

# THE GREEN BRIGADE

A BT-ACNielsen ORG-MARG survey of shareholder perception.

So just which are the greenest companies in India? That's a hard one, because the answer depends entirely on who you are talking to. For example, to the green activist, no company may be green enough. To the expert, the answer would depend on a variety of factors including the nature of the industry, size of the organisation and international best practices. The lay person, in contrast, may be completely off the mark. Yet, there's one set of opinion makers that companies should pay close attention to, even if their perception is a little removed from reality: shareholders.

Ergo, to figure out which companies are thought of as the greenest, BT commissioned research agency ACNielsen ORG-MARG to poll 200 shareholders in Chennai, Delhi, Kolkata and Mumbai. The respondents were asked to not only rank the greenest companies but also reveal how they reacted to environmentally unfriendly companies and what they thought the big companies were doing to protect the environment. The universe of companies was restricted to top 50 by market value (services companies were excluded), and only the top 20 were ranked.

A caveat is in order, though. Shareholder perception is what it is: perception, and not the reality. Therefore, if a company like Dr. Reddy's Labs or ITC turns up at the bottom of the list, it's not because they are environmentally irresponsible. On the contrary, both Dr. Reddy's and ITC are ISO 14001 companies and practice corporate social responsibility (CSR) to wonderful effect. The latter runs the cleanest paper manufacturing unit in the country, and Dr. Reddy's has a target of turning all its six API (active pharma ingredients) manufacturing facilities into zero discharge plants by end of March, 2005. So what explains their poor perception? These companies haven't been effective in communicating all their environmental initiatives to their stakeholders. The bottom line: At least in the perceptions game, you are only as green as you say you are.

## INDIA'S GREENEST COMPANIES...

Interestingly enough, the energy giants come right on top.

- ONGC 1
- Reliance Industries 2
- BPCL 3
- HLL 4
- Ranbaxy Laboratories 5
- Larsen & Toubro 6
- Maruti Udyog 7
- Hero Honda Motors 8
- HPCL 9
- Bharat Heavy Electricals 10

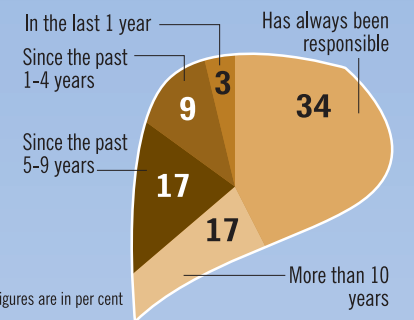
## INDIA'S GREENEST COMPANIES... (continued)

- 10 Castrol India
- 10 Dabur India
- 13 M&M
- 14 Ashok Leyland
- 14 Bharat Electronics
- 14 Shipping Corporation of India
- 17 ITC
- 18 RCF
- 19 Colgate-Palmolive
- 19 Dr. Reddy's Lab

Companies that tie in rankings are listed alphabetically.

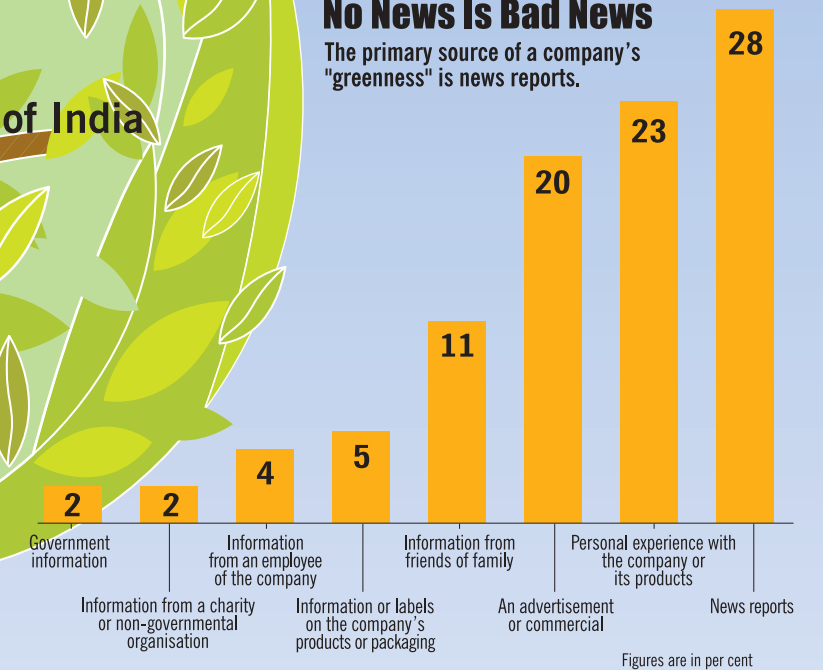
### In Top 20 We Trust

More than half the shareholders polled felt the top companies were long committed to going green.



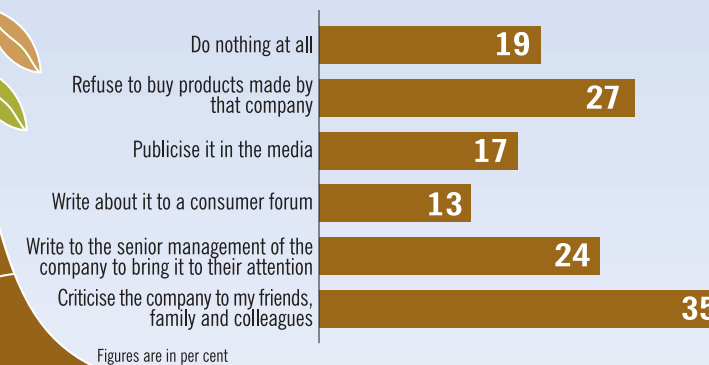
### No News Is Bad News

The primary source of a company's "greenness" is news reports.

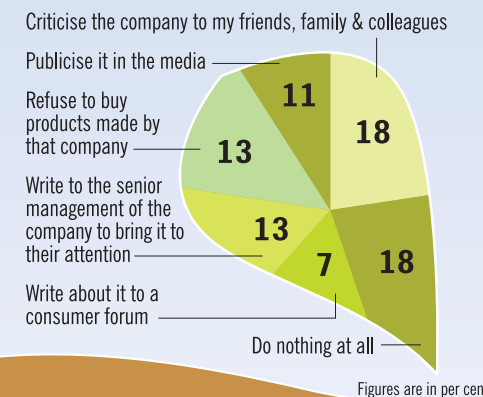


### Go Green, Or Else...

Bad mouthing is seen as befitting punishment.



### One-third won't yet take direct action to force companies to be environmentally minded.

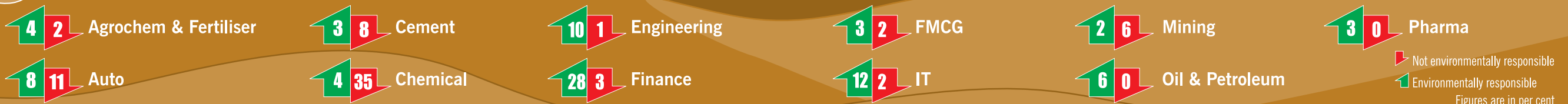


### ...And The

Chemicals and automotive are

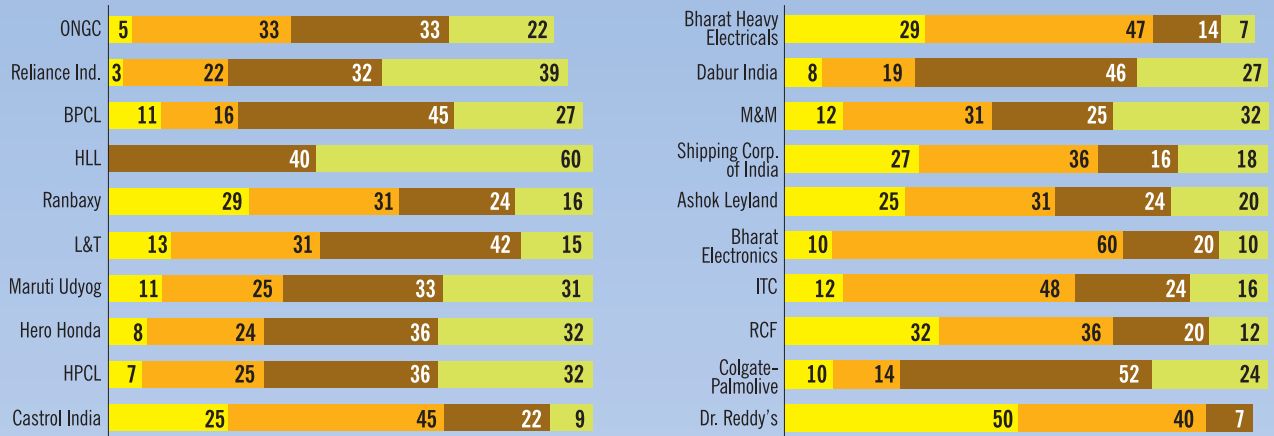
### Greenest Sectors

seen as the most delinquent industries.



## Know Your Company Well?

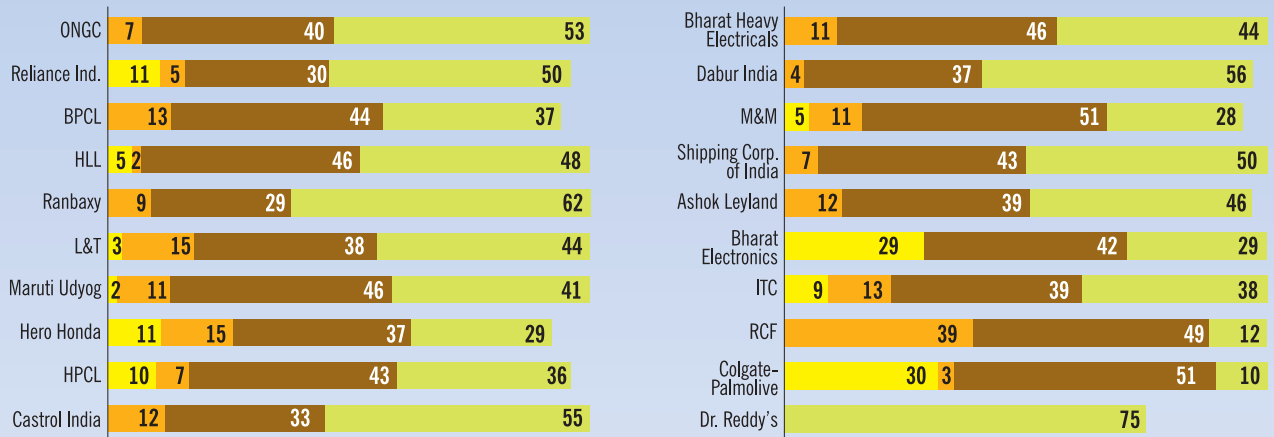
It seems everybody knows HLL really well.



Figures are in per cent ■ Do not know ■ It's just a name, do not know anything ■ I know a little about it ■ I know a lot about it

## Trust Your Company To Be Environmentally Responsible?

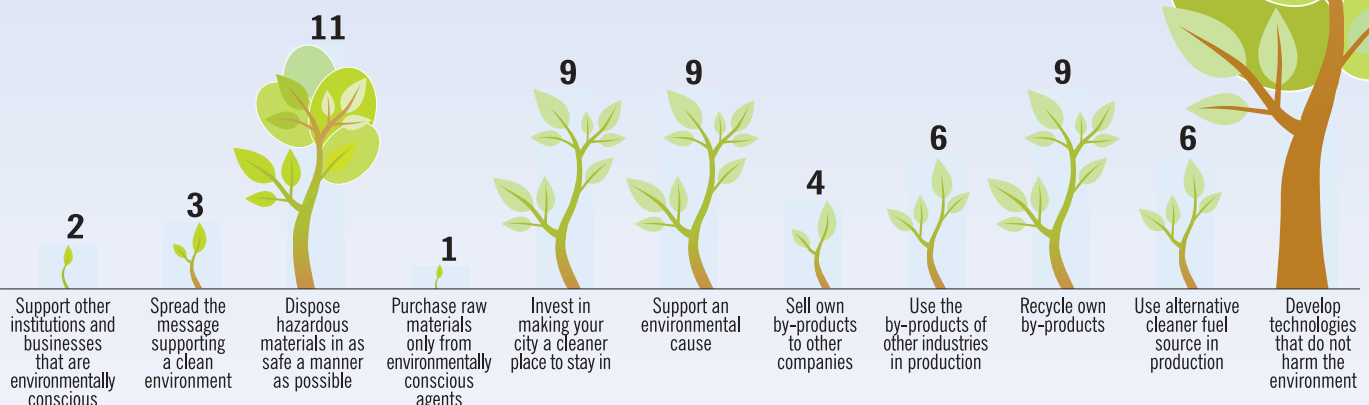
Yes, seems to be the answer for most of the top companies.



Figures are in per cent ■ Not trust at all ■ Not much trust ■ Some trust ■ A lot of trust

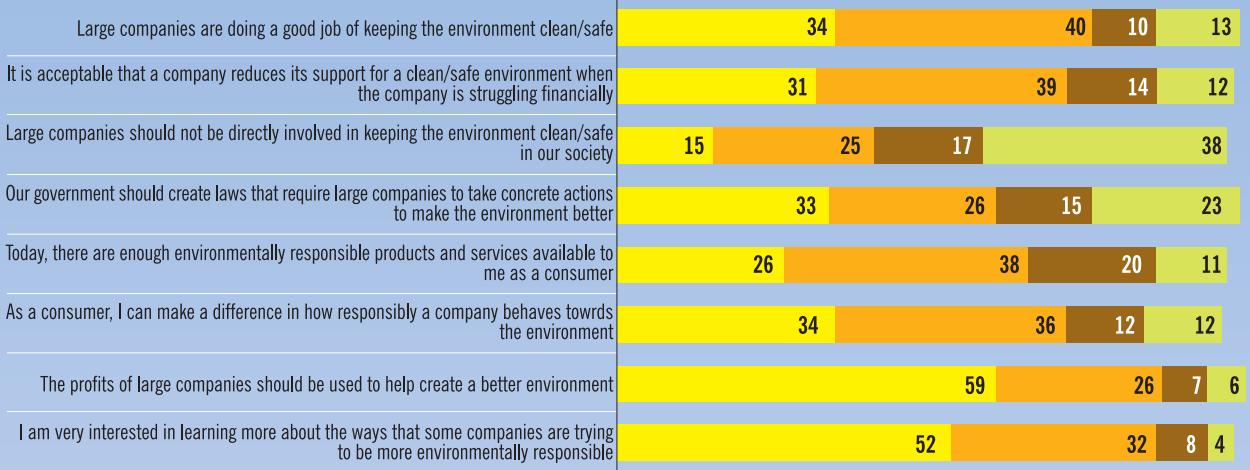
## Engineered For The Environment

Shareholders would have companies use technology to make the environment better.



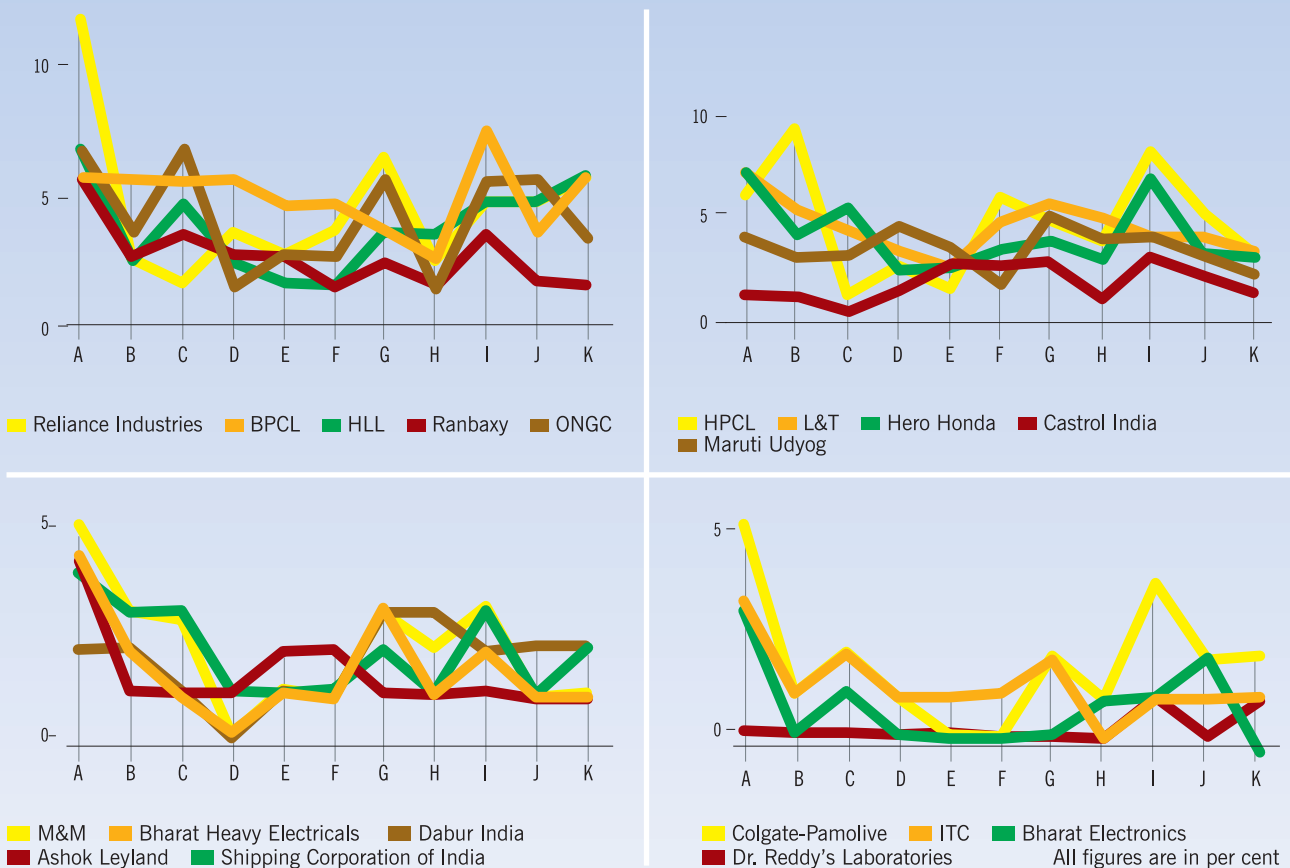
# Happy With India Inc.

Nearly three-fourths think big companies are doing a good job of protecting the environment.



Figures are in per cent ■ Strongly agree ■ Somewhat agree ■ Somewhat disagree ■ Strongly disagree

## The Company Is Helping The Environment By...



- A: Develop technologies that do not harm the environment
- B: Use alternative cleaner fuel source in production
- C: Recycle own by-products
- D: Use the by-products of other industries in production
- E: Sell own by-products to other companies
- F: Support an environmental cause
- G: Invest in making your city a cleaner place to stay in
- H: Purchase raw materials only from environmentally conscious agents
- I: Dispose hazardous materials in as safe a manner as possible
- J: Spread the message supporting a clean environment
- K: Support other institutions and businesses that are environmentally conscious