls that had been imposed towards the end of Tandon’s chairmanship. He did his job with commitment and initiative – by way of persuading the government that such controls were not progressive. He spend a good deal of time in Delhi, battling bureaucracy and dogma, but in the process evolved new and creative solution to the company’s quandary. As a man of commitment to India, he endorsed whatever was deemed to be in the nation’s best long-term interests; but as a Lever employee he had to ensure that the company grew despite
environmental tourniquets that could have put it entirely out of business.

Then, T. Thomas' turn came in 1973. He spent his first few years grappling with the vagaries of price control on bath soap and detergents but he was optimistic of the change in this situation. Price control of soap ended in 1974 and that of vanaspati in 1975. Thomas wasted no time, as soon as the path ahead became clear, he began charting a correction course. With his strongly developed sense of social responsibility, Thomas also involved the company in the opening of Asha Daan, Mother Teresa's home for the dying and the destitute in Mumbai. The company was bale to vigorously pursue its policy of expansion into core sector manufacture, which eventually proved a far-sighted development. The hallmark of Thomas tenure was perhaps a rebuilding of trust between the nation and the corporation in the aftermath of a trying period.

Ashok Ganguly, Thomas' successor in 1980, would often be asked what the culture of the company was. "I could never accurately describe it" he says, "except to state that, by a combination of factors, Hindustan Lever was able to attract a group of ordinary people and enable them to perform extraordinarily". Ganguli's time saw a major thrust into
manufacturing activities with 10 new factories being built. Once again company responded creatively to MRTP, tying up its own long-term interests with the development of India's industrially backward areas.¹

HLL vision is to meet the everyday needs of people everywhere. It is this vision that inspires our 41,000 employees, including 1550 managers. With brands, which today are household names, in our portfolio, we are the leaders in Home and Personal Care Products and Food and Beverages. All of which makes us India’s largest Packaged Mass Consumption Goods (PMCG) company.

The purpose in Unilever is to meet the everyday needs of people everywhere – to anticipate the aspirations of its consumers and customers and to respond creatively and competitively with branded products and services which raise the quality of life.

The deep roots in local cultures and markets around the world are HLL’s unparalleled inheritance and the foundation for our future growth. It brings its wealth of knowledge and international expertise to the service of local customers – a truly multi-local multinational.

HLL long-term success requires a total commitment to exceptional standards of performance and productivity, to working together effectively and to a willingness to embrace new ideas and learn continuously. HLL believes that to succeed requires the highest standards of corporate behaviour towards its employees, consumers and the societies and world in which HLL lives. This is Unilever's road to sustainable, profitable growth for its business and long-term value creation for HLL shareholders and employees.²

**GROUP COMPANIES AND PRODUCT**

**PROFILE OF HLL**

Hindustan Lever Limited (HLL) is India’s largest fast moving consumer goods company, with leadership in Home & Personal Care Products and Foods & Beverages. HLL’s brands, spread across 20 distinct consumer categories, touch the lives of two out of three Indians. They endow the company with a scale of combined volumes of about 4 million tonnes and sales of Rs.10,000 crores.

The mission that inspires HLL’s 36,000 employees, including about 1,350 managers, is to “add vitality to life”. With 35 Power

² www.hll.com
Brands, HLL meets everyday needs for nutrition, hygiene, and personal care with brands that help people feel good, look good and get more out of life.

It is a mission HLL shares with its parent company, Unilever, which holds 51.55% of the equity. A Fortune 500 transnational, Unilever sells Foods and Home and Personal Care brands in about 100 countries worldwide.

HLL is India’s largest Packaged Mass Consumption Good Company. HLL is leaders in home and personal care products and food beverages. It is this purpose that inspires HLL to build brands. Over the past 70 years, HLL have introduced about 110 brands, most of which have become household names in the country.

The company has a balanced portfolio of products are:

- Personal products.
- Soaps and detergents.
- Speciality chemicals.
- Agri products.
- Beverages.

3 www.hll.com
Foods and beverages.

Edible fats and dairy products.

Culinary products.

Frozen desserts.

Plantation.

Animal and poultry feeds.

Popular foods: Knorr Annapurna Atta, Knorr Annapurna Salt, Knorr Soups.

A select list of successful HLL brands:

- Lifebuoy Soap
- Lux Soap and Body Wash
- Pear Soap
- Rexona Soap
- Surf Excel
- Clinic Plus Shampoo
- Close-up Toothpaste
- Pepsodent Toothpaste
- BrookeBond Red Label
- 3 Roses
- Rin Shakti
- Rin Cake

4 www.hll.com
Wheel Powder
- Sunlight
- Lakme Cream
- Taaza Tea
- Bru Coffee
- Dalda Vanaspati
- Kissan Tomato Ketchup
- Knorr Soup
- Annapurna Atta and
- Annapurna Salt
- New Venture of HLL
- Hindustan Lever Network
- Ayush Ayurvedic Products and Services
- Sangam
- Pureit Water Purifiers
- Exports of HLL
- HPC
- Beverages
- Marine Products
- Rice
- Castor

The story of HLL has been a chronicle of attracting, holding and moulding the finest talent in India and abroad, to shape an
institution that stands today for the highest standards of quality, innovation and service to the consumer and the country. HLL people have flourished in an environment market by fairness, the belief that even perfection can be improved upon, and the assurance that all you need is merit in order to progress. That has proved a fertile soil indeed, for it has bred people whose calibre has changed the quality of millions of Indian consumer's lives.

The fundamental principle determining the organisation structure is to infuse speed and flexibility in decision-making and implementation, with empowered managers across the company's nationwide operations. For this, HLL is organised into self-sufficient profit centres, supported by certain central functions are resources to leverage economies of scale wherever relevant.

At the apex is the Board, headed by the Executive Chairman and comprising 5 whole time directors and 5 independent non-executive directors. HLL has a management committee, headed by the Executive Chairman, and comprising all 13 Executive Directors. The management committee is responsible for steering HLL's operations. Executive Directors head individual profit centres – Detergents, Personal Products, Beverages, Foods, Ice Cream, Chemicals and Agri and Speciality Exports, New Ventures
and the functions of finance, human resources, technology, research, information technology, legal and secretarial and corporate affairs.

HLL has a very wide network of marketing and channels of distribution spread over the country. The company has many sole selling agents, dealers who deal with the products of the company. Supply chain and Purchase are two major areas where the working capital is utilized. Any improvement in these areas can result in extensive reduction in operational expenses. The initiatives in the areas of supply chain and purchase were the first step towards operational efficiency. Two new departments Central Supply Chain Cell and Central Procurement and Planning Division have been created to facilitate these functions. The initiatives taken in these areas have already started showing results and improving the bottom line of the company.\(^5\)

\section*{5.2 RESTRUCTURING OF HLL.}

For Unilever, HLL is an important source of quality management, innovation and relevant business process. HLL has been allowed the leeway to pursue a unique ‘India only’ strategy for foods. It speaks volumes for the confidence the parent company

\(^5\) www.hll.com
has in Indian management personnel. For a big company like HLL, maintaining personal touch is difficult. As the old dictatorial style would not work any more, they have to give way to the CEO-as-coach concept.

According to M.S. Banga, HLL must be a listening organisation and keep its antenna high with a view to listening to what the managers are saying. “We must be open minded”. Banga is considering creating new profit centres (by breaking up existing business into smaller portfolios) so that people feel more empowered. These will be headed by presidents.

He is also working on the personnel policy to attain the objective of making Lever ‘the best place to work in’. Competition from niche players in putting pressure on HLL. To remain leader, HLL has to reduce costs and innovate for the market looking ahead. HLL is following a two pronged strategy of upgrading brand portfolios and straightening production facilities. While HLL is battling in highly competitive markets, it can drive comfort from the fact that it has learnt the art of feeling the consumer’s pulse and accordingly bring in the right products as prescription to satisfy consumer needs.
HLL has a culture which is informal, fairly entrepreneurial and it is driven by action rather than by strategic intent alone. HLL is now planning to redistribute its talent and may also cut down the layers in the organisation.

Broke Bond Lipton India Limited merged with HLL in April 1996 making HLL the biggest corporate in India. Pre-1991, Unilever in India was a house divided into seven companies. Mergers including this one, have brought down the number of subsidiaries in which the parent has a direct holding to two. The other is Ponds India where the stake is 47.7 percent.

The bigger megacorp will be an even tougher competitor than its constituents were. It will be in a better position to ward off his rivals. The Leverisation process at BBLIL was smoother than that of TOMCO because managers were routinely transferred between group companies. BBLIL will benefit from HLL’s tremendous clout at retail level. The amalgamation will also facilitate the pooling of managerial, technological and R&D resources. The merger will ultimately pave the way for a single group of Unilever in India.\(^5\)

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\(^5\) www.hll.com
HLL is considering reducing the price of some of its larger packs. It is also working out strategies to revitalise some languishing power brands like Rin, Breeze and Close-up to tackle stagnant topline growth. According to the officials of the company, HLL would consider reducing prices of bigger pack prices after studying the effect of earlier price cut on demand for its smaller packs. HLL has recently reduced prices of its smaller packs in categories like shampoos and skin creams.

Officials said that the product quality of both Vim (used for washing dishes) and Rin (which washes clothes) are being upgraded while new marketing strategies are being devised for Close-up, a toothpaste brand. Volumes of Breeze, a soap brand, has declined by 6-7% while Lifebuoy, another soap brand aimed at the mass market, has grown at 30%. Lifebuoy sales may have partly cannibalised sales of Breeze. Except for strong topline growth in the personal products division, growth in other categories have either declined or are stagnant according to AC Nielsen ORG estimates, HLL has recorded a decline of 9.9% in August, according to AC Nielsen, and it lost volume share in all key categories except skin and shampoos.

While some of its power brands like, Lifebuoy, Lux, Sunsilk, Fair and Lovely and other brands continue to prop up sales, the
company is working on weak performers like, Breeze, Rin and the Surf family (exclusively Surf Excel). Over the past year, the company has slashed prices by 11% to 20% in categories like, toothpastes, shampoos and detergents. Company watchers say declining market shares will see HLL resorting to staggered price cuts across categories to recover volumes. Pricing, product value and innovation are key issues that HLL will have to address to take on a highly competitive FMCG market this year, analysts said. Analysts say consumer demand may rebound next year because of good monsoons this year. According to a leading analyst, HLL’s turnover growth is expected to pick up from an estimated 3% in 2003 to more than 5% in 2004.7

5.3 MISSION AND SOCIAL RESPONSIBILITY OF HLL.

MISSION OF HLL

Unilever’s mission is to add Vitality to life. We meet everyday needs for nutrition, hygiene, and personal care with brands that help people feel good, look good and get more out of life.8

7 www.hll.com
HLL – SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) in Hindustan Lever Limited (HLL) is rooted in its Corporate Purpose - the belief that "to succeed requires the highest standards of corporate behaviour towards our employees, consumers and the societies and world in which we live". HLL’s CSR philosophy is embedded in its commitment to all stakeholders – consumers, employees, the environment and the society that the organisation operates in. HLL believes that it is this commitment which will deliver sustainable, profitable growth.

HLL's key CSR initiatives are undertaken with a long-term view. Initiatives that are sustainable, have long-term benefits and an ongoing business purpose linked to them are accorded priority focus. As early as in the 1950s, HLL focused on import substitution when balance of payments was an issue. Since the 1980s, most of HLL's investments have been in designated backward areas and zero-industry districts, spreading industrialisation. HLL has revived sick industries and has developed local entrepreneurship.

Furthering this rich tradition of contributing to the community, HLL is focusing on health & hygiene education,
women empowerment, and water management. In addition to these important platforms, HLL is also involved in a number of community support activities, like education and rehabilitation of special or underprivileged children, care for the destitute and HIV-positive, and rural development.

In recognition of these initiatives, HLL received the prestigious TERI-CSR Special Award for the year 2004-2005 from The Energy and Resources Institute (TERI). As is well-known, TERI, which was established in 1974, is world famous for its commitment to and initiatives in every aspect of sustainable development.⁹

5.4 VALUE SYSTEMS AND ETHICAL BEHAVIOUR OF HLL.

Unilever has earned a reputation for conducting its business with integrity and with respect for the interests of those our activities can affect. This reputation is an asset, just as real as our people and brands.
The researcher would like to quote the value system of the company as expressed by the past CEO of the company in his speech: "HLL first priority is to be a successful business and that means investing for growth and balancing short-term and long-term interests. It also means caring about our consumers, employees and shareholders, our business partners and the world in which we live. To succeed requires the highest standards of behaviour from all of us. The general principles contained in this Code set out those standards. More detailed guidance tailored to the needs of different countries and companies will build on these principles as appropriate, but will not include any standards less rigorous than those contained in this Code.

We want this Code to be more than a collection of high-sounding statements. It must have practical value in our day-to-day business and each one of us must follow these principles in the spirit as well as the letter."

**CODE OF BUSINESS PRINCIPLES**

**Standard of Conduct**

HLL conducts its operations with honesty, integrity and openness, and with respect for the human rights and interests of
its employees. HLL similarly respects the legitimate interests of those with whom it has relationships.

**Obeying the Law**

Unilever companies and employees are required to comply with the laws and regulations of the countries in which HLL operates. HLL has always done its level best to follow all corporate laws and business laws including industrial laws with full loyalty and whole-heartedly.

**Employees**

Unilever is committed to diversity in a working environment where there is mutual trust and respect and where everyone feels responsible for the performance and reputation of the company. It recruits, employs and promotes employees on the sole basis of the qualifications and abilities needed for the work to be performed. The company is committed to safe and healthy working conditions for all employees. It does not use any form of forced, compulsory or child labour. It is committed to working with employees to develop and enhance each individual's skills and capabilities.
The company says: "We respect the dignity of the individual and the right of employees to freedom of association. We will maintain good communications with employees through company based information and consultation procedures."

**Consumers**

Unilever is committed to providing branded products and services which consistently offer value in terms of price and quality, and which are safe for their intended use. Products and services will be accurately and properly labelled, advertised and communicated.

**Shareholders**

Unilever conducts its operations in accordance with internationally accepted principles of good corporate governance. It provides timely, regular and reliable information on its activities, structure, financial situation and performance to all shareholders.
Business Partners

Unilever is committed to establishing mutually beneficial relations with its suppliers, customers and business partners. In its business dealings, it expects its partners to adhere to business principles consistent with its own.

Community Involvement

Unilever strives to be a trusted corporate citizen and, as an integral part of society, to fulfill its responsibilities to the societies and communities in which it operates.

Public Activities

Unilever companies are encouraged to promote and defend their legitimate business interests. Unilever its co-operate with governments and other organisations, both directly and through bodies such as trade associations, in the development of proposed legislation and other regulations which may affect legitimate business interests. Unilever neither supports political parties or contributes to the funds of groups whose activities are calculated to promote party interests.
The Environment

Unilever is committed to making continuous improvements in the management of its environmental impact and to the longer-term goal of developing a sustainable business. Unilever works in partnership with others to promote environmental care, increase understanding of environmental issues and disseminate good practice.

Innovation

In its scientific innovation to meet consumer needs, it respects the concerns of its consumers and of society. It works on the basis of sound science, applying rigorous standards of product safety.

Competition

Unilever believes in vigorous yet fair competition and supports the development of appropriate competition laws. Unilever companies and employees conduct their operations in accordance with the principles of fair competition and all applicable regulations.
Business Integrity

Unilever does not give or receive, whether directly or indirectly, bribes or other improper advantages for business or financial gain. No employee may offer, give or receive any gift or payment which is, or may be construed as being, a bribe. Any demand for, or offer of, a bribe must be rejected immediately and reported to management.

Unilever accounting records and supporting documents must accurately describe and reflect the nature of the underlying transactions. No undisclosed or unrecorded account, fund or asset will be established or maintained.

Conflicts of Interests

All Unilever employees are expected to avoid personal activities and financial interests which could conflict with their responsibilities to the company. Unilever employees must not seek gain for themselves or others through misuse of their positions.
Compliance – Monitoring – Reporting

Compliance with these principles is an essential element in our business success. The Unilever Board is responsible for ensuring these principles are communicated to, and understood and observed by, all employees. Day-to-day responsibility is delegated to the senior management of the regions and operating companies. They are responsible for implementing these principles, if necessary through more detailed guidance tailored to local needs. Assurance of compliance is given and monitored each year. Compliance with the Code is subject to review by the Board supported by the Audit Committee of the Board and the Corporate Risk Committee.

Any breaches of the Code must be reported in accordance with the procedures specified by the Joint Secretaries. The Board of Unilever will not criticise management for any loss of business resulting from adherence to these principles and other mandatory policies and instructions. The Board of Unilever expects employees to bring to their attention, or to that of senior management, any breach or suspected breach of these principles. Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so.
In this Code, the expressions ‘Unilever’ and ‘Unilever companies’ are used for convenience and mean the Unilever Group of companies comprising Unilever N.V., Unilever PLC and their respective subsidiary companies. The Board of Unilever means the Directors of Unilever N.V. and Unilever PLC.

5.5 APPRAISAL OF CORPORATE GOVERNANCE

AT HLL.

At HLL, the pursuit to achieve good governance is an ongoing process, thereby ensuring truth, transparency, accountability and responsibility in all its dealings with its employees, shareholders, consumers and the community at large.

HLL believes that if a company wishes to succeed, it should essentially maintain global standards of corporate conduct towards all its stakeholders, employees, consumers and the society. HLL recognizes the rewards of being well managed, and is aware of the important of identifying and aligning its activities with national interest. To that end, the company has always focussed on good corporate governance, which is a key driver of sustainable corporate growth and long-term value creation.
At HLL, the corporate management follows corporate governance in its widest sense, almost like a trusteeship; it is a philosophy to be professed, a value to be imbibed and an ideology to be ingrained in corporate culture. Corporate governance goes much beyond mere compliance; it is not a simple matter of creating checks and balances (although we also engaged in that!). It is in fact a continuous process of realising the company’s objectives with a view to make the most of every opportunity. It involves leveraging its resources and aligning its activities to consumer need, shareholder benefit and employee growth. Thereby the company succeeds in delighting its stakeholders while minimising risks. The primary objective is to create and adhere to a corporate culture of conscientiousness and consciousness, transparency and openness. HLL aims to develop capabilities and identify opportunities that best serve the goal of value creation, thereby creating an outstanding organisation.

HLL believe that a company needs to leverage resources to translate goals into reality. It needs to infuse people with a vision that sparks dynamism and entrepreneurship, creating a system of succession that combines stability with flexibility and continuity with change. Individuals form the core of the company’s existence and sustainability on the twin parameters of potential and performance. Consequently, the company has consistency worked
towards exploring newer avenues for the self-development and personal growth of individuals. People continue to be our thrust, not only for achieving organic growth, but also to secure the dynamism and excellence of the management resources that the organisation has nurtured in a focussed and pragmatic manner.

Above all else, corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Achieving this balance depends upon how accountable and transparent companies are. Accountability improves decision-making. Transparency helps explain the rationale behind decisions, thereby building stakeholder confidence.

In order to strengthen corporate governance further, the company has taken measures to simplify the organisation structure. The company’s business and operations, in the recent times, have been reorganized into two divisions i.e., home and personal care. This was done by combining various businesses: the erstwhile detergents and personal products businesses were combined with foods and the beverages, foods, confectionery and ice-creams businesses were also combined. Each of the divisions is headed by a Managing Director, who will have a Divisional Management Committee comprising representatives from
functions and categories to assist him in managing the businesses of the concerned division. Managing Director will be responsible for performance and profits of their respective divisions and will have the requisite level of empowerment subject to supervision and control of the board. The business divisions will be supported by corporate functions like – finance, IT, HR, technology legal etc.\textsuperscript{11}

5.6 STRATEGIES OF HLL TO DEAL WITH ENVIRONMENT.

Environmental protection including ecology and green marketing practices have been the well-cherished and well-considered practices of company’s strategy. Hindustan Lever Limited (HLL) supplies high quality goods and services to meet the daily needs of consumers and industry. In doing so, the Company is committed to exhibit the highest standards of corporate behaviour towards its consumers, employees, the societies and the world in which we live. The company recognises its joint responsibility with the Government and the Public to protect environment and is committed to regulate all its activities so as to follow best practicable means for minimising adverse environmental impact arising out of its operations.

\textsuperscript{11} \text{www.hll.com}
The company is committed to making its products environmentally acceptable, on a scientifically established basis, while fulfilling consumers' requirements for excellent quality, performance and safety. The aim of the Policy is to do all that is reasonably practicable to prevent or minimise, encompassing all available knowledge and information, the risk of an adverse environmental impact arising from processing of the product, its use or foreseeable misuse. This Policy document reflects the continuing commitment of the Board for sound Environment Management of its operations. The Policy applies to development of a process, product and services, from research to full-scale operation. It is applicable to all company operations covering its plantations, manufacturing, sales and distribution, research & innovation centres and offices. This document defines the aims and scope of the Policy as well as responsibilities for the achievement of the objectives laid down.

The Vision

The vision of HLL is to continue to be an environmentally responsible organisation making continuous improvements in the management of the environmental impact of its operations. The company achieves this through an Integrated Environment Management approach, which focuses on People, Technology and
Facilities, supported by Management Commitment as the prime driver.

**The Environment Policy**

Hindustan Lever Ltd. (HLL) is committed to meeting the needs of customers and consumers in an environmentally sound manner, through continuous improvement in environmental performance in all its activities. Management at all levels, jointly with employees, is responsible and will be held accountable for company's environmental performance.

**Thus, HLL's aims are to:**

+ Ensure safety of its products and operations for the environment by using standards of environmental safety, which are scientifically sustainable and commonly acceptable.
+ Develop, introduce and maintain environmental management systems across the company to meet the company standards as well as statutory requirements for environment. Verify compliance with these standards through regular auditing.
Assess environmental impact of all its activities and set annual improvement objectives and targets and review these to ensure that these are being met at the individual unit and corporate levels.

Reduce Waste, conserve Energy and explore opportunities for reuse and recycle.

Involve all employees in the implementation of this Policy and provide appropriate training. Provide for dissemination of information to employees on environmental objectives and performance through suitable communication networks.

Encourage suppliers and co-packers to develop and employ environmentally superior processes and ingredients and cooperate with other members of the supply chain to improve overall environmental performance.

Work in partnership with external bodies and Government agencies to promote environmental care, increase understanding of environmental issues and disseminate good practice.

Hindustan Lever Limited (HLL) supplies high quality goods and services to meet the daily needs of consumers and customers. In doing so, the Company is committed to exhibit the highest standards of corporate behavior towards its consumers,
employees, the societies and the environment in which the company operates.

Towards this, the Company recognises its responsibility to ensure safety and protection of health of its employees, contractors and visitors in all its operating sites, which include manufacturing, sales and distribution, research laboratories and offices during work and work related travel. This Policy document defines the vision, principles, aim, required actions and scope of the policy application as well as the responsibility for execution.

**HLL’s Vision and Mission about Environment**

HLL vision is to be an injury free organisation. HLL brings safety on top of mind for all employees and will integrate it with all business processes. The company realises its Vision through an Integrated Safety Management approach, which focuses on People, Processes, Systems, Technology and Facilities, supported by demonstrated leadership and employee commitment at all levels as the prime drivers for ensuring a safe and healthy work environment.
Safety Principles

HLL's Occupational Safety and Health Policy is based on and supported by the following eight Principles. These Principles have the same status as the Company's Code of Business Principles:

- All injuries and occupational illnesses are preventable.
- All operational exposures can be safeguarded.
- Safety evaluation of all business processes is vital.
- Working safely is a condition of employment.
- Training all employees to work safely is essential.
- Management audits are a must.
- Employee involvement is essential.
- All deficiencies must be reported and corrected promptly.\(^\text{12}\)

On the basis of above discussion, the researcher concludes this part of the study with the comments that continued growth with stability and environmental scanning have been part and parcel of corporate strategy of top management. Environmental protection and SR are also guiding principles of HLL's business policy. HLL, is perhaps the only organisation that has given top priority to the protection of internal as well as external

\(^{12}\) www.hll.com
environment. It meets its all obligations with best code of governance. HLL ensures its profitability and viability while assuming full social responsibility. HLL involves assumption and absorption of risks, challenges, threats and obligations, wind falls and economic power. In fact, social obligations are part of the package within the framework of which the business enterprises have to function and grow.