



Confederation of Indian Industry

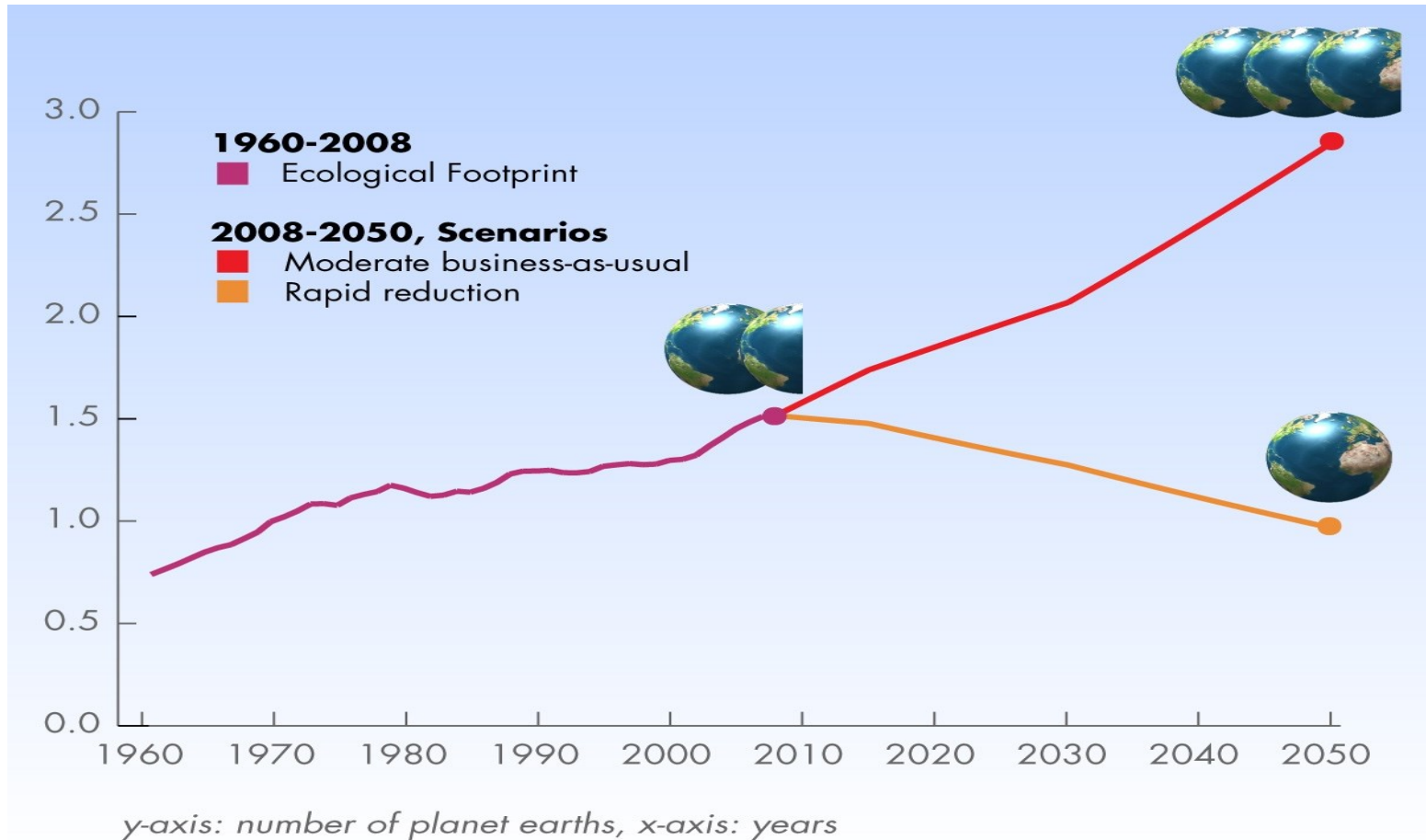
“Green Strategy Blueprint”

International Conference on Total Cost
Management 2019

26th November 2019, New Delhi



Ecological Footprint – The future we are leading into...



Need of the Hour



**Improve
Efficiency**

**Resource
Intensity**

**Industries need to adopt
Green strategies**

***Pursuing 'Green' has a mega
opportunity***



Focus of Green Strategy

❖ Enhances resource efficiency

- Energy, Water, Waste, Raw Material, Packaging, Consumables and logistics
- Bottomline improvement

❖ Improves competitiveness & mitigate risks

- Companies operate beyond regulation on environmental norms
- Meets international regulations & guidelines
- Preferred supplier status
- Enhanced image / Green image



Green Strategies . . .



Top Management – Medium & long term target setting, financial and resource allocation

Middle Level – Technical and Managerial support and achieving overall plant performance & targets

Operational Level – Identification, implementation and monitoring of resource efficiency

Successful Green companies – Effective implementation at all 3 Levels of Management and achieved significant cost reduction

Excellence through Going Green



#1 Green as a part of Business Strategy



Green as part of Business Strategy

- **Godrej Group –2020 Vision**
 - **Creating Greener India**
 - Energy Efficient Business, zero waste, carbon neutrality, positive water balance & 30% renewable energy source
 - **Innovating for Good & Green Products**
 - Third of portfolio revenues comprising good and/or green products and services

**Savings achieved by one of their Businesses :
Rs. 3.5 Crore/Annum**

#2 Total Employee Involvement

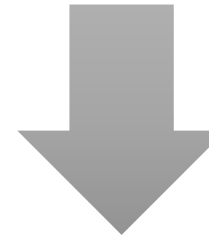


Green Scorecard for competitiveness and Employee Involvement

Description	Name	Target	Actual
1. Melting Energy KWH/TON		2250000	2275000
2. Consumption of Borings %		8 %	7.8 %
3. Holding Energy KWH/TON		7500000	6800000
4. Alloy Consumption %		0.88%	0.88%
5. Metal Piggings %		0.88%	0.88%
6. Production Delay %		0.17%	0.4%
7. No. of Molds Poured/SHIFT		1100	1070



Improved productivity,
competitiveness



Reduced Energy
Consumption
3 – 4 % reduction

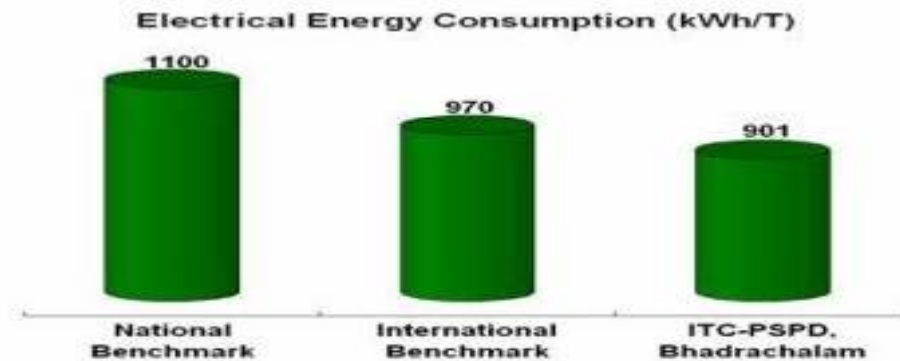
Link to Employees KPI & remuneration at Shop floor level

#3

Upfront financial resource allocation



Upfront financial resource allocation



Benchmark reference: All About Paper, The life cycle of the Indian pulp and paper industry Green rating Project, Centre for Science and Environment, New Delhi.

Resources waiting for ideas!

Not

Ideas waiting for resources!

#4 Ensuring Resource Availability & Mitigate Risk



Water Availability and Sustainability

- ❖ **Paper plant in Maharashtra**
- ❖ **Conflict between plant and community on sharing of water from common source**
- ❖ **Plant closed for few months due to non-availability of water**
- ❖ **Beyond the fence initiatives by the company**
 - **Partnership with community and PPP model**
- ❖ **Several initiatives on water harvesting and efficient management**
- ❖ **Achieved water positive in 5 years**





***Industries
should not be
perceived as competing
with society
for
WATER***



#5 Adopt Green Procurement



Green Procurement



- ❖ **Purchase of energy efficient products**
- ❖ **Total Cost of Ownership**



- ❖ **Green Procurement Guidelines**
- ❖ **Purchase of green-certified products**

Green Products

- How do I know that the product is green ?
- If green, to what extent ?
- Is it green in performance (or) materials used ?
- What if the product is green in performance but not during manufacture?



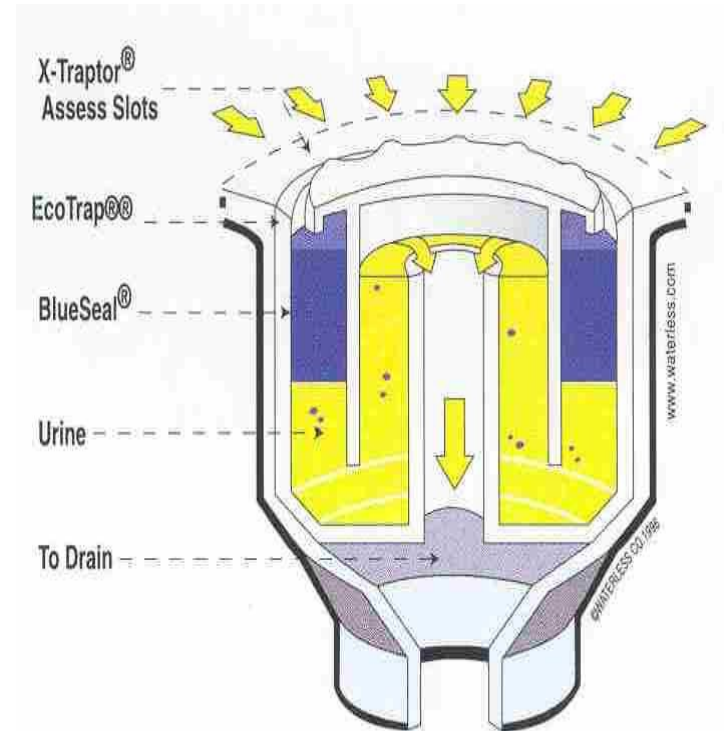
CII GreenPro Rating - Over 950 green building products certified from 100+ companies



Water efficient gadgets



Dual Flush System



Waterless Urinals

Energy efficient Chillers

- **Magnetic levitation based systems**
 - ❑ **Friction-free compressor eliminates heat and reduces energy consumption**
- **Ultra High Efficiency**
 - ❑ **0.35 kW/TR**

*Green Procurement
Guidelines
Facilitates purchase of
energy efficient products*



Chiller Unit with Magnetic Levitation Technique

#6 Partnership with suppliers



Greener Supply Chain



- ❖ **Work with Critical Suppliers**
- ❖ **Green Logistics**



- ❖ **Green Vendor Development**
- ❖ **Reduce cost & profit sharing**

Godrej Supplier Cluster Program

Roadmap for Godrej Supplier Cluster

Unique Initiative.....

Aimed at up gradation of SME sector

A separate vertical created

Implementation of Lean & Green at SME suppliers

Rs. 4 Crore / annum savings at Suppliers' end

ROADMAP FOR GODREJ SUPPLIER CLUSTER															DELIVERABLES				
SMED							PRODUCTIVITY IMPROVEMENT							Reduction in c/o time Reduction in throughput time Improvement in labour productivity					
Cellular manufacturing Multi-tasking																			
CTQ mapping Concept of 100% inspection Quality Alert boards 7 QC tools + QC story CP/ CPk studies Poka Yoke Calibration SOP creation							QUALITY							Reduction in rework (inprocess) Zero defects at customer end Measure cost of Poor Quality					
Mapping and monitoring efficiency of - Energy Water Waste Toxicity							GREEN							Reduction in Energy consumption Reduction in Water consumption Reduction in all type of Waste RoHS compliant products and processes					
Step 0 to 2					MY MACHINE					Breakdown reduction trend									
1S / 2S Red Tag campaign Fixed point photography Jogging track Safety			5 S			1S score worksheet Zero red tag items Before / after photos Boundary walls clear Department Safety Score (DSS), Frequency / Severity rate, No. of accident free days													
Time in Months			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		

CII GreenCo Rating for its suppliers

75% of buy-value from GreenCo rated suppliers



#7. LCA Approach to improve the Greenness of Products



LCA Approach to improve the Greenness of Products

- ❖ Normal Perception - LCA is Theoretical
- ❖ LCA by Godrej Locks - Safe Deposit Lock
 - Material - major environmental impact
 - Brass to Coated Steel
 - Benefits

 **Environment impact – 16%**
Material Cost – 10%



**Base Plate
Sub
Assembly**



**Cover
Plate**



Bolt

LCA Approach – A Mega Opportunity for Companies

GreenCo

***– A catalyst in
promoting Green in
Indian Industry***

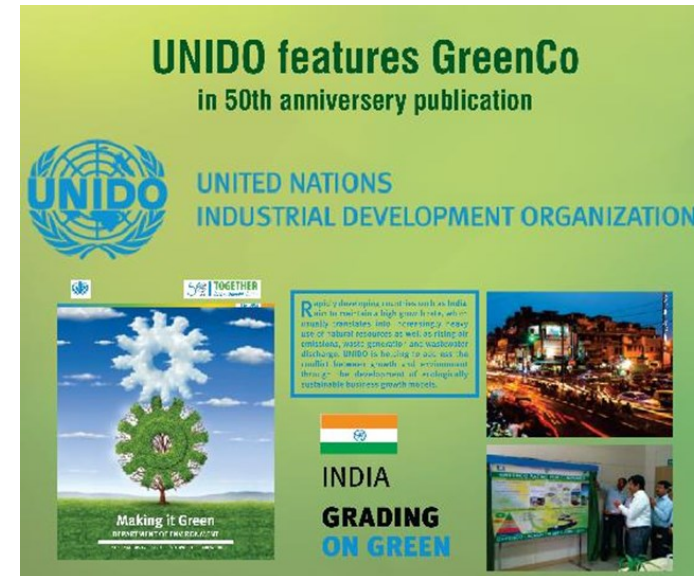


"How Green is your Company"



CII - GreenCo Rating System

- ❖ **Green Rating to assess Environment performance of companies**
 - **Facilitate to achieve world class in 'Green'**
 - **Holistic**
- ❖ **First of-its-kind in the world**
- ❖ **Excellent response - >550 companies are working**
 - **275 Companies are rated**
- ❖ **GoI acknowledged in India's – 'Intended Nationally Determined Contribution' document to UNFCCC**



Rs.1257 Crores / annum savings



To Sum up

Today 'Going Green' is not a choice. It is a necessity for competitiveness and Global Excellence



GreenCo & GreenPro Rating are an excellent framework catalyzing and promoting Green Industry growth in India





Confederation of Indian Industry

For more information; kindly login:

www.greenbusinesscentre.com

www.Greenco.in / www.igbc.in