



कोल इण्डिया लिमिटेड

Coal India Limited

भारत सरकार का उपक्रम

A Government of India Undertaking

एक महारत्न कंपनी A Maharatna Company



ENERGIZING CO-EXISTENCE



Sustainability Report 2015-16



Plantation near CHP of Umrer, WCL

VISION



To emerge as one of the global player in the primary energy sector committed to provide energy security to the country by attaining environmentally & socially sustainable growth through best practices from mine to market.

MISSION



To produce and market the planned quantity of coal and coal products efficiently and economically in an eco-friendly manner with due regard to safety, conservation and quality.

Values

Our core values include equality, justice, transparency and accountability. These are practiced in all spheres of our business activities. As we put emphasis on dual development, the values are monitored for the entire workforce by five Central Trade Unions. Wherever the values are not being followed, the issue is discussed with the management to reach a mutually agreed upon solution. These solutions often have necessary corrective measures that are taken if required.



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ABOUT THE REPORT: MINE TO MARKET SUSTAINABILITY

Report Context: Transparency for Sustainability

Our 5th Annual Sustainability Report for 2015 - 16 has ushered in a whole new context as far as our evolution in terms of sustainability goes. We have based our future role in this regard on coexisting in a more focused and active way with the environment around us. Accordingly, our corporate vision has been aligned with transparency. Why transparency, you may ask. With responsibility as our middle name, we have embarked on a path where disclosure of our sustainability performance to all stakeholders will help us attain a bond with the stakeholders. At the very centre of this bond, we have sowed the seeds of trust with transparency at its core.

Audience: Building a Culture of Trust

With this report, it is our hope and endeavor to provide answers regarding Coal India Limited. We seek to address the queries and concerns of the stakeholders even as make a useful document for employees, local communities, the Government as well as the media and those who have any business interest in us, including business partners, stakeholders and other industry players.

Scope and Boundary: Covering all Exits

The scope of this year's sustainability report covers CIL and its eight fully owned subsidiaries in India including 413 mines (207 underground mines, 176 opencast mines and 30 mixed mines); 15 coal washeries (12 coking coal and three non-coking coal) and other establishments managed by CIL including workshops, hospitals etc., along with 27 training institutes.

Content of the Report

The content of this report has to do with the period of 1st April 2015 - 31st March 2016. It has been compiled as per the guidelines of GRI G4 'in accordance' Core criteria while the previous year report published in 2014-15 was as per GRI G3.1

guidelines. The theme for the current report is "Energising Co-existence."

The report entails three distinct sections to depict CIL's role in enhancing sustainability and impacting the triple bottom line of People, Planet and Profit. You will find insights on the material aspects identified at a company level and our varied attempts to manage these aspects in an effective manner. Also, this report contains factual data based on the progress of the long term goals and targets that were set in the last reporting period. For these material aspects, we have attempted to project our targets for the coming year as well.

The reported data has been reviewed for completeness and accuracy at the operations level. We have represented the quantitative data in the metric system and the currency has been reported as Indian National Rupees. There are no specific restatements of the previous reported information. The GRI Index on pages 76-85 provides a list of GRI indicators and Disclosures (as per GRI G4 'in accordance' Core criteria guidelines) and their location within this report. The report has been assured by Bureau Veritas Certification (India) Pvt. Ltd., Eastern Region using AA1000 AS standards.

For Further Details Contact:

Mr. N. Das,
Chief General Manager,
Environment Division, Coal India Limited,
Coal Bhawan, Premises No. 4, MAR,
Plot No: AF III, Action Area 1A,
New Town, Rajharhat, Kolkata, West Bengal
PIN- 700156

E-mail: cgmenv.cil@coalindia.in

www.coalindia.in

CIN L23109WB1973GOI028844

Technical Reclamation - Benching, Nigahi Project, NCL



FROM THE CHAIRMAN'S DESK

Dear Friends,

I am happy to release this fifth consecutive Sustainability Report, 2015 – 2016. This report discloses information on our economic, environmental and social performance. With this report, we aim to reach out to our stakeholders by invoking transparency. In this report compiled as per the Global Reporting Initiative (GRI) G4 guidelines, we intend to convey details of our sustainability journey in an endeavour to satisfy the country's energy need. Being well aware of our responsibility to cater to around 81% of the entire power generated, we strengthen our continued efforts by adopting a socio-ecofriendly approach.

During the reporting year 2015 - 2016, we earned Rs. 21,589.09 Crores, pre-tax profit against previous year's figure of Rs. 21,583.92 Crores. This consistent growth profile is attributed to the unique relationship we share with our stakeholders. For us, the main stakeholders are the local commune in the vicinity of our mining activity zone and the land losers. Hence, to satisfy the needs of the Project Affected Persons and other stakeholders in the neighbouring community, we take utmost care to improve the Resettlement & Rehabilitation (R&R) Policy while we strengthen the Corporate Social Responsibility (CSR) activities.

We value our employees as the back bone of our industry, and as one of our most valuable assets. Hence, the safety of our workforce remains our top priority and we have imbibed this thought into our mission statement, thereby making it an integral aspect of our overall business strategy. With a well-defined Safety Policy, and the establishment of multi-disciplinary internal safety organisations at all our subsidiaries, we ensure effective implementation of safety measures. We have devised 'Safe Operating Procedures' (SOP) as well as improved safety standards and enhanced safety trainings for implementation of the best safety practices to eliminate work place injuries and occupational hazards. Besides safety, we also try to make the lives of our employees and their families comfortable in the remote areas of our operations by undertaking appropriate welfare measures.

We understand our responsibility towards the environment and hence we conduct Environment Impact Assessment studies before the start of any project. These studies help us arrive on



the mitigation measures to be adopted for minimising the impact on the environment. This, in turn, guides us for the dual benefit of the environment and community at large. With the use of fully mechanised technologies like the Continuous Miners and Power Support Long Wall System for Underground Mining and the Surface Miner, High Wall Miners and high capacity equipment for open cast mining, we are tuned towards eco-friendly mining for safe and enhanced productivity.

Lastly, we thank 'YOU' – our stakeholders - for all your support and co-operation in meeting the energy needs of the nation and helping us foster a resilient relationship by 'Energising Coexistence'.

SD /-
(Sutirtha Bhattacharya)
Chairman

Coal Mining : Industry Outlook

Coal India

Coal India - the biggest coal producing company in the world is at the vanguard of the India's coal production, producing about 84.5 % of the entire coal output. Coal India virtually empowers the power sector of the country with nearly 76 % of entire supplies catering to Power (U) of the country. 100 Thermal Power Stations in the country receive coal from Coal India. For achieving the ambitious target of 908.10 MT to production by 2020, it is imperative for us at Coal India to facilitate Sustainable development and focus on 'Energizing Coexistence' for all our stakeholders.

Indian Scenario

India is the world's third largest energy consumer, and its energy use is projected to grow at a rapid pace supported by economic development, urbanisation, improved electricity access and an expanding manufacturing base. Despite increased growth in other sources, coal will remain the major source of electricity generation. In India's energy sector, coal accounts for the majority of primary commercial energy supply. With the economy poised to grow at the rate of 8-10% per annum, energy requirements will also rise at a reasonable level. Foreseeing the high demand of coal in the country, the Government has set a goal of reducing coal imports to zero by 2020. This in turn will help to lower the reliance on expensive coal imports and result in tremendous savings in forex for the country.

Global Market

Coal is the most abundant of fossil fuels. It is used for electricity generation, and it also finds itself as a key input into steel and aluminium production as well as in cement manufacture.

Global consumption of coal is growing and is expected to increase even more as developing countries expand their energy needs. However, the future use of coal depends on how well the coal producers mitigate its environmental impact and contribute to holistic sustainable development.

Whilst the demand for this sector is always on the rise with the increasing rate of development in countries such as India and China, there is an increasing pressure from renewable energy as a climate-change friendly and an increasingly cost efficient option.

Business Opportunities and Risks

Due to reforms initiated by the Government and its cascading impact on demand from Power we expect a strong demand curve build up. To increase its geographic proliferation, CIL is exploring the possibility to export coal in neighbouring countries and is striking supply deals. Investments in related industries such as solar and fertilizer are also being explored. Since logistics are crucial to coal supply, CIL is also investing in railway infrastructure projects to create better coal linkage facilities for consumers. Land acquisition and R&R continue to remain as key challenges for us at CIL. Emergence of pet-coke as a substitute of coal is another significant challenge. The thrust on increase of production is coupled with falling grades of coal which does not augur well in the increase in CIL's revenues.

COAL INDIA LIMITED – AN OVERVIEW

Coal India Limited (CIL) is a state owned coal mining corporate that comes under the purview of the Ministry of Coal, Government of India. The company is headquartered from Kolkata, West Bengal. Today, it is the single largest coal producer in the world and caters to the coal requirement of the Power and Steel sectors of the country. It is also one of the largest corporate employers in the country with an employee strength of 3, 22,404 people as on 1st April 2016. CIL is an apex body with eight wholly owned coal producing subsidiaries along with one Mine Planning and Consultancy Company spread over eight provincial states of India. We operated through 82 mining areas with 413 operational mines in 2015-16 and through 430 mines in

the previous year 2014-15. Our operational mines for 2015-16 comprise of underground (207), opencast (176), and mixed mines (30). We also manage 15 coal washeries (12 coking coal and 3 non-coking coal) and manage other establishments like workshops, hospitals and more, along with 27 training institutes.

In April 2011, CIL was granted the “Maharatna” Status by the Indian Government, a privileged status held by only five PSUs currently, and is conferred by the Government of India to select state owned enterprises to empower to expand their operations and emerge as global giants.



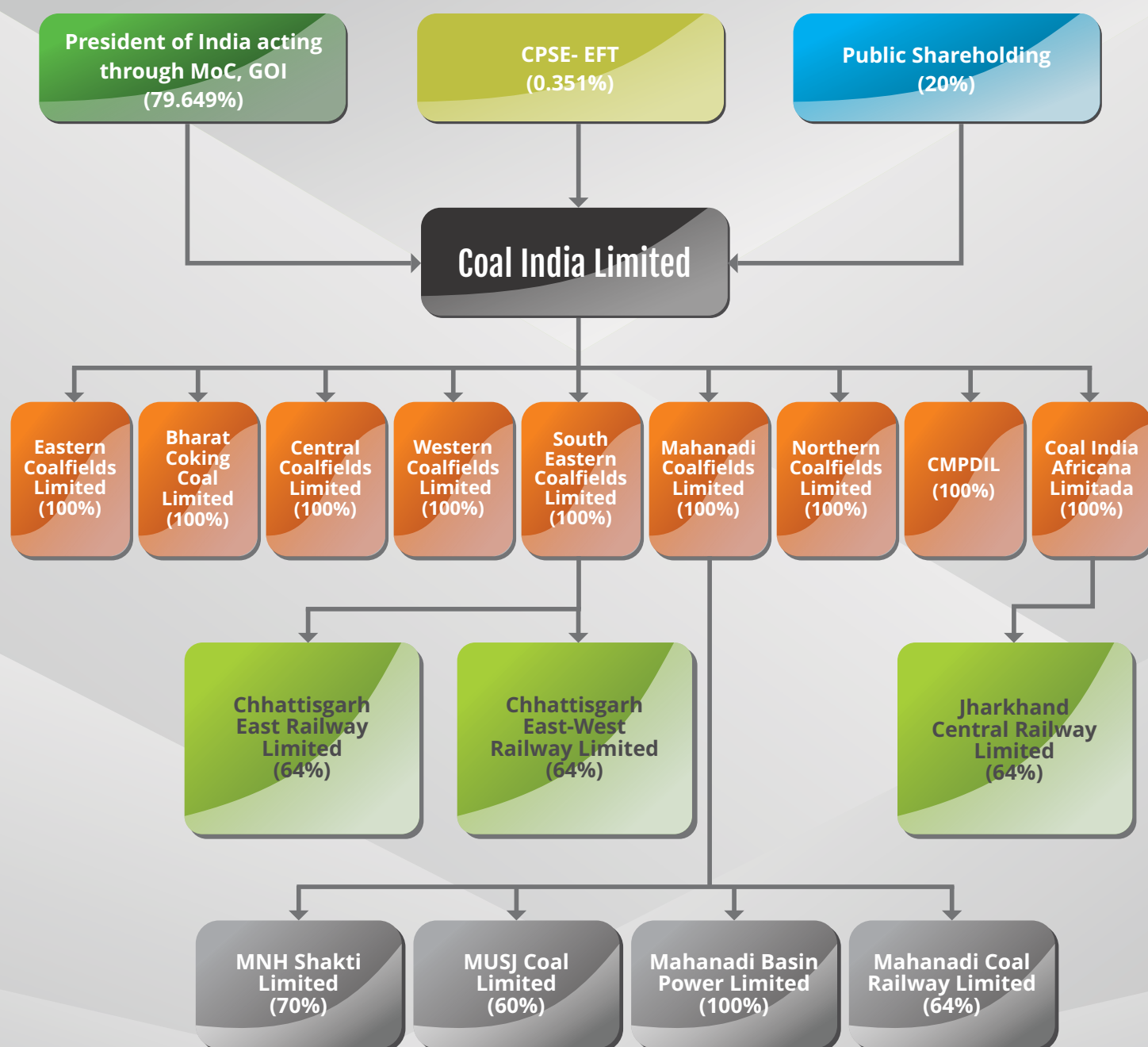
Corporate Office of CIL at Kolkata

Organisational Structure

The organisational structure of CIL encompasses eight subsidiaries in India with a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL). The government shareholding in CIL stands at 79.649% with the remaining held by institutional investors and individual shareholders. Besides this, North Eastern Coalfields (Assam) is also managed directly by CIL. Similarly, Dankuni Coal Complex is on lease

with South Eastern Coalfields Limited and Mahanadi Coalfields Limited consists of four Joint Venture Companies as well as a SPV. Jharkhand Central Railway Limited is a Joint Venture Company between Central Coalfields Limited, M/s Ircon International Limited and Govt. of Jharkhand incorporated on 31st August 2015 with 64% holding for evacuation of Coal.

Corporate Structure



Product Profile



Coking Coal

Description: When heated in the absence of air, forms coke

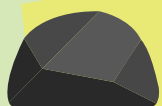
Uses: Steel Making and Metallurgical Industries



Semi Coking Coal

Description: Blended with coking coal in adequate proportion to make coke

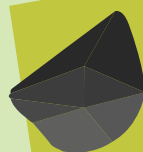
Uses: As blend-able coal in Steel making, Merchant Coke Manufacturing and other Metallurgical Industries



NLW Coking Coal

Description: With high ash content

Uses: Power utilities and non-core sector consumers



Non Coking Coal

Description: Coal without coking properties

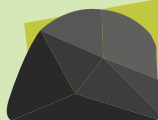
Uses: Thermal grade coal for Power utilities, Cement, Fertilizer, Glass, Ceramic, Paper, Chemical and Brick manufacturing, and other heating purposes



Washed & Beneficiated Coal

Description: Coal after washing and beneficiation

Uses: Manufacturing of hard coke for Steel Making and Power Generation



Middlings

Description: By-product of the three stage coal washing/beneficiation process

Uses: Power generation, Brick Manufacturing Units, and Cement Plants



Rejects

Description: Products of coal beneficiation process after separation of cleans and/or middlings

Uses: In Fluidized Bed Combustion (FBC) boilers for Power Generation, Road repairs, Briquette (domestic fuel) Making, Land filling, and more.



CIL Coke/ LTC Coke

Description: Environment friendly product of the Dankuni Coal Complex, obtained through low temperature carbonisation.

Uses: In the furnaces and kilns of industrial units and as domestic fuel by halwais, hotels, and more



Coal Fines/ Coke Fines

Description: Screened fractions of raw feed coal and LTC coke, obtained from the Dankuni Coal Complex and other coke oven plants

Uses: Industrial furnaces and domestic purposes.



Tar/ Heavy Oil/ Light Oil/ Soft Pitch

Description: From the Dankuni Coal Complex made using low temperature carbonisation of non-coking coal in vertical retorts

Uses: Furnaces and boilers of Industrial Plants; Power houses, Oil, Dye, Pharmaceutical Industries, and more.

Corporate Governance

CIL is governed by a Board of Directors who assume responsibility for effective, ethical and prudent management that can deliver the long term success for the company. The responsibilities of the Board include zeroing in on the company's strategic aims, providing the relevant leadership to put them into effect, supervising the management

of the business and reporting to the shareholders on their stewardship. They make a review of various global charters (e.g. UNGC Principles), the composition, annual calendar for meetings and performance of all the sub-committees of the board.

Board of Directors

FUNCTIONAL DIRECTORS



Shri S. Bhattacharya
Chairman
(DIN-00423572) (From 05.01.2015)



Shri R. Mohan Das
Director (Personnel & Industrial Relation)
(DIN-01594255) (From 01.06.2007)



Shri N. Kumar
Director (Technical)
(DIN-02624808) (From 01.02.2012)

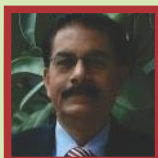


Shri Chandan Kumar Dey
Director (Finance)
(DIN-ADIPD7247D) (From 01.03.2015)



Shri S. N. Prasad
Director (Marketing)
(DIN-07408431) (From 01.02.2016)

PERMANENT INVITEES



Shri R. R. Mishra
CMD, WCL
(From 06.11.15)



Shri Shekhar Saran
CMD, CMPDIL
(From 01.01.16)

INDEPENDENT DIRECTORS



Ms. Loretta M. Vas
(DIN-02544627) (From 17.11.15)



Dr. S. B. Agnihotri
(DIN-03390553) (From 17.11.15)



Dr. D. C. Panigrahi
(DIN-07355591) (From 17.11.15)



Dr. Khanindra Pathak
(DIN-07348780) (From 17.11.15)



Shri Vinod Jain
(DIN-00003572) (From 17.11.15)

GOVERNMENT NOMINEE DIRECTORS



Dr. A. K. Dubey
Special Secretary, Ministry of Coal
(DIN-02766755) (From 03.04.13)

Subcommittees

The CIL Board operates through various committees that are assigned with specific roles and responsibilities. The various committees include the Audit Committee, the Nomination and Remuneration Committee, the Share Transfer Committee,

the Risk Management Committee, the Corporate Social Responsibility Committee and the Stakeholder Relationship Committee. During the year 2015-16, one meeting of the CSR committee was held on 04-03-2016.



Dr. S. B. Agnihotri,
Independent Director, Chairman



Dr. Khanindra Pathak,
Independent Director, Member



Shri R. Mohan Das, Director (Personnel and Industrial Relation), Member



Shri Vinod Jain,
Independent Director, Member



Shri N. Kumar,
Director (Technical), Member

Longwall Machinery in ECL



Code of Conduct

Our practices are guided by an exclusive Code of Business Conduct and Ethics which acts towards enhancing the ethical and transparent behaviour of the organisation as far as the corporate world goes. Prepared to imbibe a culture of accountability with due control systems in place, this Code applies to all our Directors and Senior Management. With the play of its control systems, this code of conduct also seeks to deal with the risks involved and play a key role in value creation. The code touches all aspects of ethical risk even as it sets standards of ethical and legal behavior by providing guidance on ethical issues. It also provides reporting mechanisms for known or suspected unethical conduct and helps foster a culture of honesty and accountability.

Human Rights

As a responsible Corporate Citizen, we recognise the importance of children's rights and have a clear stance on the issue of child labour. As per The Mines Act, 1952, the employment of children below 18 years of age in a mine is prohibited. We follow proper checks and audits as per the Act. We do not make any verbal agreement; instead, all our contracts are in written form with various contractors. This ensures that no children get employed in our coal mines. We are fully committed to abide by the rules on Human Rights across our operations and this reflects in our dealing with our different

stakeholders. All suppliers / contractors / vendors who undertake to provide services enter into a comprehensive formal agreement with CIL, which contains stipulations and conditions requiring them to ensure the compliance of various applicable labour statutes in respect of their employees / workers. These include the Payment of Wage Act - 1936, the Minimum Wages Act -1948, Equal Remuneration Act - 1976, the Industrial Dispute Act - 1947, the Employees State Insurance Act - 1948, the Coal Mines Provident Fund and Misc. Provisions Act - 1948, the Child Labour (Prohibition and Regulation) Act -1986 and the Contract Labour (Regulation & Abolition) Act -1970. CIL ensures that the contractor's labour is treated fairly as per the law. The contractors are advised to pay the wages to its workers through bank and settle the issues in accordance with the law. We are also committed to the principles of the United Nations Global Compact on Human Rights.

During the reporting period, no cases of anti-competitive behavior, anti-trust and monopoly practices were filed. Awareness on human rights is included in our training programmes. During the year 2015-16 we don't have any reported case of human rights violation. A more comprehensive Human Rights Policy pertaining to all sectors of CIL is being structured, wherein child labour will be one of the thrust areas. The Human Rights Policy of CIL is expected to be implemented shortly.

Employees of Ananya Vatilka in SECL



Vigilance and Anti-Corruption

We have streamlined anti-corruption efforts by setting up Vigilance Departments at CIL and in each of our subsidiaries. These departments are headed by a Chief Vigilance Officer (CVO), appointed by the Government of India in consultation with the Central Vigilance Commission (CVC) on a tenure basis, drawn from various government services. During the year 2015-16, 115 Intensive Examination of Works/Contracts (Major Works) were undertaken by CIL (HQ) and our subsidiary companies. 244 surprise checks were carried out and 66 departmental inquiries were disposed of, which resulted in disciplinary action against 310 officials.

Electronic Surveillance

Besides this, we have developed a robust electronic surveillance system to keep watch on coal stock and track the coal loaded vehicles. The initiatives taken in this regard include:



GPS/GPRS based VTS (Vehicle Tracking System) on coal transport vehicles



OITDS (Operator Independent Truck Dispatch System)



Installation of CCTV at vulnerable points like entry/exit points, coal stock yards, railway sidings, material stores, explosive magazines and important offices



RFID based boom barriers



Wide Area Networking for connecting all the mines, projects, sidings, weigh bridges and HQ through dedicated network for data transfer and coal net implementation



Installation of in-motion weigh bridges with RFID tags



Weigh Bridge connectivity for weight tracking



Geo-fencing of mine areas

Systemic Improvements

In order to enhance the systematic improvements within our operational process, we have arrived at a policy involving a preventive approach. During the reporting period, the following initiatives have been undertaken to put transparency at the very core of our organisation:

- ★ **Improvements in Online Grievance Management System:** We are now listed in the online PG Portal. We also have a Grievance Redressal Committee formed both at CIL and the subsidiary HQs. The grievances received in hard copy are scanned and linked to the system. The actions taken by the Departments is reviewed by the committee. Unresolved grievances are escalated to the functional directors.
- ★ **Online Bill Tracking System:** A new Bill tracking system has been introduced in the coal net system. This system enables the vendors to view the status of their bills even as it helps the senior officers monitor delays in the processing of bills.
- ★ **Implementation of E-Procurement Reverse Auction:** E-Procurement has been made compulsory for all tenders above Rs. 2 Lakh. Reverse Auction has been taken up for tenders above Rs. 1 Crore and the business process has also been standardised.



Vigilance Awareness

"Preventive Vigilance as a Tool of Good Governance" became our theme for the Vigilance Awareness Week in 2015. Drives such as these are a part of our endeavor to promote the cause of vigilance and anti-corruption. During this drive, the employees were put through a series of activities that helped them get a flavor of transparent and responsible conduct. In the meantime, informal modes gave rise to feedback from the stakeholders on the subjects of transparency and governance in the varied activities within the organisation, which were all duly noted. Some of the major activities hosted during this week included:

- ★ **Vigilance Pledge**
- ★ **Publicity through Banners, Posters, Vigilance related slogans, message through sms, mass messaging system, and more**
- ★ **Competitions: Speech Competition, Quiz Competition, Essay writing, Group discussions for the employees of CIL; One day orientation program for Junior Level Managers**
- ★ **Seminar on "Preventive Vigilance as a tool of Good Governance"**

Whistle Blower Policy

In a bid to provide our employees with a secure and a fearless working environment, we have established the "Whistle Blower Policy" as per Regulation 22 of SEBI. The clause states that a listed company shall establish a mechanism for directors and employees to report concerns about unethical behavior to the management. These reports may also include actual or suspected fraud, and violation of the company's code of conduct or ethics policy. We have a robust mechanism in place

to protect whistle-blowers from any kind of harm or retribution.

During the 2015-16, systemic improvements have been rendered to the online grievance mechanism as described in the "Vigilance and Anti- Corruption" section. A total of 2475 grievances were reported and 2282 of them were addressed through the online Grievance Management System.



Industry Associations

As a part of our insight driven and trust building policy, we have recognised that the other side of the cause of disclosure is interaction. Accordingly, we have engaged with people and industrial associations on myriad forums that have also given us the platform for effective image building. In the sphere of

mining activities, we have forged industry associations through these forums and engaged in discussions and insights with corporate projection. This has greatly enhanced our business approach and added value to the shaping of our core vision.



Awards & Recognitions



Coal India was conferred with 'Rashtriya Khel Protsahan Puruskar - 2015' for Encouragement of Sports through Corporate Social Responsibility. The award was given to CIL by the Hon'ble President of India on 29th August 2015 at Rashtrapati Bhavan.



Coal India was conferred 'Award of Excellence' in recognition of its outstanding performance by Bureaucracy Today's "BT-Star Excellence Awards 2015" in an event held on 15 May, 2015 in New Delhi.



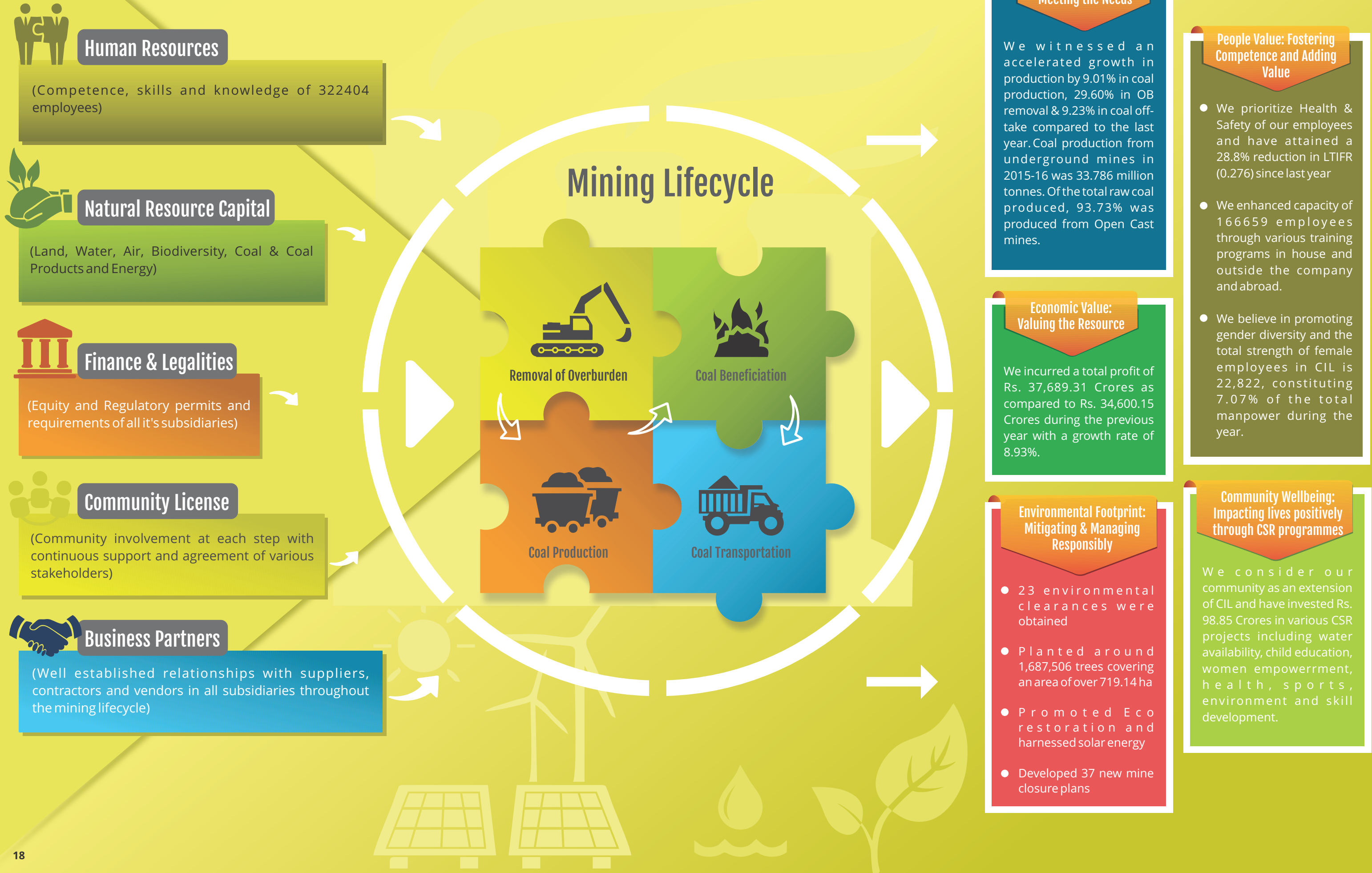
Coal India was conferred 'Fastest Growing Company' Award in the India Today PSU Awards event held in Delhi on 14 December 2015.



Coal India bagged the 1st Prize in Corporate Offices Category for Best Implementation of Official Language Policy of the Union by Town Official Language Implementation Committee (TOLIC) (PSU), Kolkata. The prize was given by Hon'ble Governor of West Bengal.



Sustainability Design of CIL



SUSTAINABILITY PERFORMANCE ASSESSMENT

Goals and Targets 2015-16	Performance 2015-16	Status
Production & Profits		
Increased Coal Production	Achieved a production of 538.75 MT of coal, with a growth of 9.01%.	✓
Increase in the Over Burden Removal	A growth of 29.60% was seen in OBR compared to the last year.	✓
Increase in the Coal Production Off-take	An increase of 9.2 % over last year was seen in the off-take of raw coal.	✓
Enhanced Dispatch of Coal & Coal Products	During the year, dispatches of coal and coal products registered a growth of 9.1 %.	✓
Increase in Wagon Loading	The increase in loading over last year was of 18.23 rakes per day. In addition, WCL outperformed in achieving its target.	✓
Enhanced Drilling Performance	As against the achievement of 2.09 Lakh Metres in 2007-08, CMPDI has achieved 8.28 Lakh Meters in 2014-15 and 9.94 Lakh Meters in 2015-16 through departmental resources and outsourcing to register a growth of 20% over the previous year.	✓
Rise in the financial performance of CIL & its subsidiaries	The total profit of CIL and its subsidiaries was Rs.21,589.09 Crores as compared to Rs.21,583.92 Crores during the previous year.	✓
Health and Safety		
Achieve reduced fatal incidents	38 fatalities have been reported during the year which is a reduced number as compared to the previous year.	✓
Achieve reduced Occupational Illness cases	No Occupational Illness cases recorded.	✓
Reduce Lost Time Injury Frequency Rate (LTIFR)	LTIFR reduced to 0.276 i.e 28.8% reduction since last year.	✓
Reducing rate of Fatality & Serious Injury	Achieved excellent MOU rating by reducing Fatality & Serious Injury Rate per Million Tonne of coal production by 22.2% and 28.9% respectively in contrast to the last financial year.	✓
Human Resource Management		
Increase in the number of trainings provided to executive and non executive employees	A total of 166659 employees, both executive and non executive were involved in trainings during the year which included training in house, outside the company and abroad.	✓
Focus on Gender Diversity	Female employees constitute 7.07% of the total manpower.	✓
Hiring of fresh talent	Entry level recruitment to CIL has been done with Management Trainees reaching 448 people in different disciplines.	✓



Goals and Targets 2015-16	Performance 2015-16	Status
Environment		
Increasing the number of ISO 14001 certified units	In total, 29 units and two companies (MCL & NCL) are certified with the ISO: 14001 standard.	✓
Continued efforts to promote energy efficiency by planning to setup a 1000 MW Solar Power Projects during 2014-19	CIL has signed an MoU with Energy Efficiency Services Limited (EESL) & Solar Energy Corporation of India (SECI). Led to the installation of 2.0 MW capacity, 0.19 MW capacity and 0.14MW Solar PV power plants in MCL, Burla ; CMPDIL, Ranchi and CIL HQ at Kolkata respectively.	✓
Increase in the number of Mine closure plans	37 new mine closure plans have been developed for CIL.	✓
Continuous R&D	During the year Rs.22.47 Crore was invested in R&D. R&D has been done in the field of eco restoration, environmental audits, sustainable coal mining, harnessing solar energy and related areas. Collaborations & MoUs have been signed with various institutes such as FRI, NEERI and others.	✓
Increased tree plantation for ecological restoration	CIL and all its subsidiaries have planted around 1687506 trees covering an area over 719.14ha in 2015-16 against 684.55 ha in the previous year.	✓
Community		
Setting up rigorous governance and oversight systems for CSR programs	CIL has entered into an MOU with the Tata Institute of Social Sciences (TISS), a National CSR hub for implementation of CSR activities. Also, CIL has a two tier CSR Committee i.e. (a) CSR Committee comprising of below Board level executives for examination and recommendation of CSR Projects, and (b) A Board Level Committee on CSR & Sustainable Development for further deliberation and approval of CSR projects.	✓
Develop impactful, community programs – based on experience, studies & community feedback	Some of the major CSR initiatives have been undertaken in the field of Water, Women Empowerment & Child Education, Rural Development Projects, Health, Sports, Environment and Skill Development.	✓



STRATEGISING CO-EXISTENCE

Co-existence represents harmony, which is a binding force that holds all facets of a company's business together. Encompassing all stakeholders, we lay a strong foundation for a sustainable business – that is our strategy for overall growth and sustenance. In our approach to induce sustainable growth, we adhere to the principles of the Triple Bottom Line, and ensure development across the pillars of Environment, Social and Governance (ESG).

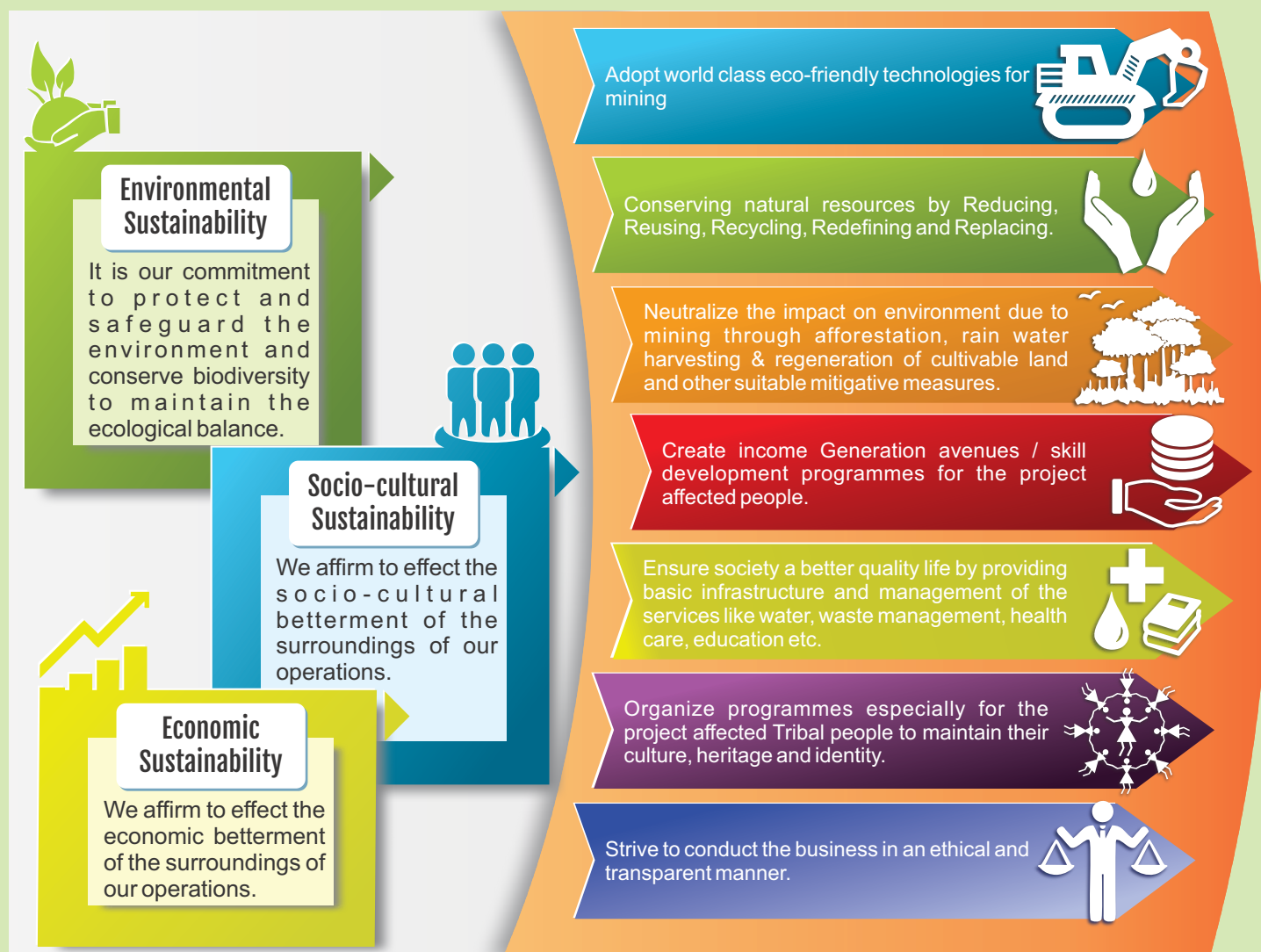
Since its inception, our business conduct adheres to an all inclusive model, and we have realised over time that co-existence is imperative for continuity in the long run. Earlier experiences and associated challenges of land non-availability and resettlement, labour issues, mine fires and enhanced community expectations signified the fragile operational framework we had adopted. Now, we are determined to drastically transform the way we operated in the past so as to reinvent our methodologies with contemporary industry practices.

Framework for Development

Our efforts for aligning our business goals with the ESG pillars started way back in 2013 when we first formulated our Sustainable Development Policy. The policy lays emphasis on Environmental Sustainability, Economic Sustainability, and Sociocultural Sustainability. These form the core areas for implementing relevant projects. The policy is armoured with a set of nine directives that lay the guidelines for development through sustainability practice.

Besides this, we also have an exclusive policy for Corporate Social Responsibility that is aligned with the Companies Act, 2013. The policy acts as a strategic tool for integrating business processes with the social processes for the overall development of the society. Further, the policy also aims at strengthening implementation of welfare projects undertaken by government, through our CSR ventures.

SUSTAINABILITY DEVELOPMENT POLICY OF CIL



Sustainability Agenda in Practice

In our endeavour to coexist profits with long-term sustenance, we attempt to infuse sustainability with the well defined directives of our SD Policy. In this regard, we attempt to implement projects in all our locations throughout the country in keeping with the tenets of this policy. For effective management of these ventures we have an established governance framework. The framework is responsible for tracking progress in the implemented projects and ensuring achievement of the set sustainability targets. We also keep ourselves updated with the best practices in the industry and make efforts to meet International Standards.

Sustainability Governance

At CIL, we drive sustainability through a two tiered governance structure. We have two committees, namely, the Board Level Committee on CSR and the CSR Committee. Both the committees are responsible for CSR & SD activities. The Board Level Committee on CSR is responsible for deliberation and approval of CSR projects that are recommended by the CSR committee after their assessment. These committees meet regularly throughout the year to ensure implementation of CSR & SD projects.

Sustaining the Business Risks

Growth and sustainability of the business will not be met without proper risk assessment and efficient management of the identified risks. Hence, we attempt to remain alert as far as all the possible associated risks for our business at all levels of our operation go. This monitoring also spreads to the life-cycle



**Board Level
Committee
on CSR**

**Three Independent
Directors and two
Board Level Directors**



**CSR
Committee**

**Below Board Level
Executives**

of the asset. We bank on our comprehensive policies, Code of Conduct, operational management systems, governance structures, processes, and most importantly our people, for establishment and improvement of our internal control systems for good business conduct.

Our modus operandi commences by setting key sustainability targets and we regularly review our progress towards them through compliance assessments and audits. Currently, we are also in the process of establishing a formal Risk Management framework for enhancing operational control and efficient sustainability management. A Risk Management Charter and a Risk Library including all elements of risk have been compiled and also approved by the CIL, Board. The framing of an exclusive Risk Management Policy is also underway.

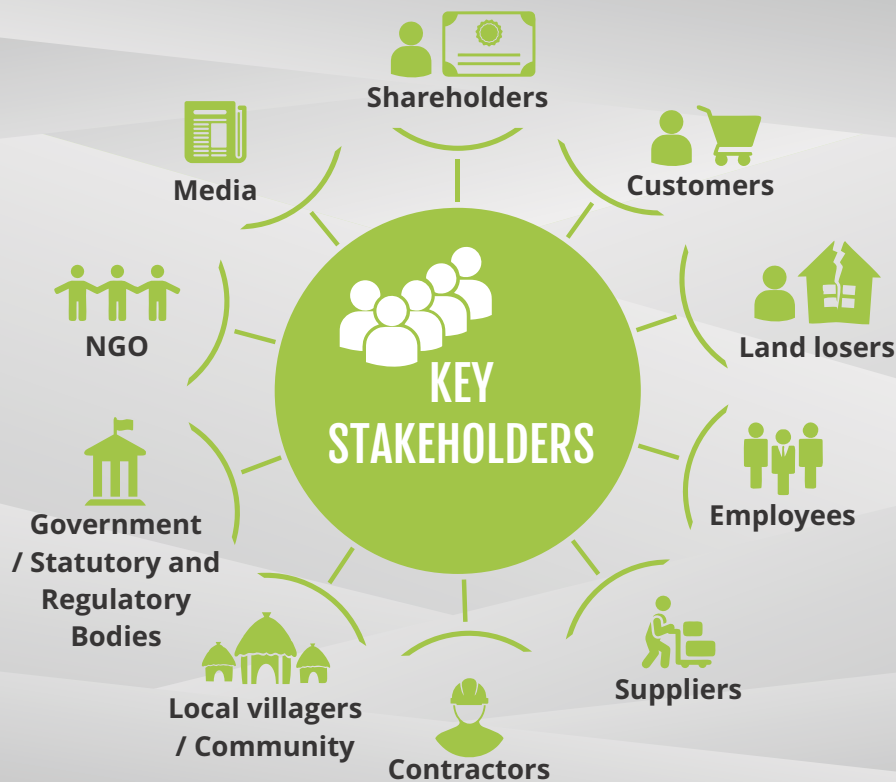


Coexisting with Stakeholders

Stakeholders, by definition, refer to individuals and organisations who are affected by the activities of a company either directly or indirectly and may have an influence over a company's business. Thus, they play a significant role in the overall growth and development of the company. As a responsible corporate citizen, we consider it as our responsibility to develop and retain an amicable relationship with all our stakeholders. In practice, we believe in extensive engagements with all our stakeholders throughout the year

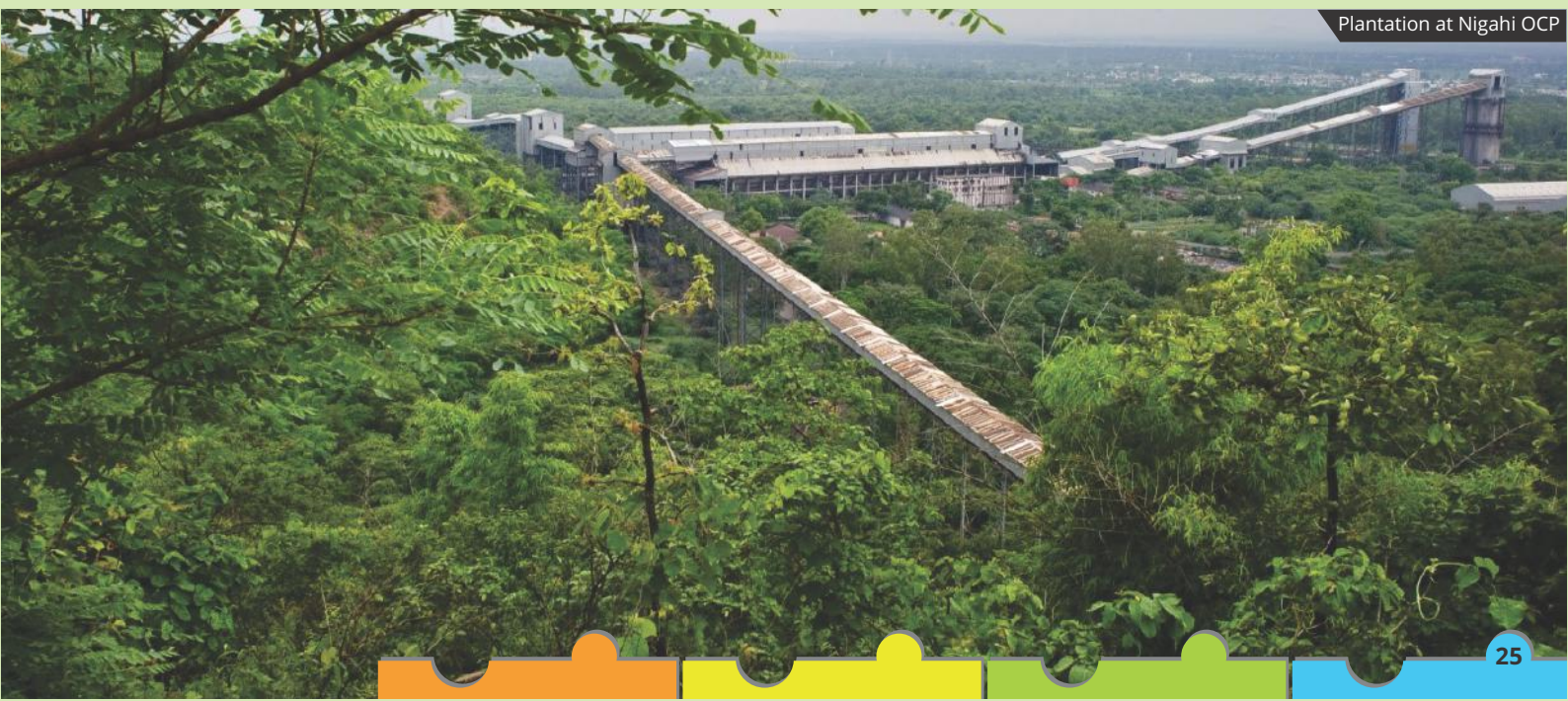
to understand their concerns and address their issues.

We engage with our stakeholders both formally and informally. Through these interactions we attempt to strengthen our relationships with them. During the reporting period, we engaged with our stakeholders on various platforms that are detailed below. The key concerns that emerged out of these interactions have also been compiled.



Stakeholders	Mode of Engagement	Key Concerns
Shareholders	Annual General Meeting	Company's performance.
Government (Ministry of Coal) / Govt.Statutory / Regulatory Authorities	Performance Report (Quarterly& Annually) Board Meetings (at least once a month) Compliance Report Inspections	Performance at every front Policy decisions Abiding by the Law
Employees	Corporate level Industrial Relations meetings with Union leaders (JBCCI) - Five yearly for wage negotiation Employee trainings and seminars Safety Week (Annually) Vigilance Week (Annually) Monthly Co-ordination meetings (Monthly)	Job Satisfaction Wage negotiation Promotion Learning and Development Welfare (Housing related matters)
Land losers	Public Hearing / Consultation (For New & Expansion projects) as and when required Regular meeting in the Project	Rehabilitation and Resettlement Compensation
Local villagers and community	Sustainable Development initiatives and CSR activities (on going)	Livelihood options and Job Opportunities Basic amenities Local Infrastructure related concerns including Road, Street lighting, Drinking water, Education
Customers	NCCC meeting with Industry representatives and Ministries are held under the stewardship of Chairman - Annually. RCCC meetings with Customers - Chaired by CMDs of Subsidiaries and held at subsidiaries - Annually Marketing Team meets the customers frequently Consumer Complaints System (Website – www.coalindia.gov.in)	Quantity and quality of Coal Delivery Time Size of coal
Suppliers	Interactive meetings and sessions during tenders Vendors meet – regularly, at least once in a quarter	NIT conditions Supply schedule Quality of items of supply
NGO	As per the guidelines prescribed by MoEF	Impact of mining activities on the local community
Media	As per the guidelines prescribed by MoEF	Impacts of mining activities on the community and country

Plantation at Nigahi OCP

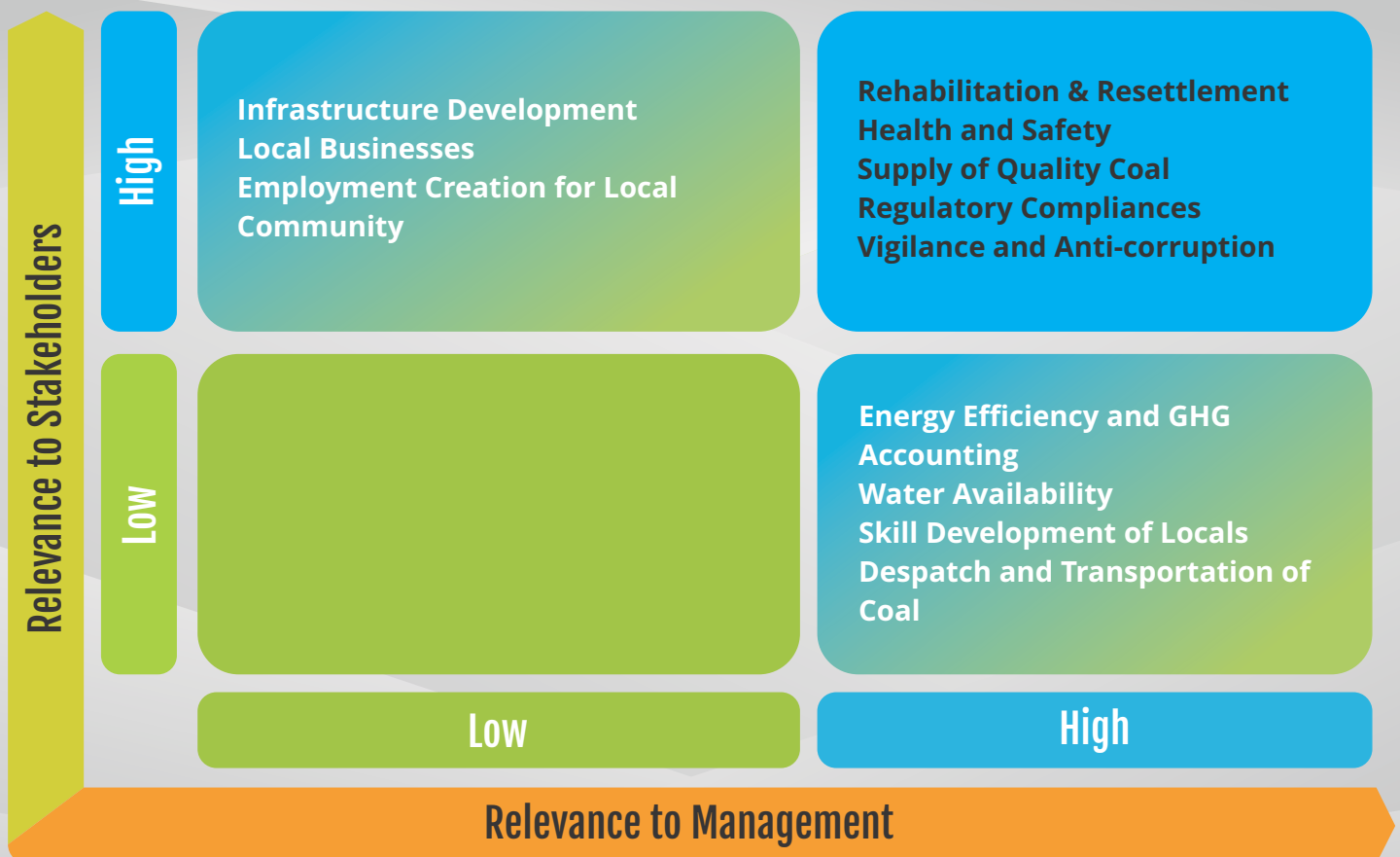


Insight on Material Aspects

Materiality Assessment is the process of identifying, prioritising and defining the aspects that are of highest importance to the stakeholders and the management of a company. In context of the contemporary corporate culture, materiality has gained importance as a new tool for strategising the sustainability of businesses. The assessment process emphasises on engagement with various stakeholders to prioritise the most material aspects that impact the company's business.

Our assessment of the material aspects was based on the inputs from the various engagements that we had with our

stakeholders throughout the reporting period. We prepared an extensive list of concerns stated by our stakeholders. Based on this list we attempted to prioritise the most material aspects of the stakeholders. These aspects were then assessed qualitatively by our Management Team. Finally, we have come up with a materiality matrix that is an amalgamation of both the stakeholder perspective and management perspective. The materiality matrix determined was plotted on a 2X2 matrix and the aspects were plotted on the basis of their relevance to the management and their significant impact on the stakeholders.



MATERIALITY MATRIX

Key Risks and Mitigation

The identified and most material aspects have been analysed for the various associated risks that need to be addressed from the perspective of sustainability and business continuity. A vivid description of the key risks and the mitigation measures adopted are elaborated below:

Rehabilitation and Resettlement

Within this context, the mining of coal happens with a process that aims at making the life of the community around the mines, much easier. To begin with, the assessment of the new mining areas happens only after the evacuation of people from these areas takes place. This evacuation happens in phases by relocating the local community with ample compensation for the land that they stand to 'lose' to the larger cause of coal energy production. Opposition from the local communities as well as the environmental groups is dealt with in a sensitive manner so as to meet the land acquisition challenges without intensifying the situation. A trend of increasing land costs and associated R & R issues are tackled by us, in this regard.

We are sensitive to the fact that monetary compensation may not fulfil the emotional chasm that many of these land owners and community dwellers are unable to bridge when they have to relocate. Our efforts in this direction include satisfactory R & R for land out sees with a focus on engaging the local communities and catering to their demands to the best of our abilities. Compensation packages and engagement efforts lie at the centre of our endeavours and policies in this regard. Our hope is to further evolve our R & R system to provide better avenues for the relocated families.

Supply of Quality Coal

Catering predominantly to the requirements of the Power sector, it is inevitable that we compromise with the quality of coal we supply. Consumer dissatisfaction may directly impact our business. Hence, we are cautious about supplying the required grades to our customers. For this, we emphasise on efficient coal beneficiation processing that includes crushing, handling, washing, loading and transport system. In the 2015-16, we have built Coal Handling Plant of capacity 326 MT/annum to provide sized coal to our customers. We have also initiated the process for establishing 15 more washeries with a capacity of 112.60 MT. Further, for ensuring customer satisfaction, we lay special emphasis on quality management and redressal of consumer complaints

Health and Safety

Being in the mining sector, we are often criticised for the negative impact of our industry on the health and safety of the involved workforce. Our record of fatalities and injuries are not encouraging and that poses a serious threat to the continuity of our business operations. Hence, we have vowed to reduce injuries and avoid fatalities, by improving the safety culture at CIL through a Risk based Safety Management Plan, increased safety trainings, implementation of a full proof and all encompassing safety policy with effective monitoring of the same. Also, for enhancing safety in the mining operation, we have adopted state-of-the art technology in open cast mines by introducing more surface miners, HEMMs of higher capacity, mechanised drilling, phasing out manual loading and adopting mass production technologies in UG mines. This also comes with better strata management to avoid FoG in underground mines and initiatives for preventing spontaneous heating and mine fires.



Regulatory and Compliances

Compliances are a must for any mining organisation. We understand the criticality of deviating from desired regulations in terms of long term continuity of our operations. Hence, for good business conduct we adhere to all essential regulatory norms and meet the necessary compliances. Before the opening of any new project we ensure that we obtain all necessary clearances, including environmental clearances and forest clearances. Prior to that we conduct Environment Impact Assessments and analyse the likely effects on all potential stakeholders in the vicinity and plan for the required mitigation measures, accordingly.

Vigilance and Anti-Corruption

With a large workforce of over 3,22,404 employees, the instances of bribery and corruption are high. Hence, we are geared with the necessary vigilance machinery to prevent such incidents in our organisation. Coal loading and coal transportation areas are prone to coal thefts. For effective monitoring and prevention of the same we have introduced several technology enabled interventions. In continuation of these efforts, we have also attempted to make systemic improvements and promote a preventive vigilance approach. For the last few years, we have also strengthened our efforts towards creating awareness among employees with enhanced opportunities for open dialogue with them to imbibe a culture of transparency.





Celebration of Environment Day in CIL HQ



CO-EXISTENCE WITH PLANET

CIL Energising Environmental Sustainability



When we develop and integrate various practices that go towards reducing the degradation of the natural resources, mining becomes an environmentally sustainable act. At CIL, we are aware of the impact that many of our operations have on the environment, and it is our constant endeavor to take the necessary steps to mitigate the effect of the same. With mine planning, design and operations that emanate from the same, we try and imbibe a responsible stance with the help of EMP or Environment Management Plans and clearances that are built into the way we function from start to finish. This ensures that we leave behind a more positive footprint in terms of the

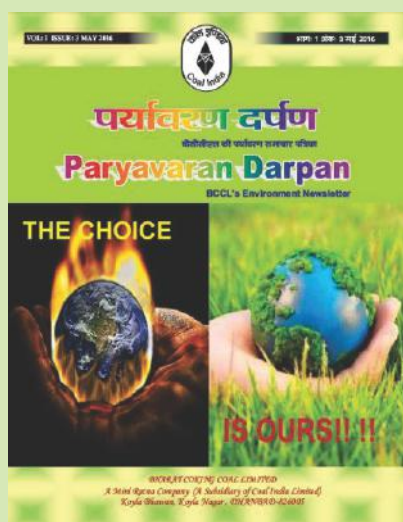
environment even as we work towards our coal production targets.

We could not have become the largest coal producing company in India without recognising the fact that our first responsibility is towards the environment and its conservation. In this way, our commitment is based on environmentally ethical and socially sustainable growth even as we keep the economic angle in strong perspective. In a bid to do this, we involve the local community and our stakeholders in our strategies for sustainable co-existence. This has been successfully combined with revenue and profit generating models as well.

Stimulating Efficient Environment Management

Within our special ventures for environment protection and preservation, we have aimed to act in a responsible manner by adhering to the regulatory norms and standards laid down by the higher echelons of power and authority. Accordingly, we also have a Corporate Environmental Policy that guides us as far as our environmental initiatives go. Third party certifications like the prestigious ISO 9001, ISO 14001 and OHSAS 18001 help us in aligning ourselves with the environment around and within for sustainable practices within and outside the coal mines. 57 units and three subsidiary companies were certified for the ISO 9001 while 29 units and two subsidiaries were certified for the ISO 14001, and 12 units along with two subsidiaries were given the OHSAS 18001 certification – all in this reporting period.

We do not venture into new expansion projects without obtaining the necessary environment clearances as well as an EIA/EMP that will take care of the needful. Also, we take pollution control measures even as we indulge in mining operations so as to maintain acceptable levels of the environment's major physical attributes including the air, water, hydrogeology, noise, land, flora and fauna and the nearby population. In this reporting period, the CMPDI has conducted 16 Form – I and 34 drafts of EIA/EMPs with 23 clearances obtained from the MoEF for various washeries and other projects and groups of Mines and the Sand Mine Project run by CIL. Our major focus has also been on creating awareness within the organisation regarding the importance and the way forward for these initiatives with the celebration of the World Environment Day in all our subsidiaries. Apart from this, we also regularly post banners and thoughts on the notice boards to communicate these points on a formal and informal basis.



BCCL has launched a special Environment newsletter in 2015 - "Paryavar Darpan" showcasing their progress in preservation of environment.

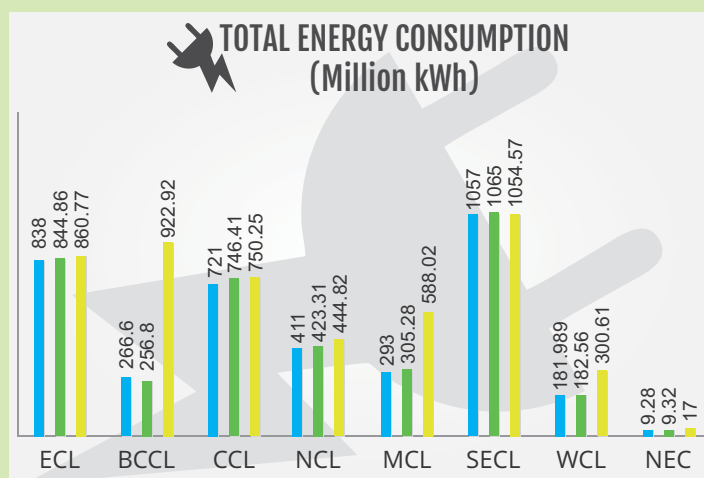
No known incidents of non compliance in terms of environment protection and standards have been reported during this



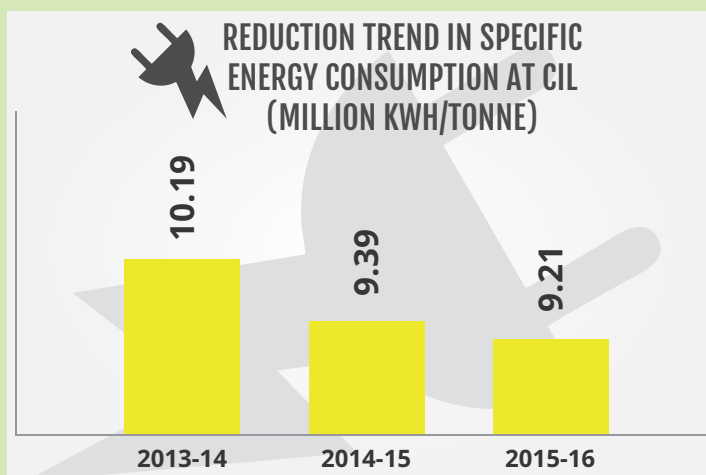
reporting year. With a dedicated strength of 139 executives to look after the area of environmental protection and sustainability, we have managed to post precious manpower directly to the fields of operation to work closely with the local communities and make compliance a regular affair. "Benefitting from each other", forms the core principle when it comes to improved disclosure through annual reporting on the compliances.

Energy: Meeting the Global Standards

It is a well known fact that coal mining operations are energy intensive and involve the use of high amounts of fuel and electricity. While the fuel consumption is due to the usage in our HEMMs, an insignificant quantity of the same is also used for the DG sets. As of now, we are creating a process wherein we account for the fuel requirements for all the subsidiaries. Hence, the fuel requirements and energy consumption values for this reporting year will not be reflected. However, the diesel consumption was at 4540.21 ltrs and petrol consumption was at 22954 ltrs at CIL HQ for the reporting period.



Yet, we keep a regular track of our electricity consumption and found that a total of 4938.96 kWh was consumed during this reporting year with the energy intensity pegged at a reducing trend with only 9.21 kWh/Tonne. With a conscious effort directed towards becoming more energy efficient, we have managed to bring about a reduction in this figure from 9.94 kWh/Tonne in the previous year.



Some of the energy efficient measures taken by CIL and our various subsidiaries have been listed below:

Using Energy Efficient Equipment:

- Installation of LEDs within CIL and our subsidiaries.
- Auto timer switches that are used for street lights within the mine premises as well as the CHPs and residential areas.
- An energy efficient illumination system has also been procured for the various premises.
- Highly well rated ACs installation in terms of energy meters, power factor meters and demand controllers.
- Also, we have improved the power factor at various locations with the installation, maintenance and replacement of power capacitors.
- To reduce the losses experienced in transmission and distribution, we have turned to Aerial Bunch Conductors.
- Our pumping system has also seen an update with energy conservation measures installed into the system.
- Finally, we have improved the load factor by limiting the maximum demand where possible and shifted the avoidable load from peak hours to non peak hours to carry out more demand side management.

Research & Development Studies for Energy Conservation

By engaging with a variety of institutes like the CIMFR (Central Institute of Mining & Fuel Research), as well as PCRA (Petroleum Conservation Research Association), and SPC (State Productivity Council; a constituent of National Productivity Council, GOI), we have managed to conduct many energy conservation studies. This was undertaken by the CMPDIL HQ in 2015 – 2016. Some of the studies are as follows:

- Diesel Audit & Benchmarking of specific diesel consumption.
- Electrical Audit & Benchmarking of specific electrical energy consumption in various opencast and underground mines situated in different subsidiaries of Coal India Limited by BEE accredited Energy Auditors.
- Project-wise monitoring of specific consumption of diesel for 79 selected opencast projects of different subsidiaries of CIL.



HARNESSING SOLAR ENERGY

Sustainable actions have the use of natural elements at their core – and solar energy is one such area that we have managed to harness in a bid to create environmentally friendly operations. To promote environment awareness and build sustainability with the help of ethically aligned practices in this regard, CIL has submitted a *Green Energy Commitment* letter to the MNRE. This letter speaks about developing 1000 MW Solar Power Projects between 2014 and 2019. For implementation of these projects, CIL has signed an MoU with the Solar Energy Corporation of India (SECI). The tenets of the same are as follows:

- In the 1st phase, CIL is going to set up 200 MW Solar Power Plants in the state of Madhya Pradesh
- In the 2nd Phase CIL is going to develop a capacity of 600 MW in the Solar Parks of Madhya Pradesh, Chhattisgarh, West Bengal and Maharashtra for which NIT has already been floated by SECI
- These initiatives have led to the installation of 2.0 MW capacity, 0.19 MW capacity and 0.14 MW Solar PV power plants in MCL, Burla ; CMPDIL, Ranchi and CIL HQ at Kolkata respectively.

While the majority of our solar energy initiatives has been handled by the above set ups, we have also added a number of value adding establishments in this regard. In addition to the 140 kW roof top grid-connective solar plant, at Rajarhat, Kolkata, CIL has installed another 20 kWp Grid Tied Solar Power one - each with a capacity of 10 kWp on the rooftop of the Club-Cum-Community Centre and Transit House during 2015-2016. Apart from one rooftop solar plant (grid-connective) of 200 kWp installed last year in CMPDIL HQ Campus, Ranchi, initiatives have already been taken for three more such installations in the CMPDI RIs (Regional Institutes) with 80 kWp at RI-I, 30 kWp at RI-II and 50 kWp at RI-VI, respectively. During this year we have installed a 160 kWp Rooftop Solar Power Plant in each of the three subsidiaries of CIL, namely ECL (12 kWp), CCL (8 kWp) and WCL (140 kWp). Possible locations have been identified for the installation of rooftop solar plants at different subsidiaries of CIL. This is expected to add about 10 MWp solar capacity in aggregate, once commissioned. Other new initiatives including 289 solar based street light fittings with LED Lamps have been taken at CMPDIL with an aggregate capacity of 8.60 kWp for our various RIs.



Greenhouse Gas Measurement and Reporting

As an environmentally aligned organisation, we are aware that climate change is one of the most critical challenges of our times. We have a great responsibility towards providing affordable energy to the entire nation without leaving a damaging carbon footprint with reliable and secure practices. We hope to begin reporting on the carbon footprint aspect in 2016–2017 as a part of our initiatives in this regard.

Air Emissions

Owing to the fact that mining operations often use explosives that are employed for blasting as well as machinery that has to be deployed for mining and vehicular movement and transportation of coal and OB, we do end up generating pollutants such as SO_x (Oxide of sulphur) and NO_x (Oxides of nitrogen). Yet, we monitor these parameters on a regular basis so as to ensure that the emissions are within specified limits and standards.

For this, we monitor the ambient air quality in and around the mine site on a fortnightly basis with a Continuous Ambient Air Quality Monitoring Station. Four locations in SECL now enjoy the installation of these station with CAAQMSs are being installed at three locations in BCCL, one in WCL and 10 in NCL. CIL has agreed to install 16 CAAQMS in the different cities of country as decided by CPCB. During the year, the emissions from different monitoring stations have been recorded and are elucidated in the table on the right.

We are also taking initiatives to mitigate the dust that is generated during the operations of drilling; blasting, loading, coal transportation of coal and related activities. The measures taken are based on the Environmental Management Plans (EMP) already prepared before commencement and enhancement of coal production within the coal mines.

Name of the Mine	Subsidiary	Monitoring Station	PM-10	PM-2.5	SO _x	NO _x
Asoka OCP	CCL	Bendi Village	402	46	<25	18
Gidi 'C' OCP	CCL	DAV School	267	50	<25	19
Durgapur OCP	WCL	Durgapur Viilage	197	109	6	30
Mugoli OCP	WCL	Khailash Nagar Township	168	86	6	33
Ananta OCP	MCL	Hensmul Village-Talasahi	163	49	27	30
Lakhanpur OCP	MCL	Ubuda Village	119	46	13	17
Dadhichua OCP	NCL	GM Office	241	-	16	30
Jayant OCP	NCL	Rose Garden	81	-	13	21



Road Sweeper at MCL

Air Pollution Control

The air pollution control measures that we have adopted are as follows:

- Arresting fugitive dust in roads, washeries, CHPs, Feeder Breakers, Crushers, coal transfer points and coal stock areas.
- Water spraying systems are being installed like Mist Spray Systems, Mobile Water Sprinkling and Automatic Sprinklers.
- Optimum loading of coal trucks to avoid spillage on roads and covering of coal trucks by tarpaulin.
- Green belts in and around the mines are being created.
- CIL have constructed and are constructing an integrated CHP for rapid loading wagon and trucks as a step towards eco-friendly transportation.
- Transportation of coal to thermal power plant in an environment friendly way is done through tube conveyors in some of the mines. The sides of the CHPs are also covered with side cladding using GI Sheets to control the pollution at the source.

- In order to prevent dust emission at the source itself, the use of dust extractors and wet drilling systems is being undertaken. Controlled blasting and habitation away from the mines is being conducted.
- Modern technologies like Surface Miners have been put to use to generate reduced levels of air borne pollution for carrying out mining activities.



Mist Blower cum Road Fogger



Mobile Water Sprinkler

Air Pollution Mitigation

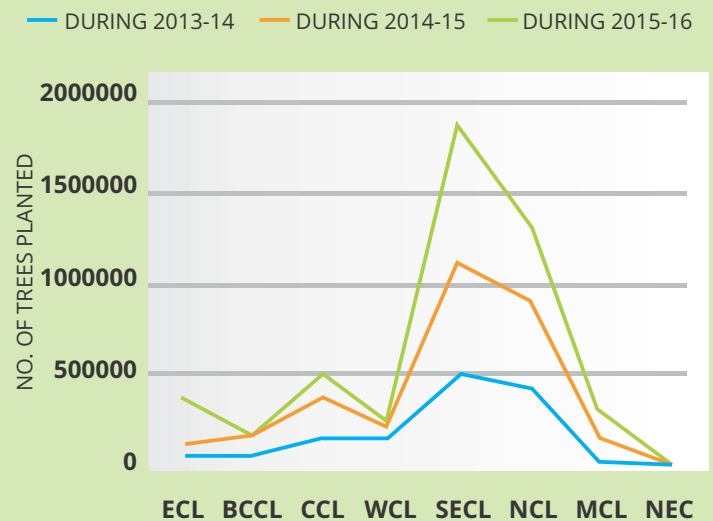
We have adopted the Green Belt Development as a part of our mitigation measures for air pollution. As an imperative step towards creating a more positive impact, tree plantation is being conducted on a regular basis on reclaimed land in back filled & OB dump areas with plantation in and around mines, road sides, townships and residential areas, and other available vacant spaces. Further, the implementation of a conservation plan for the protection of flora & fauna is being carried out as per Environmental Clearance (EC). This is being done in addition to the compensatory afforestation for diverted forest in terms of mining for the degraded forest. These areas have been marked by the State Forest Departments. The plantation has created man made forests in mining areas where there was minimum forestation. This improves the ecological balance by maintaining stability in the ecosystem services available and what we use for our business.

A Green Belt is developed through an extensive tree plantation program every year by the subsidiaries of Coal India Ltd. Avenue plantation, plantation on the OB dumps, plantation around mines, residential colonies, and available land is undertaken in existing as well as new projects.

During 2015 - 2016, 1.68 million trees have been planted in an area spanning more than 719.14 Ha. The graph shows the trend of increasing number of trees planted in the last three years by various CIL subsidiaries. It also shows that in 2015 - 2016, the plantation activity reached its very peak.

We have planted over 92.35 million plants since inception with a survival rate of 80% to 85% covering an estimated land area of around 36896.26 Hectares.

PLANTATION TREND IN CIL





Nigahi OCP of NCL



HARIHAR CAMPAIGN OF SECL

The Government of Chattisgarh is playing an important role in initiating a "Harihar Campaign" in tandem with the South Eastern Coalfields Limited. The aim of the campaign is to plant saplings along 2000 kilometres of roads connecting Chattisgarh to its neighbouring states. SECL has been entrusted with the task of planting saplings along 210 kilometres of roads. The project has been undertaken with a focus on environment sustainability, ecological balance, protection of the flora and fauna, animal welfare, agro forestry, and conservation of natural resources even as the quality of the soil, air and water are maintained with environmental awareness at the grass root level.



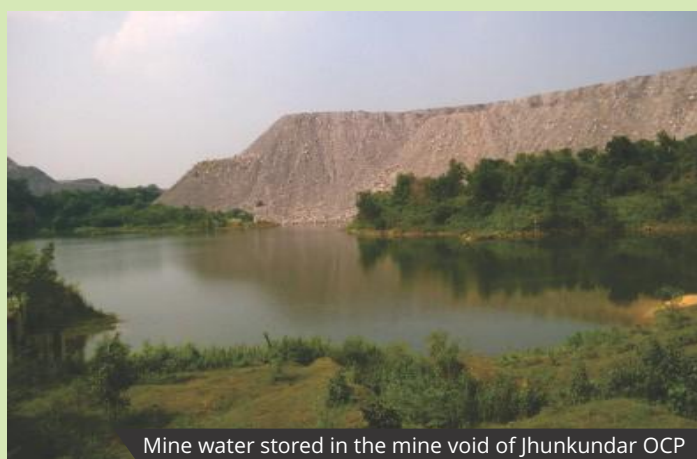
SECL Plantation

Water: Conserving the resource

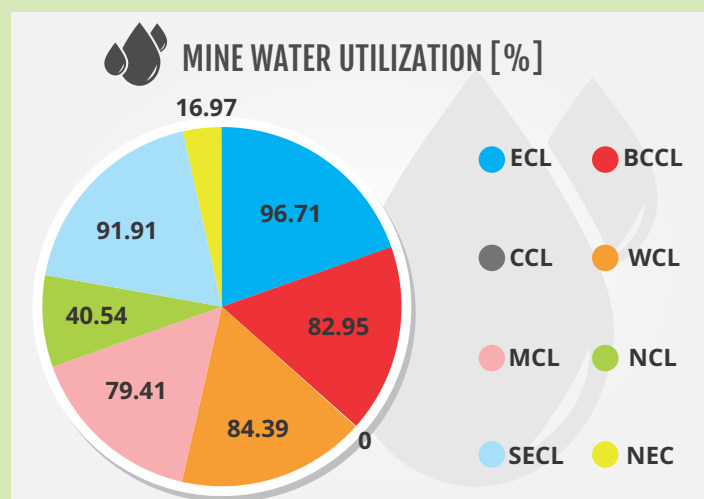
The major water sources of water are ground water, river water and water from abandoned mines. On an average of about 77.45 % of the total mining project, the water demand is met from the mine water. Discharged water is monitored regularly and it conforms to the standard of water quality while the quantity of water discharge is about 3.5 cum per day for CIL HQ and 550 cum per day for NEC during 2015 - 2016.

Managing Water Withdrawal from Sources

Mine water is used for meeting the water demand here at CIL where the water withdrawal impact is limited to only 300m. This figure also depends on the strata condition of the active mining zone which only holds good for the period of the mine life. This 300m zone can be found specifically around open cast mines where water is physically acquired for the mine and blasting safety zone. The pie chart here shows the water demand of various subsidiaries met by this mine water. Water use of the CIL HQ during 2015 - 2016 is 8735 KL (24 Cu M/ day). The treated mine water is also used for domestic and agricultural needs. The surplus treated mine water is discharged into the neighbouring ponds, agricultural fields before being steered back to the



Mine water stored in the mine void of Jhunkundar OCP



Rainwater harvesting at Purushottampur OCP

natural courses. Further, after mining cessation, a part of the open cast mine area is reclaimed and the final void is converted into a water reservoir which in turn works as a water recharge structure. This becomes a water source for the local community while the exhaustion of the underground mine also gets transformed into a water recharging structure.

WATER USAGE STATISTICS

Subsidiary	Average Mine water Discharge	Water Demand of Coal Projects			Raw mine water supply to coal projects	Treated Mine water supply to Coal projects	Mine water utilization on total demand of coal project %
		Industrial	Domestic	Total			
ECL	359558.70	59314.22	82770.18	142084.40	98003.36	39408.03	96.71
BCCL	409501.20	102634.20	103315.80	205950.00	141266.70	29560.18	82.95
CCL	96622.26	37485.00	30043.00	67528.00	0.00	0.00	0.00
WCL	244084.20	42294.54	32780.71	75075.25	2803.31	60553.19	84.39
MCL	76673.00	38363.00	24114.00	62477.00	38363.00	11252.00	79.41
NCL	31080.00	56664.00	17618.00	74282.00	2500.00	27611.00	40.54
SECL	423834.90	163105.90	78875.10	241981.00	41992.12	180423.11	91.91
NEC	40751.00	162.50	527.00	689.50	45.00	72.00	16.97
CIL	1682105.26	500023.36	370043.79	870067.15	324973.49	348879.51	77.45



REVIVING THE RESOURCE- CIL TOWARDS COMMUNITY UPLIFTMENT

With the identification of needs for conservation and effective utilisation of the natural resources, CIL is committed towards providing eco-friendly facilities to the communities with sustainable development activities in the peripheral villages. Accordingly, it has taken up a project for enhancement of ground water recharging which makes water available round the year to the community for irrigation and other domestic uses.

Through this project, they expect to reach a total number of 15,000 and 50,000 direct and indirect beneficiaries respectively. The main aim of the project is to enhance Ground Water Recharge and subsequently, the Underground Water Table.

Acknowledging the fact that the ponds, hand pumps and wells are the only source of water for the villagers, the project will be planned in a way that is beneficial for the villagers. This will ensure that there is availability of water round the year for their day to day and more importantly, their agricultural needs. The ponds that have been constructed and renovated can be used for allied activities such as Fisheries, as well. After completion of the work it will be handed over to the local administrative arrangements like Panchayats and Gram Sabhas to be owned and managed by the community so that persistent use of the same continues.



Rain water harvesting in Amba OC patch



Rain water harvest in abandoned patch



Recharge pit at Rawanwara OC

Mine Water Management

Treatment of contaminated water is a constant effort that we undertake at CIL. This is due to the fact that water which is pumped out from the underground and open cast mines is contaminated with suspended particles and the water used for

cleaning of HEMMs gets contaminated too. The treated water is routed to the local villages after mine consumption. Also, the quality of the final effluent is monitored with the use of relevant Indian standards.



UTILISATION OF ABANDONED MINE WATER- CIL's STEP TOWARDS WATER CONSERVATION

The re-routing of pure water garnered from the mining practiced which has to skin the sub surface water table is something that we are committed towards. Making this water portable is a matter of creating water harvesting reservoirs and other means through which the local communities may fulfil their needs. The importance of water conservation has been recognised by CIL, which takes pride in being an environmentally responsible company. This is also a factor that spells co-existence for us. The organisation is aware of the fact that water from the abandoned sites need to be used for the mining process as a part of its operations. In order to harness this source, CIL has taken up task of holding the mine water into the water bodies by restricting them to flow into the natural drainage course like village reservoirs which dry up during the scorching summers. This is done by laying out a pipeline network of approximately 45 Kilometres.

Present Status: Two reservoirs have been constructed at Khonathi and Behrakudar villages of Baghmara block of Dhanbad district with an objective of harnessing mine water for its gainful multipurpose utilisation in the peripheral villages of the BCCL command area. With help of this scheme, approximately 47 million gallon surplus mine water is presently being discharged into natural water courses from the mines of Barora, Block-II and Govindpur Areas of BCCL. This water will be stored in these newly constructed reservoirs

Beneficiaries: Residents who own cultivation fields within a reasonable proximity will be benefited in when it comes to carrying out their agricultural works, in all seasons. These fields are currently dependent on rain water in monsoon. Under this scheme, things are bound to change. The provision aims at enhancing the Socio-Economic status of the area to increase employment. The water can be used for multipurpose activities including drinking, after proper treatment. In these reservoirs, Pisciculture can also be practiced with SHGs to increase the livelihood generation opportunities.



Mine water utilization Scheme at Khonathi



Mine water utilization Scheme at Behrakudar

Zero Discharge of Effluents

As of now, CIL is operating 15 coal washeries with a capacity 36.80 MT – all of which have been designed for zero discharge. The total washed coal production from these existing washeries for the year 2015- 2016 has been pegged at 17.21 Million Tonnes. With the help of state of the art technology in the field of coal beneficiation that will create and aggregate throughput capacity of 112.6 MTY, CIL plans to up the performance in its 15 new washeries. The storm water drainage will be treated in

settling ponds before being discharged into rivers, streams and other water bodies. The wet washeries generally utilise mine water as a rule. In case mine water is not available, the option of storage of rain water and its use is being practiced with rainwater harvesting. The use of surface water and ground water is being diligently avoided to the maximum possible extent.

Biodiversity: Creating Opportunities out of our Natural Capital

If not managed properly, mining can impact the biodiversity in an adverse manner with broad ranging implications that affect habitat conversion as well as water and soil contamination. At CIL, we recognise the importance of the biodiversity which bears maximum impact due to our operations. We strive to mitigate the impact through our ethical practices. It is our firm belief that in order to sustain our business, we need to take up tasks for the restoration of our environment so that development takes place on both sides, in a responsible manner. Our good practices involve a gamut of activities which have been undertaken for managing our natural capital. We have 9590.298 ha in Madhya Pradesh and 29738.092 ha in Chattisgarh that are located near the protected areas. These protected area are out of bounds from mining activities. Areas of high biodiversity value outside

protected areas are being maintained with regular gap plantation with indigenous species. We follow the EIA and EMP of the MOEFCC for keeping track of biodiversity assessments.

Central Coalfields Limited is developing an Eco Park at the Piparwar OCP to spread awareness about local flora and the importance of harmonious living with Mother Nature. In addition, Sangam OCP of BarkaSayal Area is carrying out an experimental eco-restoration project to scientifically reclaim old mined out areas using grass, bamboo and other species.



Eco park on reclaimed land at Piparwar, CCL



ECO Park at Piparwar, CCL

North Eastern Coalfields had undertaken a wild life conservation plan prepared by Aaranyak which was submitted to MoEF and accepted during approval of EC for Lekhapani OCP. All wildlife observations have been recorded & reported and all effective and a sustainable wildlife management plan for conservation of the biodiversity was recommended.



Birds at demonstration site at Damoda incline dump



CILs INITIATIVE TOWARDS SUPPORTING THE WILD

The co-existence concept has been extended to accommodate the needs of the biodiversity in the most basic manner with our initiatives. Water management work is being undertaken at the Achanakmar Tiger Reserve which is situated at mere 60 Kilometres from Bilaspur in Chattisgarh. This area enjoys a scenic area of 914 sqkm. Partly tropical moist, and partly deciduous with a tropical dry deciduous forest, Achanakmar TR houses more than 6% of the world's wild tigers and is a part of the critical Central Indian tiger landscape. It also houses over 600 species of medicinal plants along with Sal, Bija, Saja, Haldu, Teak, Tinsa, Dhawara, Lendia, and Khamar, among many others. The meandering Maniyari River that flows right through the heart of the reserve is its lifeline. Given its congenial setting, the wild fauna found here includes tigers, leopards, bisons, flying squirrels, Indian giant squirrels, chinkaras, wild dogs, hyenas, sambars, chitals and over 150 species of birds.

During the summer months, the climate tends to get hot and dry, with maximum temperatures hitting 45+ °C. Owing to these high temperatures, there is an acute shortage of drinking water in the nearby water resources which has an impact on the wildlife of tiger sanctuary. This phenomenon forces the wild animals to undertake a lot of travel in order to quench their thirst. SECL and CG Forest Department have intervened to solve this problem of water shortage as far as the water resources go, by coming up with a water management plan. This plan includes the construction of three stop dams at Achanakmar Tiger Reserve which will provide water to the animals even during the dreaded summer.



Migratory Birds in SECL's Reclaimed area at Gevra



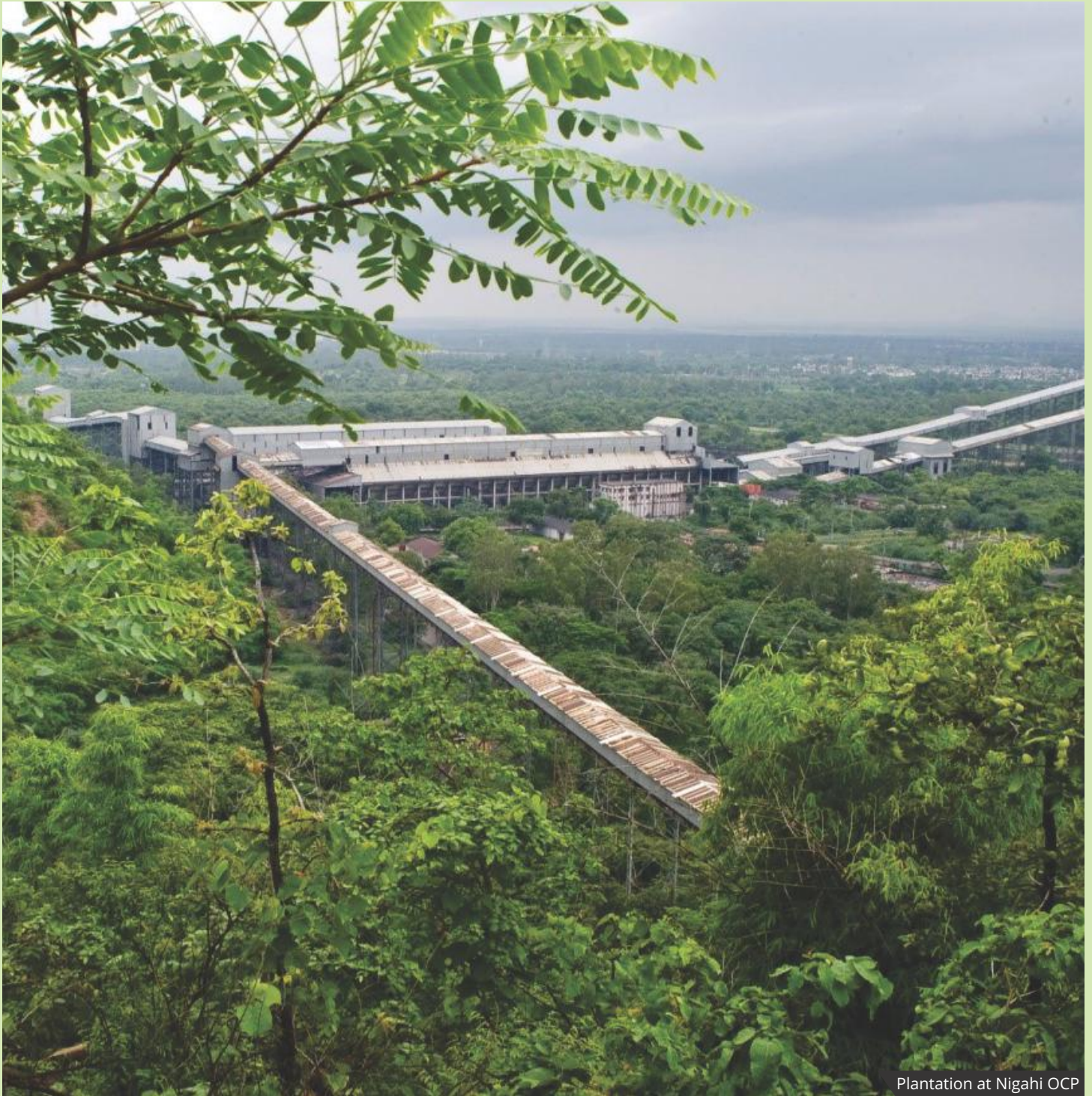
Water Body Created in Mine voids, SECL

Land Reclamation

One of the most important and primary resources used in mining includes land. Therefore, our major sustainability measures are aligned towards taking mitigation measures for reclamation of mined out areas and the external OB dumps. Reclamation of mined out areas is conducted as per the Environmental Management Plan approved by MoEF where back filling of the OB material in the mine voids is part of the mining operation cycle, for all the new mines. Part of our initiative includes top soil preservation, storage and the use in plantation areas within the reclaimed locations in the open cast mines. Also, concurrent reclamation and rehabilitation of the mined out areas are taken on as a matter of priority for gainful use of land. This is done so that the geo mining conditions and the technical feasibility does not suffer. The overburden extracted during the coal extraction process is also filled into the

open cast mines after technical reclamation. Thereafter, complete plantation is carried out in a process that is termed as biological reclamation.

Accordingly, we have engaged the Forest Research Institute (FRI), Dehradun and top soil has been recognised as an invaluable natural resource. This has been done especially for regeneration of the regional ecology with measures ranging from effective Bio-reclamation of disturbed land. For this, scientific studies have been conducted in order to select suitable species of plants for each coalfield with a sustainable sequence of reclamation from grass to shrubs, and trees. The Forest Research Institute has been engaged by us to gain a partner whose rich expertise in the field of eco-restoration can help in the reclaimed areas.



Plantation at Nigahi OCP

Monitoring of Land Reclamation of OC mines through Remote Sensing

Satellite Surveillance has been introduced at all the open cast mined in order to monitor the land reclamation activities of the mining sites. This has been done in order to comply with the MoEF stipulations as well as for progressive mine closure monitoring. During the reporting year, land reclamation monitoring of 50 opencast projects having more than 5 million cum production capacity (Coal+OB) and 37 opencast projects having less than 5 million cum production capacity (Coal+OB) have been completed with the help of high resolution satellite data.

Six coalfields viz. Karanpura, East Bokaro, West Bokaro, Korba, Bander and Singrauli coalfields have been covered under vegetation mapping based on satellite monitoring. During the year 2015-16 the monitoring data has been completed for assessing the regional impact of coal mining on land use / vegetation cover in the span of 3 years and on that basis remedial measures will be taken if required.

Eco-restoration

The concept of co-existence for us has gone beyond people and entered the realm of natural capital like afforestation. The suitable selection of plants for each of the coal fields is done in a way that will give rise to a sustainable sequence of reclamation from grass to shrubs and finally into trees. This helps in creating a basis for effective Bio-Reclamation of disturbed land with the help of scientific followed for the selection.

The Forest Research Institute (FRI) has been engaged by us for providing their services for eco-restoration in the reclaimed

areas where top soil has been recognised as an invaluable natural resource. Some of the initiatives taken by our subsidiaries include Eco-restoration site developed in Damoda, Tetulmari of BCCL. This has been done with technical guidance of FRI. In addition, Eco Parks have been developed in many of our mined out areas here at CIL (Gunjan Park of ECL, Ananya Vatika of SECL, Nigahi of NCL, Sauner of WCL and others) to spread the message of environment conservation in and around the mining area.



Gunjan Park, ECL



Ananya Vatika in SECL



Ananya Vatika in SECL

CIL's INITIATIVE TOWARDS ECOLOGICAL RESTORATION



Eco restoration at BCCL



Eco restoration at Rajapur OCP, BCCL



Eco restoration at Gokul park, BCCL

Developing an Ecological Restoration Model in the Mine Spoils at Tetulmari under Sijua Area (About 8-10 ha) of BCCL Mine is one of the priorities of the organisation.



BACKGROUND

BCCL approached the Forest Research Institute (FRI), Dehradun in order to prepare a road map for ecological restoration of BCCL mine areas. Accordingly, an MoU was signed between FRI and BCCL on the 22nd of February in 2011. The FRI, Dehradun agreed to develop a road map and action plan that will help in conducting the ecological restoration of BCCL's mine areas. The task has been successfully completed by the Ecology and Environment Division of the Forest Research Institute, Dehradun.



INTERVENTIONS

Some of the initiatives undertaken during the project included developing a forestry team dedicated to ecological restoration in all the 12 operational areas or collieries of BCCL. More than 30 persons have been trained at FRI, Dehradun in various aspects of ecological restoration of mined lands. The main objective of the training program was to create awareness among the participants regarding the measures taken for restoration of coal mines particularly in the Jharia coal mine areas, in Jharkhand.

In this regard, the various measures included direct seeding, seed mixed soil ball, seedling planting, stem cutting, bulbils, culms and slips planting – all of which were used for multiplication of species depending on their propagation behavior. Success of the restoration approach applied helped enriching the diversity of trees, shrubs, herbs and grasses within the project site. Three years after the process of restoration, the site has been converted into dense cover with diverse vegetation and is able to cater to the needs of fodder for the local communities.



MONITORING

The growth of species and their survival rates were monitored during the course of study taken up by FRI. In spite of heavy biotic disturbances - particularly due to cattle grazing and movement of local people in the area - there was sufficient regeneration of seed broadcasted as well as growth of planted species.



Greenery at eco restoration site Murulidih, BCCL



Greenery at eco restoration site Murulidih, BCCL



THE WAY FORWARD

To follow up the success of this model plantation project, BCCL has started ecological restoration on 10.0 ha of land in 2013-2014 and 44.03 Ha in 2014-15 departmentally. The results at these sites are as encouraging as ever. BCCL has aimed at doing ecological restoration as recommended in the roadmap, with over 226.0 ha of degraded land and OB dumps coming under the purview of this plant. This project will continue for five years i.e., up to 2018-2019. Also, BCCL has signed an MoU with the Forest Research Institute, Dehradun to enlist their technical advice and expertise for the ecological restoration works being undertaken by BCCL on OB dumps and mined out areas over 44.0 Ha of degraded land in 2014-2015.



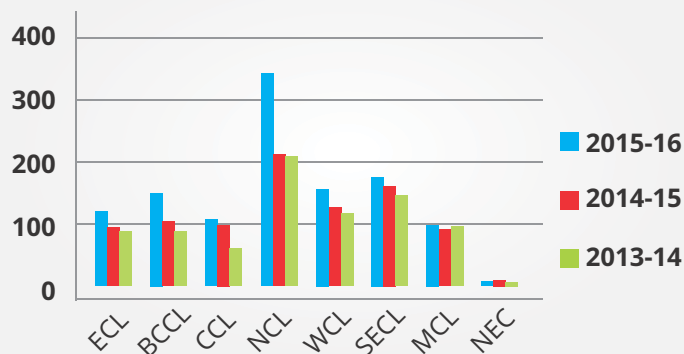
Eco restoration site visit

Waste: Waste Minimisation and Utilisation

Waste is something that can generate a number of problems in social and environmental terms, and needs to be managed in a way that creates sustainable growth for the surroundings. At CIL, we are acquainted with the fact that mining generates a lot of waste due to its operations which has a direct impact on the environment. This is because mining involves removing the top layer of the earth to dig out coal. Once the coal has been extracted, various kinds of wastes such as topsoil, overburden and waste rock, tailings and slag remaining. During 2015-16 CIL mines have generated 1148.908 MCum of overburden (OB) to produce 538.754 MTe of coal. The graph shows the trend of OB production subsidiary wise for the past three years, where one can easily see that the OB removal has increased in the present year as the mining operations are on the rise.

We recognise that careful management of mine waste is very important to ensure sustainability of the operations. We undertake safe disposal of waste even as we keep the effect on local communities in mind. Hazardous materials, used oil and explosives are managed appropriately and the same is reflected in our Environmental Audit Statement that are submitted to the Central Pollution Control Board and State Pollution Control Board in Form III and Form IV, etc. No coal spillage and oil spillage were reported during the reporting year.

OB PRODUCTION TREND [MM³]



Waste to Energy at CCL

Three power plants using FBC technology are operating in CCL. These units are utilizing washery rejects with over 50% ash content, which would have otherwise been a source of degradation of land and pollution of surface water stream.

Noise: Reducing the Decibels

Noise pollution is not merely a problem faced in urban living, but is also a by-product of rapid industrialisation – a fact that we recognise and manage within CIL. For us, co-existence is a matter of minimising disturbances which can be harmful in the long run towards the local communities and the environment. Our operations involve the use of HEMMs for mining, blasting and drilling which can contribute greatly to noise pollution. This is an occupation hazard that we are aware of – one that impacts the workers busy within the coal mines. For our operations to be environmentally friendly, we at CIL have taken several measures to control noise pollution.

Apart from proper maintenance of equipment to minimise vibrations, we have also indulged in developing a green belt which is wrapped around the mine as well as residential areas. This green cover helps in combating noise. Additionally, we have also taken on controlled blasting and blasting only during the day time. The use of technically sound machinery such as Surface Miners, Continuous Miners and High Wall Miners are used for extracting coal without the blasting process. In addition, we are always committed towards providing occupation health and safety facilities to workers working in the mine. Accordingly, ear muffs and ear plugs have become a part of the regular gear to be used by workers in noisy areas.



High Wall

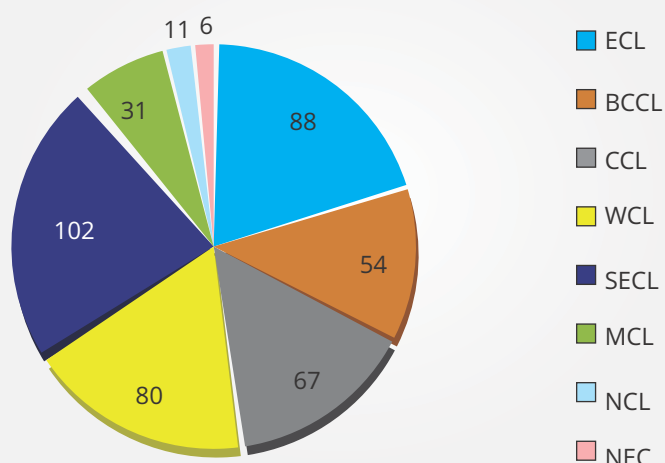


Surface Miner in Operation

Mine Closure Plans

With a commitment towards restoration of abandoned and mined out areas within a socially acceptable and eco friendly structure, CMPDI has prepared 37 mine closure plans for CIL mines during this reporting year. This has been done in keeping with the revised guidelines issued by Ministry of Coal (MoC) in 2013. Quick comments on 28 mine closure plans for coal blocks sent by the MoC were also prepared and sent to the MoC during the year. A mine closure plan is an integral part of the project report prepared by CMPDIL for Coalmines which usually follows the exhaustion of reserves within a mine. This progressive mine closure plan also forms a part of the EIA and EMP prepared for submission to the MOEF for Environmental Clearance. The progressive reclamation of mined out areas is built into the project cost and implemented accordingly. Statutory obligations in respect of closure are also followed, once the reserves have been exhausted. The graph shows the approved MCP plans for each subsidiary of CIL during the year. It also stresses on the maximum number of MCPs have been accepted for SECL where the least goes for NEC.

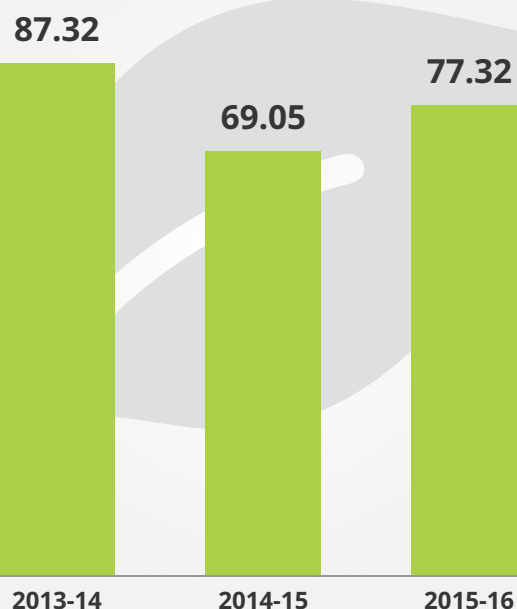
APPROVED MINE CLOSURE PLANS [2015-16]



Environmental Investments



ENVIRONMENTAL INVESTMENTS
[INR CRORES]



PROMOTING ECO TOURSIM- AN INOVATIVE APPROACH OF WCL

Imagine a fountain in a park – and now imagine all these beautiful surroundings created from the use of reclaimed natural elements. That is the beauty of this next initiative. An initiative close to our heart is the one taken by WCL, called Eco Tourism. This initiative aims at creating awareness amongst citizens regarding coal mining operations, environment and development. An eco friendly mine tourist circuit has been developed, which was subsequently launched by the Hon'ble Minister of Coal. The foundation stone for the development of the EcoPark at Saoner in Nagpur area was laid on the 22nd of March, 2015. Eco Mine tours started its operations in November, 2015 from Zero Mile, Nagpur -Adasa temple - Saoner Mine – Eco Park – Gondegaon Mine – Nagpur. Since then, it has seen a bounty of visitors and tourists who come away with lots of valuable insights and information.



Prime Minister's 'Mann Ki Baat'

The Hon'ble Prime Minister of India revealed his "Mann kibaat" on coal mines on 27th March, 2016.

"Travel plays a very strong role in shaping our lives. These days the youth of India are being driven by a spirit of adventure and curiosity. Unlike before, they don't want to go to the same old places or tread the oft-beaten track.

They want to do something new, see something new. I see this as a good sign. Our youth should be bold. They should be brave. They should have the courage to set foot on places where no one has been before. In this context, I would like to specially congratulate Coal India, Western Coalfields Limited at Saoner near Nagpur, where there are coal mines which have been developed into an Eco-friendly Mine- Tourism Circuit.

Generally, we don't think of coal mines as places to be visited. When we see pictures of miners, we wonder what it must be like out there. We even have a saying, "Coal blackens your hands", hence people tend to stay away from coal mines. But Western Coalfields Limited has made these same coal mines a destination for tourism. This is only the beginning, but already nearly 10,000 people have visited this Eco Friendly Mine-Tourism site at Saoner near Nagpur. This in itself gives us an opportunity to see something new."

CO-EXISTENCE WITH PROFITS

CIL Energising Economic Sustainability



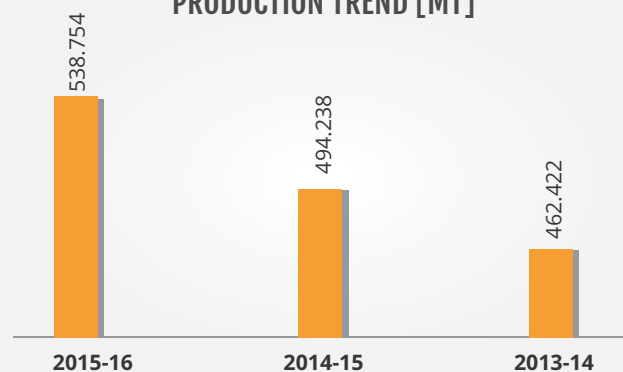
Economic sustainability lays the foundation for business continuity in any sector. The contemporary emphasis on the triple bottom line although ensures sustenance, yet it is still dependent to a great extent on the revenues generated and the profits incurred. Hence, we believe in achieving financial stability whilst progressing with our sustainability goals. During the year, the Government of India is holding 79.649% of the equity share capital of Coal India Limited. Apart from CCDA subsidy of Rs.167 Crores for sand stowing and protective works, we have not received any other assistance from the government during the reporting period.

Growth Performance Trend

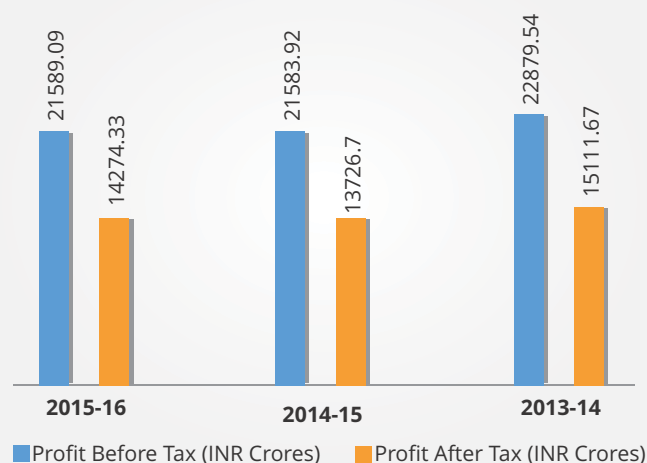
Details	2015-16	2014-15	2013-14
Production (MT)	538.754	494.238	462.422
Profit Before Tax (INR Crores)	21589.09	21583.92	22879.54
Profit After Tax (INR Crores)	14274.33	13726.70	15111.67

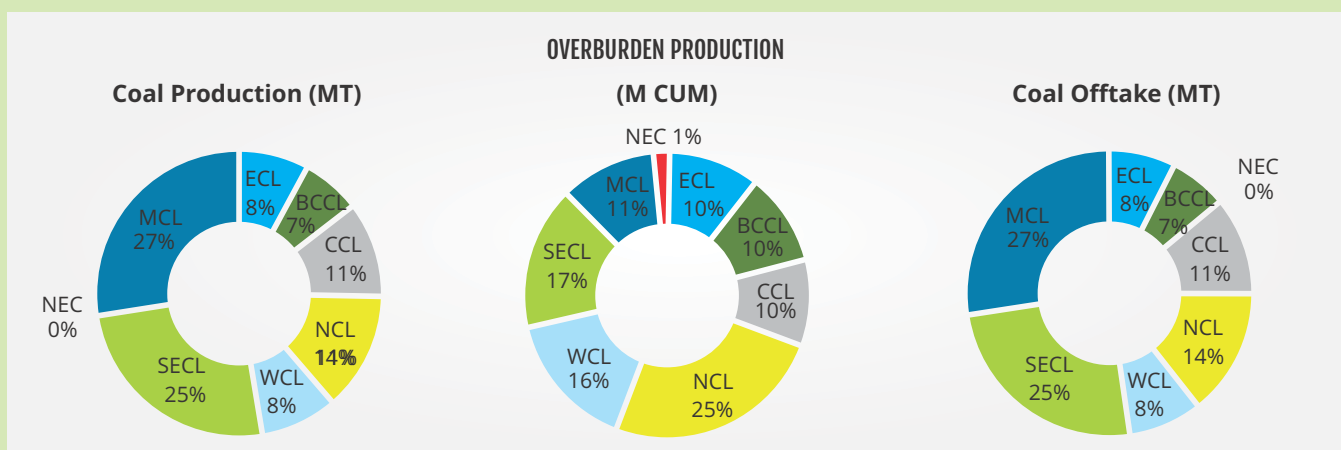


PRODUCTION TREND [MT]



PROFIT TREND [INR CRORES]





Production Performance

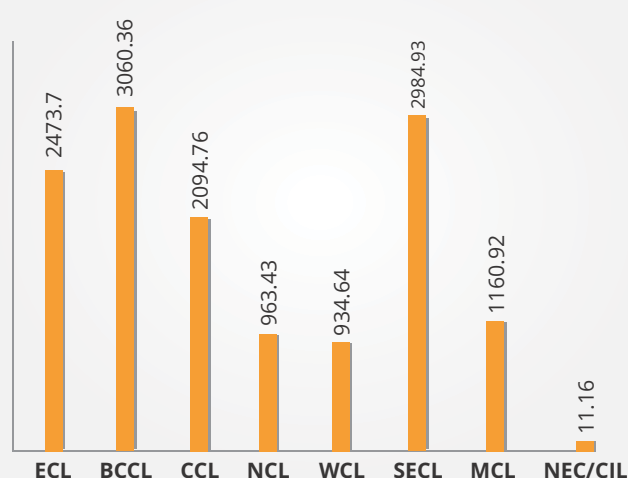
Geared to reach the set target of 908.10 MT of coal production by 2020, we are gradually on our way of increasing the production every year. During 2015-16, we achieved a production of 538.75 MT with a coal off-take of 534.50 MT. We successfully removed 1148.908 mm³ of OB. The reporting period evidenced increase in growth through 9.01% of enhanced coal production; 29.6% of increased overburden removal and 9.23% of increased coal offtake as compared to the previous reporting year. A growth in production was witnessed by all the subsidiaries compared to last year. An exceptional growth in OB removal and coal offtake was also observed for all subsidiaries.

As per the target set for 2015-16 there has been less production during the year despite our continuous efforts. The reasons for the same include restriction in reduction following EC capacity constraints; closure due to delay in securing Stage-II forest clearance; R&R issues to accommodate villagers demands as per CIL's policy; non-lifting of coal by different power utilities and restricted workspace in some OCP mines.

However, we have set higher targets for the year 2016-17, with coal production set at 598.61 Mt with an annualized growth of about 11.6 %. We envisage various initiatives to enhance coal off-take and meet the targets.

During the year, the stock of coal (net of provisions) was Rs.6162.54 Crores. Also, CIL and its Subsidiaries paid/adjusted Rs.29,084.11 Crores towards Royalty, Cess, Sales Tax and other levies compared to Rs.21,482.21 Crores in the previous year. No financial assistance is received has been received from the government except for some reimbursement for expenses on sand stowing and protective works.

GROSS TRADE RECEIVABLES 2015-2016 [INR CRORES]



Economic Performance

We generated a total revenue of Rs. 110724.22 Crores during the year. We along with our subsidiaries have achieved an aggregate Pre-Tax Profit of Rs.21, 589.09 Crores against a pre-tax profit of Rs.21,583.92 Crores in the year 2014-15. CIL as a group has achieved post tax profit of Rs. 14,274.33 Crores during the year (excluding share of minority loss of Rs.0.04 Crore; previous year: 0.09 Crore) as compared to Rs.13,726.70 Crores in the previous year.

Trade Receivables i.e. net coal sales for the year was Rs. 11463.70 Crores compared to Rs. 8521.88 Crores in the previous year. The graph shows subsidiary-wise break-up of gross trade receivables outstanding 2015-16 and it is seen that the maximum net coal sale was made by BCCL followed by SECL and ECL.



Economic Performance			
	INR Crores		
Economic Value Generated [A]	2015-16	2014-15	2013-14
Revenue (through core business segments) (Gross sales + other gross operating income)	110,724.22	97,730.62	91,175.66
Other Income (through other sources)	5,728.45	6,570.64	7,171.88
Total	116,452.67	104,301.26	98,347.54
Economic Value Generated [B]			
Operating cost	30,303.86	28,013.04	24,853.75
Personnel expenses (wages+benefits)	29,659.83	29,874.12	27,914.40
Interest Charges	20.65	7.32	58.00
Taxes and royalties (given to various govt. wherever business units are located)	39,619.77	33,575.64	34,465.47
Dividends (payments to capital providers)	17,306.84	13,074.88	18,317.46
Donations (political parties/politicians)	-	-	-
Community development/CSR investments	1,082.07	298.10	409.37
Total	117,993.02	104,843.10	106,018.45
Economic value added (A-B)	(1540.35)	(541.84)	(7670.91)

Vide an order dated 27.10.2014 of the Competition Commission of India (CCI), in Case No.59 of 2013, CCI ordered CIL to cease and desist from indulging in the conduct which has been found to be in contravention of the provisions of the Competition Act, as detailed in this order, and modify terms of Spot e auction Scheme 2007 in light of its findings in the order. However, CCI refrained from imposing any penalty upon CIL as a penalty of Rs. 1773.05 Crores was already imposed in the previous batch of matters.

Subsequently vide Order dated 17.05.2016, i.e., after the end of the financial year, the Tribunal has set aside the order of CCI and directed to hear the case afresh and as a result, the penalty of Rs. 1773.05 Crores stands cancelled and therefore the contingent liability existing on 31.03.2016 was withdrawn. No penalty was imposed to us in the reported period.

Coal Transportation

During the year, dispatch of coal and coal products went up to 534.624 million tonnes from 489.982 million tonnes showing a growth of 9.1 %. About 76% of the coal we produce, caters to the power sector.

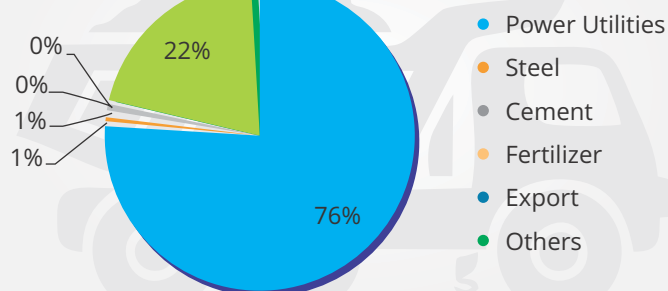
Due to the efficient coordination with railways, we achieved 91.3% of the target for Wagon loading for the year. The increase in loading over last year was of 18.23 rakes per day. Most of our

coal was dispatched through eco-friendly railway mode. The overall dispatch by non-rail mode had been 106.6% of the target and growth in dispatches via rail mode was 8.5 %. During the year, road dispatches also increased by 14.5% over the previous year and the movement by MGR was 2.4% above last year. In addition, dispatches through other modes, like belt & rope, also increased by 17.2 %.

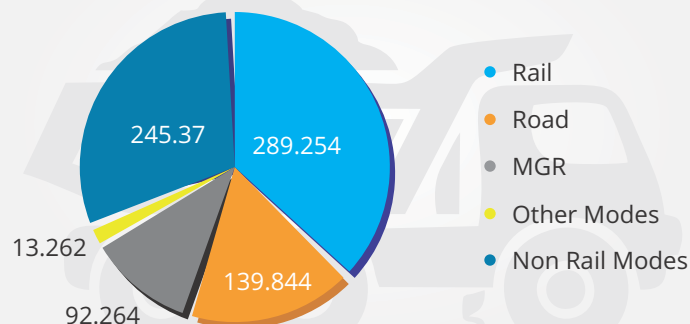
As already identified, that coal movement is a bottleneck that hinders our production process, we have worked upon improving the overall logistics scenario. For the same, we have coordinated with Railway Board to optimise use of logistics resources available in the subsidiary coal companies and identify alternate source for coal movement not only to meet its target but also to reduce the fuel consumption. We have also taken the initiative to create rail infrastructure by forming SPVswith the state governments and railways. Two SPVs have already been formed at Chhattisgarh for creating rail connectivity at Korba/Raigarh and MOUs have already been signed at Jharkhand and Odisha. We have also installed 157 rail weighbridges in the Railway Sidings and 569 road weighbridges for weighment of trucks to ensure that the coal dispatches are made only after proper weighment. In addition, electronic weighbridges with the facility of electronic printout have been installed at rail loading points. Installation of standby weighbridges to ensure 100% weighment has been also taken up by the subsidiaries.



SECTOR WISE COAL DESPATCH [2015-16]
[MILLION TONNES]



MODE-WISE DESPATCH [2015-2016]
[MILLION TONNES]



PROCUREMENT OF WAGONS FOR EXCLUSIVE USE- CIL SIGNS MOU WITH INDIAN RAILWAYS

A Memorandum of Understanding (MoU) has been signed between Ministry of Railways and Coal India Limited on 23rd December 2015 to aid CIL achieve a production of 1 Billion Tonnes of coal by 2020 where wagon availability is a key factor. This MoU ensures adequate wagon availability for meeting the transportation needs of coal produced by CIL. The agreement results into speedy supply of wagons for coal loading in dedicated circuits with an initial investment of Rs. 500 Crores and an anticipated investment of Rs. 5000 Crores. The MoU will ensure that procurement of 2000 high capacity wagons (33 rakes) in the first tranche which will facilitate increased evacuation of coal from Coal India sidings benefitting the economy as a whole and the Railways, the coal sector and power sector in particular.

During the initial period, the rakes will be inducted and run in the 2 main coal loading Zones of Indian Railways i.e. South East Central coal sector and East Coast circuit. These rakes will be used for transporting coal from MCL Talcher & IB Valley area and SECL to Paradip/ Dharma ports, Vishakhapatnam area and the power houses of Nagpur/Raipur region. Under this partnership, the wagons will be procured by Indian Railways on behalf of CIL. The maintenance including provisions for brake vans of these wagons will be done by Railways at its own expense.



Coal Marketing

We supply coal to various consumers including Power Sector, under the applicable provisions of the New Coal distribution policy. Due to overall deficit in availability of coal considering the projected coal productions from domestic sources and commitments made through signing of FSAs/ issuance of Letter of Assurances (LOA) supplies under the FSAs has been pegged at various level of commitments. Since the power sector is one of the major consuming sectors here which also has significant importance for the economy, the supply to this sector has been further streamlined.

Besides this, we also made advancements to reach out to the sectors by channelizing the coal movement process further. For power plants facing shortage of coal, as per the guidance of Ministry of Coal, we have introduced the Scheme of Special Forward E-Auction for Power plants. We are also improving our linkages to reach more and more consumers and improving the distribution network to reach the smallest of sectors. We have launched a new web portal "Coal Allocation Monitoring System" to aid business with the MSME sector. In addition we introduced web based online monitoring of coal mining projects costing more than Rs.100 Crores. During this year alone, this exercise has been carried out for 30 projects.

Enhanced Customer Satisfaction

Customer satisfaction is one of the main priorities of CIL. We understand that the quality of our coal is the deciding parameter to weigh the quality and thus satisfy our consumers with our products. Our major quality criteria include, supply of quality coal and enhanced engagements with customers.

Supply of Quality Coal

During 2015-16, we have established Coal Handling Plants with a total capacity of about 326 MT per annum to maximize dispatches of crushed/sized coal to the consumers. We have also enhanced the usage of surface miners in many of our OCPs



Coal Handling Plant

for production of sized coal right at the site of extraction.

We also attempt accurate sampling and analysis of coal samples and hence, have procured 121 Bomb Calorimeters. Also, to eliminate chances of bias in sampling process for the bulk consumers, 24 Auto Mechanical Samplers are working in subsidiary coal companies for coal sampling. Joint or Third Party Sampling and Analysis is also being undertaken for major consuming sectors like power utilities, steel, cement, sponge iron. In addition, sampling facility has also been extended in special e-auction for the power sector. The Central Institute of Mining and Fuel Research (CIMFR) will soon appoint an independent Third Party Agency by a transparent process for undertaking the work of sampling and analysis of coal at loading end on behalf of both the power (consumer) and the Coal Companies (supplier), as per the new SOP.

We also seek NABL [National Accreditation Board for Testing and Calibration Laboratories] accreditation of our main laboratories. At present, one lab at MCL has been accredited by NABL in addition to the earlier one existing at WCL. Another 55 Laboratories of all subsidiaries are in various stages of accreditation process. We are also operating 15 Coal Washeries with a total coal washing capacity of 36.8 million tonnes per year, of which 12 are for coking coal and the rest 3 are for non-coking coal. To meet the growing demand, we have also has planned to set up 15 new state of the art Washeries with a capacity of 112.6 MTY.

Online Consumer Redressal Forum

Understanding that consumers are our valued affiliates, special emphasis has been given to quality management and redressal of consumer complaint. In order to ensure consumer satisfaction and resolve consumer complaints, on-line filing and redressal of complaints has been initiated. During 2015-16, percentage of consumer complaints resolved is 99.68%.



OB Casting by Dragline to Expose Coal

Managing the Supply Chain

CIL recognises the importance of maintaining a strong supply chain and managing it effectively. We recognise our suppliers and vendors as our key associations and engage in a valued bond in addition to formulate opportunities to enhance our business through mutual relationship. For the same, the MM division of CIL keeps a check on the procurement action on receipt of consolidated requirement of all the subsidiary companies from the respective Technical Departments. All our suppliers and contractors are screened as per statutory labour practices.

Initiation of E- tendering Procurement Mechanism

As we engage with world class suppliers, we try to come up with strategies which help in making the system hassle free and strengthen our supply chain. For the same, we have initiated an e-tender procurement proceeding being done after confirmation of eligibility criteria and TPS from the Technical Department. This mechanism allows supply is being made directly to the subsidiary companies as per their requirement from time to time. Vendor selection is done when the party meets the eligibility criteria and accepts the commercial terms & conditions of the NIT.

We are also undertaking various vendor engagement initiatives where vendors are invited for their active participation which includes the buyer seller meet which is organized by the Vigilance Division from time to time for awareness of the Procurement System adopted towards procurement of goods at CIL level. We organize pre-bid meetings with the vendors from time to time for awareness of the system as the vendors of equipments in demand such as HEMM, Explosives and OTR Tyres are limited. In addition, regular training of the new system of procurement to the vendors is also being provided by us.



HEMM Drill



Continuous Miner



CO-EXISTENCE WITH PEOPLE

CIL Energizing Socio-Cultural Sustainability

No organisation is complete without people – within or outside. Which is why, we hold people as the most important asset here at CIL. This sphere consists of employees and the local community, who have been an integral part of the organisation. They have been recognised as an important resource due to the fact that they provide inspiration, creativity, vision and motivation which keep the organisation going. Their skill and competencies are necessary to make the organisation a well oiled machine that can work in a proper manner. With this in mind, we have ensured that our policies and initiatives are 'people friendly' even as they foster dual development.

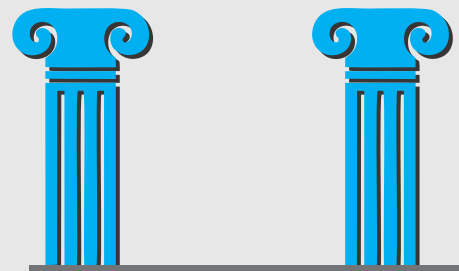
Management Approach

Developing the right man at the right place, at the right time is the key for success in operations, and we adhere to this notion at CIL. With a rebooting and resetting process in place for our people and the processes that they set in motion, we try to keep the organisation's performance at a constant high. In order to do this more efficiently, we have identified high performance culture and building system capability by developing critical people as the two pillars of our operations. Accordingly, we have placed our strategies on these two pillars with the aim of revitalizing and aligning people, processes and practices to develop these core and critical capabilities in order to realise our vision. Knowledge management and refurbishing the development process is helping us put new systems in place in order to chart a course where the competence of the employee is furthered.

Also, we have undertaken initiatives that will go a long way towards creating a working environment which is intrinsically

Cultivating a high performance culture

Developing critical people and system capabilities



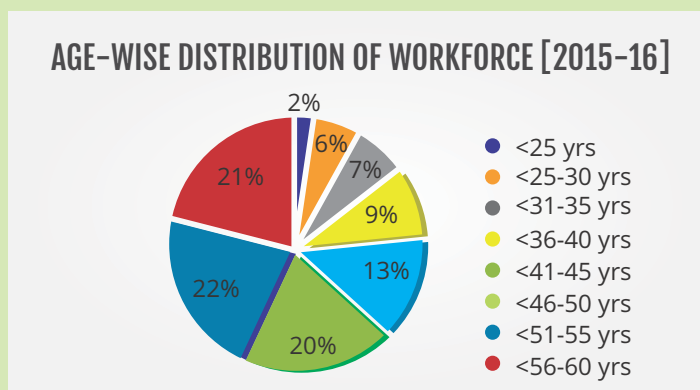
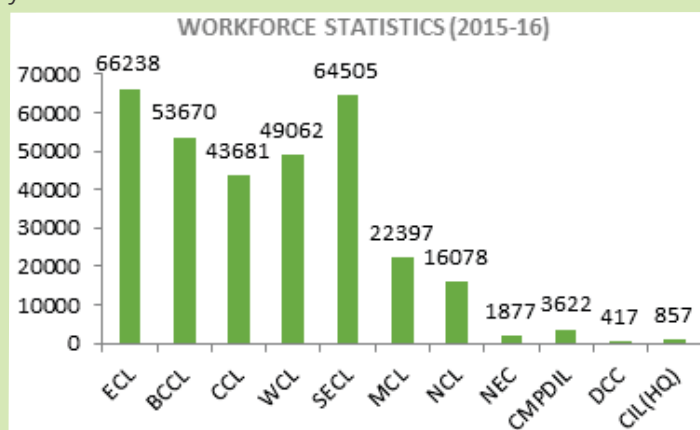
PILLARS OF HR STRATEGY

and extrinsically motivating. At the very epicenter of these initiatives, we have a supportive culture driven by recognition of performance and potential. Through this, we seek to channelise opportunities for building key capabilities. The HR element in CIL has further repositioned its role as a strategic partner when it comes to the corporate vision. This has been done by leading the change initiatives with a focus on the organisational culture and critical capability building.

The use of existing and new technology has paved the way forward in terms of these initiatives which further helps in enhancing the efficiency and productivity of our company. With this, we have managed to make more optimum use of resources. These new technologies have created a wide bank of opportunities for HRD practices to flourish with self development within its quarters.

Workforce

Talent is the mainstay for development and growth today – and no one knows that better than CIL. Based on a sound system of developing its people as its most tangible asset, CIL thrives in a talent based economy with ample planning, measuring and optimising. A comprehensive human resource strategy helps in estimating the manpower requirement with an eye on the short and long term goals that we seek to achieve. The total employee strength including executives and non-executives during the reporting year was 3,22,404. During the reporting year 67,326 contract workers were engaged in different jobs in our company. We follow the DPE guidelines for the recruitment of Director and Senior Management for positions of GM and above. Of the existing Directors, eight of our Directors are above the age of 50 years whilst three of them are above the age of 60 years.



Talent Management

Talent is something that can steer the organisation with the help of vision, innovation and the best possible use of the resources and technologies that are at its disposal. The nurturing and management of this very talent is the other side of the coin. The rapid superannuation of our middle and senior management role holders has brought about a change in the demographic profile of the management cadre employees. As a consequence, CIL is now geared to have a young team of management who will be more attuned to risk taking and balancing trends with innovation to level the playing field. Induction of fresh talent into the organisation at entry level as Management Trainees

numbering 448 in different disciplines has been done. These candidates have been selected through campus selection procedures and open advertisements. Our Management Trainees have undergone induction training at IICM before being assigned to different subsidiary companies based on our man power requirements. In addition, there is no system of keeping temporary or part time employees here at CIL with an eye on long term talent management.

Young talent is a major part of our talent management system now. Our campus recruitment of management trainees from various disciplines continued during this reporting period with a focus on filling 610 vacancies by selecting 420 candidates by March 2016. Also, we have also inducted 44 non-executive level employees into the Executive cadre through a process of departmental selection and promotion. Additionally, we have also recruited 281 medical executives comprising of Medical Specialists and Medical Officers through open advertisements, where 128 medical officers joined during the financial year. The rest of the medical officers would continue to join in the next 2016-17.



DEVELOPING IT INITIATIVES- 'SELF EXAMINER'

Today, all technology and innovation has IT at its core. As per SECLs new IT initiative according to the government guidelines to dispense written interviews in process of recruiting employees in C, D and B group, the organisation has developed a software Application named 'Self-Examiner'. With the help of this software, one can test the computer proficiency of a candidate. Also, as a unique feature, the application auto generates the result on the spot. The application can be run on any system that has a Windows OS and does not require any prior installation. The initiative is a stepping stone for IT initiatives which will aid in simpler administration of various processes including recruitment.



Coal India CME 2016 at IICM, Ranchi

Workforce (2015-16)

CIL Unit	 Executive			 Non-Executive			Grand Total
	Male	Female	Total	Male	Female	Total	
ECL	2275	100	2375	59371	4492	63863	66238
BCCL	2209	115	2324	46893	4453	51346	53670
CCL	2444	146	2590	37014	4077	41091	43681
WCL	2439	160	2599	43971	2492	46463	49062
SECL	3182	141	3323	58086	3096	61182	64505
MCL	1774	87	1861	18893	1643	20536	22397
NCL	1718	68	1786	13791	501	14292	16078
NEC	100	7	107	1611	159	1770	1877
CMPDIL	842	71	913	2552	157	2709	3622
DCC	29	6	35	353	29	382	417
CIL(HQ)	334	57	391	388	78	466	857
CIL (Total)	17346	958	18304	282923	21177	304100	322404

Employee Hires (2015-16)

No of Persons Hired	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDI	DCC	CIL(HQ)	TOTAL
Employment In lieu of death(9.3.2)	472	615	409	582	305	76	62	0	17	2	5	2545
Employment In lieu of perm. Disab.(9.4.0)	5	8	26	50	0	2	20	0	3	0	0	114
Fresh Rectt.	276	38	269	477	272	313	524	2	158	0	8	2337
Appoint ment against Special Female VRS	983	391	174	419	361	62	100	37	41	0	0	2568
Appoint of land losers	278	68	313	973	177	755	31	0	0	0	0	2595
Apptt. Of depended of Executive	0	0	1	0	0	0	0	0	0	0	0	1
Reinstt./Rejoin/Retained	39	21	15	84	0	2	1	0	0	0	0	162
TOTAL	2053	1141	1207	2585	1115	1210	738	39	219	2	13	10322

Employee Turnover (2015-16)

No of Persons Separated	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDI	DCC	CIL(HQ)	TOTAL
Retirement	2738	2506	1756	2663	3119	709	656	107	208	53	67	14582
Resignation	31	7	13	54	80	36	26	0	13	0	7	267
Medically unfit	29	20	35	20	80	1	10	0	0	0	0	195
Death	667	472	369	315	469	123	93	28	9	5	6	2556
Special VRS (Female)	983	478	306	498	464	69	104	37	6	0	0	2945
VRS (DPE)	8	0	10	0	0	1	0	12	0	0	0	31
Dismissal/Termination/ Separation/ Removal	27	26	31	35	177	131	10	0	1	0	2	440
TOTAL SEPERATED	4483	3509	2520	3585	4389	1070	899	184	237	58	82	21016

Employee Associations

An association will always garner mutual support even as it draws the eye to the policies and structures within the organisation. This also helps in realignment of the individual goal with the organisational goals. All Non Executive cadre employees (94.32 % of total manpower) of CIL & its Subsidiaries are covered under collective bargaining agreements i.e. A National Coal Wage Agreement(s). This has been finalised by the Joint Bi-partite Committee for the Coal Industry (JBCCI). A large number of issues including the wage structure, fringe benefits, service conditions, welfare, social security, safety and other allied matters are covered by the agreement. Further, the management does not resort to unilateral interpretation of the

agreement (NCWA) and in case of any doubt or difficulty in interpretation or implementation of any clause of NCWA, the same is referred to and settled by the JBCCI or a sub-committee constituted by the JBCCI for the purpose, in the spirit of mutual goodwill.

There has been no strike of one week or more during the last five years in CIL and any of its subsidiaries. In addition, there have been no bandhs during the year and one day Nationwide General Strike was called by eleven Central Trade Unions on the 2nd of September, 2015.

Statistics of Strikes/Bandhs

Company	No. of Strikes/Bandhs		No. of other incidents		Man-days Lost		Production Lost (in tonne)	
	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16
ECL	1+0	1+0	18	45	25297	15108	96968	37303
BCCL	1+0	1+0	03	11	77319	16562	175986	49516
CCL	1+0	1+0	70	75	33272	21528	125299	00
WCL	1+0	1+0	02	00	53716	19974	263900	68690
SECL	1+0	1+0	00	03	72740	39300	195074	53172
NCL	1+0	1+0	05	00	10075	5617	241000	58000
MCL	1+0	1+0	00	00	19575	11330	852966	34904
NEC	1+0	1+0	00	00	1472	762	2608	1100
CMPDI	1+0	1+0	00	00	1288	1387	0	00
CIL	1+0	1+0	00	00	278	00	0	00
Total	1+0	1+0	98	134	295032	131568	1953801	302685



Man riding system in UG mine of CIL

Learning & Development

Talent is a direct function of learning and development. As a part of our stance on the recognising the human resource element as the most important asset, it is our constant endeavour to explore different ways to enhance the 360 degree development of our workforce. At our organisation, Human Resource Development is centered on the development of existing Human Resources even as we believe in looking ahead with a clear perspective. This is done in context of technological advances and the growth of manpower to fulfill the demands of production vis-à-vis technology. Accordingly, the optimum utilisation of resources and technology becomes an important function that pervades all levels within the organisation. This has fuelled the need to develop technologies which will create opportunities for the growth of self development – a process that is constantly carried out by the HRD Division here at CIL. All the executives of CIL are reviewed through CIL's online system HRIS. We are proud to say that our HRD division has achieved more than the proposed MoU targets for the reporting period.

In-House Trainings



Training and Development

CIL and all its subsidiaries follow a structured approach for training and development of employees. Our trainings programs are planned as:

In house training (Training at Subsidiary Training Centres and at IICM)

Our training and learning programs are designed to enhance skills of employees and strengthen their career profiles. To cope up with the tasks that come from the strategic plan, an Annual HRD plan is worked out every year. This plan seeks to integrate the HRD efforts in each of the 27 training centres located in

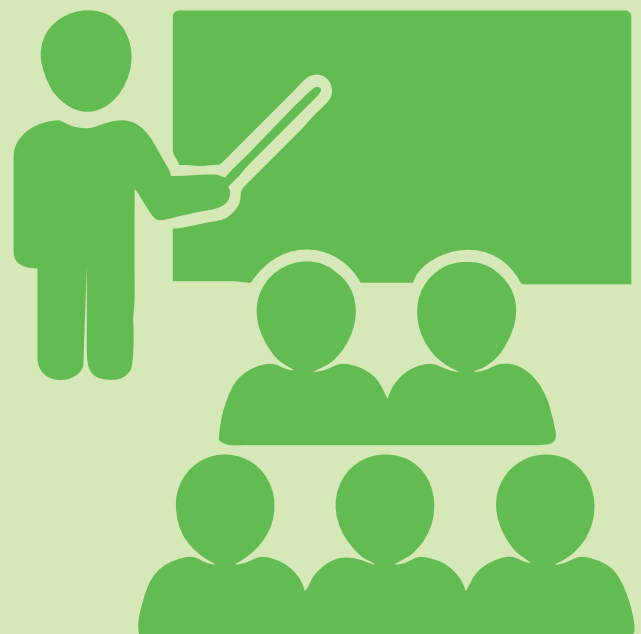
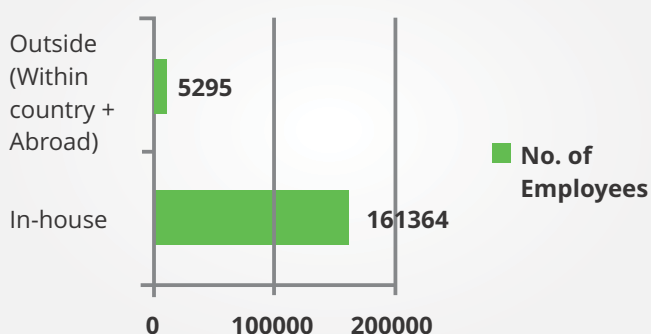
different subsidiaries. This is done as per the following four segments. In addition, various programs for skills management and lifelong learning are taken up during the trainings.

Technical Training: We provide technical training to employees so as to enhance their technical knowledge on the various means and methods being used in each subsidiary. This also goes a long way towards improving their skill set for new technological advancement being conceived at the corporate level. These training programs are a part of our preparedness to meet the current shortage we are facing as far as skilled manpower goes. With specialised technical trainings, our aim is to develop statutory personnel for meeting statutory obligations as well. As per this goal, CIL and its subsidiaries have around 102 Vocational Training Centres to take care of statutory obligations.

Management Training: A need based management training program has been created for our executives at each level. This training is made available at the time of joining the new position, at the Management Training Centre of each subsidiary company and also at the apex training centre - the Indian Institute of Coal Management, Ranchi.

Transformation Training: To create something worthwhile from something raw is what we endeavor to do. Accordingly, we have several planned attempts that go towards helping those who have joined CIL, so that they rise in ranks with training as the backdrop of their professional growth. This is a part of the management policy here at CIL and it also holds good for the workmen for whom we facilitate skill acquisition so that they may move from conventional to semi-mechanised mines with intermediate technology. This can also happen at the instance of closure of mines and surplus manpower. Usually, we use these trainees as a source of manpower supply in critical and non critical areas where technology specific skills are required

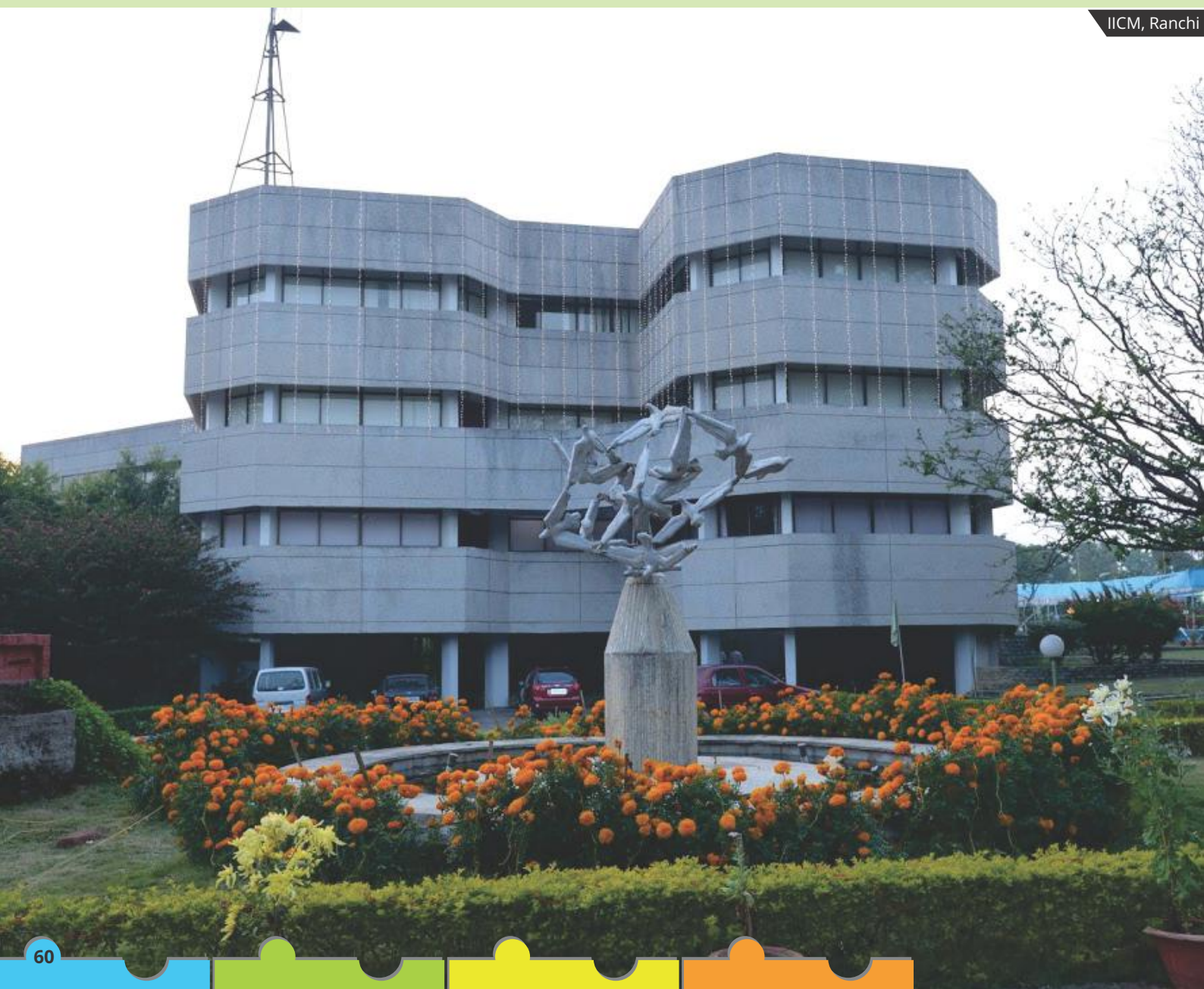
TRAINING STATISTICS [2015-16]



General Development Training: The vision and financial health of the organisation has changed with the changing times. These changes can be found with reference to the status of mines – an area that holds good specifically in ECL, BCCL and to an extent in CCL with a separate focus on MCL, NCL, SECL and WCL. With these changes and trends, the profit and loss as well as the criteria for raising productivity have come to affect cost parameters and the criteria for excellence in performance. This has a direct bearing on the survival of the company. This criteria for excellence is mediated through intra - organisational communication as well as face to face interface with workers and supervisors in a planned way. The basis for this information sharing and interface remains sharing the business realities so as to invoke motivation and the required action on the part of the individual with an emphasis on training.

TRAINING DETAILS (2015-16)			
		Total Training Hours	Training Hours per employee
CMPDI	Male	45312.0	13.350
	Female	6024.0	26.420
SECL	Male	1506678.0	23.620
	Female	35376.0	9.400
ECL	Male	153726.0	2.398
	Female	3468.0	0.750
WCL	Male	1733136.0	34.614
	Female		
CCL	Male	856336.0	46.010
	Female	11064.0	31.610
BCCL	Male	781309.0	15.900
	Female	37837.0	8.280
NCL	Male	450320.0	27.820
	Female	3392.0	
MCL	Male	439000.8	41.600
	Female	22293.6	33.370
CIL	Male	21870.0	7.944
	Female		

IICM, Ranchi



Employee Diversity

We prohibit any kind of discrimination on the basis of race, colour, religion, sex, caste, sexual orientation, national or regional origin, or any other characteristic protected by law. Also, we are proud to report that there has been no reported case of discrimination during the year 2015- 2016. The ratio of the basic salary and remuneration of women to men is 1:1. For payment of salary and wages, we follow the NCWA for Non Executives and specified pay scales for Executive cadre employees with no discrimination on the basis of gender.

Valuing Women

Women empowerment is a reality at CIL and we ensure that all the details pertaining to the creation of a congenial work environment are taken care of. At our organisation, all female employees are entitled to maternity benefits as per the statute i.e. Maternity Benefit Act. Further, female employees (executives and non executives) are entitled to Child Care Leave that can last up to 2 years. The female employees after availing the said leave, return to their work place and continue to remain in the company's employment. There is no provision of parental leave for male employees.



Women Employees at CIL



International Women's Day Celebration



CIL AND WIPS CONTRIBUTING TO WOMEN EMPOWERMENT

CIL values its female employees in the organisation. For their benefit, we have joined hands with WIPS to provide opportunities which will help in their overall development. As on the 1st of January, 2016, the total strength of female employees in CIL is 22822 – a number that constitutes 7.07% of the total manpower. The number of women executives is 944 and skilled or monthly wage women employees are 5555. The rest of the female workforce belongs to the unskilled and daily wages category. Female employees are entitled to the provisions like Maternity Benefit Act and Equal Remuneration Act. These are being implemented for the benefit of the women employees of CIL.

CIL is actively providing various establishments for its female employees to get nurtured in the professional sphere. Nurse training institutes have been set up where training is imparted to the trainee nurses so that they may find an opportunity in or around the industry. Mahila Mandals, Mahila Samiti and other such forums are working in different units and establishments of the coalfield areas to look after the welfare of female employees and female spouses or dependents. Awareness is inculcated through symposiums, seminars, training programs and cultural activities which are organized on a regular basis. As per the Wage Agreement, the female dependent of the employee who dies while in service is provided with employment or monetary compensation.

A Women's Cell has been constituted to look into the complaints of women employees when it comes to discrimination and sexual harassment. The solutions are usually based on the guidelines of the National Commission for Women. A forum for Women in Public Sector Cell (WIPS) has been set up in Kolkata and five subsidiary companies including ECL, BCCL, CCL, SECL and CMPDI. Each WIPS cell is headed by a coordinator who plans and executes the activities of the forum with the help of a duly appointed executive committee.

Some of the activities undertaken by CILWIPS Cell in 2015-16 are as under

- The initiative to install one sanitary napkin vending machine and incinerator at CIL's new office complex, Rajarhat on 15 August, 2015 has been done in pursuit of Swachh Bharat Abhiyan.
- Before Durga Puja, WIPS (CIL-HQs) gave shoes, bed sheets and wheel chair to Bodhona, New Town, and Rajarhat, a home for mentally retarded and destitute children.
- An annual seminar was organised on 4th December, 2015 in Coal India Limited (HQs) with the theme "Women in Corporate Sector-Issues and challenges". Smt Arundhati Bhattacharya, Chairman, State Bank of India was the Chief Guest of the seminar.



Employee Benefit

For our business to run successfully we need to keep employees happy and provide them with enough incentive to maximise their productivity. There are various benefits that the employees of CIL are entitled to.

Defined contribution plans: We have defined contribution plans for payment of the Provident Fund and Pension Fund benefits to our employees. These are operated and maintained by the Coal Mines Provident Fund (CMPF) Authorities. As per the rules of these schemes, the company is required to contribute a specified percentage of the pay roll cost to the CMPF Authorities which goes forth to fund the benefits.

Defined benefits plans: The liability on the Balance Sheet date on account of gratuity and leave encashment is provided for on an actuarial valuation basis by applying the projected unit credit method. Further we have created a Trust with respect to the establishment of Funded Group Gratuity Scheme (cash accumulation) through Life Insurance Corporation of India. Contribution is made to the said fund based on the actuarial valuation. During the reporting period, we incurred a sum of Rs. 4,764.18 Crores towards contribution to Employee benefit plans.

OTHER EMPLOYEE BENEFITS

- ✓ Benefits on account of LTA/LTC
- ✓ Life Cover Scheme
- ✓ Group, personal Accident Insurance Scheme
- ✓ Settlement Allowance
- ✓ Retired Executive Medical Benefit Scheme
- ✓ Compensation to Dependants of the deceased in mine accidents.

Contribution to Benefit Plans (INR Crores)	2015-16	2014-15	2013-14
Contributions to Provident and Other Funds	2,635.03	2,563.73	2,470.01
Staff Welfare Expenses	2,129.15	2,114.15	2,068.40
Total	4,764.18	4,677.88	4,538.41

Employee Welfare

Employee welfare is an important part of our People's co-existence plan at CIL. As we swear by dual development, there are various initiatives taken towards employee welfare. The same are elucidated in the figure. Coal India Welfare Board is the decision making forum when it comes to welfare policies to create a better standard of living for all the employees of the company. This extends to various members and associations as well as their concerns. The members include Central Trade Union representatives and CIL Management. Both parties meet

regularly to hold discussions on the welfare measures and also, to review the implementation of different welfare schemes.



Yoga Day Celebration



Housing: To put a roof over one's head is one of the primary areas of livelihood. At the time of Nationalisation, there were only 1, 18,366 houses including sub-standard houses. The availability of these houses has increased to 3,98,350. The percentage of housing satisfaction has now reached 100%.

Water Supply: Water is a resource that can drive the human race and we respect this fact by creating better access to water. As against 2.27 Lakhs people having access to potable water at the time of Nationalisation in 1973, we presently ensure that a populace of 19,73,887 Lakhs has been covered under the water supply scheme.



Pressure filters at BCCL

Medical Facilities: CIL and its subsidiaries are extending medical facilities to its employees and their families through various medical establishments from the Dispensary level to the Central and Apex Hospitals. These establishments can be found in various parts of the coal fields. There are 80 Hospitals with 5,431 Beds, 399 Dispensaries, 557 Ambulance and 1220 Doctors including Specialists in CIL and its subsidiaries which can provide medical services to the employees. Besides this, there are five Ayurvedic Dispensaries that are being run in the Subsidiaries of Coal India Limited to provide an indigenous system of treatment to workers. In addition, subsidiary companies have also been organising different medical camps for the benefit of the villagers and the community. Special emphasis has also been given on Occupational Health, HIV/AIDS Awareness Program for the employees and their families. Moreover, medical facilities are made available to the peoples residing in and around mine premises of the subsidiary companies of CIL.



Educational Facilities: Education is a matter of moulding the mind and intellect right from the start. CIL reaches out to people in this regard as well. The subsidiary companies of CIL have been providing financial assistance deficit grant and infrastructure facilities to certain renowned schools like 44 DAV Public Schools, 14 Kendriya Vidyalaya, and one Delhi Public School ensure that quality education is imparted. In addition to above, grant-in-aid is provided to Privately Managed school in ECL, BCCL and CCL to encourage education in the operational areas of subsidiaries.



Supporting Education by WIPS, CIL

CONTRIBUTING TOWARDS CSR- MCL OPENS MAHANADI INSTITUTE OF MEDICAL SCIENCES & RESEARCH, TALCHER, ODISHA

The MCL CSR Venture is a feather in our cap. The Mahanadi Institute of Medical Sciences and Research (MIMSR) is a 492 Crore INR CSR project of Mahanadi Coalfields Limited (MCL). It is located in the Talcher Coalfields of Odisha. The foundation stone of this well planned and ambitious CSR project in the country's largest coalfield by a coal CPSU, was laid in the august presence of distinguished people and was inaugurated by Shri Naveen Patnaik, Chief Minister of Odisha, in September 2015.

The MIMSR will have a 100-seat medical college with a 500 bed, Multi-Specialty Hospital. It will also have the state-of-the-art medical facilities in Anatomy, Bio-chemistry, Micro-Biology, Physiology, FM, Toxicology, Pharmacology, Pathology, Community Medicine, Laboratory with a well stocked Library. The project includes a hostel for 300 boys, a separate hostel for 200 girl students, two blocks of Hostel for 100 interns, a hostel for 57 junior resident doctors and a 50 bed hostel for nurses.

The institute also includes 42 flats for its faculty members, with even more accommodation facilities for professors and the head of the institution. It is planned on the Smart and Green Concept with Building Management System by the well known public sector construction name - National Building Construction Corporation Ltd. (NBCC), the MIMSR campus would also have a modern gym, a guest house and a shopping arcade.

MCL's contribution towards setting up a Medical Science and Research Institute taken the CSR initiative bar up by leaps and bounds. This initiative will not only provide better healthcare facilities to its employees but also help in increasing employment opportunities and skill development for the livelihood of skilled individuals in the neighbouring areas.





ENCOURAGING SPORTS- CIL SPONSORED 'HOCKEY INDIA LEAGUE - 2016'

In its new role within the area of sports, which we consider just as important as classrooms and textbooks, Coal India Limited (CIL) has taken on the position of being the Title Sponsor of the fourth edition of 'Hockey India League' for the 2016 season. In this role, we have magnanimously released Rs.14.73 Crores as the sponsorship payment. This included the sponsorship fee of Rs. 13 Crores as well as cash awards for the Coal India Best Goal of the Match at each of the matches along with Coal India Most Valuable Player of Season award and related expenses. The sponsorship fee for 2017 and 2018 is pegged at Rs. 14 Crores and Rs. 15 Crores, respectively.

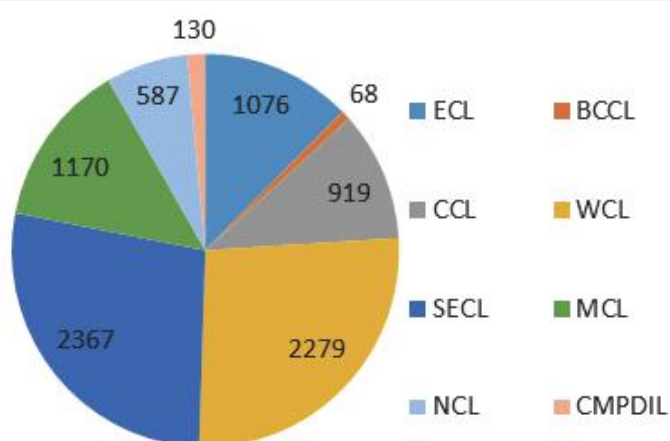
The initiative was taken by CIL with the intent to encourage sports, with a focus on our national sport -hockey. We believe that this would pave the way to generate interest towards the field, in today's youth. As CIL is actively involved in encouraging various sporting activities and talent hunts at the grass root level around our mining areas, district and state levels - the sponsorship of this tournament was a national level initiative to promote mass awareness regarding sporting pursuits.

The corporate entity of CIL, Coal India Sports Promotion Association (CISPA) is continuously encouraging sports and other cultural activities as a part of its CSR effort. Through the CISPA, we aim to promote excellence in sports at all levels and stand at one with the country's efforts to help sports persons reach higher levels of performance. Further, the partnership with the Hockey India League has been of immense help as far as future talent sighting goes.



Coal India Scholarship Scheme: In order to encourage the children of the employees of Coal India Limited, two types of Scholarships namely Merit and General Scholarship, are being provided every year under the prescribed terms and condition. One can see the number of students who have achieved this scholarships, in each subsidiary, with a total of 8596 across subsidiaries. In addition, during the year all subsidiaries of CIL. The tuition fees and hostel charges for a total of 847 students has been reimbursed. These students are studying in IIT, NIT and Government Engineering and Medical Colleges.

NO. OF SCHOLARSHIP AWARDED [2015-16]



Statutory Welfare Measures: Welfare is a way of life for us at CIL. In accordance with the provision of the Mines Act 1952 and Rules and Regulations framed under the same, subsidiaries of Coal India Limited are maintaining various statutory welfare facilities for the coal miners such as Canteen, Rest Shelters, Pit Head Baths and more.

Co-operative Stores and Credit Societies: In order to supply essential commodities and Consumer goods at a cheaper rate in the Collieries, 16 Central Co-operatives and 99 Primary Co-operative Stores are functioning in the Coalfield areas of CIL. In addition, 158 Co-operative Credit Societies are also functioning in the Coal Companies.

Banking Facilities: The Management is trying to provide infrastructure facilities to the various Nationalised Banks so that they may open their Branches and Extension Counters in the Coalfields for the benefit of the workers. The workers are shown how to draw their salaries through 480 Number of Bank and Extension Counter seven as they are encouraged to practice thrift for the benefit of their families.

Sports: A structured sports policy of CIL and its subsidiaries was approved by CIL Board in 2013. As per the sports policy, Coal India Sports Promotion Association (CISPA) has been registered under the West Bengal Societies Registration Act, 1961. CISPA has undertaken several sports activities at the National Level and International Level.

Health & Safety

While occupational health and safety is an issue and provision on each and every factory floor, it is all the more important in the challenging environment and the offices of a mining company that operates on a scale like ours. The mission statement of CIL weighs in on safety which has always been given prime importance in our operations. CIL has formulated a well defined Safety Policy that caters for risks and ensure safety in mines with the proper implementation of the same. This implementation process is closely monitored at several levels. Various elements are in place to ensure that the safety policy is implemented. This policy includes provision of adequate funds for safety, deployment of adequate numbers of trained manpower ensuring safety in mining operations; establishment of an Internal Safety Organization (ISO) in all the subsidiaries of CIL to monitor the implementation of CIL's Safety Policy; continuous and sustained improvement in technological inputs for mining operations; support of scientific planning and R&D activities made available through the use of in-house expertise of CMPDIL and in collaboration with the other institutes; and finally, ensuring workers' participation in every forum for monitoring safety status in the mines. We follow the Occupational Health and Safety (OHS) compliances as per DGMS standards which is mandatory for all our coal mines.



CIL Inter Company Football Tournament

Safety Governance: The Organizational structure and mechanism which monitors and advises on Occupational Health and Safety Programs with active participation of its workforce and its representatives are produced below. Currently, 7619 persons are represented in the Pit Safety Committee of CIL.

Safety Statistics: CIL has achieved an excellent MOU rating thanks to the fact that it has reduced the rate of Fatality and Serious Injury per Million Tonne of coal production by 22.2% and 39.5% respectively in contrast to the previous financial year.

These statistics show CIL's commitment towards enhanced and effective safety actions for its workforce.

Accidents statistics are the relative indicator for safety status in the mines. Over the years, the safety performance of CIL in terms of accidents has improved significantly. In the year 2015-2016, the rate of injuries and fatalities has decreased as compared to the previous years – a trend that can be seen in the graph. The LFITR for the current year is 0.276 which is less as compared to the previous years as well.

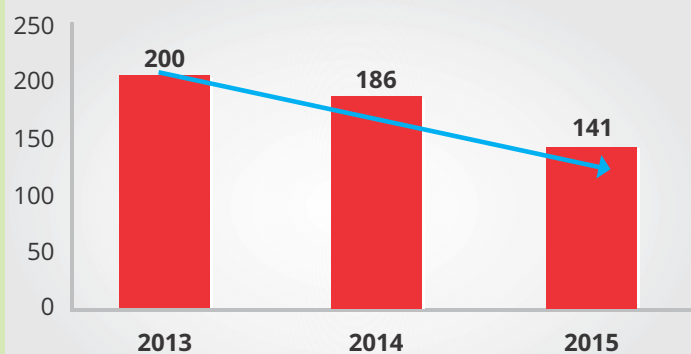
At Mine level	Workman inspectors: as per Mines Rule-1955 Pit Safety Committee: constituted as per Mine Rule-1955
At Area level	Bipartite/Tripartite Committee Meeting Safety Officers' Coordination Meeting
At Subsidiary level	Bipartite/Tripartite Committee Meeting at Subsidiary HQ level Area Safety Officers' Coordination Meeting Inspection by ISO Officials
At CIL HQ level	CIL Safety Board CMDs Meet Meeting with Chief of ISOs of Subsidiaries
At Ministerial / National level	Standing Committee on Safety in Coal Mines National Conference on Safety in Mines Various Parliamentary standing Committee



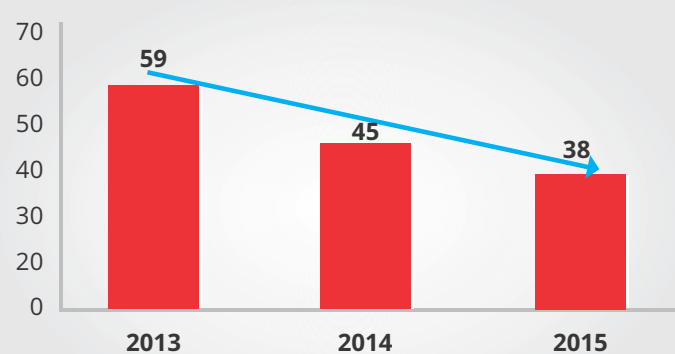
Fire Tender with crew

Safety Statistics

Subsidiary	Rate of fatality / injuries	2013	2014	2015
ECL	Fatality rate per MT	0.22	0.13	0.18
	Fatality rate per 3 lac man shifts	0.14	0.09	0.13
	Serious Injuries rate per MT	1.71	1.81	1.02
	Serious Injuries rate per 3 lac man shifts	1.09	1.25	0.76
BCCL	Fatality rate per MT	0.40	0.23	0.20
	Fatality rate per 3 lac man shifts	0.31	0.20	0.19
	Serious Injuries rate per MT	0.52	0.50	0.25
	Serious Injuries rate per 3 lac man shifts	0.41	0.43	0.24
CCL	Fatality rate per MT	0.18	0.06	0.03
	Fatality rate per 3 lac man shifts	0.27	0.09	0.06
	Serious Injuries rate per MT	0.14	0.13	0.10
	Serious Injuries rate per 3 lac man shifts	0.21	0.21	0.18
NCL	Fatality rate per MT	0.08	0.10	0.01
	Fatality rate per 3 lac man shifts	0.47	0.52	0.08
	Serious Injuries rate per MT	0.24	0.13	0.25
	Serious Injuries rate per 3 lac man shifts	1.32	0.67	1.53
WCL	Fatality rate per MT	0.23	0.22	0.19
	Fatality rate per 3 lac man shifts	0.20	0.22	0.19
	Serious Injuries rate per MT	1.19	0.92	0.64
	Serious Injuries rate per 3 lac man shifts	1.04	0.91	0.63
SECL	Fatality rate per MT	0.11	0.09	0.07
	Fatality rate per 3 lac man shifts	0.22	0.21	0.18
	Serious Injuries rate per MT	0.33	0.25	0.26
	Serious Injuries rate per 3 lac man shifts	0.68	0.57	0.65
MCL	Fatality rate per MT	0.01	0.01	0.02
	Fatality rate per 3 lac man shifts	0.06	0.06	0.19
	Serious Injuries rate per MT	0.09	0.11	0.03
	Serious Injuries rate per 3 lac man shifts	0.61	0.80	0.26
NEC	Fatality rate per MT	0.00	0.00	0.00
	Fatality rate per 3 lac man shifts	0.00	0.00	0.00
	Serious Injuries rate per MT	0.00	1.37	0.00
	Serious Injuries rate per 3 lac man shifts	0.00	0.60	0.00
CIL	Fatality rate per MT	0.13	0.09	0.07
	Fatality rate per 3 lac man shifts	0.22	0.18	0.15
	Serious Injuries rate per MT	0.43	0.38	0.27
	Serious Injuries rate per 3 lac man shifts	0.75	0.72	0.56



TREND OF SERIOUS INJURIES



TREND OF FATALITIES

Safety Training: Safety training is a matter of building agility and alertness in the time of adversity. When this training is in place, the workforce learns how to recognise threats and act accordingly, as a matter of habit which is inculcated thanks to this safety training. We provide a number of initiatives and facilities in this regard.

- ✓ Advanced special Training is being given by the SIMTARS accredited Trainers for preparation of a risk assessment based Safety Management Plan (SMP).
- ✓ All employees are given training as per Mine Vocational Training Rules- 1966 (MVTR-1966).
- ✓ All Front Line Supervisors are being provided updation training.
- ✓ Training to Dumper Operators is being imparted on Simulators.

SIMULATION TRAINING IMPARTED TO DUMPER OPERATORS



Additionally, Mine Safety Inspection is carried out at all subsidiaries of CIL. This goes a long way in ensuring that all mining operations are carried out in the mine as per the provisions of the relevant statute and safety norms along with round the clock supervision of all mining operations by an adequate number of competent and statutory supervisors and officers. Periodic mine inspections by the Headquarters and Area level senior officials and surprise back shift mine inspections by Mine and Area level officials is conducted. Also, regular inspection by Workmen Inspectors appointed in each mine, monthly mine inspections and meeting of Safety Committees for each mine, regular mine inspections by officials of Internal Safety Organisation, periodic mine inspections by a High Powered Task Force, Area and Subsidiary level Tri-partite Safety Committee members, are some of the other measures taken towards ensuring safety at CIL.

To spread better awareness on mine safety, Special Safety Drives are being conducted periodically to assess the level of compliance as far as safety norms in each mine go. Also, an Annual Safety Fortnight and Week is also conducted annually for dissemination of information relating to safety. This information covers a broad spectrum of mine employees. Constant safety awareness programs are also conducted in every mine for increasing safety awareness amongst grass root level workmen. This helps in meeting the risk aspect by ensuring compliance of safety norms using various methods.



RESCUE SERVICES FOR EMERGENCY RESPONSE SYSTEM

- CIL is maintaining a well established rescue team comprising of six Mine Rescue Stations, 14 Rescue Rooms-with-Refresher Training facilities (RRRT) and 17 Rescue Rooms.
- All Rescue Stations and Rescue Rooms are fully equipped with an adequate number of rescue apparatus as per the Mine Rescue Rules (MRR)- 1985.
- This rescue team is staffed by adequate numbers of Rescue Trained Personnel (RTPs) as per the MRR-1985.
- All RTPs are being periodically retrained to conduct rescue operations in hot, humid and irrespirable atmospheres in modern training galleries as well as within the mines.
- Permanent Brigade Members and RTPs are on call 24x7 for rescue and recovery operations.



Corporate Social Responsibility at CIL

Co-existence within the parameters of socio cultural sustainability is of prime importance for us here at CIL. This means that the co-existence function in the context of people happens with a social and cultural angle to all the functions that emanate from this policy. To ensure that our activities have a positive impact on the lives of people living in close proximity of our operations and the society broadly, we engage with the surrounding and local community. This is done in a wholesome manner, by reaffirming to the corporate motto of Growing with Surroundings – an ideal which is in consonance with the national agenda of Inclusive Growth. This has been taken care of by providing opportunities within mutually beneficial relationships. We also recognize the traditional rights and values of indigenous peoples (around CIL command area falling in Jharkhand State) and respect their cultural heritage.

In case of CIL, our coal deposits occur in places that enjoy dense population which ends up getting displaced due to coal mining which acts as a natural corollary. At this instance, we are not only obligated but morally bound towards taking care of the people affected by these activities. Apart from improving the quality of lives of people, the CSR initiative is also committed towards partnering with these people in inclusive growth which is also the goal of the company. We believe that elevating the living standards of the affected people is as important as attaining our business goals. The impacts due to our operations on the local community and environment is being mitigated through EMP and various welfare activities.

CSR Governance

The Composition of the CSR Committee includes a two tier CSR Committee as per the DPE's Guideline. This has been further elaborated as follows:



CSR policy Implementation Mechanism

Policy on CSR: CIL has a well-defined CSR policy framed on the DPE's guideline and based on the Companies Act, 2013. The policy has the CIL Board's approval. According to the CSR Policy of CIL, the budget on CSR is allocated at 2% of the average Net Profit of the Company during the three immediate preceding financial years or 2.00 INR per tonne of coal produced in the previous year - whichever is higher.

Modalities and Mechanism of Implementation of CSR: The underprivileged people living in and around the mining areas in different states of India are the major beneficiaries covered under the CSR activities of CIL. CIL is a holding company that executes CSR activities throughout the country as well as in the areas which are beyond the jurisdiction of subsidiary companies. As far as subsidiary companies are concerned, the CSR policy is operational within a 25 Kilometre radius of the projects and mines as well as other areas including the Headquarters for which 80% of the budget is allocated. The balance 20% is spent within the State or States in which the subsidiary companies operate. CIL has entered into an MOU with the Tata Institute of Social Sciences (TISS), a National CSR hub for implementation of CSR activities.

CSR Ventures

The point of a CSR Venture is to empower with the help of education and exposure. To begin with, this education and exposure go hand in hand without a formal classroom orientation. The informal modes of reaching out and taking people towards an improved standard of living with the help of various facilities is what defines a CSR venture. These facilities are shaped and provided on the basis of the specific needs of the people around these areas – which makes it relevant for them. Let us learn more about CIL's CSR ventures and their relevance.



① **Drinking Water Projects:** An ongoing project involving the Installation of 130 Hand Pumps has been taken up in the district of Sidhi. A Community Arsenic Mitigation Project in Arsenic affected Varanasi and the adjoining district of UP has been taken up in collaboration with the Inner Voice Foundation. The project aims at executing Community intervention work in the groundwater contaminated districts of Varanasi, Gazipur and Ballia. This program focuses on three major components - safe drinking water, testing of water samples and awareness in villages. In addition, CIL is supporting CDUP Jal Nigam, Allahabad for the installation of 150 hand pumps in the Phulpur Lok Sabha constituency.

- ② **Women Empowerment and Children Education:** As we believe in gender equality and equal rights for women, we have launched a project with an objective to enable the poor girl students to attend school and continue their education despite the fact that they come from remote and distant areas. Under this project, the distribution of 3000 bicycles among poor girl students in each of the South 24 Parganas, North 24 Parganas and Nadia districts through Department of School Education, West Bengal has been conducted.



Supporting Education by WIPS, CIL

- ③ **Rural Development Projects:** A great emphasis has been placed on rural development by us. Accordingly, we have come up with several initiatives including development work executed through The Energy and Resources Institute (TERI), New Delhi in 40 villages of the backward district Purulia, West Bengal. This was an area identified by the Planning Commission. CIL has also distributed 12,000 bicycles in Nuapada under Sunebheda Area Development Authority for various activities aimed at the development of the Sunebheda Hill Area Plan Mobility for the SC/ST households of the area was a major objective we help in this initiative.

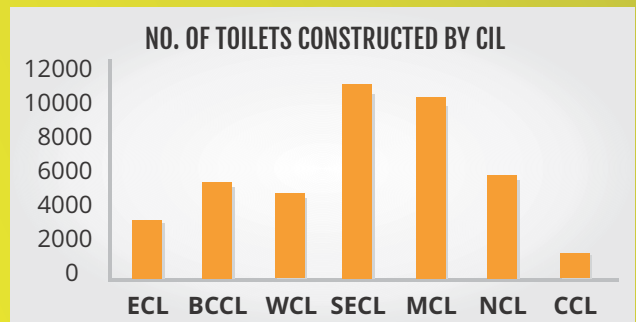
Besides infrastructural projects, we have also established 1081 shopping complexes/market complexes in most of our townships to promote business of the local community of the areas in which we operate.

- ④ **Education:** With an emphasis on promoting the cause of education, CIL has released funds to Governments of West Bengal and India as one of the Industry partners for setting up of the Indian Institute of Information Technology (IIIT) at Kalyani, West Bengal. Financial support towards the construction of school buildings and infrastructure development of the school for the benefit of the poor and backward students in Palla Village F.P School has also been undertaken. A project for providing education to the children from Jhuggi Jhopdi - the children of slum areas and children of labourers – on the basis on Sarva Siksha Abhiyan by the Children's Education Foundation, an NGO from New Delhi, is also in the pipeline.



TAKING THE 'SWACHH' ROUTE

CIL, under the mission 'Clean India' has taken up the construction of household toilets and school toilets separately for boys and girls, in different villages. CIL was allotted a target to construct and renovate 53412 toilets in 32,557 schools across six states of India including Chattisgarh, Jharkhand, Madhya Pradesh, Odisha, Uttar Pradesh and West Bengal. Seven of our subsidiaries undertook the task of constructing the toilets with a total expenditure of 820.44 Crores INR in the 2015- 2016. In total, CIL has constructed 36% of the total target of CPSEs, making it the highest number of toilets constructed among all the CPSEs.



The status of the project is as under:

- All toilets were either constructed into permanent structures or into functional toilets by the 15th of August, 2015.
- Provisions for maintenance of these toilets have been made in some cases and for other cases it is under progress.
- Water supply has been ensured in the toilets by creating water sources where none existed earlier.



- 5 **Health:** Creating an infrastructure where optimum healthcare facilities are provided to the masses is one of the causes that is dear to our hearts. Some of the initiatives taken include construction of a 100 bed Charitable Eye, ENT, Dental Hospital with Diagnostic Centers and various OPDs as well as the Institute of Paramedical Training for Village Youth through R. K. Mission, Muzaffarpur, Bihar. This also includes the construction of 525 bed homes near Tata Medical Centre at Kolkata for the poor patients and families of Cancer patients who undergo treatment at TMC. Further, CIL initiated the construction of a blood bank with component separation facility by the Indian Medical Association, Kanpur at a cost of Rs.3 Crores.



Premashraya built by CIL at Tata Cancer Hospital, Kolkata



Health Facilities CCL

- 6 **Environment:** CIL has fashioned itself as an environmentally friendly company and as a part of this, CIL purchased 3 electric buses and a small electric car for the total value of Rs.15 Crores from HIDCO. Installation of Solid Waste Management plants by the Sri Rural Development Trust at Vindhya Vasini Temple, UP; Kashi Vishwanath Temple, Varanasi; Sankat Mochan Temple, Varanasi; and Kamakhya Temple has also been initiated to ensure that waste does not become a normal part of our lives. In addition, strengthening the Cleaning Himalaya Campaign has also been done with an aim of cleaning the ecologically fragile Himalayan Region with the Indian Mountaineering Foundation.



Health Facilities CCL



CIL ON ITS WAY TO PROMOTE SPORTS

With a focus on sports, CCL is giving considerable importance towards development of Sports and Cultural activities in an around Jharkhand. CCL has built adequate number of infrastructure facilities for the budding sports person. The sports infrastructures available in CCL include 20 Indoor Halls and 20 Ground Stadiums. Employees are routinely encouraged to actively participate in various tournaments organized by CCL. A calendar for various tournaments is also prepared annually.

Some of the events 2015-16 are as follows:

- Inter Area Tournament- CCL Inter Area Competition for different games to be organised in different areas of CCL for the year 2015-2016.
- CIL Intercompany Tournament- CIL Intercompany Badminton Tournament for the year 2015-2016 is to be hosted by Central Coalfields Limited, Ranchi.
- Organised a Summer Volleyball Coaching Camp for junior boys and girls of Ranchi.
- Organised a Summer Cricket Coaching Camp for the wards of CCL employees.
- Organised a Summer Badminton Tournament for junior boys and girls of Ranchi.

PROMOTING SPORTS

Initiatives have been taken by CIL to promote sports which include construction of a Sports Hostel over the built up ground floor of the Bus Terminus Building at Canal West Road for the benefit of swimmers by West Bengal Transport Infrastructure Development Corporation for the total sanctioned grant of Rs.114.00 Lakhs.

7 Skill Development/ Social Empowerment: Many interventions have been carried out in the area of skill development which includes imparting training and development through the Kabiguru Industrial Training Center (KGITC), West Bengal. This initiative aims at fulfilling the manpower requirement of mining industries and employment based skills for youth. Secondly, bicycles have been provided to 12,000 households of Sunebheda Hill Area Development Plan through the Collector & District

Magistrate, Nuapada, Odisha. By a tripartite MoU between NSDF, NSDC and CIL, providing training and undertaking recognition of prior learning to around 2.7 lakh persons over a period of 2 years has been initiated as per the National Skills Qualification Framework in CIL's operational areas and neighbouring regions. This has been carried out through a training program undertaken for 400 young people in various trades related to Plastic Engineering, which was done through CIPET.



POSITIVE STEP FOR THE SOCIETY- SKILL DEVELOPMENT CENTRE BY CIL

To cater to the professional needs and dreams of the rural youth and the Project Affected People (PAP) by coal projects, the Hon'ble Minister of Coal laid the foundation stone of SDC at WCL, Nagpur on the 31st of August, 2015. The SDC aims to facilitate the career advancement of 2000 youth annually. WCL has targeted for skill development of 6000 youth and PAPs of Maharashtra and Madhya Pradesh in a year to make them increasingly self reliant. WCL is establishing four Skill Development Centres at Nagpur, out of which two of the skill development centers have already been launched at Chhindwara & Chandrapur in August 2015. 33 courses with durations extending from one month to four months have been identified. Training to youths in coal mine related occupations like fitter, electrician, motor winder would be provided. The villagers have also whole heartedly contributed towards this initiative by helping WCL achieve physical possession of a record making 1,100 hectares of land in 2015- 2016 session till August. Due to the positive, out of the box thinking and systematic approach of the team at WCL, they have managed to successfully launch eight projects. Further, WCL is committed towards opening one project every month for next two years.



Resettlement & Rehabilitation

As a part of the overall recognition of the impact of our operations on Project Affected Persons (PAPs) and for faster acquisition of land, the Resettlement & Rehabilitation Policy of CIL was revised in 2012. This was done with the aim of making it liberal and PAP friendly with more flexibility for the Board of Subsidiary Companies. The strategy our policy now includes conducting a baseline socio-economic survey to identify PAPs enlisted to receive R&R benefits even as we strive to formulate a fitting Rehabilitation Action Plan (RAP) in consultation with the PAPs and State Government to provide optimum remedial measures benefitting both the PAPs and business. The R&R Policy of CIL is being revised specifically in background of the RFCTLARR Act of 2013.

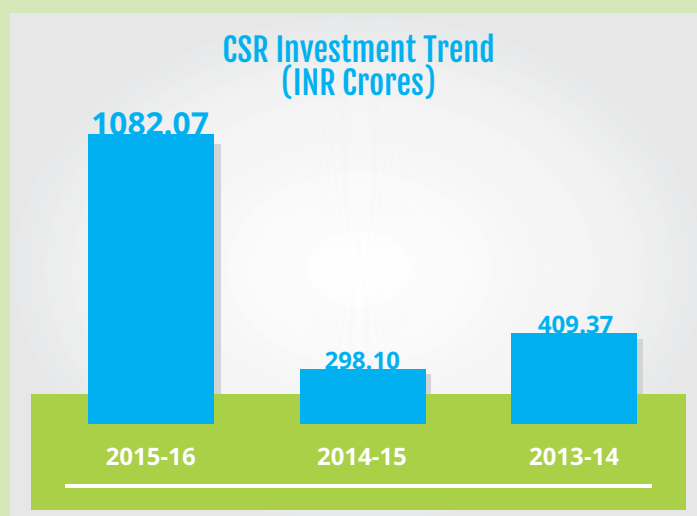
Along with the statutory compensations, we have also taken up various activities extending financial assistance for water supply schemes, construction / repair of public utility roads and culverts, construction of community center, digging of new ponds and desilting of existing ponds, check-dam for the benefit of the peripheral villages, rendering preventive health programme, village health programme and family welfare programmes to the PAPs. There were no incidents of violations involving rights of indigenous people during the reporting period.

R&R POLICY BENEFITS

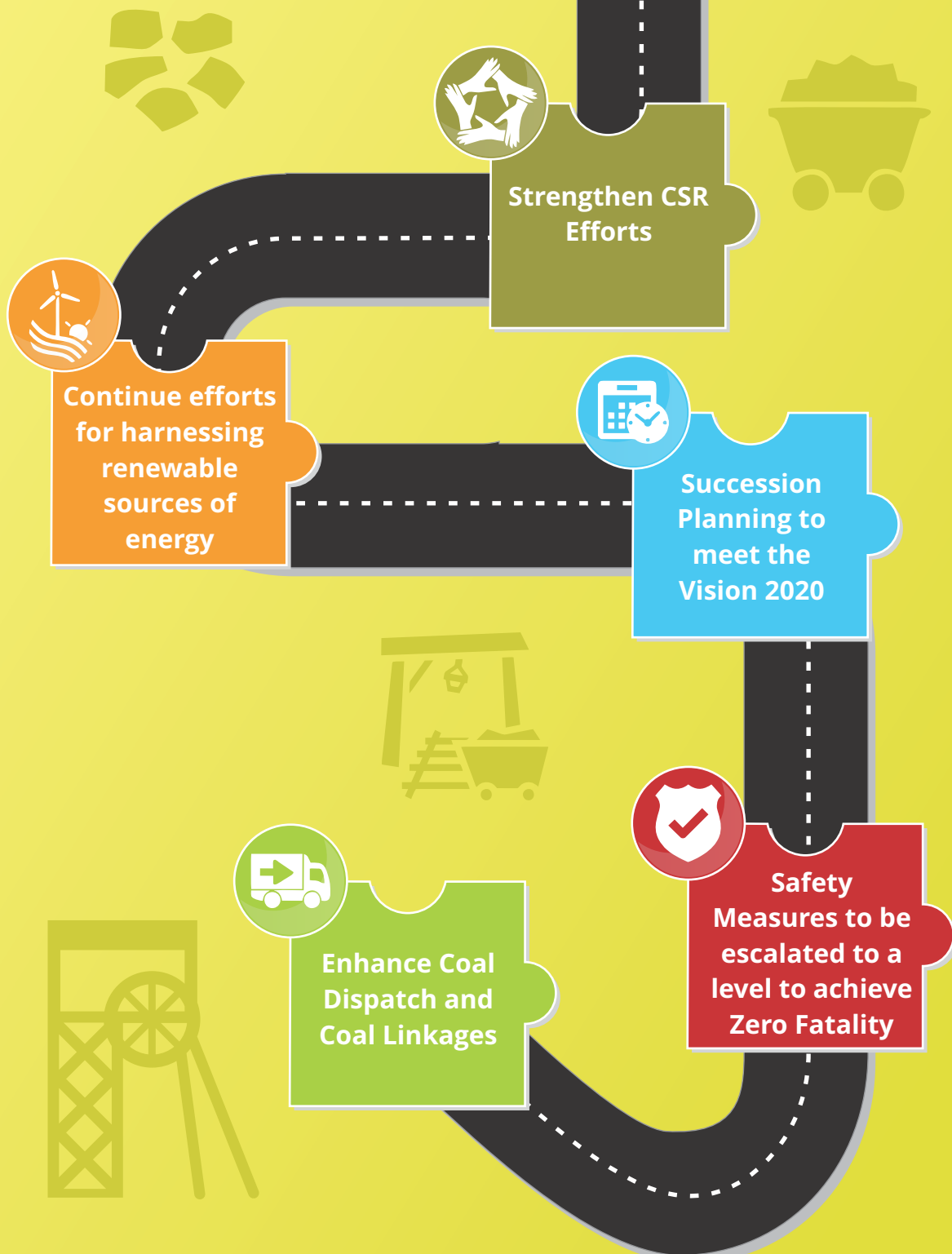
- ✓ **Payment of land compensation and solatium**
- ✓ **Employment or lump sum monetary compensation and annuity**
- ✓ **Lump sum payment in lieu of alternate house site**
- ✓ **Subsistence allowance to each affected displaced**
- ✓ **Compensation for home-stead**

CSR Expenditure

For any corporate entity, CSR or Corporate Social Responsibility is as important a function as its core business activities. These initiatives are essentially aimed at improving the lives of the people affected within and outside the organisation. At CIL, an important aspect of our management includes the budget for the CSR activities in a given year. As per the revised CSR Policy, allocation of the CSR fund for CIL (standalone) is based on 2% of the average net profit of CIL (standalone) for the three immediate preceding financial years or 2.00 INR per tonne of coal production of CIL as a whole of the previous year - whichever is higher. During the reporting period, we spent a total of Rs.1082.07 Crores towards various CSR investments.



Ananya vatika at SECL



GRI G4 Index 'In accordance' Core Criteria

General Standard Disclosures

Disclosure	Description	Page No.	Omission (if any)	Mapping BR (SEBI) Guidelines
STRATEGY AND ANALYSIS				
G4-1	Statement from the Senior-most decision-maker	5		
G4-2	Description of key impacts, risks, and opportunities	27,28		Section E: P-6, #3; Section E: P-2, #1
ORGANISATIONAL PROFILE				
G4-3	Name of the organisation	6,8		Section A: #1; #2
G4-4	Primary brands, products, and services	10		Section A: #7, #8
G4-5	Location of the organisation's headquarters	8		Section A: #3, #4
G4-6	Countries of operation	9		Section A: #9
G4-7	Report the nature of ownership and legal form	8,9		Section A: #10; Section C: #1
G4-8	Markets served	8, 51		Section A: #7, #10
G4-9	Scale of the organisation: Workforce; Operations; Revenues; production	18		
G4-10	Work Force by Type; Gender; Region	56,57		Section E: P-3 #1, #2,#3 NVG P-3
G4-11	Percentage of total employees covered by collective bargaining agreements	58		Section E: P-3 #5, #6
G4-12	Describe the organisation's supply chain	54		
G4-13	Significant changes of reporting period	3,8,20,21		
G4-14	Report whether and how the precautionary approach or principle is addressed by the organisation (sustainability approach)	22-28		
G4-15	Sustainability charters	11		
G4-16	List memberships of associations	16		Section E: P7- #1, #2
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	Organization's consolidated financial statements	50,51		
G4-18	Definition of report content and Aspect Boundaries	3		Section C: #2, #3
G4-19	Material aspects	26		
G4-20	Aspect Boundaries of Material Aspects Inside Organisation	20,21,26,27,28		
G4-21	Aspect Boundaries of Material Aspects Outside Organisation	20,21,26,27,28		

Disclosure	Description	Page No.	Omission (if any)	Mapping BR (SEBI) Guidelines
G4-22	Restatements of Previous Reported Data	None		
G4-23	Significant changes from previous reporting period	3,8,20,21		
STAKEHOLDER ENGAGEMENT				
G4-24	List of stakeholder groups	24		Section D: #2 NVG-P4
G4-25	Basis of Engagement with Stakeholder Groups	24,25		Section E: P-4 # 1, #2 NVG-P4
G4-26	Stakeholder engagement (mode, frequencies)	24,25		Section D: #2, #2.2 #2.7; Section E: P4 #2 NVG P4
G4-27	Key Concerns of Stakeholders	25		Section D: #2.9; Section E: P-4 #2, P-5 #2
REPORT PROFILE				
G4-28	Reporting period	3		Section A: #6
G4-29	Date of most recent previous report (if any)	3		Section D: #3
G4-30	Reporting cycle (such as annual, biennial)	3		Section D: #3
G4-31	Contact point	3		Section A: #4, #5
G4-32	GRI index	76-82		
G4-33	External assurance	3,83-85		Section D: #2.10
GOVERNANCE				
G4-34	Governance structure	9		Section D: #1, #3; NVG P1
G4-35	Sustainability strategy	22-28		
G4-36	Sustainability framework	22,23		
G4-37	Sustainability engagements	24,25		
G4-38	Corporate governance	11		Section D: #1,
G4-45	Sustainability governance	12,23		Section D: #2.4, #2.5, #3 NVG P1
ETHICS AND INTEGRITY				
G4-56	Organization's values, principles, codes of conduct and codes of ethics.	13		
G4-57	Grievance Redressal	14,15		
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Specific Standard Disclosures

CATEGORY: ECONOMIC				
ASPECT: ECONOMIC PERFORMANCE				
Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-EC1	Direct economic value generated and distributed	51		Section B: #1 ,#2, #3
G4-EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	33		
G4-EC3	Coverage of the organisation's defined benefit plan obligations	63		
G4-EC4	Financial assistance received from government	49		
ASPECT: MARKET PRESENCE				
G4-EC5	Ratios of standard entry level wage by gender	61		
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	56		
Aspect: INDIRECT ECONOMIC IMPACTS				
G4-EC7	Development and impact of infrastructure investments and services supported	70		Section B: #4
G4-EC8	Significant indirect economic impacts, including the extent of impacts	70-74		Section B: #4, #5
ASPECT: PROCUREMENT PRACTICES				
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	70		Section E: P-2 #3, #4

CATEGORY: ENVIRONMENT				
Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: MATERIALS				
G4-DMA	Disclosure on Management Approach		Currently not able to provide this data.	
G4-EN1	Materials used by weight or volume			
G4-EN2	Percentage of materials used that are recycled input materials			
ASPECT: ENERGY				
G4-DMA	Disclosure on Management Approach	31		
G4-EN3	Energy consumption within the organisation	31	Currently not able to provide fuel consumption data for all the subsidiaries	NVG P6
G4-EN4	Energy consumption outside of the organisation		Currently not able to provide this data.	
G4-EN5	Energy intensity	31		
G4-EN6	Reduction of energy consumption	31,32, 33		Section E P-6 #2, #5; Section E-P-2 #2; P-6 #2; P-6 #5

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-EN7	Reductions in energy requirements of products and services	32		NVG P-2, P-6
ASPECT: WATER				
G4-DMA	Disclosure on Management Approach	37		
G4-EN8	Total water withdrawal by source	37,38		Section E-P-2 #2 NVG P-6
G4-EN9	Water sources significantly affected by withdrawal of water	39		
G4-EN10	Percentage and total volume of water recycled and reused	37		Section E-P-2 #2 NVG P-6
ASPECT: BIODIVERSITY				
G4-DMA	Disclosure on Management Approach	40		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	40		NVG P-6
G4-EN12	Significant impacts on biodiversity	40-45		
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	40,41		
G4-EN13	Habitats protected or restored	43,44, 45		
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	40		
ASPECT: EMISSIONS				
G4-DMA	Disclosure on Management Approach	33		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	33		
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	33		
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	33		
G4-EN18	Greenhouse gas (GHG) emissions intensity	33		
G4-EN19	Reduction of greenhouse gas (GHG) emissions	33		Section E-P-6 #2, #4 NVG P-6
G4-EN20	Emissions of ozone-depleting substances (ODS)	NA		
G4-EN21	NOX, SOX, and other significant air emissions	33		
ASPECT: EFFLUENTS AND WASTE				
G4-DMA	Disclosure on Management Approach	46		
G4-EN22	Total water discharge by quality and destination	39		NVG P-6
G4-EN23	Total weight of waste by type and disposal method		We are in the process to track total waste quantification. Reporting would be done in future.	
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks	46		

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-EN24	Total number and volume of significant spills	46		
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	NA		Section E: P-2 #5
G4-EN26	Water bodies and related habitats significantly affected by the organisation's discharges of water and runoff	None		

ASPECT: PRODUCTS AND SERVICES

G4-DMA	Disclosure on Management Approach	30,31		
G4-EN27	Mitigation of environmental impacts of products and services	30-48		Section E-P-2 #2; P-6 #2; P-8 #3
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	NA		Section E: P-2 #5

ASPECT: COMPLIANCE

G4-DMA	Disclosure on Management Approach	28		
G4-EN29	Environmental Fines	None		

ASPECT: TRANSPORT

G4-DMA	Disclosure on Management Approach	51		
G4-EN30	Significant environmental impacts of transportation (Dust)	33,34		

ASPECT: OVERALL

G4-DMA	Disclosure on Management Approach	30,31		
G4-EN31	Total environmental protection expenditures by investments type	47		

ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT

G4-DMA	Disclosure on Management Approach		Currently we are not able to provide this data.	
G4-EN32	Percentage of new suppliers that were screened using environmental criteria			
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken			

ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS

G4-DMA	Disclosure on Management Approach	15		
G4-EN34	Environmental Grievances and their Redressal	15		

CATEGORY: SOCIAL**SUB CATEGORY: LABOUR PRACTICES & DECENT WORK**

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: EMPLOYMENT				
G4-DMA	Disclosure on Management Approach	55		
G4-LA1	Employee hires and turnover rates by age, gender and region	57		

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-LA2	Benefits provided to full-time employees	63		
G4-LA3	Return to work and retention rates after parental leave, by gender	61		
ASPECT: LABOUR/MANAGEMENT RELATIONS				
G4-DMA	Disclosure on Management Approach	58		
G4-LA4	Minimum notice periods regarding operational changes	58		
MM4	Number of strikes and lock-outs exceeding one week's duration by country	58		
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	66,67		Section E: P-3 #5, #6
ASPECT: OCCUPATIONAL HEALTH & SAFETY				
G4-DMA	Disclosure on Management Approach	66		
G4-LA6	Type of injury & rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender	68		
G4-LA7	Workers with high incidence of high risk of occupational diseases	66,67		
G4-LA8	Health & safety topics in formal agreements with trade unions	66,67		
ASPECT: TRAINING AND EDUCATION				
G4-DMA	Disclosure on Management Approach	59		
G4-LA9	Average hours of training per year per employee by gender & type	59,60		Section E: P-3 #8 NVG P-3
G4-LA10	Programs for skills management and lifelong learning	59,60		Section E: P-3 #9 NVG P-3
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	59		
ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	56,57		Section E: P-3 #3, #4
ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN				
G4-DMA	Disclosure on Management Approach	61		
G4-LA13	Ratio of basic salary and remuneration of women to men	61		
ASPECT: SUPPLIER ASSESSMENT FOR LABOUR PRACTICES				
G4-DMA	Disclosure on Management Approach	54		
G4-LA14	Percentage of new suppliers screened using labour practices	54		
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken		Currently we are not able to provide this data.	

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: LABOUR PRACTICES GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	13		
G4-LA16	Number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms	13		Section E: P-5 #1

CATEGORY: SOCIAL**SUB CATEGORY: HUMAN RIGHTS**

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
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ASPECT: INVESTMENT

G4-DMA	Disclosure on Management Approach	13		
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	13		NVG P-2
G4-HR2	Total hours of employee training on human rights policies	13		

ASPECT: NON-DISCRIMINATION

G4-DMA	Disclosure on Management Approach	61		
G4-HR3	Total number of incidents of discrimination and corrective actions	61		NVG P-5

ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

G4-DMA	Disclosure on Management Approach	58		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	58		

ASPECT: CHILD LABOUR

G4-DMA	Disclosure on Management Approach	13		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken	13		NVG P-2

ASPECT: FORCED OR COMPULSORY LABOUR

G4-DMA	Disclosure on Management Approach	13		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures taken	13		Section E: P-3 #7 NVG P-2

ASPECT : SECURITY PRACTICES

G4-DMA	Disclosure on Management Approach	13		
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	13		

ASPECT: INDIGENOUS RIGHTS

G4-DMA	Disclosure on Management Approach	70		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	70-74		NVG P-5

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: ASSESSMENT				
G4-DMA	Disclosure on Management Approach	13		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	13		
ASPECT: SUPPLIER HUMAN RIGHT ASSESSMENT				
G4-DMA	Disclosure on Management Approach	13		
G4-HR10	Percentage of new suppliers screened using human rights criteria	13		
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	13		
ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	14,15		
G4-HR12	Number of grievances about human rights impacts filed, addressed and resolved through formal grievance mechanisms	14,15		Section E: P-3 #7, #8 NVG P-3, P-5

SUB CATEGORY: SOCIETY**ASPECT: LOCAL COMMUNITIES**

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
G4-DMA	Disclosure on Management Approach	70		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	70-74		Section E: P-8 #4 #5 NVG P-8
G4-SO2	Operations with significant actual or potential negative impacts on local communities	70		Section E: P-8 #4 #5 NVG P-8
MM7	Grievance mechanisms use to resolve disputes	14		

ASPECT: ANTI-CORRUPTION

G4-DMA	Disclosure on Management Approach	14		
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	14,15		
G4-SO4	Communication and training on anti-corruption policies and procedures	14,15		
G4-SO5	Confirmed incidents of corruption and action taken	14		Section E: P-1 #2

ASPECT: PUBLIC POLICY

G4-DMA	Disclosure on Management Approach	49,50		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	51		

ASPECT: ANTI-COMPETITIVE BEHAVIOUR

G4-DMA	Disclosure on Management Approach	13		
G4-SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	13		

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: COMPLIANCE				
G4-DMA	Disclosure on Management Approach	51		
G4-SO8	Significant fines for non-compliance with laws and regulations	51		
ASPECT: CLOSURE PLANNING				
G4-DMA	Disclosure on Management Approach	47		
MM10	Number and percentage of operations with closure plans	47		
ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY				
G4-DMA	Disclosure on Management Approach		Currently we are not able to provide this data.	
G4-SO9	Percentage of new suppliers screened for impacts on society			
G4-SO10	Negative impacts on society in the supply chain			
ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY				
G4-DMA	Disclosure on Management Approach	14,15		
G4-SO11	Number of grievances about impacts on society filed, addressed and resolved through formal grievance mechanisms	14.15		

CATEGORY: SOCIAL**SUB CATEGORY: PRODUCT RESPONSIBILITY**

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: CUSTOMER HEALTH & SAFETY				
G4-DMA	Disclosure on Management Approach	66		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	66,67		
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	None		Section E: P-2 #1 NVG P-9
ASPECT: PRODUCT AND SERVICE LABELING				
G4-DMA	Disclosure on Management Approach	53		
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	53,54		Section E: P-9 #2 NVG P-9
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	None		Section E: P-9 #1, #3; P-2 #1 NVG P-9
G4-PR5	Results of surveys measuring customer satisfaction	53		Section E: P-9 #1, #4 NVG P-9

Specific Standard Disclosure	Description	Page No.	Omission (if any)	Mapping BRR (SEBI) Guidelines
ASPECT: MARKETING COMMUNICATIONS				
G4-PR6	Sale of banned or disputed products	NA		
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	None		
ASPECT: CUSTOMER PRIVACY				
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	NA		
ASPECT: COMPLIANCE				
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	None		



INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

Bureau Veritas Certification (India) Pvt. Ltd. (Bureau Veritas) has been engaged by Coal India Limited (CIL) to conduct an independent assurance of its Sustainability Report 2015-16. This Assurance Statement applies to the related information included within the scope of work described below.

This information and its presentation in the Sustainability Report 2015-16 (hereafter referred to as Report) are the sole responsibility of the management of CIL. Bureau Veritas was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy and reliability of information included, and on the underlying systems and processes established to collect, analyse and review.

Scope of Assurance

CIL requested Bureau Veritas to verify the accuracy and reliability of the following:

- Data and information included in the **Sustainability Report 2015-16 of Corporate Functions and its fully owned 8 subsidiary companies located in provincial states across India covering Mining, Production of Coal & by-products, and Beneficiation Units.**
- The assurance process was conducted to meet the requirements of a **Type 1 assurance engagement** as defined by AA1000 2008 Assurance Standard (AA1000 AS). The assurance process was designed to provide a reasonable level of assurance concerning the nature and extent of CIL's adherence to the AA1000 AS accountability principles and a **Moderate level of assurance** of the reliability of specified performance information within the report.
- During the process of verification and assurance following aspects were covered.
 - a. Interaction with the Top Management of CIL to realize their sustainability vision.
 - b. Assessment of methods used for data collection and reporting for the selected sustainability performance indicators.
 - c. Testing of system, including internal controls; select interview with staff responsible for data collection, collation and reporting
 - d. Testing on a sample basis and evidence of supporting data
 - e. Assessment of consistency between data for the selected sustainability performance indicators and related written comments in the report.

Methodology

As part of its independent assurance, Bureau Veritas Assurance team planned and carried out the assurance engagement based on site visit and document review at Sonepur Bazar & Jhanjra Colliery of Eastern Coal Field, Head Quarter at Kolkata (Sustainable Development Group and Environment Management Group Office) at Rajarhat, Kolkata between 27 Jul to 30th Jul, 2016 and undertook broadly the following activities:

1. Conducted interviews with core team of the SD group responsible of preparing the Sustainability report and the Senior Management of CIL .
2. Onsite and offsite review of documentary evidence such as Performance Monitoring Reports and Factual information (for the period 1st April 2015 to 31st March 2016) contained in the Report, Achievement against Internal and External Memorandum of Understanding (MOU) targets, Enterprise Risk Management (ERM) framework, Environmental Compliance of the Stations, CSR-R&R expenditure records from SAP system shared by CIL to Bureau Veritas Assurance team.
3. Evaluation of information against Global Reporting Initiative (GRI G4, Core) and as per National Voluntary Guidelines (NVG) Business Responsibility Reporting Framework disclosure frameworks and principles of Accuracy, Accessibility, Balance, Clarity, Comparability, Reliability and Timeliness;

4. Audit of performance Indicator data (samples of which traced back to source)
5. Review of CIL's internal mechanisms for implementing Sustainable Development, other policies, data and information systems for collection, aggregation, analysis and review at Corporate SD Group Level, Subsidiary company training establishments across India
6. Review of process for identification, management of material issues, risks to the Company and its stakeholders; and justification for subsequent inclusion within the report;

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Assurance of Sustainability Reports, based on current best practice in independent assurance. The work was planned and carried out to provide moderate level of assurance and we believe it provides a reasonable basis for our conclusions.

Our findings and recommendations

On the basis of our methodology and the activities described above, it is our opinion that:

- The information and data included in the scope of our assurance are accurate, reliable and free from material mistake or misstatement. The information is presented in a clear, understandable and accessible manner and the Report provides a fair and balanced representation of activities during the FY 2015-16.
- CIL has established appropriate systems for the collection, aggregation and analysis of relevant information as per GRI G4 Economic, Social, Human Resource, Labour and Environmental & mapped with NVG principles
- The Report properly reflects the organisation's alignment to and implementation of the AA1000 Assurance Standard (2008) principles of Inclusivity, Materiality and Responsiveness in its operations.
- Strengthen the internal assurance system for establishing specific standard disclosure indicators/data related to material aspects of the information submitted by the subsidiaries (Provincial subsidiaries) and offices.
- There is a mechanism of stakeholder identification and engagement process which could be further extended effectively to concerns of stakeholder with defined management approach based on materiality analysis. Stakeholder including contractors' and supply chains' social, environmental, occupational health & safety performance monitoring may be brought under the purview of sustainability. Disclosure on Management Approach for indicators material to the organization may be stated effectively to enable better understanding of organization's performance over time line by stakeholders.

Adherence to AA1000 AS Principles

Inclusivity –CIL continues to deploy robust processes for engaging with key stakeholders including undertaking centralised stakeholder engagement with key audiences such as Socially Responsible Investors. The willingness of CIL to engage with stakeholders in order to develop its approach to relevant issues has been particularly evident during this reporting period through activities of the engagement forums listed in the Sustainability Report 2015-16. The climate change impact on the coal usage to generate primary power in India shall be required to be evaluated in the subsequent reports.

Materiality – The internal materiality determination process results has been strengthened by input from relevant department, framework continues to provide a comprehensive, balanced understanding and prioritisation of CIL's key material corporate responsibility issues. However, in view of the continued investment and expansion of its coal production activities there is a need to enhance the scope for the company to incorporate the impact of its subsidiaries activities on its overall materiality matrix as per GRI G4 reporting framework.

Responsiveness – The report provides a comprehensive response to the issues and stakeholder concerns relating to its activities. Through the assurance process it is evident that CIL is responding to concerns raised by specific stakeholder groups and seeking proactive

discussions to ascertain their views and progress towards addressing any concern. During the interaction it was apparent that stakeholder views are listened to and that site level management work with local communities to achieve appropriate solutions. The R&R and CSR strategies can have a strategic linkage in the project affected areas.

Evaluation against Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines

Bureau Veritas undertook an evaluation of CIL's Sustainability Report 2015-16 against the G4 Sustainability Reporting Framework in accordance with 'Core'. This included cross checking the GRI index table against all the reference documents to provide an opinion on the self-declared GRI G4 'Core'. Based on our work, it is our opinion that CIL's Sustainability Report 2015-16 has been prepared in accordance with the GRI G4. Reporting Framework including appropriate consideration of the Reporting Principles and necessary indicators to meet the requirements of GRI Application-Core

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period of FY 2015-16 and positional statements (expressions of opinion, belief, aim or future intention by CIL and statements of future commitment);
- The data and information under assurance related to all GRI G 4 standard disclosure and performance indicators of CIL only. Joint Ventures are excluded from the Assurance activity. Assurance activity does cover sample physical site visit verification at mining and development projects. Energy Indirect GHG emission (wherever applicable) is excluded.

Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in QHSE, Social Accountability & Sustainability Assurance with almost 180 years history in providing independent assurance services, and an annual turnover in 2015 of Euros 4.7 billion. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities. We are particularly vigilant in the prevention of conflicts of interest. No member of the assurance team has a business relationship with CIL, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest. The assurance team has extensive experience in conducting verification and assurance over environmental, social, ethical and health & safety assessments and has over 30 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

FOR BUREAU VERITAS CERTIFICATION INDIA (P) LTD.



Sankar Ghosh
Manager – Certification, East Region



Rupam Baruah
General Manager- Eastern Region



AA1000
Licensed Assurance Provider
000-137

Kolkata, India
1st August, 2016







Embankment on JUNA-KUNADA OCP in WCI



कोल इण्डिया लिमिटेड
Coal India Limited

भारत सरकार का उपक्रम
A Government of India Undertaking
एक महारत्न कंपनी A Maharatna Company

Coal India Limited,
Coal Bhawan, Premises No. 4, MAR, Plot No: AF III, Action Area 1A,
New Town, Rajharhat, Kolkata, WestBengal
PIN- 700156