

(Nestle India Ltd., Moga)

Unit Profile

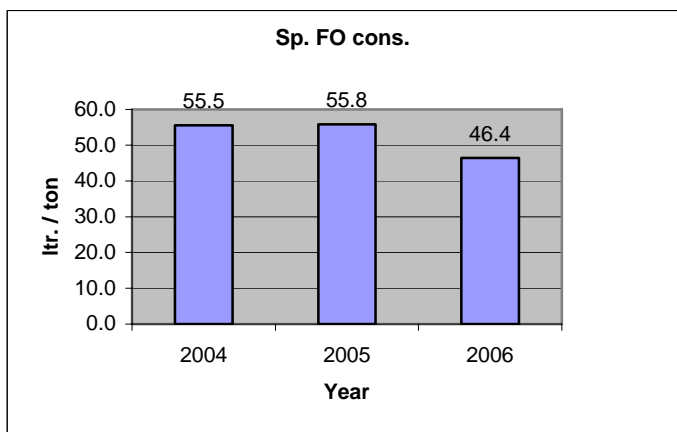
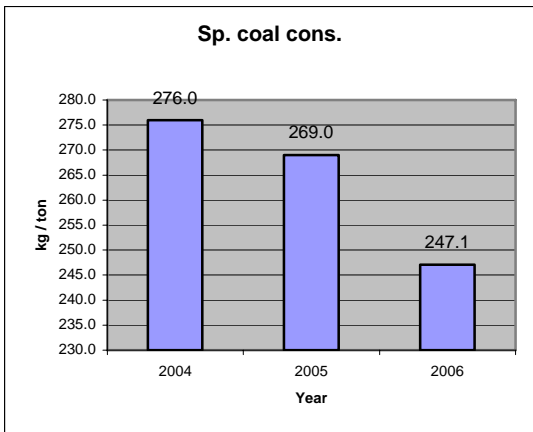
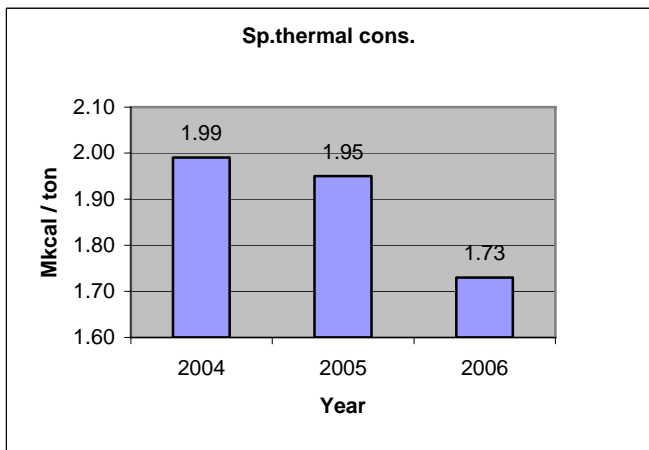
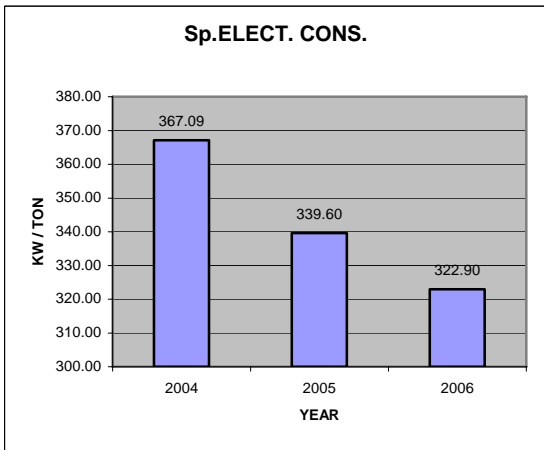
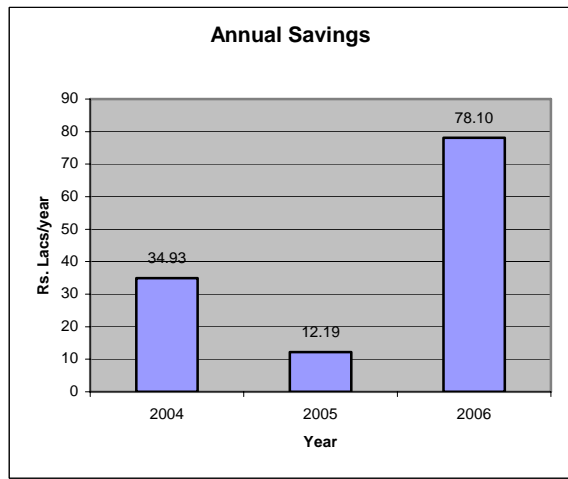
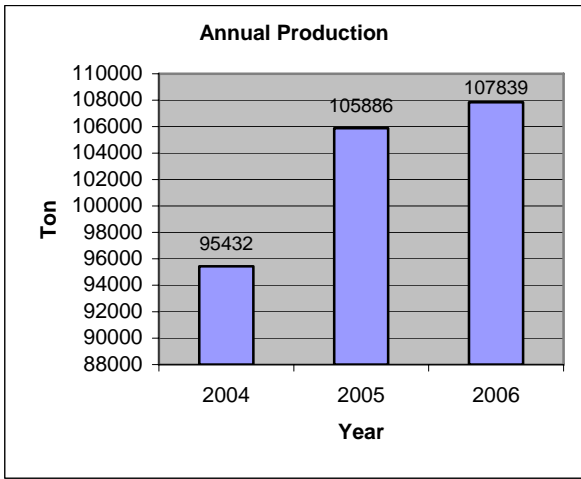
Nestlé is a multinational company with its worldwide operations in over 80 countries with a turnover of \$63 Billion. At present Nestlé is the world's largest food company with its international headquarters at Vevey, Switzerland. With almost 493 factories worldwide it employs almost 253,000 people. Today its product brand name 'Nestlé' is associated with 'quality products' in worldwide consumer markets.

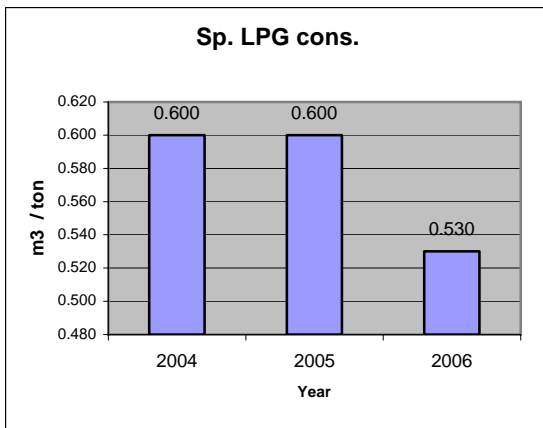
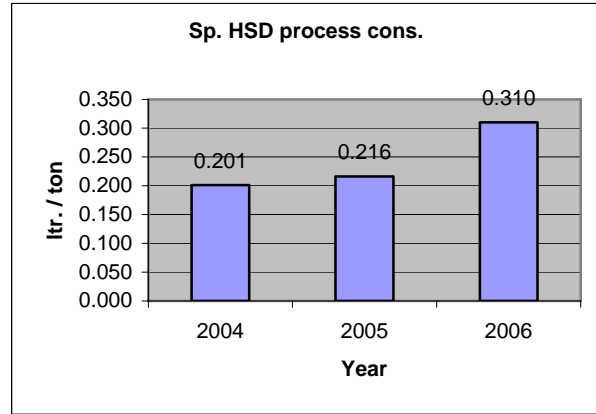
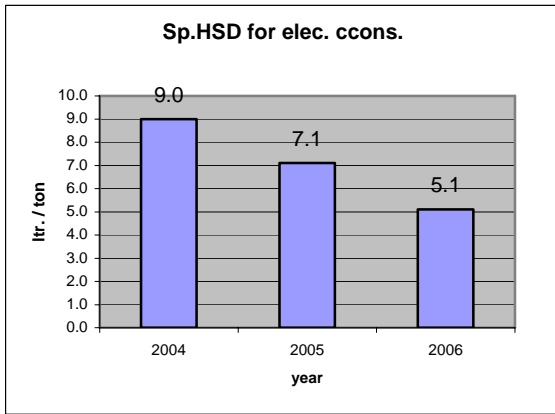
Nestle Moga is the first & the largest factory of seven of the Nestle India limited factories. This is also the largest plant of Nestle in Asia & the third largest worldwide. Moga factory started production in 1962. Today Moga contributes almost 75% of Nestle India's total production volume, manufacturing 105,000 tons of food products. It employs 1500 people. The entire range of milks, culinary products and cereals are manufactured in Moga with brand names like Lactogen, Cerelac, Milkmaid, Maggi Noodle, Maggi tomato ketchup, Everyday Dairy whitener & many more. Moga is located in the state of Punjab about 400Kms North of New Delhi.

In this global competitive market Nestle has sustained because of more customer focus & energy management to cut operational & energy cost but keeping into mind the healthiness of the environment & its people.

Energy Consumption

Energy Saving Measure	Unit	2004	2005	2006
<i>Annual production</i>	<i>MT</i>	<i>95432</i>	<i>105886</i>	<i>107839</i>
<i>Cost of production</i>	<i>Rs lacs</i>	<i>65300</i>	<i>73210</i>	<i>78430</i>
<i>Savings due to energy conservation</i>	<i>Rs lacs/year</i>	<i>34.93</i>	<i>12.19</i>	<i>78.10</i>
Savings as percentage of production cost	%	0.053	0.017	0.10
Energy cost as% age of manufacturing cost	%	4.73	5.2	4.86
Specific electricity consumption	kw/ton	367.09	339.65	322.9
Specific thermal energy consumption	Mkcal/ton	1.99	1.95	1.73
Specific coal consumption	kg / ton of prod.	276.0	269.0	247.1
Specific FO consumption	Ltr. / ton of prod.	55.5	55.8	46.4
Specific HSD consumption for electricity	Ltr. / ton of prod.	9.0	7.1	5.1
Specific HSD consumption for process heating	Ltr. / ton of prod.	0.201	0.216	0.31
Specific LPG consumption (Raw Material)	m3 / ton of prod.	0.60	0.60	0.53





Energy Conservation Commitment, Policy & set up

Nestle India Limited, Moga plant considers energy saving as a multi disciplinary approach. The policy states **"We at Nestle must conserve 5% of energy & 3% of water"**.

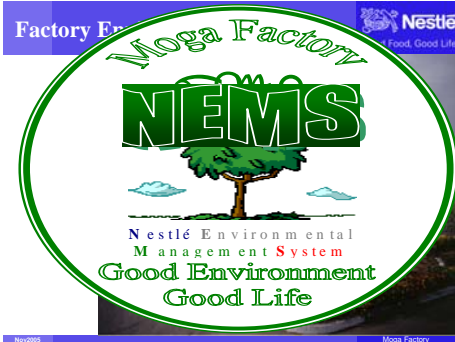
Even the smallest cost reduction is going to add directly to its profits in bottom line. Plant energy profile consists of Electricity, Furnace Oil, High Speed diesel, and Coal. Budget Provisions are made exclusively for energy conservation management. Energy conservation plans, policy, & structure are reviewed periodically. Plant has conducted many in house seminars on energy conservation with external faculties from CII, Forbes Marshall etc and also from Nestle worldwide.

We also take the impetus to send our executives to other plants of Nestle in India & abroad to learn & benchmark the best practices being adopted.

Posters, Slogans are displayed everywhere in the plant to aware the people about the impact of energy loss. The plant has formed a separate department which initiates energy saving through 'KAIZEN' which consists of **SMALL GROUP IMPROVEMENT ACTIVITIES (SGIA) & CONTINUOUS IMPROVEMENT (CI)**. A cross-functional team is made for reduction through energy savings comprising of senior executives from each department.

Environment & Safety

Nestle is fully committed towards Safety, Health, & Environment & ensures full compliance with all applicable legal and regulatory requirements in these areas.



Nestle Environment Management System *NEMS* is developed by Nestle worldwide as a business excellence tool which looks after all environment related issues.

Nestle, Moga NEMS team is headed by factory manager as chairman with delegated team leader, Executive sponsor, site environment officer & team members from every department. Target of this team is to reduce energy consumption & water consumption by 5 & 3 % respectively and reducing solid waste generation by 3%. It also imparts trainings to every employee & plans two internal audits every year. Some of actions taken by NEMS includes Solid waste contractor assessment for disposal methods especially Ash & Laminates Aspect Impact analysis, maximizing the utilization of Treated effluent water, factory emission surveys, implementation of Hazardous waste rule etc. Some initiatives taken includes erection of hazardous waste store, use of treated effluent for creating green belts both inside the factory & outside the factory premises like Government parks, agricultural lands etc. Because of all these initiatives taken, Moga Factory won Punjab State Award for '**Environment Excellence**' on 5th June 2005.

Nestlé Policy on Health and Safety at Work

Nestlé regards its people as its most valuable asset and places the highest priority on protecting them. The Nestlé Policy on Health and Safety at Work is based on the Nestlé Corporate Business Principles, which are binding for the whole Nestlé Group.

Prevention of work-related injury and illness

Nestlé believes that work-related injuries and illnesses can be prevented.

Further, we:

- Implement worldwide our mandatory *Nestlé Operational Safety, Health and Risk - Management Strategy*, which meets or surpasses the requirements of the health and safety laws applicable in the countries in which we operate;
- Conduct risk assessments and take appropriate corrective action to minimize threats to human health and safety. Furthermore, we establish emergency and contingency plans to deal with residual risks. This approach also minimizes threats to the business, protecting our shareholders' interests;
- Continuously improve our performance by adapting processes, work practices and systems as a result of monitoring safety performance and analyzing accidents or occupational health problems.

Management leadership and employee involvement

Nestlé recognizes the critical role of our people to ensure a safe and healthy work environment. As an integral part of managing the business, all Nestlé managers are accountable for managing workplace health and safety with strong leadership and credibility.

We build a proactive safety culture by:

- Actively engaging our employees and other relevant stakeholders to drive implementation of all elements of our Nestlé Operational Safety, Health and Risk - Management Strategy through consultation and communication with staff at all levels;
- Educating, training and equipping staff at all levels to ensure that they are empowered to avoid unsafe situations and to respond rapidly to unexpected events;
- Setting targets and monitoring performance to drive continuous improvement of our achievements, while providing the needed resources to ensure a safe working environment.

Further, employees at all levels are accountable to work in a safe manner to prevent injury to themselves and fellow workers, and to become actively involved in programmes to improve health and safety performance in the workplace.