



# SUSTAINABILITY REPORT 2017-18

## Integrating Sustainable Mining Practices in Coal Mines

### -The CIL Initiatives



***Vision***

*To emerge as a 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 CIL 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.*

CONTENTS				
Vision & Mission	1		Social Performance	57
Contents	2		* Management approach	57
Abbreviation	3		* Workforce	57
About the Report	4		* Recruitment	58
From Chairman’s Desk	6		* Human Resource Development	62
Coal For Sustainable Growth	8		* Empowering Woman	
Coal Mining-Industry Outlook	9		* Employee Benefits	64
Coal India Limited-An Overview	10		* Employee Welfare	66
Business Risk and Opportunities	13		* Health and Safety	66
Corporate Governance	15		* Health and Safety	67
Code of Conduct	17		* CSR	70
Human Rights	17			
Vigilance (Anti-Corruption)	18			
Whistle Blower Policy	20			
Public Grievance Redressal at CIL	20			
Industry Associations	20			
Awards & Recognition	21		Concluding Remarks	77
Sustainability Management in CIL	22		BRR-GRI Indexing	78
Sustainability Framework in CIL	23		Independent Assurance Statement	85
Sustainability Performance Assessment	24			
Stakeholder Engagement	28			
Materiality Analysis	31			
Risk and Concern	33			
Economic Performance	35			
* Coal Production	36			
* Coal Transportation	38			
* Coal Marketing	38			
* Customer Satisfaction	39			
* Managing Supply Chain	41			
Environmental Performance	42			
* Commitment on Environmental Sustainability	42			
* CIL’s Approach	42			
* Land Reclamation and ecological restoration	43			
* Energy Supply and conservation	54			
* Waste Management	56			

### Abbreviations

AA	Accountability		LOA	Letter of Assurances
AMRUT	Atal Mission for Rejuvenation and Urban Transformation		LTC	Low Temperature Carbonization
APS	Accountability Principles Standard		LTIFR	Lost Time Injury Frequency Rate
ASCI	Administrative Staff College of India		MCP	Mine Closure Plan
ASSOCHAM	The Associated Chambers of Commerce of India		MDTP	Mine Discharge Treatment Plant
BT	Billion Tonnes		MM	Mining and Metals
CAAQMS	Continuous Ambient Air Quality Monitoring Station		mm	Millimeter
CAGR	Compound Annual Growth Rate		MoC	Ministry of Coal
CCO	Coal Controller Organization		MoEF&CC	Ministry of Environment, Forest and Climate Change
CHPs	Coal Handling Plants		MoL&E	Ministry of Labour and Employment
CISPA	Coal India Sports Promotion Association		MoU	Memorandum of Understanding
CMPDI	Central Mine Planning and Design Institute		MRS	Mine Rescue Station
CPSE	Central Public Sector Enterprises		Mt	Million Tonnes
CSR	Corporate Social Responsibility		MU	Million Units
CVC	Central Vigilance Commission		MTY	Million Tonnes per Year
CVO	Chief Vigilance Officer		MVTR	Mine Vocational Training Rules
DDUGJY	Deen Dayal Upadhyaya Gram Jyoti Yojana		MWP	Mega Watt Peak
Desg	Designation		NEERI	National Environmental Engineering Research Institute
DETP	Domestic Effluent Treatment Plant		NGO	Non-Governmental Organization
DGMS	Directorate-General of Mines Safety		OB	Overburden
DIN	Director Identification Number		OHS	Occupational Health and Safety
DOJ	Date of Joining		OHSAS	Occupational Health and Safety Management System
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization		PAN	Permanent Account Number
EC	Environmental Clearance		R&D	Research and Development
EESL	Energy Efficiency Services Limited		R&R	Rehabilitation and Resettlement
EIA	Environmental Impact Assessment		RPL	Recognition of Prior Learning
EMP	Environmental Management Plan		RR	Rescue Room
ETF	Exchange-Traded Fund		Rs	Rupees
FICCI	Federation of Indian Chambers of Commerce & Industry		Saubhagya	Sahaj Bijli Har Ghar Yojana
FRI	Forest Research Institute		SCP	Special Corporate plan
FSA	Fuel Supply Agreement		SDG	Sustainable Development Goal
GoI	Government of India		SDP	Sustainable Development Policy
GRI	Global Reporting Initiative		SEBI	Securities and Exchange Board of India
Ha	Hectare		SECI	Solar Energy Corporation of India
HQ	Head Quarter		SMP	Safety Management plan
HURL	Hindustan Urvarak & Rasayan Limited		SPCB	State Pollution Control Board
IICM	Indian Institute of Coal Management		Te	tonne
ISO	International Organization for Standardization		TFL	Talcher Fertilizers Limited
KVAR	Kilo Volt Ampere Reactive		TSP	Tribal Sub plan
kWh	Kilo Watt Hour		UDAY	Ujwal DISCOM Assurance Yojana
kWP	Kilo Watt Peak		UN	United Nations
LCOE	Levelized Cost of Electricity		WIPS	Women in Public Sector
LED	Light Emitting Diode			

## **About this Report**

The sustainability agenda of CIL is reviewed every year and performance of the company disclosed through the Sustainability Report. This is the seventh consecutive Sustainability Report by Coal India Limited for the financial year 2017-18. The economic performance covers CIL and its eight subsidiary companies in India & one Subsidiary (CIAL) in foreign country. Subsidiary companies are bringing out their individual sustainability report disclosing detailed non-financial performance.

## **Standard of Report**

The report is aligned with the Global Reporting Initiative (GRI) Sustainability Reporting Standards 'in accordance' with Comprehensive Option while the previous year's report published in 2016-17 was as per GRI G4 Guidelines which has now been superseded.

## **The content of the Report**

The main objective of the report is to acquaint our stakeholders about materiality issues, sustainability management, targets and achievements of CIL and steps taken to address the concerns raised by our stakeholders. Materiality identified topics have been assessed against an internally developed scoring scheme. The scoring structures the plotting of materiality topics against two dimensions: "Relevance to Coal India Ltd" and "Relevance to Stakeholders". The assessment includes impacts across the triple bottom line of sustainability – Economic, Environmental and Social aspects across the CIL's business lifecycle.

As mandated by SEBI, Reg.-34(2)(f) regarding Listing Obligation and Disclosure Requirements(LODR), 2015, under top 500 listed companies, in terms of market capitalization CIL upheld and mapped the Environmental, Social and Governance perspective with the principles and framework of Business Responsibility Report (BRR). The same would be considered sufficient compliance with GRI Report also. The GRI index on page no. 80 - 88 includes disclosures. The general and specific indicators of GRI standards and their location mapped with BRR are also included in this report.

## **Scope and Boundary of the Report**

The scope of this year's sustainability report covers CIL and its eight fully owned subsidiaries in India.

- Eastern Coalfields Limited (ECL)
- Bharat Coking Coal Limited (BCCL)
- Central Coalfields Limited(CCL)
- Western Coalfields Limited (WCL)
- South Eastern Coalfields Limited (SECL)
- Northern Coalfields Limited (NCL)
- Mahanadi Coalfields Limited (MCL)
- Central Mine Planning & Design Institute Limited (CMPDIL)

In addition, CIL has a foreign subsidiary in Mozambique, Coal India Africana Limitada (CIAL). The mines in Assam i.e. North Eastern Coalfields is managed directly by CIL. Mahanadi Coalfields Limited, a subsidiary of Coal India Ltd is having five Subsidiaries i.e. MJSJ Coal Limited with MCL share (60%), MNH Shakti Ltd with MCL share (70%), Mahanadi Basin Power Limited with MCL share (100%), Mahanadi Coal Railway Limited with MCL share (64%) and Neelanchal Power

Transmission Company Limited, a joint venture company with MCL share (50%). SECL has two subsidiaries i.e. Chhattisgarh East Railway Limited with SECL share (67.23%) and Chhattisgarh East-West railway Limited with SECL share (64.06%). Jharkhand Central Railway Limited is a Joint Venture Company among Central Coalfields Limited, M/s IRCON International Limited and Govt. of Jharkhand in which CCL holds 64% shares. CIL has also two Joint Venture Companies named HURL & TFL with 33.33% and 33.32% share respectively.

The reported data has been reviewed for completeness and accuracy at the operational level. We have represented the quantitative data in the metric system and the currency has been reported in Indian National Rupees. There are three specific restatements of the previous reported information. All the relevant aspects from Indicator Protocol, Sector Supplements and Technical Protocol have been incorporated. The report adheres to the reporting principles of GRI Standard Reporting addressing the principles of Accountability as per AA1000 APS-2008 namely, materiality, stakeholder inclusiveness, sustainability context, comparability, accuracy, balance, completeness, timeliness, clarity and reliability.

Financial performance of the organization is reported on the basis of guidelines provided in the Company's Law. Quality, environment, health, safety and CSR audits are conducted regularly by a third party in line with International Standards ISO 9001, ISO 14001, OSHAS 18001 and CSR guidelines of GoI. Financial Systems have successfully undergone the statutory audits and internal audits. Norms and procedures prescribed for the workplace safety by the Ministry of Labour & Welfare (Factories Act), the Ministry of Environment, Forests and Climate Change and Directorate General of Mines Safety are followed.

### **Our Commitment to SDG**

CIL is committed to achieving sustainable development and incorporates the United Nations' Sustainable Development Goals in its corporate structure as a responsible Corporate entity and a Government undertaking. The aim is to align the business goals and sustainability policy of the Company with National and Global Priorities.

### ***Independent Assurance***

*To enhance the credibility of the report, it has been independently assured by M/S SR ASIA in accordance with AA1000AS (Core Criteria) for the validation of reported contents. The Independent Assurance statement is attached at the end of the report.*

*CIL believes in continual improvement of the Sustainability Reporting process and would value your suggestions and feedback on the report. You may send/email your feedback, comments or suggestions or for any further details to:*

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General Manager (Environment)  
Environment Division, Coal India Limited,  
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New Town, Rajharhat, Kolkata,  
West Bengal PIN- 700156  
E-mail: [cgmenv.cil@coalindia.in](mailto:cgmenv.cil@coalindia.in) [www.coalindia.in](http://www.coalindia.in)  
CIN L23109WB1973GOI028844

## From Chairman's Desk



Dear Stakeholders,

It gives me immense pleasure to present the 7<sup>th</sup> Annual Sustainability Report of CIL for the FY 2017-18 in line with the Global Reporting Initiative (GRI) Standards. CIL being the single largest coal producer in the world, we consider it our bounden duty to keep our stakeholders updated regarding our progress on the sustainability agenda.

In the backdrop of India's energy dependency on fossil fuel, our focus is to operate accountably by laying emphasis on environment, economy and socio-cultural sustainability.

CIL has put up commendable performance during FY 2017-18 with a coal production of 567.37 Mt and off-take of 580.29 Mt, registering a growth of 2.4% and 6.8% respectively against last year, thereby meeting the coal demand of the country and earning a pre-tax profit of INR 10,726.44 Crores in the process. It has been possible due to the untiring, devoted and dedicated efforts put in by the employees at all levels and the support received from our other stakeholders. Our sustainability strategy focuses on the areas that represent key challenges and opportunities, i.e., Community Development, Employee Welfare, Mine Water Utilization, Biodiversity Conservation, Energy Efficiency, and Land Reclamation. CIL has established measurable metrics to track its progress. The company has consciously aimed at exceeding legal compliance requirements and ensured that the policies and procedures related to ethical business practices are implemented.

CIL continuously invests in establishing state of the art eco-friendly mining operations. We have strived to conserve the natural resources for future generations by restoring the mined-out areas through effective water and overburden management, biodiversity, eco-restoration, afforestation and eco-friendly mine closure. During FY 2017-18, 1.99 million saplings have been planted in an area of 822 Ha, achieving a total plantation of more than 96 million saplings in 38,378 hectares. Also, CIL has reduced the overall specific energy consumption by 6.27% during FY 2017-18 compared to 5.75% last year.

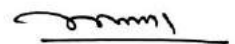
CIL believes in 'Mining with a humane face'. The wellbeing of our employees including contract labourers as well as local communities is fundamental to the success of our sustainability strategy. Therefore, ensuring their safety and health is our priority. We are increasingly extending our focus to identify and address the root cause of serious mine accidents and work towards improving the safety performance. A proactive system has been ingrained into the work culture to strengthen the safety machinery and ensure safe work environment for our employees. Adequate infrastructure facilities for employees are in place to establish quality of living standards in remote places. In addition, a preventive vigilance mechanism is in place to ensure transparency in our business dealings.

As a responsible company, CIL has taken measures to align Corporate Social Responsibility (CSR) with our approach towards sustainable development. Our social initiatives are focused on environmental sustainability, and activities designed to improve community health, drinking water facilities, sustainable livelihood, sanitation etc., as well as promotion of sports and games. CIL is also committed to women empowerment and actively associated with Clean India initiatives like "Swachh Bharat Abhiyan-Swachh Vidyalaya Abhiyaan". CIL endeavors to expand its CSR footprint in the communities that it serves and generate wider benefits for them.

CIL's sustainability performance has received wide recognition at the grass root level across Project Affected Regions. CIL aspires to integrate sustainability further into the business processes of the organization to create greater value for all the stakeholders.

Our commitment towards sustainability continues unabated as we strive towards higher standards of Corporate Governance, transparency in operations, disclosure, reporting under various laws, regulations and guidelines as well as enhanced engagement of stakeholders.

I appreciate the efforts of our coalminers and stakeholders in our success story so far, and seek your unwavering support towards achieving holistic and sustainable development that we envision for our esteemed Company.



(Anil Kumar Jha)  
Chairman



## Coal for Sustainable Growth

In the last few years, the Government has taken strident steps towards increased availability of power in tune with accelerated overall economic growth in the country. Schemes like **Saubhagya**, **DDUGJY**, **UDAY** etc are aimed at rejuvenating power demand and initiatives such as **AMRUT**, **BHARATMALA** etc have been introduced to the growth of the core industries and economic wellbeing of people. This growth can only be sustained through the growth of energy sector. Coal is the mainstay of India's primary energy supply and the trend of coal consumption, evidenced from the figures of coal production as well as import of coal (2007-2018 period) shows a rising trend (Graph enclosed below). At the same time, India has taken a lead in the Committee of Nations in terms of transition towards clean energy. Its commitment made in **COP 21**, founding role in the International Solar Alliance, the thrust in introduction of Electric Vehicles are mere examples of its proactive approach towards a cleaner tomorrow for our future generations.

### Coal Production & Import (Mt) :: 2007-08 to 2017-18

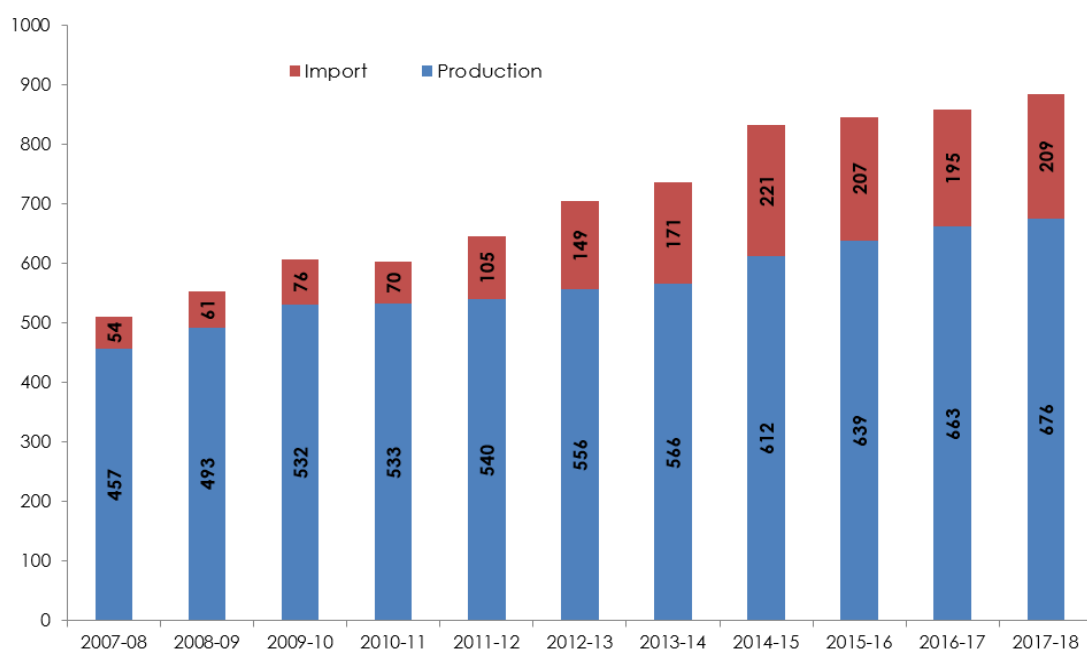


Fig. 1- Coal Production & Import (Mt) :: 2007-08 to 2017-18

In a recent study done by MoC/CIL through an agency, it has been observed that coal demand is likely to remain robust till 2030, while renewable energy will gradually provide greater contribution to the energy basket of the country. The conclusion of the study is that coal is expected to remain the bedrock of the energy supply for the country till 2030. Current demand of coal in the nation is about 900 Mtpa and is likely to grow by over 50 % in this period in the most likely scenario. A significant proportion of this demand will be generated from the use of coal in the thermal power sector. The non-regulated sector comprising steel, cement, Captive Power Plants etc. would account for the remaining demand. New segments such as power demand from use of electric vehicles, new demand from Coal to Chemicals sector etc. would add to the existing demand. While Govt. is working towards creating healthy domestic market for coal in the country by encouraging the participation of private and state sectors into coal production, CIL is expected to remain the largest supplier and may be required to supply upto 1300 Mt of coal by 2030.

Opening up of commercial mining will help the country to deal with the increased demand for coal.

### Coal Mining – Industry Outlook

Coal has been one of the key sources of primary energy for the World contributing to roughly half of the total primary energy consumption. However, the significance of coal varies across the World with Asia leading the consumption, both in absolute terms and as a proportion of total primary energy consumption. In Asia, China and India are the two key coal consumers.

Going forward, while various estimates predict fall in share of coal in the energy basket, none has predicted a complete substitution. In the Indian context, this seems more unlikely unless there is tectonic shift in nuclear and/ or renewable generation sources and storage technologies (both in terms of capacity and prices).

Herein lies the criticality of coal mining sector for India. The total coal production in India in FY 2017-18 surpassed 650 Mt and is likely to increase to 1000 Mt by 2020-21 or thereabout. Thermal Power Stations are the key consumer of coal in India. The coal demand is expected to grow even after 2020-21, as greater section of society are covered under grid electrification and rising prosperity increases the per captive electricity consumption.

Indian coal mining sector is dominated by Coal India Limited and the scenario is unlikely to change in the immediate future. Even as government opens up the sector to private sector commercial mining, the proportion of coal supply from CIL is likely to dominate the Indian markets.



Fig. 2- On the Occasion of 'Meri Company Mera Gaurav'

Some of the defining features of Indian coal mining sector is dominance of opencast method for production, smaller sized mines, medium to low mechanization and high labour intensity.

Government and CIL are focused on making coal mining in India safer and technically more advanced. Over the last year CIL has closed down 43 unviable mines. There is also a clear trend towards increased mechanization including introduction of larger equipment. These elements are important to ensure long term sustainability of Indian coal mining and minimizing the environmental impact.

There are a number of other initiatives that the government has taken over the last few years to minimize the environmental impact of coal mining and ensuring greater sharing of benefits across the society including creation of District Mineral Foundations for generating financial resources to be invested in the mineral rich areas.

### **Coal India Limited - An overview**

Coal India Limited (CIL), a Maharatna Central Public Sector Enterprise, and Government of India Undertaking, is the largest coal producer in the world with a production of 567.37 Mt in 2017-18. Maharatna status is conferred by the Government of India to selected state owned enterprises for more autonomy and to empower them to expand their operations and emerge as global giants. CIL being a coal mining corporate comes under the purview of Ministry of Coal, Government of India. Since 1975, the Company has made significant contribution to energize entire India and in carrying out socio-economic development across the country. With headquarters at Kolkata, West Bengal, CIL has significant footprints all over India. CIL is producing about 84% of the entire coal output of the country and caters to bulk of the coal requirement of the Power, Cement and Steel sectors of the country and also of the fertilizer, brick kilns, and similar industries.

CIL is also one of the largest corporate employers in the country with a manpower of 2,98,757 (as on 1st April, 2018). CIL operates through 82 mining areas spread over eight provincial states of India. Coal India Limited has 369 operating mines (as on 1st April, 2018) of which 174 are underground, 177 opencasts and 18 mines with both underground and opencast workings. CIL further operates 15 coal washeries and also manages other establishments like workshops, hospitals, coke ovens and a coal gasification plant. CIL has 27 training Institutes, including Indian Institute of Coal Management (IICM) at Ranchi imparting multidisciplinary management development programmes to the CIL executives. CIL got favorable media coverage for its technical and fiscal performance during the year. Excerpts from a few media clippings are given below.

## Coal India expecting revenue growth of 6% over the next three fiscal years

New wage structure to hit finances but pricing formula might provide some relief

Shreya Jai | New Delhi  
Last Updated at March 29, 2018 21:45 IST

Fig. 3- Clippings from Media about Revenue growth

Going forward, CIL is well placed to grow in the light of the increasing coal demand of the country. It has targeted a growth in production of 7.5 % in 2018-19 compared to 2017-18 to reach a figure of 610 Mt. Evacuation facilities have historically constrained the growth of coal production and CIL has planned to augment this capacity significantly. CIL is on the verge of completion of three critical railway links in the states of Odisha, Chhattisgarh and Jharkhand in 2018-19 which will enable it to evacuate by rail an additional 282 Mt of coal from the linked mines. CIL is also exploring the scope of diversification into areas of metal mining, thermal power generation, renewable energy and coal gasification.



RAJESH KUMAR SINGH &  
SAKET SUNDRIA  
Bloomberg

## COAL INDIA'S PRODUCTION, shipments rise to a record in March

Coal India's sales and output in March rose to the highest on record as the world's biggest coal miner rushed to meet its annual production target, a goal that it missed for at least the sixth consecutive year.

Output rose 9 per cent from a year earlier to 72.3 million tonnes of coal in March, while shipments rose 5.5 per cent to 55.2 million tonnes, according to a stock exchange filing on Sunday. That's the highest in records going back to 2013.

Output for the year ended March stood at 567.4 million tonnes, while sales were at 580.3 million tonnes, both falling short of a 600 million-tonne goal.

Boosting output is crucial for Coal India to meet rising demand from power plants, its biggest customers.

An early onset of summer is expected to boost electricity consumption. To meet that demand, the miner is seeking more railway carriages and is also trying to ship the fuel through roads to some customers.



The company is unable to raise production to its full potential as it is facing logistical issues in transporting coal, inflating stockpiles, federal coal secretary Susheel Kumar has said. Inventories at Coal

India stood 55.5 million tonnes as of April 1, it said. "We see production growth slowing down in the coming months as the company deals with a bloated inventory," Goutam Chakraborty, an

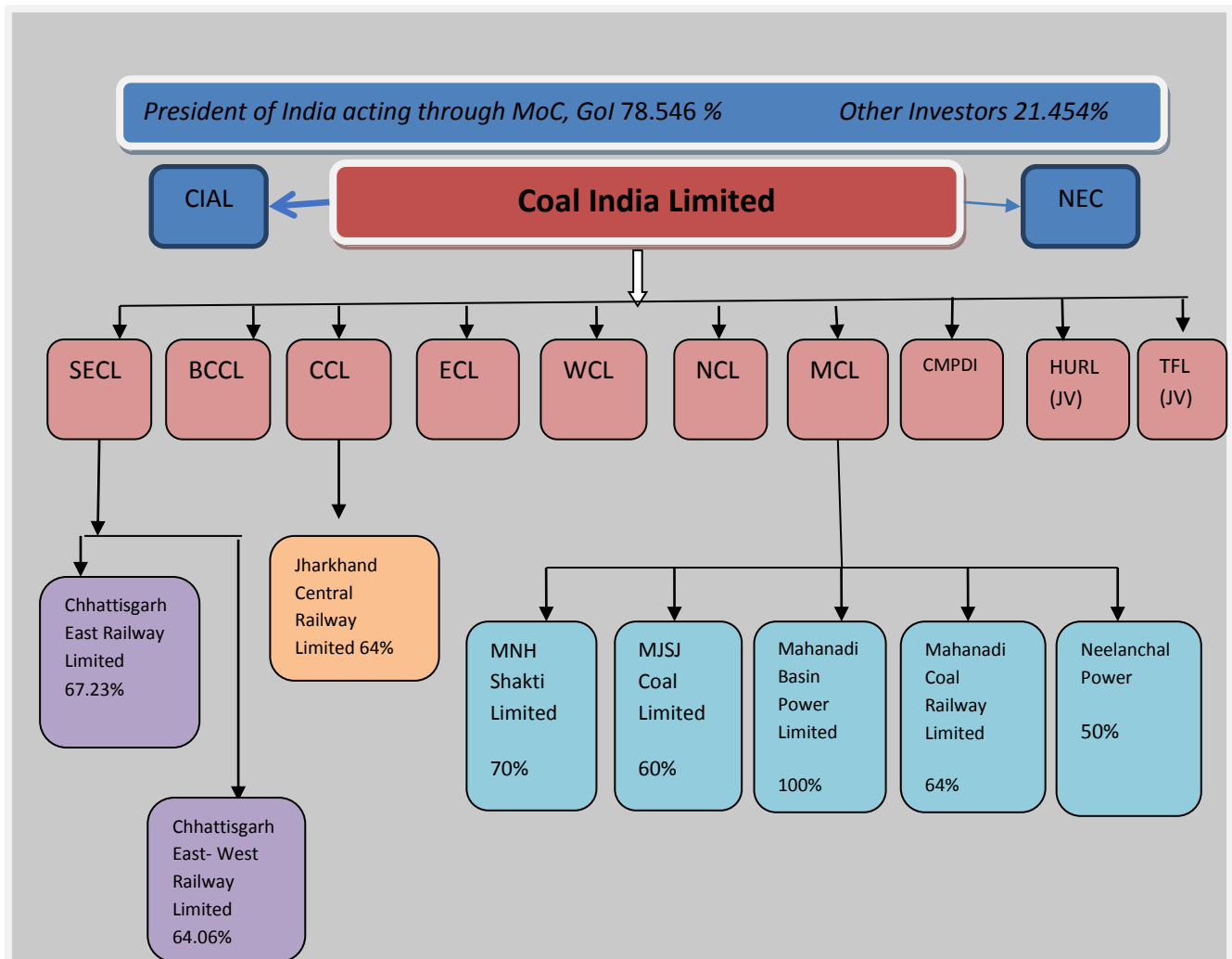
analyst at Emkay Global Financial Services in Mumbai, said. "Transportation continues to be the weak link and the company has to obtain more railway rakes to be able to ship more coal."

Fig. 4- Clippings from Media on CIL's Production



Fig. 5- Dragline in operation at NCL

## Organisational Structure of CIL



**Fig. 6 - Organizational structure at CIL**

### **Business risks**

- Coal based generation faces increased environmental pressure – adversely impacting its competitiveness against alternate sources. In the long term, it can impact the coal demand.
- Development risk remains the most important issues faced by coal mining in India and CIL, in particular. Land acquisition and resistance from local communities can constrain future supplies and/ or make the cost of mining prohibitive.
- Performance of captive mining segment owned by private entities remains an issue of concern in India. In spite of significant mining resources allocated to the captive mining segment, limited number of mines has turned operational. This can adversely impact the coal supply in future and lead to continued dependence on imported coal.

## **Business Opportunities**

- Alternate uses of coal including coal gasification can be a potential opportunity ensuring wider use and limiting environmental impact.
- Supply of coal to SAARC nations and South East Asian countries.
- Investment in coal washing and processing and logistics infrastructure.

## **Product Profile**

### **Coking Coal**

**Uses:** Steel and Metallurgical Industries

### **Semi Coking Coal**

**Uses:** As blendable coal in steel making, Merchant coke manufacturing & other metallurgical industries

### **Non-linked washery coking coal**

**Uses:** Power & Non-metallurgical sector

### **Non-coking coal**

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

### **Washed & beneficiated coal**

**Uses:** Manufacturing of hard coke for steel making and power generation

### **Middlings (By-product of three stage coal washing)**

**Uses-** Power generation, Brick Manufacturing and Cement plants

### **Washery By-Product**

**Uses:** In Fluidized Bed Combustion (FBC) boilers for Power generation, Road repairs, domestic fuel etc

### **CIL coke (By-product of DCC)**

**Uses:** In furnaces, kilns of Industrial units and for domestic fuel in Hotels

### **Coal fines/Coke fines**

**Uses:** Industrial furnaces and domestic purposes

### **Tar/ Heavy Oil /Light oil /Soft Pitch**

**Uses:** Furnaces, Boilers of industrial plant, Power houses, Oil, Dye, Pharmaceutical industries etc

## Corporate Governance

CIL has established an effective Corporate Governance system to make certain a transparent and compliant structure. Corporate Governance initiatives at CIL are aimed at enhancing value for its diverse group of stakeholders e.g. shareholders, employees, customers, local communities, society at large and the Government. The governance practices endorse an ethical and sound conduct of the operations towards achieving the CIL objectives of making a meaningful and affirmative impact on people's lives. Our utmost levels of responsibility make sure that the Board keenly promotes and continuously upholds the entire Company's conduct. To maintain its corporate responsibility endeavours, CIL has adopted a governance structure and various management processes which have been appropriately refined over the years to face the potential challenges.



Fig.7- Review meeting

CIL strives to ensure transparency, disclosures and reporting and conforms wholly to the laws, systems and regulations of the country and infuses ethical conduct in all operations throughout the Company. Our internal mechanisms such as oversight of management, independent internal audits, structure of the Board of Directors, etc. form part of our well established protocols. The Company is committed to follow the best available model of Corporate Governance where the Board is accountable to all stakeholders and each member of the Board owes his/her first duty towards protecting and supplementing the interest of the Company.

Corporate Governance has been carried out in accordance with the Companies Act 2013, Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors is guided by the organization's Vision, Mission and Values and the Board regularly reviews the performance of the organization on economic, environmental and social issues. The composition of the Board of Directors is a combination of full time Executive Directors, Non-Executive Directors and Independent Directors.





Fig. 8- Review meeting taken by Hon'ble Minister of Coal

#### Corporate Social Responsibility Committee

Sustainable Development Committee including CSR Committee was constituted by CIL Board of Directors in its 282<sup>nd</sup> meeting held on 16-04-2012. This committee was reconstituted in 356<sup>th</sup> CIL Board meeting held on 31-01-18. This Committee was renamed as CSR Committee in pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. In addition to CSR activities, this committee will also look after Sustainable Development. During the year 2017-18, four meetings of the committee were held on 12-06-2017, 02-08-2017, 16-02-2018 & 16-03-2018 respectively. The Corporate Social Responsibility Committee consisted of following members and their attendance was as follows:

Sl. No	Name of the Director	Status		No. of Meeting attended
1	Dr S.B.Agnihotri	Independent Director	Chairman (from 06.01.16)	4
2	Dr. Khanindra Pathak	Independent Director	Member (from 06.01.16)	4
3	Shri Vinod Jain	Independent Director	Member (from 06.01.16)	4
4	Shri Vivek Bharadwaj	Govt. Nominee Director	Member (from 02/05/17 to 9/06/17)	0
5	Shri R.K.Sinha	Govt. Nominee Director	Member (from 19/07/17)	2
6	Shri. S.N. Prasad	Director (P &IR) CIL- Addl. Charge	Member (from 2 <sup>nd</sup> May'17 till 18 <sup>th</sup> Jun'17)	1

Table.1- Corporate Social Responsibility Committee



**Fig.9- Meeting at CIL with Foreign Delegates**

### **Code of Conduct**

CIL has adopted a Code of Conduct to maintain high standards of business conduct. The Code of Conduct deters any wrong doing and promotes ethical conduct. CIL's philosophy is to always strive for sustainable business achieving economic growth, social equity and environmental balance through collaborative action, transparency and public reporting. The code of conduct is applicable to Board Members as well as to Senior Members. It mandates to be fair and not to discriminate on the basis of race, gender, religion and upholds values of equality, tolerance, and respect for others. Code of conduct demonstrates our commitment to integrity, ethical values and legal compliance. 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 Entity, CIL recognizes 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. CIL follows proper checks and audits as per the Act. CIL ensures that the contracts are in written form. This ensures that no children get employed in our coal mines. CIL is fully committed to abide by the rules on Human Rights across our operations and this reflects in our dealing with all our 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 Wages Act - 1936, the Minimum Wages Act - 1948, Equal Remuneration Act - 1976, the Industrial Disputes 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 workers are 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. CIL is also committed to the principles of the United Nations Global Compact on Human Rights. There have been no cases of Strikes/ Lockout related to human rights issues.

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 2017-18, CIL didn't have any reported case of human rights violation.

### **Vigilance (Anti-Corruption)**

The vigilance division within coal India limited is an integral part of the management. The vigilance division of CIL is the nodal section for handling all vigilance matters of the CIL and it believes that through best practices, adequate controls and transparency in place, decisions taken will be professional, effective and consistent, leading to corporate excellence.

The Corruption Risk Mitigation Policy of CIL is available at CIL website: [www.coalindia.in](http://www.coalindia.in)



**Fig.10- Vigilance Awareness campaign at CIL HQ**





Fig. 11 -Awareness campaign against Corruption at CIL

#### Incidents of Corruption and Actions taken:

Subsidiary wise numbers of incidents of corruption reported and the number of officials against whom disciplinary action was taken is given in a tabular form below.

Subsidiary	Incidents of corruption	Action taken	
		No of officials against whom disciplinary action taken up	
		Major	Minor
BCCL	44	29	21
CCL	20	28	17
CMPDIL	0	0	0
ECL	10	10	5
MCL	26	108	29
NCL	10	20	21
SECL	57	7	0
WCL	19	22	15
CIL	29	11	6
<b>Total</b>	<b>215</b>	<b>235</b>	<b>114</b>

Table.2- Incidents of corruption and actions taken

The range of actions taken varies from simple warning to as severe as dismissal depending on the severity of the charges.

### **Whistle Blower Policy**

To safeguard for protection of employees from reprisal or victimization, CIL has 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. CIL has a robust mechanism in place to protect whistle-blowers from any kind of harm or retribution.

During the 2017-18, systemic improvements have been made in the online grievance mechanism as described in the "Vigilance and Anti- Corruption" section. A total of 640 pending grievances were carried forward from 2016-17 for redressal. Fresh online grievances received in 2017-18 were 6539. In total, 6612 cases were resolved in CIL during 2017-18 and remaining 567 cases were forwarded to the succeeding year for redressal.

### **Public Grievance Disposal at CIL**

Coal India Limited uses the integrated Centralized Public Grievance Redressal and Monitoring System (CPGRAMS), a web based solution run by the Department of Administrative Reforms & Public Grievances, Government of India, to resolve Public Grievances. All the grievances from employees, customers & other stakeholders are resolved by using CPGRAMS. Grievances received online on CPGRAMS from the President's Secretariat, Prime Minister's Office, Ministries Office, Directorate of Public Grievances, Ministry of Coal, Department of Administrative Reforms & Public Grievances are evaluated by the Nodal Officer of CIL and sent to various Departments in CIL and subsidiary coal companies for redressal. The grievance applications received in the form of hard copy are scanned and uploaded to CPGRAMS and transferred to the concerned departments / subsidiary coal companies for redressal. Every Department at CIL headquarters and at the coal companies has a Nodal Officer who sends the grievance to the concerned Department for redressal. With approval of the Competent Authority the grievance is redressed and a report is sent online.

### **Industry Associations**

CIL is member of The Bengal Chamber of Commerce, Indian Chamber of Commerce, SCOPE, FICCI and ASSOCHAM. CIL has 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, CIL has forged linkage with industry associations through these forums and engaged in discussions and to gain insights regarding corporate projection. This has greatly enhanced our business approach and added value to the shaping of our core vision.

## Awards and Recognitions

- Coal India Limited was conferred the 'Best Financial Performance' Award in the Maharatna category by HT Media and Ventures Limited in a formal event of "Hindustan PSU Awards 2017" on 12 April 2017 in New Delhi.
- CIL was awarded second prize under Best Enterprise Award (Maharatna Category) in 2017-18 by WIPS.



**Fig.12-Corporate Excellence award given by Hon'ble Minister (Coal) at Foundation Day Celebration on 1<sup>st</sup> November, 2017**



Fig.13- Achievement award from Hon'ble President of India

### **Sustainability Management in CIL**

CIL believes in adhering to the principles of sustainability while striving to achieve long-term business success on a viable basis. Sustainability management is an integral part of our business strategy. In order to embrace the sustainability and its challenges, CIL endeavors to balance economic, environmental and social costs and benefits. To make this possible, our approach towards mining activities is aimed to establish harmony with society and the environment.

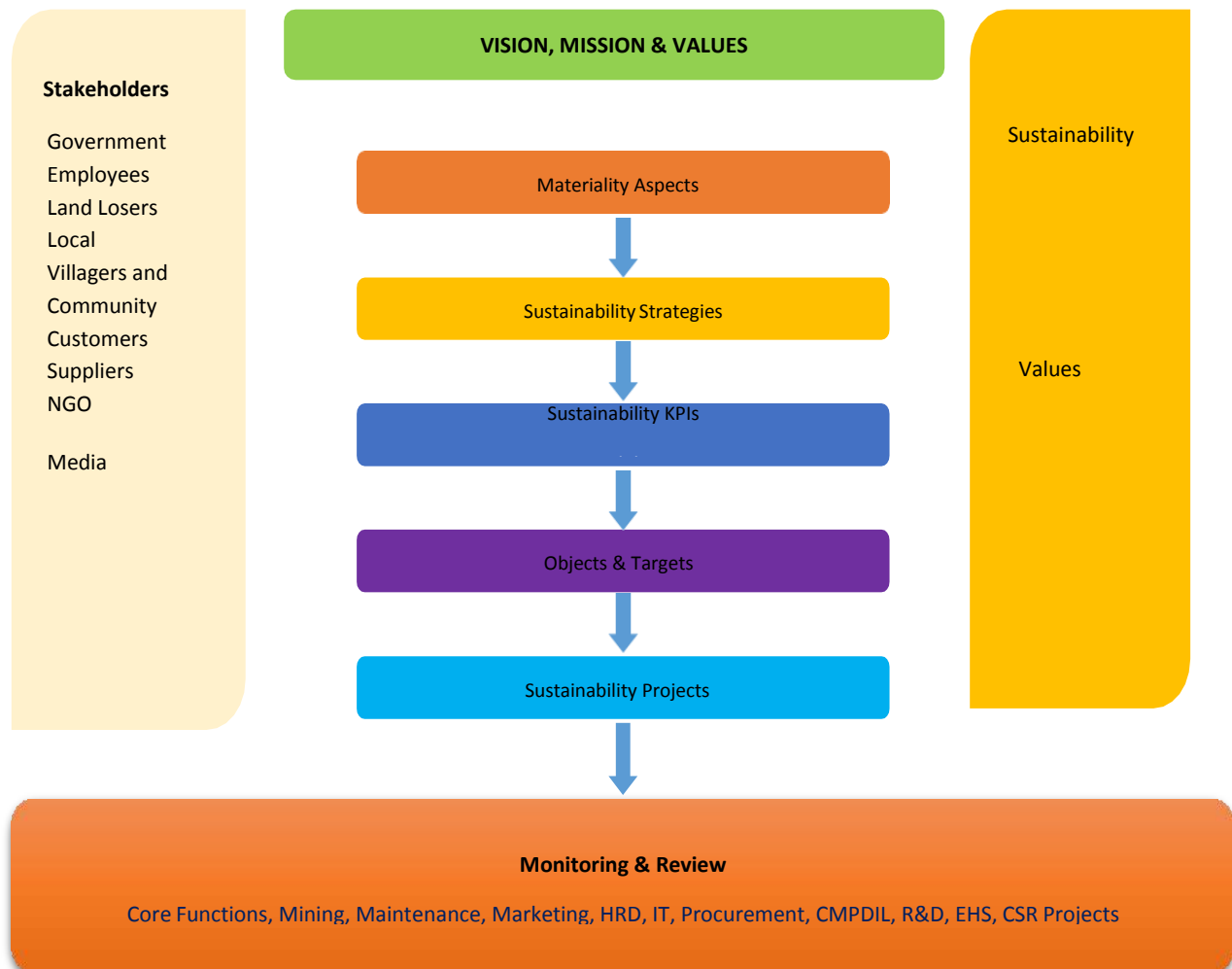
A key aspect of our sustainable management approach involves deploying sustainable mining practices, ensuring safety and health of the employees and creating value for community. CIL places a special focus on the lasting and effective establishment of a culture of integrity, discipline and respect. CIL leverages business opportunities to minimize risk and address social and business challenges such as scarcity of resources and climate change at an early stage. Increasingly, CIL is making efforts in order to improve our sustainability performance and further develop our strategy, defining it more precisely. Our sustainability efforts cover environmental management, energy consumption & societal developments which are discussed in detail in later part of the report.

Stakeholder concerns against the business impact allowed for grounding of the materiality matrix which acts as a guide for the top management while integrating the sustainability management within the business strategy. All stakeholder groups agreed that sustainable mining is a shared responsibility. CIL had ensured inclusive growth by contributing towards the peripheral development as a priority item and integrating a holistic sustainability management strategy. CIL has established a company-wise strategic planning, cascaded to subsidiary specific sustainability activities and thus ensures systematic consideration of stakeholders' requirements.

CIL aligns its activities in line with the United Nations Sustainable Development Goals (SDGs) of 2015. CIL's sustainability policy lays emphasis on Environmental, Economic and Socio-cultural Sustainability. Respective functions at corporate and at subsidiaries have been earmarked responsibility to improve the performance in their sustainability dimensions. These form the core areas for implementing relevant projects. CIL's practices towards SDGs stimulate wide dialogue and cooperation among stakeholders to make mining a driver of sustainable development.

In addition to this, CIL also has an exclusive policy for Corporate Social Responsibility that is aligned with the Companies Act, 2013 in order to measure our triple bottom line. CSR policy acts as a strategic tool and guidance for integrating business processes with the social processes for the overall development of the society.

### Sustainability Framework of CIL





## Sustainability Performance Assessment

At CIL, performance assessment ensures that practices towards sustainability are carried out in a transparent manner. Our approach is for achieving our vision which focuses on being a responsible mining company. Our performance snapshot for 2017 -18 is highlighted below:

Production and Profits				Status
Increased coal production	2017-18	2016-17	Growth (%)	✓
	567.37 Mt	554.14 Mt	2.33	
Increase in the overburden removal	2017-18	2016-17	Growth (%)	✓
	1178.12 Mm³	1156.38 Mm³	1.85	
Increase in the coal off-take	2017-18	2016-17	Growth (%)	✓
	580.29 Mt	543.32 Mt	6.8	
Enhanced dispatch of coal & coal Products	During the year, dispatches of coal and coal products registered a growth of 7.2 %.			✓
Increase in wagon loading	The increase in wagon loading over last year was of 7.2 rakes per day.			✓
Enhanced drilling performance	2017-18	2016-17	Growth (%)	✓
	13.66 (Lakh meter)	11.26 (Lakh meter)	21	
Financial performance of CIL & its subsidiaries	The total profit before tax of CIL and its subsidiaries was Rs.10,726.44 Crores			✓
Health and Safety				
Reduction in fatalities	Item	2011-2017	2001-2010	✓
	The decadal rate of fatality rate (per million tonne of coal production)	0.10	0.24	
Reduction in fatality & serious injury rates per million tonnes of coal production	Item	2017	2016	✓
	Fatalities	37	56	
	Fatality rate (per million tonne of coal production)	0.053	0.1	
	Fatal Incidents	34	38	

	No of Serious Injuries	108	120	
	Serious Injury rate (per million tonne of coal production)	0.199	0.22	
<b>Human Resource Management</b>				
<b>Trainings provided to executives and non-executive employees</b>	A total of 1, 07,943 employees, both of executive and non-executive cadre attended training programmes during the year which included training in house, outside the company and abroad.			✓
<b>Focus on Gender Diversity</b>	Female employees constitute 6.76% of the total manpower.			✓
<b>Hiring of fresh talent</b>	Fresh recruitment of 1143 people in different Disciplines were made during the year.			✓

**Table.3-Production and Profits at CIL in 2017-18**

#### Environment

At CIL, renewed focus has been given to protect the environment by revisiting the strategies to ensure that it is contemporary and aligned with the objectives. The aim of the environmental policy is to minimize or prevent the adverse impacts from the organization's operations on the surrounding environment and communities. CIL's performance disclosure has been mentioned in table below:

Performance in 2017-18				Status
<b>Increasing the number of ISO certified units</b>	<b>ISO Certifications</b>	<b>2017-18</b>	<b>2016-17</b>	✓
	ISO: 14001	3 Subsidiaries	2 Subsidiaries	
	ISO: 9001	5 Subsidiaries	4 Subsidiaries	
	OHSAS: 18001	3 Subsidiaries	2 Subsidiaries	
	ISO:17025	47 Laboratories	32 Laboratories	
<b>Energy Consumption and Renewables</b>	<b>Item</b>	<b>2017-18</b>	<b>2016-17</b>	✓
	Specific power consumption in terms of composite production	2.99 kWh/CuM	3.19 kWh/CuM	

Performance in 2017-18				Status
Energy Consumption and Renewables	Specific Energy Consumption in terms of coal production	8.11 kWh/te	8.82 kWh/te	✓
	Diesel consumption	388352 KL	438764 KL	
	Total LED Lights fitted (new + replacement)	74,740	64,000	
	Installed 3.2 MW solar plants (Ground mounted and roof top)			
Mine Closure Plans	As on March 2018, Mine Closure Plans have been prepared for all the identified mines (453 in number). Of the 453, 445 MCPs have been approved by the concerned Subsidiary Board and a total amount of Rs. 6075.44 Cr has been deposited in 425 numbers of Escrow accounts.			✓
Continuous R&D	Item	2017-18	2016-17	✓
	Investment in R&D	Rs.70.74 Crores	Rs. 24.04 Crores	
Tree plantation for ecological restoration	Item	2017-18	2016-17	✓
	No of Trees Planted	19.9 lakh	16.6 lakh	
	Area Covered	821.5 Ha	661 Ha	
CSR				
Setting up rigorous governance and oversight systems for CSR programs	CIL has entered into an MoU with the Tata Institute of Social Sciences (TISS) for evaluation 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 conservation, women empowerment & child education, rural development, health, sports, environment, sanitation, Swachh Bharat and skill development. Rs 483.78 Crores has been spent on CSR initiatives during 2017-18.			✓

Table.4- Performance snapshot at CIL in 2017-18

## Sustainable Development Policy (SDP)

CIL has a dedicated Sustainable Development Policy effective from August 2013. The policy states that CIL shall promote and pursue sustainable mining integrating Environmental, Socio-Cultural and Economic factors which comprise the basic fabric of sustenance in our society. It shall also incorporate views and opinions of stakeholders ensuring compatibility and implementation.

The attempts are being made to shape a new future through a set of determined goals and to bring sustainability into focal point. The objectives of the SDP of CIL shall be in line with the Govt. of India principles and directives on Sustainable Development encompassing mainly three components:



Fig.14 -Triple bottom line of Sustainable Development

The SDP of CIL affirms its commitments to protect & safeguard the environment and conserve the bio-diversity for maintaining the ecological balance besides effecting Socio-cultural and Economic betterment of the surroundings of its operations. In order to do so CIL, and its subsidiaries prepare annual action plans detailing the activities to ensure the above strategies are implemented in a planned way with the approval of concerned SD committees. The progress of the activities is reviewed periodically by the SD Committees.



Fig.15- Economic, social and Environmental aspect at CIL

## **Stakeholder Engagement**

Stakeholders, by definition, refer to individuals and organizations that 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 entity CIL considers it as its responsibility to develop and retain an amicable relationship with all its stakeholders.

CIL considers it is necessary to identify the relevant topics and believe in extensive engagements with all its stakeholders throughout the year to understand their prioritized concerns and needs and address these issues in a consistent and a transparent manner. The expectations and the concerns of stakeholders & the extent, to which the relevant issues are addressed, play a vital role in influencing the sustainable growth of an organization.

CIL has a stakeholder engagement policy in line; this policy is intended to strengthen the mechanisms of engagement with stakeholders. CIL has a structured framework based on the welfare and long-term relationships with key stakeholders. CIL believes that stakeholder engagement is an integral part of enriching and enduring partnerships. CIL institutionalized these processes based on transparency and accountability.

During the reporting period, CIL engaged with its stakeholders on various platforms that are detailed below. The key concerns that emerged out of these interactions have also been compiled. The information pertaining to stakeholders is periodically updated through formal or informal channels of communication. The perspectives of the high impact stakeholders are taken into consideration while mapping the prioritized sustainability issues across important domains i.e. Economic, Environment, Labour Practices, Human Rights, Social, and Corporate Governance.



Fig. 16- 43rd Annual General Meeting at CIL

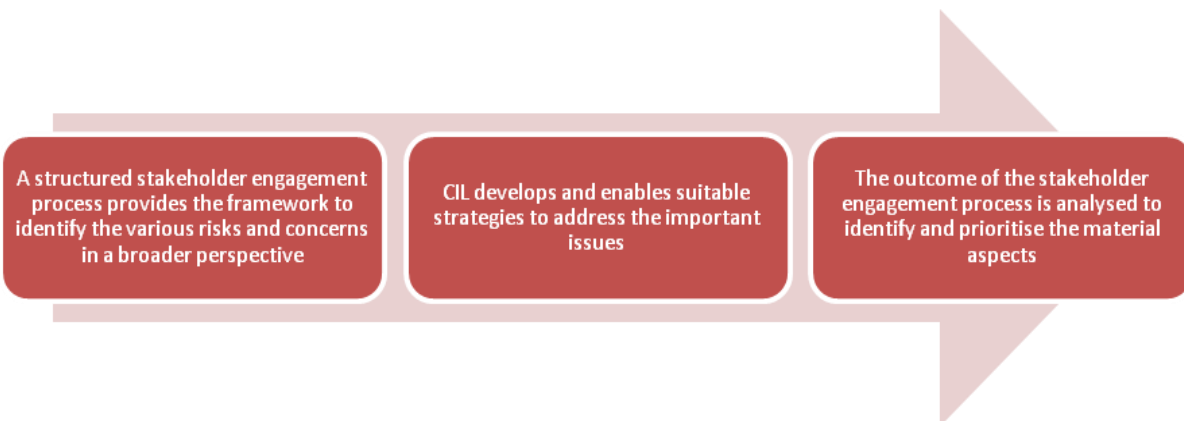


Fig.17- Stakeholder Engagement Process



**Fig. 18- Prize distribution to Winner of Golf Tournament**

The important stakeholders identified are Government (Ministry of Coal) / Government Statutory / Regulatory Authorities, Employees, Land losers, Local villagers and community, Customers, Suppliers, NGO and Media.

Stakeholders	Mode of Engagement	Key Concerns
<b>Shareholders</b>	Annual General Meeting	<b>Company's performance.</b>
Government (Ministry of Coal)/Government 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)	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

Stakeholders	Mode of Engagement	Key Concerns
		lighting, Drinking water,
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 are held at subsidiaries - annually Marketing Team meets the customers frequently. On-line filing and redressal of customers 'complaints have been implemented. (Website - www.coalindia.gov.in)	Quantity and quality of Coal Delivery time Size of coal
Suppliers	Interactive meetings and sessions are held 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&CC	Impact of mining activities on the local community
Media	As per the guidelines prescribed by MOEF&CC	Impacts of mining activities on the community and country

**Table.5- Stakeholders' mode of engagement and key concerns**

### Materiality Analysis

Materiality assessment is an exercise in stakeholder engagement considered to collect insight on the relative importance of definite environmental, social and governance issues. The insight is generally used to inform sustainability reporting and communication strategies, but it also is helpful to strategic planning, operational management and capital investment decisions.

Materiality Assessments offer an instrument for prioritizing the issues that matter to our organization and our stakeholders. A materiality assessment helps a company make sense of the sustainability mapping and build a plan and procedures for focusing and acting on those issues that are of utmost priority for the business.

For the purposes of this report, CIL regard material sustainability topics as those that may affect the long-term success of our business, including our ability to create and preserve economic, environmental and social value, have the potential to influence the perception of communities of society by large, including those that make decisions and assessments based on our sustainability performance.

Our process is informed by guidance from the Global Reporting Initiative's Technical Protocol — Applying the Report Content Principles and from Account Ability's Five-Part Materiality Test.

Our assessment of the material aspects was based on the inputs and various engagements CIL has had during the year with different stakeholders. CIL prepared an extensive list of concerns stated by



our stakeholders. Based on this list CIL attempted to prioritise the most material aspects of the stake-holders. These aspects were then assessed qualitatively by our Management Team. Finally, CIL has 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 stakeholder.



Materiality Issues	Linkage with GRI Aspects	Aspect Boundary (Inside or outside the boundary)
Rehabilitation and Resettlement	Mining sector supplement, Biodiversity, Local Communities	Inside and outside
Supply of quality coal	Product and service labelling	Inside
Health and safety of employee	Occupational Health and Safety	Inside
Regulatory compliance	Compliance	Inside
Vigilance and Anti-corruption	Anti-Corruption	Inside
Energy Efficiency and GHG accounting	Energy , Emissions	Inside
Water Availability	Water	Inside
Skill development of locals	Local communities	Outside
Dispatch and transportation of coal	Transport, Value chain	Outside
Infrastructure Development	Local communities, Indirect economic impacts	Outside
Local Businesses	Indirect economic impacts	Outside
Employment creation for local community	Local Communities	Outside

Table.6 -Materiality Issues and Aspect Boundary

The Board of CIL approved a Risk Management Charter and created a Risk Register to build up a strong Risk Management Culture within CIL in achieving company's goals and objectives. As per the Risk Register, different risks were identified for CIL and its Subsidiaries, and Risk Owner and Risk Mitigation Plan Owner were nominated for each risk identified to ensure continuous monitoring and mitigation thereof. A Risk Management Committee, a Sub-Committee of CIL Board, has started functioning from this financial year.

A Consulting Agency has been engaged for implementing the governance process designed in the Risk Management Framework at CIL and its Subsidiary Companies. The Consultant will cover all aspects and issues regarding Risk Management and ensure achievement of the objectives of:

- i) Updated Risk Registers for CIL and its Subsidiaries
- ii) Risk prioritization ('Risks That Matter')
- iii) Risk Mitigation Plan formulation for updated 'Risks That Matter'.

The Agency has facilitated updates to Risk Registers and risk prioritization for CIL and its Subsidiary companies. Key Risks which are common across the Subsidiaries and those risks which are specific to one or more Subsidiaries have also been identified. Formulation of mitigation plans for key risks is under finalization.

### **Risks and Concerns**

CIL has a comprehensive Risk Management Framework in place. The Board of CIL had approved a Risk Management Framework for the Company, which consists of (a) a process to identify, prioritize and formulate mitigation plans for prioritized risks, and, (b) a framework of roles & responsibilities of various officers, Committees and the Board, in discharging the risk management process, periodicity of reporting (Risk Management Calendar) and related templates and enablers. As part of this Risk Management Framework, risk owners and mitigation plan owners have been identified for each risk and corresponding mitigation plans to ensure continuous risk monitoring and risk mitigation. Risk Management is a continuous journey to align the objectives and vision of CIL through regular risk-managed business operations.

### **Other Risks and Mitigation**

Material aspects were identified and strategies for effective risk assessment and mitigation program were laid for longevity of our business. The issues both relevant to management and stakeholders of highest priority are mentioned below:

### **Rehabilitation and Resettlement**

Coal mining location is based on geological factors and is very much site specific. Opencast mining, in general, involves acquisition of large tracts of lands. This eventually leads to involuntary displacement of inhabitants (Project affected People – PAPs) who are native/residents of the area in question. Rehabilitation and resettlement plays a major role in CIL's long term business goals by creating a bond and cordial relations with the local society. After enactment of The RFCTLARR Act 2013 (Popularly known as Land Acquisition Act), providing of R&R benefits to PAPs is a statutory obligation.

Subsidiaries of CIL is providing liberal and attractive benefits to the project affected persons/families which includes adequate compensation, direct employment, suitable rehab site with necessary infrastructure facilities etc.

From 1987-88 till 31<sup>st</sup> March 2018, CIL has provided 52581 employments to land oustees against land acquisitions across subsidiaries of CIL and 2847 no. of land oustees have been offered employment in 2017-18.

### Supply of Quality Coal

Our consumers mainly from Power sector require supply of coal on time and of a good quality. Retaining Consumer's loyalty is an important aspect for successfully staying in business. In this reporting period, CIL has planned to set up 18 new washeries with state-of-the-art technologies in the field of coal beneficiation with an aggregate throughput capacity of 95.6 MTY. Total 109 no. of Surface Miners (both departmental and hired) were deployed by CIL for selective mining at the major OC mines to improve quality of coal. Action is being taken for deployment of more continuous miners and surface miners in other CIL mines where geo-mining condition permits their usage.

## Surface Miner (SM) Production vis-a-vis Total Opencast Coal (OC) Production (Mt)

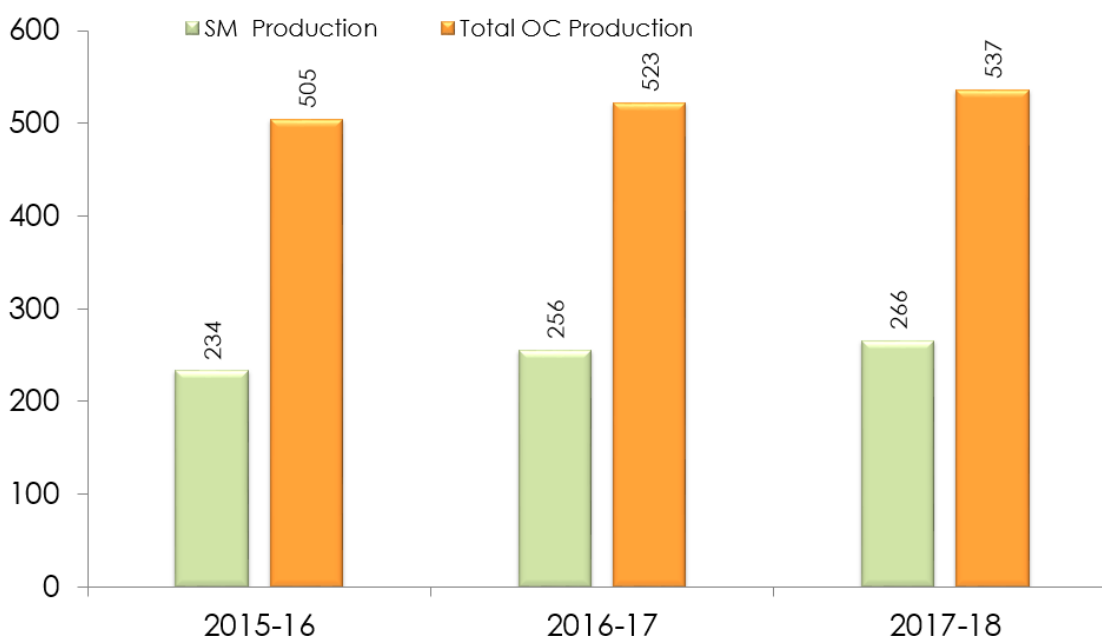


Fig. 19- Production through Opencast Mining & Surface Miner

### Health and Safety

Bearing in mind that mining has inherent risks to health and safety and to foster a safe and healthy work environment, CIL is continuously working for social well-being of stakeholders and in the areas related to mining methods, strata control, and mine safety, etc. CIL has deployed adequate numbers of trained manpower for ensuring safety in mining operations. A well- structured and multi-disciplinary Internal Safety Organization (ISO) has been established in each of the subsidiaries of CIL to

monitor the implementation of CIL's Safety Policy. Safety and Wellness at work is integral to our operational discipline.

In tandem with technological advancement of mining operations, CIL has been ensuring and upholding miners' safety through close collaboration of management, employees, the regulator (DGMS) and Trade Unions.

### Regulatory Compliance

Compliances are a must for any mining organization. CIL understands the criticality of deviating from desired regulations in terms of long term continuity of our operations. Hence, for good business conduct CIL adheres to all essential regulatory norms and meets the necessary compliances. Before operationalizing of any new project CIL ensures that necessary clearances, (including environmental clearance and forest clearance), have been obtained, Environment Impact Assessments conducted, and potential effects on all stakeholders analyzed.

### Economic Performance

Out of India's total coal production in the Financial Year 2017-18, the share of CIL is around 84%. So, the impact of CIL on Indian economy can be easily equated with the impact of coal sector in Indian economy. 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, urbanization, improved electricity access and an expanding manufacturing base.

CIL and its subsidiaries have achieved an aggregate Pre-Tax Profit of Rs. 10,726.44 Crores for the year 2017-18 against a pre-tax profit of Rs. 14,446.33 Crores (restated) in the year 2016-17. CIL as a whole had achieved a total comprehensive income of Rs. 7652.73 crores in 2017- 18 compared to Rs. 9361.77 crores in 2016- 17 (restated). CIL received Rs. 80.79 Crores financial assistance as subsidies in the reporting financial year.

In the light of Paris Protocol and consequent upon changes in world energy sector scenario, CIL is looking forward to diversify its operations towards Renewable energy like Solar Power and Clean Energy sources like CMM, CBM, CTL, UCG etc. following the directives of GoI. Following to that mission, MoC/CIL is in the process of formulating 'Vision Document 2030' to decide upon future course of operation for sustainable entity in the nation's energy sector.



Fig. 20- Preventive maintenance of equipment

The highlights of performance of Coal India Limited Consolidated for the year 2017-18 compared to previous year are shown in the table below:

In Rs. Crores			
Direct Economic Value Generated	2017-18	2016-17 (Restated)	2015-16
Revenue (through core business segments)	131324.61	125239.06	110636.84
Other Income (through non-core sources)	4658.32	5324.21	5940.58
<b>Total</b>	<b>135982.93</b>	<b>130563.27</b>	<b>116577.42</b>
Economic Value Distributed			
Operating cost	33659.11	32433.71	30648.95
Personnel expenses (wages+benefits)	42633.60	33522.88	30126.78
Interest Charges	431.79	409.18	386.16
Taxes and royalties (given to various govt. wherever business units are located)	53561.02	56664.42	39522.22
Dividends (payments to capital providers)	10242.24	12352.76	17306.84
Donations (political parties/politicians)	-	-	-
Community development/CSR investments	483.78	489.67	1082.16
<b>Total</b>	<b>141011.54</b>	<b>135872.62</b>	<b>119073.11</b>

Table.7 -Economic Value Generated

### Trade Receivables

Trade Receivables i.e. net coal sales dues outstanding as on 31.03.2018, after providing Rs. 1778.37 crores (previous year Rs. 2013.99 crores) for bad and doubtful debts, was Rs. 8689.16 crores (previous year Rs. 12476.27 crores) which is equivalent to 0.82 months gross sales of CIL as a whole (previous year 1.05 months).

### Coal Production

Production of raw coal was 567.37 Mill Te during 2017-18 compared to 554.14 Mill Te during 2016-17. Coal production from underground mines in 2017-18 was 30.54 Mill Te compared to 31.48 Mill Te during 2016-17. Production from opencast mines during 2017-18 was 94.62% of total raw coal production.

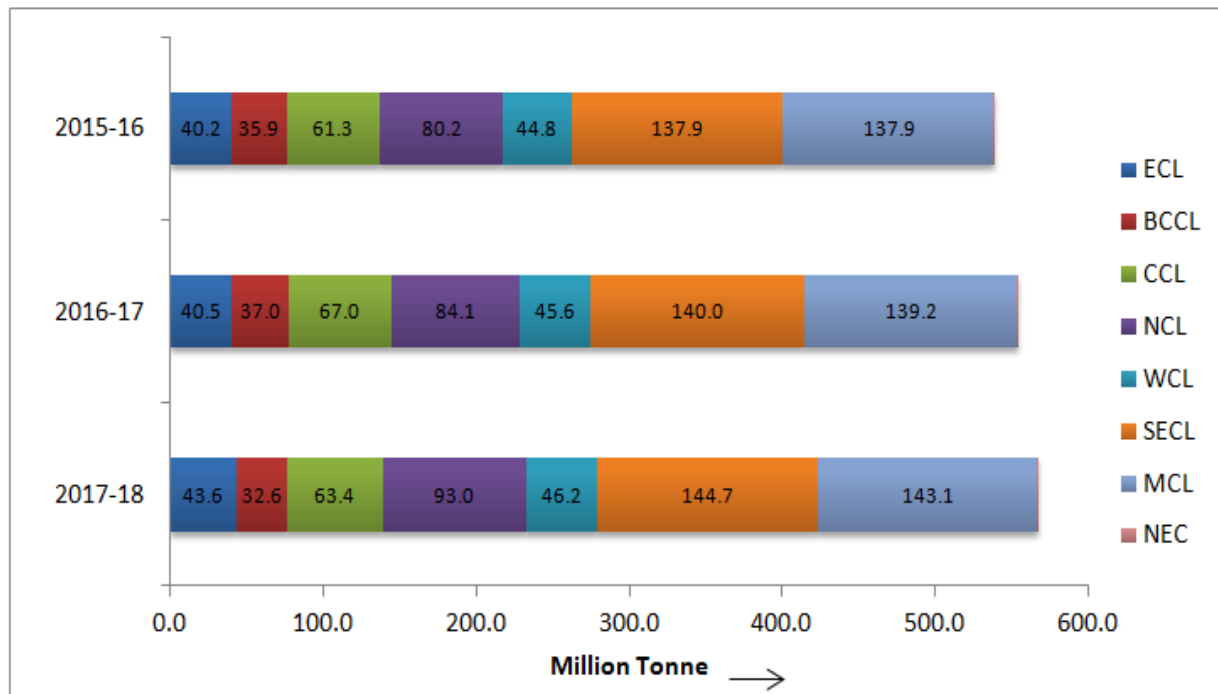


Fig.21- Coal Production (in MT) at CIL during last three years

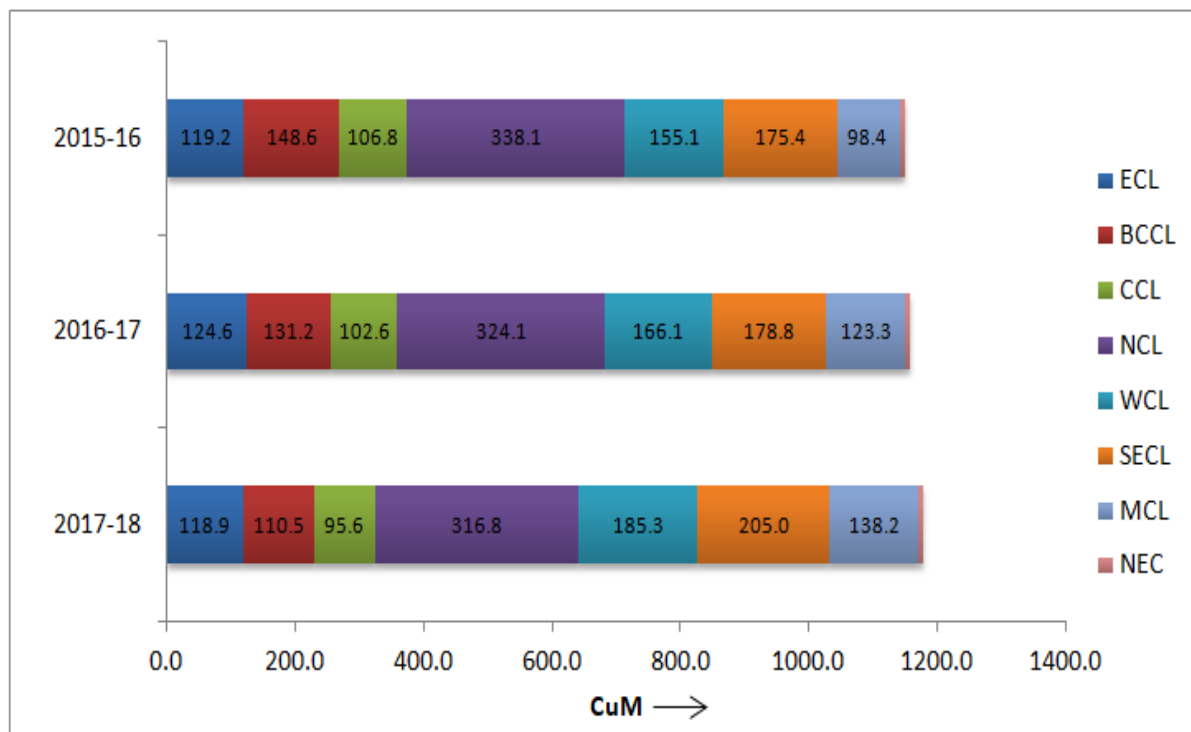


Fig.22- OB removal at CIL during last three years

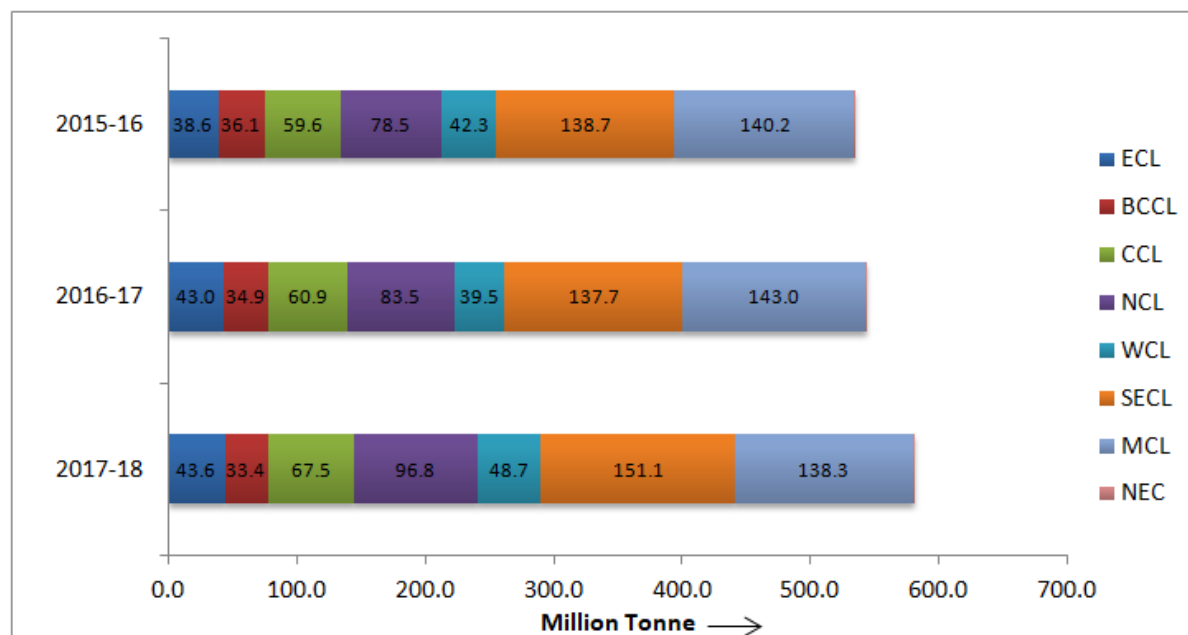


Fig.23- Coal offtake at CIL during last three years

### Coal Transportation

In the year 2017-18, CIL dispatched 581.48 Mt of Coal & Coal Products against the AAP target of 601.18 Mt i.e. an achievement of 96.7%. CIL has dispatched 39 Mt of coal and coal products more than last year with a growth of 7.2%.

454.22 Mt of coal and coal products, including dispatches under special forward e-auction was dispatched to power utilities against the target of 452.24 Mt. This is 28.8 MT more than last year's dispatch of 425.40 MT, which also included dispatches under special forward e-auction to power, resulting in a growth of 6.8%.

Overall wagon loading materialization was 92.8 % of the target. Wagon loading performance for CIL in FY 2017-18 is 92.8 % achieved. This was achieved due to sustained efforts and regular coordination with railways at different levels. The increase in loading over last year was of 7.2 rakes per day. Company wise performance showed that ECL, NCL, WCL & NEC outperformed its target. ECL, CCL, NCL, WCL & NEC exceeded last year's level of loading.

### Coal Marketing

Supply of coal was made to various consumers including Power Sector under the applicable provisions of New Coal Distribution Policy. Due to overall deficit in availability of coal considering the projected coal production from domestic sources and commitments made through signing of FSAs/issuance of Letter of Assurances (LOA), supplies under FSAs has been pegged at various level of commitments (trigger). Power sector being the major consuming sector having significant importance in the economy, supplies to power sector has been guided as per the various Government directives and policies.



Off-take of raw coal continued to maintain its upward trend and reached 580.29 million tonnes for fiscal ended March 2018, surpassing previous highest figure of 543.32 million tonnes achieved during the last year, i.e., an increase of 6.8 % over the last year. The overall raw coal off-take achieved was 96.7% of the Annual Action Plan Target. In the year 2017-18, ECL, CCL, NCL, WCL, SECL and NEC could outperform their achievement of last year.

**CIL E-auction Income Up 38% in First 9 Mths of FY18**  
Volume rose 18.5% to 77 million tonnes, average realisation rose 16%

**Coal India Lowers its Production Costs Despite Higher Wage Bill**  
Cost down ₹53 a tonne while co's wage bill up by ₹400 cr a month

**CIL to Auction Long-term Contracts to Plants Outside Purchase Deals**  
The offer is for 15MT coal which will be supplied after utilities sign pacts with discoms

Fig.24-Press Clippings of CIL regarding e auction

## Customer Satisfaction

CIL's motto and core driving principle is to identify and deliver the needs of consumers and adopt a consumer centric approach to provide better service to our consumers. For enhanced customer satisfaction, special emphasis is given to Quality Management of coal from mine to dispatch point. Attuned to this objective, after independent assessment of grades of mines through various academic institutes of national repute by the Coal Controller's organization (CCO), the annual grade declaration for 2018-19 has been finalized by CCO. A total of 386 mines were re-assessed for their coal grades and out of these 61 mines have been downgraded and 42 mines have been up-graded.





Fig.25- Vendors Meet at CIL

In order to monitor coal quality, a portal UTTAM (Unlocking Transparency by Third Party Assessment of Mined Coal) has been launched by CIL to capture entire life cycle of sample. With the help of the portal, information of coal quality on regular basis will be accessible to both Coal Cos. and Consumers.

The guidelines / SOP issued by MoC vide letter dated 26.11.2015 on third party sampling at loading ends has already been implemented through Central Institute of Mining and Fuel Research (CIMFR). Sampling and analysis covering supply of about 529 Mt on annual basis to power utilities has been taken up by CIMFR across various loading points of coal companies.

Electronic weighbridges with the facility of electronic printout have been installed at rail loading points to ensure that coal dispatches are made only after proper weighment. Coal Companies have also taken action for installation of standby weighbridges to ensure 100% weighment.

22 Auto Mechanical Samplers (AMS) are also working in subsidiary coal companies for coal sampling, eliminating chances of biasness in sampling process. Procurement of further AMS is under process. The process has been initiated to do a pilot study for deployment of Augur Sampling equipment to draw samples without human intervention.

In order to ensure consumer satisfaction and resolve consumer complaints, special emphasis has been given to quality management and redressal of consumer complaint. On-line filing and redressal of complaints have been implemented. A total of 3 pending grievances were carried forward from 2016-

17 for redressal. Fresh online grievances received in 2017-18 were 30. In total, 30 cases were resolved in CIL during 2017-18 and remaining 3 cases were forwarded to the succeeding year for redressal.

### **Managing Supply Chain**

CIL plans and executes as a socially responsible company. CIL promotes local suppliers which plays an important role in developing local economy. CIL ensure that suppliers and contractors are screened as per statutory labour practices.



**Fig.26-Buyer-Seller Meet in CIL**

### **Initiation of E- tendering Procurement Mechanism**

As CIL engages with world class suppliers, CIL tries to come up with strategies which help in making the system hassle free and strengthen our supply chain. For the same, CIL has 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.

CIL is 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. CIL organizes 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.

## Environmental Performance

### Commitment on Environmental Sustainability

CIL's objective is to achieve its coal production target in a sustainable manner, finally ending with mine closure leaving the land suitable for utilization by future generation. CIL's mining activities and operational decisions constantly take account of environmental concerns. At present, 267 no. dedicated environmental engineers are looking after the environmental aspects of CIL's operations. The Environment Policy of CIL has been approved by CIL Board in the year 2012 and currently under process of review for updating. CIL has spent Rs. 122.86 Crore towards "Environmental and Tree Plantation Expenses" in 2017-18 in comparison to Rs. 116.28 Crores in 2016-17.

### CIL's approach

Every mine requires a detailed environment impact assessment to be carried out considering pre and post mining operations for preparing EMPs which are discussed in detail by the Environmental Appraisal Committee (EAC) of experts under MoEF&CC. On the basis of the discussions, EAC recommends or rejects the case and accordingly Environment Clearance (EC) is granted by the MoEF&CC to us.

While granting EC, MoEF& CC lays down certain conditions/ mitigation measures for implementing the EMPs which are followed by CIL in letter & spirit.

CIL monitors the compliance of the conditions laid in the EC conditions and reports the same regularly to MOEF&CC and SPCB.



Fig. 27-Van Mahotsava 2018 - A festival of Life celebration



**Various measures being taken are as follows:**

**a. Land reclamation and its monitoring by Remote Sensing Survey**

With a view to minimize the impacts of mining on land and make it available for alternative use in future, a comprehensive plan to rehabilitate all land disturbed by mining operations has been built in the project planning stage itself. The external over burden dumps created during the initial opening of the mine cuts are also being converted into vegetative one thereby controlling soil and air pollution.

With the above in mind, reclamation and afforestation activities are carried out continually to reclaim the dump and backfilled areas both physically and biologically to control soil erosion and also to give a green cover to the barren dump yard and backfilled areas to bring back the fauna and flora. The land is reclaimed for agricultural, horticulture crops and development of forestry, pasture land etc.

CIL has engaged Indian Council of Forest Research and Education (ICFRE) to carry out an environmental audit of 20 Open Cast mines of various subsidiaries of Coal India Ltd in 1st phase to evaluate the status of E.C conditions. ICFRE has submitted the draft report which is under examination by CIL and its Subsidiaries.

Further CIL has awarded a job to ICFRE in 2017-18 for developing, approach and methodology for index rating of environmental conditions etc of selected 35 mines which produces more than 5 Mm<sup>3</sup> (Coal+OB) per annum.

**b. Tree plantation:**

Extensive tree plantation programme is undertaken every year by the CIL and its Subsidiaries. Avenue plantation, plantation on the OB dumps, plantation around mines, residential colonies, and available land is undertaken in existing as well as new projects. Since inception, CIL has planted around 96 million trees in an area of 38,378 Ha. till March 2018.



**Fig. 28. Van Mahotsava 2018 - A festival of Life celebration**



**Fig. 29. Massive Plantation in CIL Mine**

**c. Air Pollution control measures:**

CIL is taking effective dust suppression measures in all mines through mobile and fixed sprinklers on haul roads and other dust generation areas. The other emphasis areas are black topping of roads, compulsory covering of coal transport trucks, avenue plantation and dense afforestation on all vacant areas.

As a trial, in one project tube conveyor has been installed substituting road transport. A collaborative R & D project on haul road dust dispersion and its control has been initiated for a mine of CCL.

CIL monitors the ambient air quality in and around the mine site on a fortnightly basis with a Continuous Ambient Air Quality Monitoring Station. CAAQMS are installed in four locations of SECL, one location in MCL and one location in WCL. CAAQMSs are being installed at three locations in BCCL, one in WCL and one in NCL. CIL has agreed to install 16 CAAQMS in different cities of the 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.



Fig. 30-Dust Controlling Arrangement in CIL Mine

S.NO	Site Location	SO <sub>2</sub> (ppb)	NO <sub>2</sub> (ppb)
1	Amrapali	<25	<6
2	Barkakana	<25	<6
3	Dhori	<25	<6
4	Hazaribagh	<25	<6
5	Kathara	<25	<6
6	Magadh	<25	<6
7	North Karanpura	<25	<6
8	Piparwar	<25	<6
9	Rajhara	<25	<6
10	Rajrappa	<25	<6

Table.8-Concentration of SO<sub>2</sub> and NO<sub>2</sub> at different locations for the year 2017-18





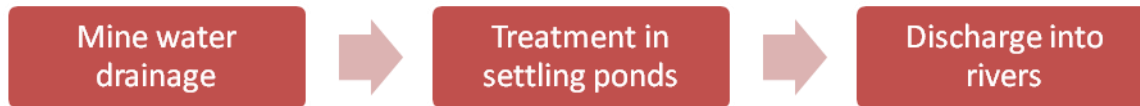
Fig. 31- Various measures to tackle air pollution



Fig. 32- Dust Suppression

**d. Water pollution Control measures:**

All mines as per their EC Conditions have effluent treatment plants for cleaning waste water, garland drains to collect runoff water and siltation ponds for settlement of sediments in mine water. There are total 32 ETPs, 27 DETPs and 50 Workshop ETPs functional in CIL.



**Fig. 33 -Mine water drainage system at CIL**

Most of the mines are adopting rain water harvesting and wherever needed, are recharging ground water through boreholes or recharge wells. In a few mines, installation of piezometers indicates that the ground water level has increased due to mine water recharge. There is total 118 rain water harvesting projects in CIL out of which 8 projects were created in 2017-18.



**Fig. 34-Efluent Treatment Plant**

Only from a few mines the problem of acid mine drainage has been reported. Where such report comes, CIL takes measures for neutralizing the acidic component (as per CPCB Guidelines) before allowing the mine discharge to get outside the mine leasehold.





**Fig. 35-Mine Water to Drinking Water-Coal Neer**

The objective of CIL is for maximum utilization of Mine Water for community use. Average mine water discharged from CIL mines is around 5443.46 Lakh m<sup>3</sup>/year. Accordingly, steps have been taken for making water available round the year to the community for irrigation and other domestic uses. Through all its projects, CIL has reached a total number of 8.9 Lakh beneficiaries.



**Fig. 36- R O Plant in ECL**



**Fig. 37- Creation of waterbody**

**e. Noise pollution Control measures:**

Noise pollution is created due to operation of HEMM deployed and Workshops, CHPs and due to blasting operations. This is reduced by-

- i. Proper maintenance of equipment to minimize vibration;
- ii. Green belt provided around the mine as well as residential area;
- iii. Controlled Blasting 8.5 blasting in only day time;
- iv. Stress on use blasting free technology of Surface Miner, Continuous Miner & High Wall mining in coal mines and bucket wheel excavator in lignite mines;
- v. Ear Muff or Ear Plugs provided to Workers at highly noisy areas;

**f. Mine Closure Plan:**

As on 31<sup>st</sup> March, 2018, 453 MCPs have been prepared in CIL out of which 449 MCPs have already been approved by the Board of Subsidiary Companies and Rs. 6289.31 Crores has been deposited in 427 no. of Escrow Accounts and Rs. 183.09 Crores have been released from Escrow fund against execution of Mine Closure activities.

**g. Efforts to conserve bio-diversity.**

Tree Plantation on reclaimed back filled areas & external Over Burden (OB) dump areas, plantation in and around mines, road sides, township / residential areas, available vacant spaces and implementation of conservation plan for protection of flora & fauna are carried out as per EC /FC.

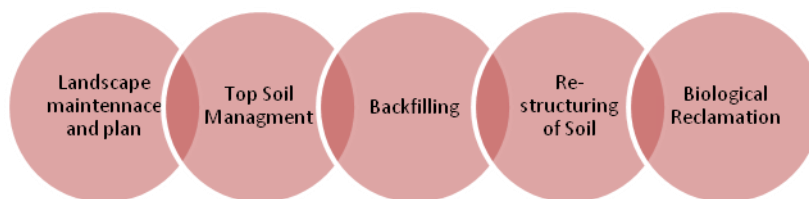
This is apart from the payment made for compensatory afforestation to Forest departments against equal non-forest land or double the degraded forest land as identified by State Govt. Such massive plantation activities have created many manmade forests in mining areas where there were no forests earlier.

Since beginning, the coal and lignite companies have under taken the plantation work. The plantation work has been carried mainly through concerned State Forest Corporations. Keeping native bio-diversity in mind, we plant indigenous plants to preserve the native eco-system.

The main objective of land-use and reclamation in mined out areas is to identify the land for successful ecosystem development and to minimize the impact to the local environment after a mine is closed. The reclaimed land must meet the key goal of sustainability, which is the protection and continuation of the land use alternatives for future generations. CIL has considered proper reclamation (both technical and biological) and mining site closure. Satellite Surveillance for land reclamation was given the requisite thrust by partnering with the National Remote Sensing Centre, Hyderabad. Satellite Surveillance has been introduced for all the open cast mines in order to monitor the land reclamation activities of the mining sites. This has been done in order to comply with the MoEFCC stipulations as well as for progressive mine closure monitoring.

*Land Restoration / Reclamation monitoring of 50 Opencast Coal Mines Projects of CIL producing more than 5 million cum (Coal+OB) based on Satellite Data for the Year 2017-18.*

***The steps for the land reclamation includes: -***



**Fig.38- Steps taken for land reclamation at CIL**





**Fig. 39. Large Scale Plantation**

Scientific studies, principles and approaches 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 aim is to develop sustainable and ecologically healthy land. Top soil has been recognized as an invaluable natural resource. Management of top soil is important as to increase the soil nutrient and microbes. This has been done especially for regeneration of the regional ecology with measures ranging from effective Bio-reclamation of disturbed land. For this, the Forest Research Institute has been engaged by CIL to gain a partner whose rich expertise in the field of eco-restoration can help in the reclaimed areas. Re-vegetation constitutes accepted and useful way to reduce erosion and protect soils against degradation during reclamation. Therefore, the whole land reclamation process restores the ecological integrity that makes degraded land soils productive.





**Fig. 40- Eco-parks & Water Body**

Vegetation is the most appropriate method for land restoration and it is achieved through a systematic process. Re-vegetation of mined-out areas depends on the chemical and physical traits of the land. To haul out the better result, CIL is making efforts in order to understand the ecological variables which have to be considered while selecting suitable species for plantation. These are; their capacity to stabilize soil, increase soil organic matter and nutrients, and facilitate the under-storey development.

CIL has always fostered and cultivated a culture to achieve greener footprint and nurtured afforestation in various mines. Eco Parks have been developed in many of the mined out areas. Some of the examples are enlisted below.

- Gunjan Park of ECL
- Ananya Vatika of SECL
- Nigahi of NCL
- Saoner of WCL
- Kayakalp Vatika in CCL
- Rajarappa Eco Park in CCL



**Fig. 41- Eco-park – Saoner in WCL**

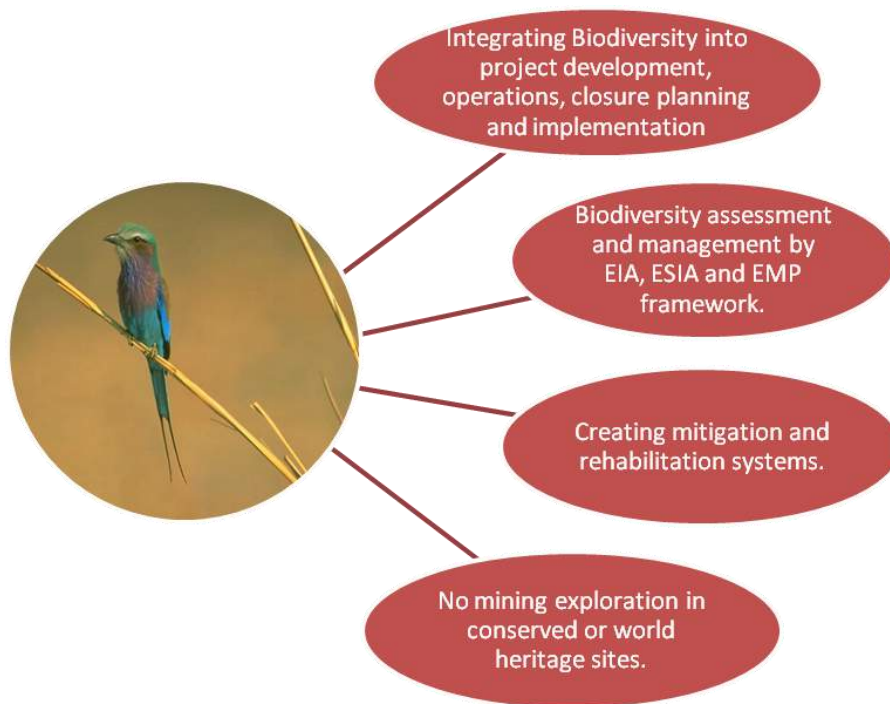


Fig. 42- Steps to retain Biodiversity

Multispecies plantations with a proper mix of timber yielding, fruit bearing, medicinal and other useful varieties are being used in CIL for the purpose.



Fig. 43- Major impacts due to mining at CIL



Fig.44- The strategy enacted to mitigate environmental burden due to mining activities by CIL

### Energy Supply and Conservation

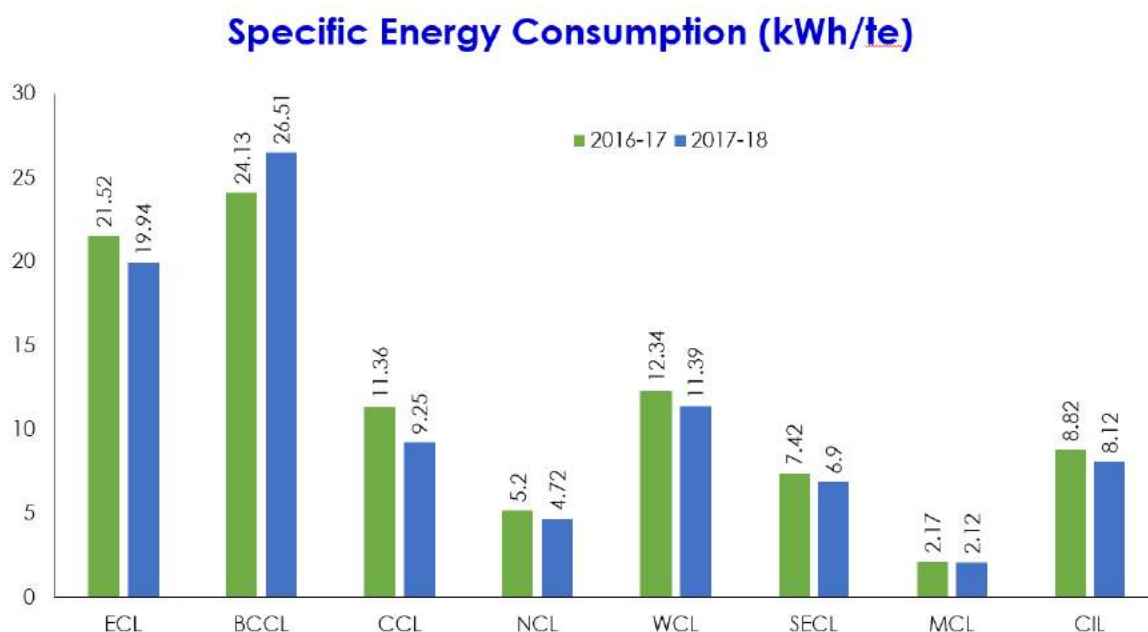
Almost 70% of electricity generation in India is through thermal power plants. Coal is a dominant commercial fuel to meet the demand. A small amount of energy comes from Green Energy or Nuclear Energy, leading to high level of dependency on coal as a fuel to produce energy for industrial and social requirements.

CIL is striving to meet the energy requirement of the country with minimum adverse impact to the environment. The focus has been given to improvement of the energy efficiency. Coal Mining operations are very energy-intensive processes and involve the use of high amount of fuel and electricity. The extraction of coal, transportation and other processes require energy. 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. There are considerable efforts made to improve the consistency of metering data for energy consumption. CIL and its subsidiaries have automated measuring systems for dispensing of fuel. As an environmentally aligned organization, CIL is aware of climate change as one of the most critical challenges. CIL has a great responsibility to provide affordable energy with minimum carbon footprint by implementing modern technology. Reducing energy consumption in CIL mines helps in reducing green house gas emissions.

### Specific Energy Consumption (kWh/te)

Conservation of energy has always been a priority area and CIL/Subsidiaries have extensively exercised various measures towards reduction in specific energy consumption.

Coal production during 2017-18 was 567.37 Million Tonnes vis-à-vis 554.14 Million tonnes in 2016-17 with a growth of 2.39% from previous year. Electricity consumption during the same period i.e 2017-18 was 4605.70 Million Units with a reduction of 5.8% compare to previous year (4888.78 Million Units). Overall average Specific Energy Consumption at CIL during 2017-18 was 8.12 kWh/te vis-à-vis 8.82 kWh/te during 2016-17 with a reduction of 7.9 % from previous year. All the subsidiaries of CIL endeavour to maintain this trend of reduction in specific energy consumption (kWh/te) as depicted in the Figure below:



**Fig.45- Specific Energy Consumption (kWh/te)**

### Solar Energy

CIL and its Subsidiary Companies are also pursuing use of alternative energy sources. CIL has submitted Green Energy Commitment letter to MNRE for developing 1000 MW Solar Power Projects. For implementation of these projects, CIL has signed MoU with Solar Energy Corporation of India (SECI). In the 1st phase, tender was floated for setting up of 2x100 MW Solar PV projects in the state of Madhya Pradesh. But, due to current downward trend in prices of solar projects and availability of land in Madhya Pradesh Solar Park, the tenders were cancelled and retendering of above projects by SECI is under process. CIL's initiatives have resulted in installation of more than 3.2 MW capacity solar projects in CIL HQ and its Subsidiary Companies.



Fig. 46- Roof Top Solar Plant at CCL

### Waste Management

Mining industries generate a large amount of waste in the process of extraction which is a great threat to the environment. CIL carries out regular study in accordance with the application of latest technology in order to create sustainable growth for the surroundings. Once the coal has been extracted, various kinds of wastes such as solid waste, mine water, process waste, suspended air particulate matter, instrumental waste, burnt oil and oil spills, tailings, sludge etc are left behind and have to be neutralized or dumped in secure enclosures for minimal impact on environment.

*Strategies for improvements in existing waste management and its incorporation in the overall development plan for the mine.*

*Adopting improved disposal methods.*

*Preventive measures for waste disposal.*

Hazardous materials, used oil and explosives are managed appropriately and the same is reflected in our Environmental Audit Statement that is submitted to the Central Pollution Control Board and State Pollution Control Board in Form -V. No coal spillage and oil spillage were reported during the reporting year. CIL has an agreement with third party for proper disposal of hazardous waste and the responsibility of its subsidiaries through the state government ensures minimum human or environmental impact.



## **Social Performance**

CIL believes that the performance of an organization must be measured in terms of the value it creates for the society. Organizations that embed sustainability into their strategies can create substantial stakeholder value through innovative development models that simultaneously generate sustainable livelihood opportunities as well as create a positive environmental footprint. CIL is totally committed to foster health, safety and well-being of employees by building a unique culture of their empowerment and enrichment and also to collaborate with communities towards social interventions in the identified thrust areas.

### **Management Approach**

An organization's output is only the sum total of its employee's endeavors. CIL has actively fulfilled the social responsibility, made new efforts and obtained new achievements in aspects of value creation, safe production, environmental protection, science and technology innovation, staff care, community building etc.

CIL's Human Resource agenda is primarily focused on strengthening four key areas:

- Building a robust and diverse talent pipeline
- Enhancing individual and organizational capabilities for future readiness
- Driving greater employee engagement
- Strengthening employee relations further through progressive people practices

The Human Resource Department supports the business operations and helps in enhancing performance parameters for each employee. Efforts for skill mapping, skill assessment, performance assessment, gap analysis that enables training plan identification, customized for each workman and priority areas, are undertaken on a regular basis. CIL is also committed to support the Skill India Mission of Govt. of India.

### **Workforce**

CIL measures growth not just in terms of the value it delivers to its customers, but also in terms of the growth of its employees. The company believes that the welfare of its employees is integral to its vision to become a vibrant organisation. CIL recognizes that its employees are the key to its continued expansion and growth. Therefore, the Company puts a great deal of emphasis on talent acquisition, development, retention and motivation.

The total manpower of the Company including its subsidiaries as on 31.03.2018 is 298757 against 310016 as on 31.03.2017. CIL follow the DPE guidelines for the recruitment of Directors 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. In total, 1,28,846 contractual employees are also deployed in various activities in CIL.



## Manpower: Category-wise

Company	Male		Female		Total
	Executive	Non-executive	Executive	Non-executive	
ECL	2122	55708	95	3871	61796
BCCL	2069	42863	126	3689	48747
CCL	2244	34877	157	3499	40777
WCL	2300	40704	175	2484	45663
SECL	2941	52134	139	2929	58143
MCL	1790	18702	93	1846	22431
NCL	1703	12773	60	496	15032
NEC	90	1312	9	124	1535
CMPDI	847	2295	84	153	3379
DCC	22	271	3	27	323
CIL HQ	411	363	78	79	931
TOTAL	16539	262002	1019	19197	298757

Table.9-Manpower Category-wise

## Employee Diversity

CIL believes that diversity at the workplace positively impacts work performance and work environment through superior consumer-centricity, innovative ideas and better employee engagement. The intent is to ensure that there is no discrimination in compensation, training and employee benefits, based on caste, religion, disability, gender, sexual orientation, race, color, ancestry, marital status or affiliation with a political, religious or union organization or majority/minority group. There is no discrimination between male and female employees. CIL's recruitment and selection processes are geared towards enabling representation from across regions, ethnicities, religions and different social back ground. 94.12% of CIL's employment are covered under NCWA, once in 5 years.

As on 01.01.2018, 0.23% of CIL's total work force amounting 685 people are with disabilities in CIL. In total, 137 persons from Minority community were employed during the year 2017 – 18.

The ratio of the basic salary and remuneration of women to men is 1:1. For payment of salary and wages, CIL follow the NCWA for Non Executives and specified pay scales for Executive cadre employees with no discrimination on the basis of gender.

## Recruitment

During the Financial Year 2017-18, CIL has inducted fresh talent into the organization, at the entry level, 936 Management Trainees selected through MT-2017 Open Advertisement and 207

Management Trainees selected through Campus Recruitment have joined. They have been imparted induction training and posted to different subsidiaries based on manpower requirement.

During the current financial year, CIL continued with Campus Recruitment of Management Trainees in various disciplines and 46 candidates are selected till Mar' 2018 against 82 vacancies. Selection process is underway to fill up the remaining vacancies. The selected candidates from campuses would be offered appointment to join the company in July-August 2018 on passing out their final course.

Further, CIL has also promoted 20 Non-executive level employees into Executive cadre through Departmental selection/promotion process.

**Increase –Decrease statement of Manpower as on 01.04.2018 (Total workforce by employment type, employment contract, region, age group and gender)**

<b>Factors of increase</b>	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDI	DCC	CIL(HQ)	<b>TOTAL</b>
Compassionate/Other employment	384	392	582	334	426	139	87	0	35	1	1	<b>2381</b>
Appointment of land losers	422	12	172	1008	254	961	18	0	0	0	0	<b>2847</b>
Fresh Rectt.	177	263	352	95	290	126	400	17	64	1	2	<b>1787</b>
Reinstatement	4	26	5	0	1	3	0	0	1	0	0	<b>40</b>
<b>TOTAL INCREASE</b>	<b>987</b>	<b>693</b>	<b>1111</b>	<b>1437</b>	<b>971</b>	<b>1229</b>	<b>505</b>	<b>17</b>	<b>100</b>	<b>2</b>	<b>3</b>	<b>7055</b>
<b>Factors of decrease</b>	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDI	DCC	CIL(HQ)	<b>TOTAL</b>
Retirement	2397	2557	1582	2861	3322	671	739	146	198	51	64	<b>14588</b>
Resignation	41	29	20	64	82	51	22	0	21	0	0	<b>330</b>
Death	640	358	448	316	419	126	71	27	9	3	1	<b>2418</b>
Medically unfit/VRS	66	51	209	0	3	0	2	3	0	0	0	<b>334</b>
Dismissal/Termination/ Separation/Removal etc.	49	46	155	145	133	28	24	2	2	2	0	<b>586</b>
<b>TOTAL DECREASE</b>	<b>3193</b>	<b>3041</b>	<b>2414</b>	<b>3386</b>	<b>3959</b>	<b>876</b>	<b>858</b>	<b>178</b>	<b>230</b>	<b>56</b>	<b>65</b>	<b>18256</b>
<b>Net Position</b>	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDIL	DCC	CIL(HQ)	<b>TOTAL</b>
	<b>-2206</b>	<b>-2348</b>	<b>-1303</b>	<b>-1949</b>	<b>-2988</b>	<b>353</b>	<b>-353</b>	<b>-161</b>	<b>-130</b>	<b>-54</b>	<b>-62</b>	<b>-11259</b>

**Table .10-Increase/Decrease Statement of Manpower**

New Employee Hires in the Reporting Period (Executives)									
By Region (Permanent Employees)									
Company	2017-18			2016-17			2015-16		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
ECL	114	11	125	59	7	66	49	2	51
BCCL	170	8	178	27	5	32	39	4	43
CCL	193	19	212	51	4	55	42	9	51
NCL	165	8	173	63	2	65	56	0	56
WCL	98	11	109	48	9	57	44	11	55
SECL	101	7	108	50	6	56	30	5	35
MCL	114	8	122	58	0	58	47	8	55
CMPDIL	54	24	78	29	2	31	21	5	26
CIL	16	5	21	6	0	6	9	0	9
NEC	17	0	17	0	0	0	0	0	0
Total	1042	101	1143	391	35	426	337	44	381

Table .11- New employee hires in the reporting period

New Employee Hires in the Reporting Period (Executives)												
By Age Group (Permanent Employees)												
Company	2017-18				2016-17				2015-16			
	< 30 yrs	30-50 yrs	above 50 yrs	Total	< 30 yrs	30-50 yrs	above 50 yrs	Total	< 30 yrs	30-50 yrs	above 50 yrs	Total
ECL	124	1	0	125	66	0	0	66	51	0	0	51
BCCL	178	0	0	178	32	0	0	32	43	0	0	43
CCL	211	1	0	212	55	0	0	55	51	0	0	51
NCL	172	1	0	173	65	0	0	65	56	0	0	56
WCL	108	1	0	109	57	0	0	57	55	0	0	55
SECL	108	0	0	108	56	0	0	56	35	0	0	35
MCL	121	1	0	122	58	0	0	58	55	0	0	55
CMPDIL	77	1	0	78	31	0	0	31	26	0	0	26
CIL (HQ)	19	2	0	21	6	0	0	6	9	0	0	9
NEC	17	0	0	17	0	0	0	0	0	0	0	0
Total	1135	8	0	1143	426	0	0	426	381	0	0	381

Table.12- New Employee Hires in the Reporting period by age group

Age Group	Cat.	ECL	BCCL	CCL	WCL	SECL	MCL	NCL	NEC	CMPDIL	DCC	CIL(HQ)	TOTAL	TOTAL
<b>Below 25 years</b>	Exe	124	119	16	177	85	128	181	0	64	0	15	<b>909</b>	<b>6579</b>
	Non-exe	812	762	731	1588	816	544	192	0	220	2	3	<b>5670</b>	
<b>25-30 years</b>	Exe	441	317	262	303	304	337	271	31	194	6	68	<b>2534</b>	<b>19867</b>
	Non-exe	3219	2228	3244	2880	2451	1627	1161	12	497	6	8	<b>17333</b>	
<b>31-35 years</b>	Exe	287	265	287	197	273	238	180	10	223	1	92	<b>2053</b>	<b>23710</b>
	Non-exe	4046	2915	3430	3523	3235	2247	1809	8	420	2	22	<b>21657</b>	
<b>36-40 years</b>	Exe	74	80	106	57	104	64	51	2	37	0	16	<b>591</b>	<b>25255</b>
	Non-exe	4971	4814	3711	3419	3707	2600	1161	32	217	2	30	<b>24664</b>	
<b>41-45 years</b>	Exe	73	80	79	154	123	57	50	4	15	0	3	<b>638</b>	<b>35665</b>
	Non-exe	8201	6658	5477	3857	6320	3242	1009	126	104	7	26	<b>35027</b>	
<b>46-50 years</b>	Exe	246	217	244	428	593	234	191	15	66	1	36	<b>2271</b>	<b>55569</b>
	Non-exe	14787	9035	7063	6038	10752	3552	1578	260	126	21	86	<b>53298</b>	
<b>51-55 years</b>	Exe	494	541	513	648	952	473	423	20	147	5	107	<b>4323</b>	<b>65340</b>
	Non-exe	13388	10397	7164	9254	13461	3647	2784	407	318	82	115	<b>61017</b>	
<b>56-60 years</b>	Exe	478	576	894	511	646	352	439	17	185	12	152	<b>4262</b>	<b>66772</b>
	Non-exe	10155	9743	7556	12629	14321	3089	3552	591	546	176	152	<b>62510</b>	
<b>TOTAL</b>	<b>Exe</b>	<b>2217</b>	<b>2195</b>	<b>2401</b>	<b>2475</b>	<b>3080</b>	<b>1883</b>	<b>1786</b>	<b>99</b>	<b>931</b>	<b>25</b>	<b>489</b>	<b>17581</b>	
	<b>Non-exe</b>	<b>59579</b>	<b>46552</b>	<b>38376</b>	<b>43188</b>	<b>55063</b>	<b>20548</b>	<b>13246</b>	<b>1436</b>	<b>2448</b>	<b>298</b>	<b>442</b>	<b>281176</b>	
<b>TOTAL</b>		<b>61796</b>	<b>48747</b>	<b>40777</b>	<b>45663</b>	<b>58143</b>	<b>22431</b>	<b>15032</b>	<b>1535</b>	<b>3379</b>	<b>323</b>	<b>931</b>	<b>298757</b>	

Table.13-Age profile as on 01.04.2018

The representation of SC/ST employees in total manpower of CIL and its Subsidiary Companies as on 01.01.2016, 01.01.2017 and **01.01.2018** is given below: -

As on	Total Manpower	Scheduled Caste		Scheduled Tribe	
		Nos.	Percentage	Nos.	Percentage(%)
1.1.2016	326032	70502	21.62	39669	12.17
1.1.2017	310016	70513	22.74	39721	12.81
1.1.2018	302006	57761	19.13	41373	13.70

Table.14-The representation of SC/ST employees in total manpower of CIL and its Subsidiary Companies

	For the year ended 31.03.2018 in Rs. Crores	For the year ended 31.03.2017 in Rs. Crores
Salary, Wages, Allowance, Bonus etc	22,997.60	21,933.75
Provision for National Coal Wages Agreement (NCWA)-X	2,849.62	2,101.39
Executive Pay Revision	899.14	95.10
Ex-Gratia	1,569.91	1,666.22
Performance Related Pay	156.19	198.97
Contribution to P.F. & Other Funds	2,745.56	2,666.44
Gratuity	8,431.27	1,029.68
Leave Encashment	300.87	1,349.67
Voluntary Retirement Scheme	1.29	0.91
Workman Compensation	5.77	10.15
Medical Expenses for existing employees	418.78	427.45
Medical Expenses for retired employees	175.44	96.43
Grants to Schools & Institutions	142.38	139.69
Sports & Recreation	24.67	24.24
Canteen & Creche	7.02	4.17
Power- Township	960.26	921.21
Hire Charges of Bus, Ambulance etc.	63.44	63.01
Other Employee Benefits	884.39	794.4
<b>Total</b>	<b>42,633.60</b>	<b>33,522.88</b>

**Table.15-Employee benefits at CIL**

There is no difference between basic salaries for male and female at any position within the organization. The principle of 'Equal Remuneration for men and women workers for Work of Equal Value' is being followed at CIL. The Company provides equal opportunity to both men and women employees in all the matters, such as, salaries/payments, career growth, social security measures etc.

#### **Human Resource Development**

The perspective of CIL as regards Human Resource Development, has not only to keep in view fulfilling the requirements of the assigned targets for production and dispatch of coal but also enhancement of the profile of CIL through self-development of its employees.

#### **Overall Performance**

During 2017-18, a total of 1,07,943 employees have been trained in CIL and its subsidiaries, out of which 18,373 were executives and 89,570 non-executives. These training programs include in-house training, training in other reputed institutes outside the company and training abroad.

## Training

### i) In-house Training

In-house training programs were organized at subsidiary HQs, Training Centers, Vocational Training Centers (VTCs) and also at CIL's own in-house training facility, Indian Institute of Coal Management (IICM), Ranchi. These training programs were organized after assessing training needs in different categories of employees within the subsidiary. Job specific training are imparted to the persons before change of job from one category to other category. After successful completion of training, the employees are eligible for change of job.

CIL is recruiting Management Trainees in different disciplines. Special attention has been given in grooming these young and energetic persons in their respective fields. They have been trained on basic management techniques i.e. Management Awareness Programme (MAP) and in their respective Technical Fields i.e. Technical Awareness Programme (TAP), and also in General Management programs, cross functional programs at IICM by faculty which includes outsourced experts. In order to tune them in their respective specialized working areas, they were also given on-the-job training.



Fig. 47- Training and development at CIL

Details of in-house training imparted during 2017-18 are listed below: -

Less than 5 days

	Training	Short Training*	Workshop/Seminar	Total
Executive	3786	7631	2362	13779
Non-executive	69372	18991	585	88948
Total	73158	26622	2947	102727

Table.16- In-house training detail during 2017-18

### ii) Training Outside Company

In addition to in-house training, employees were trained at reputed training institutes within the country and even abroad, in their respective field of operations for supplementing our in-house training efforts.

- 5 weeks intensive training for 89 Assistant Managers/Management Trainees was organized at IIT(ISM), Dhanbad.



- 125 middle level executives were exposed to two weeks training on General Management at Administrative College of India (ASCI), Hyderabad to equip them to take up higher responsibilities.
- 179 E4/ E5 level executives were sent for two weeks training programme on Executive Development at Indian Institute of Management (IIM), Lucknow.
- 160 participants have attended a specially designed program on “Ethics in Public Governance” through IC Centre for governance in Panchgani, Maharashtra.
- 2 weeks training on land acquisition and R&R was imparted to 37 participants under the LARR program organized by Administrative Staff College of India (ASCI), Hyderabad.
- 44 senior executives attended training programs on “Developing Strategic Attributes in Evolving Business Scenario” at LBSNAA, Mussoorie.

The break-up of external training to which CIL employees have been exposed is given below:-

\* Less than 5 days

	Training	Short Training*	Workshop/Seminar	Total
Executive	1854	1865	875	4594
Non-executive	549	59	14	622
Total	2403	1924	889	5216

Table.17-External training

### iii) Skill India Mission of Govt. of India:-

CIL is also committed to support the Skill India Mission of Govt. of India. Achievements till date in this area are given below: -

- Training and assessment have been done for 35,253 employees of CIL to bring them in line with NSDC Qualifications.
- 4700 contract workers engaged in CIL operations have been trained and certified by NSDC.
- 574 newly inducted employees of WCL were imparted training in line with NSDC Qualification and are currently engaged in WCL.
- Fresh Skilling, under NSQF aligned training programs, was imparted to 1,394 youth and women from operational areas of CIL, out of whom 706 persons have been placed in different organizations.

### Empowering Women

Women empowerment is a reality at CIL. In CIL 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.

### CIL and WIPS contributing to women empowerment

CIL values its female employees in the organization and the women workforce has always been an

integral part of business. Special programs are conducted through forums namely, Women in Public Sector (WIPS) to encourage women to join CIL. WIPS plays a catalytic role in improving the status of women in and around public sector undertakings. Female employees are entitled to the provisions like Maternity Benefit Act and Equal Remuneration Act.



Fig.48- International Women's Day Celebration in SECL



Fig.49- WIPS -CIL



### Employee Benefits

An organization's output is only the sum total of its employee's endeavours. Employee well-being is a continuous process at CIL, enabling employees to feel good, live healthy and work safely. The Company has continued to invest in progressive employee relations characterised by the core principles of trusteeship, fairness and equity, industrial democracy and partnership with trade unions. All employees of CIL are covered under the Coal Mines Provident Fund scheme which is a contributory fund with equal shares both by employee and the company operated and maintained by the Coal Mines Provident Fund (CMPF) Authorities. Paternity leave has also been introduced in CIL in 2017.

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 CIL has 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.



Fig.50- Felicitation Ceremony

Benefits on account of LTA/LTC, Life Cover Scheme, Group Personal Accident Insurance Scheme, Settlement Allowance, Retired Executive Medical Benefit Scheme, and Compensation to Dependents of the deceased in mine accidents are also provided to CIL's employees.

### Employees' Welfare and Social Security Schemes

In CIL, it is important to keep the employees constantly motivated and provide them with an opportune working environment. CIL has dedicated residential and commercial areas, sports facilities, clubs, schools and medical facilities for employees in remote areas. CIL also organizes events during

festivals and special occasions for employees and their families. Innovations being a significant aspect of CIL's culture, employees are continuously encouraged to be a part. of it.

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.



Fig.51- Cultural Programme in CIL

### Health and Safety

CIL places great value on the health and safety of our workforce, protection of our assets, value to stakeholders and the environment. Through our robust management systems, the company has been able to translate these values into systems and processes that drive performance excellence and deliver results. CIL has developed a comprehensive safety management system in order to ensure a safe workplace for every employee. As a matter of fact, it is CIL's philosophy that nothing is more important than the safety and health of the employee.





Fig.52- Health Camp under CSR



Fig. 53-Yoga for overall wellbeing

At CIL, employees are the most important resources, taking care of their health and general wellness naturally is of paramount importance. Accordingly, Coal India operates a vast network of equipped hospitals often in far flung areas. These health care units provide dedicated back up round the clock for the employees working in mines and their dependents. They also provide healthcare to the employees and their family members as well as provide health care facilities to surrounding areas by the means of various camps organized from time to time. More than 2,06,753 no. of persons were benefitted through various health camps conducted in the Subsidiary Companies during the 2017-18.



## Occupational Health & Safety

Since coal mining is beset with numerous inherent, operational and occupational hazards & associated risks, the probability of accident in mines cannot be totally ruled out. However, Safety is always the highest priority in CIL. Safety is indoctrinated in the mission statement of CIL and is one of the most important constituents in overall business strategy. CIL has framed a well-defined safety policy to ensure safety in all mines and establishments. CIL has already set up a multi-disciplinary internal safety organization (ISO) in all subsidiaries for implementation of Safety Policy. All operations, systems and processes of CIL are meticulously planned and designed with due regard to safety, conservation, sustainable development and clean environment. CIL always encourages employees' participations at all levels so as to promote a proactive safety culture and improve safety awareness upto grass root level employees. Various initiatives are taken on continual basis at all levels to translate the vision of "Zero Harm Potential (ZHP)" into a reality. CIL's expenditure towards Rescue and Safety in 2016-17 and 2017-18 are 49.07 Cr and 55.50 Cr respectively.

Safety Policy of CIL: Safety is always given prime importance in the operations of CIL as embodied in the mission statement of CIL. CIL has formulated a well-defined Safety Policy for ensuring safety in mines and implementation of the same is closely monitored at several levels.

### Safety Statistics of Employees

Region	Fatalities		Serious Injuries		Injury Rate (IR)			
					Fatality Rate per Mt		Serious Injury Rate per Mt	
	Male	Female	Male	Female	Male	Female	Male	Female
ECL	9	0	23	0	0.207	0.00	0.528	0.00
BCCL	1	0	10	0	0.031	0.00	0.305	0.00
CCL	5	0	7	0	0.079	0.00	0.111	0.00
NCL	1	0	9	0	0.011	0.00	0.097	0.00
WCL	2	0	22	0	0.043	0.00	0.476	0.00
SECL	9	0	36	0	0.062	0.00	0.249	0.00
MCL	3	0	6	0	0.021	0.00	0.042	0.00
NEC	0	0	0	0	0	0.00	0	0.00
CIL	30	0	113	0	0.053	0.00	0.199	0.00

Table.18-Safety statistics of Employees at CIL in 2017-18

Causes of these fatalities are as under:

- Trucks & Dumper,
- Roof & Side Fall,
- Fall of Person,
- Non Transport M/c,
- Miscellaneous,
- Electricity,
- Haulage,
- Explosives
- OB Dump movement

All fatal accidents were investigated through multiple agencies to ascertain the causes and circumstances leading to those mine accidents.

Company	Numbers Dumper Operator Trained as on 31.03.2018
ECL	178
BCCL	851
CCL	59
NCL	1250
WCL	301
SECL	357
MCL	80
NEC	0
<b>Total in CIL</b>	<b>3076</b>

**Table.19-Company status of training imparted through Training Simulator:**

CIL has vigorously pursued several measures in the year 2017-18, along with, the on-going safety related initiatives, apart from compliance of statutory requirements for enhancing safety standard in mines of CIL and its Subsidiaries.



**Fig. 54- Safety awareness programme**

### **Corporate Social Responsibility**

Sustainable Development Committee including CSR Committee was constituted by CIL Board of Directors in its 282<sup>nd</sup> meeting held on 16-04-2012. This committee was reconstituted in 356<sup>th</sup> CIL Board meeting held on 31-01-18. This Committee was renamed as CSR Committee in pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. In addition to CSR activities, this committee will also look after Sustainable Development. During the year 2017-18, four meetings of the committee were held on 12-06-2017, 02-08-2017, 16-02-2018 & 16-03-2018 respectively.

Coal India's aim is to embrace peripheral community and disadvantaged sections of the society, through economic empowerment by based on the capacity building.

CIL's expense in advertisement and publicity in 2016-17 and 2017-18 are 49.08 Cr and 62.46 Cr respectively.



Fig. 55- CSR for community welfare

#### CSR Policy Implementation Mechanism

As per CIL's CSR policy, CIL's objective is to make CSR a key business process for sustainable development for the society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities. CIL aims to act as a good corporate citizen.

#### Community Engagement Mechanism

At focus of CSR activities in CIL's subsidiaries is on the areas which fall in a radius of 25 km. in and around the mines/project sites. Here, the CSR interventions are decided based on detailed discussions with the community and their local leaders/MLAs and MPs. For CIL (standalone), since the CSR activities are conducted in whole of India, the implementing agencies for the projects are involved in community engagement. Moreover, requests from public representatives like MPs and MLAs are also considered for areas which need some sort of development intervention.

2015-16	2016-17	2017-18
1082.16	489.67	483.78

Table.20-CSR Expenditure of last three years at CIL (in Rs. Crores)

**Some of the Major CSR initiatives undertaken by CIL as per the 'Scope' of CIL's CSR Policy under various heads during the financial year 2017-18:**

**Water Supply**

Installation of Hand Pumps is going on at the following places:

- 200 hand pumps in Bhadohi district, Uttar Pradesh through Uttar Pradesh State Agro Industrial Corporation Limited (UPSICL)
- 130 hand pumps in Sidhi District, Madhya Pradesh through District Administration, Sidhi
- Community Arsenic Mitigation project in Arsenic affected Varanasi & adjoining district of U.P through Inner Voice Foundation. The project aims at executing Community intervention works in districts of Varanasi, Gazipur and Ballia, where the groundwater has arsenic contamination. The proposed project is community centric with 3 major components – maintenance of resources of safe drinking water, testing of water samples and awareness in villages.

Setting up of Community Reverse Osmosis (RO) drinking water machines cum water coolers at different places:

- Bokaro district through District Administration, Bokaro
- In command areas of ECL through Lions Club International Foundation India

**Women Empowerment**

- Empowerment of destitute, marginalized and domestic violence victim women in Kolkata. The project is being implemented through Ankur Kala.
- Assistance for rehabilitation of girls and women in red light areas of Kolkata through Apne Aap Women Worldwide (India) Trust.
- Menstrual Hygiene Management (MHM) for adolescent girls in Upper Primary and Secondary schools of Purulia, West Bengal through Nirman Foundation.
- Construction/Renovation of Prarthana Bhawan and purchase of sewing machines for training of women in Hooghly, West Bengal through Garalgachha Vivekananda Samaj Seva Kendra.

**Rural Development Projects**

- Executing different development works through The Energy and Resources Institute (TERI), New Delhi in villages of district Purulia, West Bengal in the following areas:
  - Promoting renewable solutions for the energy needs of the households – Installation of Integrated Domestic Energy Systems and Solar Street Lights
  - Agriculture, greening and capacity building initiatives
  - Sanitation – Construction of Individual Household toilets in 5,660 households
  - Education through Knowledge cum Resources Centers in 40 schools
- Installation of hand pump and construction of 16 nos. of sanitary latrines for underprivileged people in South 24 Parganas, West Bengal through Prapti Mahila Samity.
- Water, sanitation and poverty alleviation project in Bolpur-Shantiniketan block in Birbhum district of West Bengal. The implementing agency for the project is Tagore Society for Rural Development.

- Installation of fish smoking kilns for fisherwomen belonging to SC/ST/Economically Weaker Sections in North Eastern States through Central Institute of Fisheries Technology (CIFT).
- Construction of connecting road in Ghazipur, Uttar Pradesh.
- Fund transfer to WCL for Installation of LED lighting under CSR.

#### **Education**

- BPL scholarships to one student pursuing medical degree at R G Kar Medical College and Hospital, Kolkata.
- Detoxification and rehabilitation of children found at railways platforms and streets of Kolkata through Mukti Rehabilitation Centre.
- Constructions of pre University College block building and ground floor of college at Udipi, Karnataka through Anandatirtha Trust.
- Construction of student community hall at Ramakrishna Math, Baranagar, West Bengal.

#### **Healthcare:**

- Cure and better management of Thalassemia patients by way of conducting Bone Marrow Transplants (BMTs) to eligible patients at Tata Medical Centre (TMC, Kolkata), Christian Medical College (CMC, Vellore) and Rajiv Gandhi Cancer Institute and Research Centre (RGCIRC), New Delhi).
- Construction of a hostel in Purulia, West Bengal for accommodating girls belonging to BPL and backward communities for their skill development as mid-level ophthalmic assistants under project Nai Roshni, implemented through NANRITAM.
- Cataract surgery operations campaign in different districts of West Bengal through Helpage India.
- Development of primary and palliative care facilities among rural poor and remote population in districts of West Bengal through Eastern India Palliative Care.
- Setting up of blood bank with component separation facility in Belur, Howrah, West Bengal through Belur Shramjibi Swasthya Prakalpa Samity.
- Extension and Construction of building of Institute of Pulmocare and Research at New Town, Kolkata to facilitate medical care in the area of lung diseases.
- Financial assistance for procurement of CT scan machine and cath lab equipment to provide affordable healthcare at Liver Foundation, Kolkata.
- Medical camps in Kolkata and nearby districts by Medical Department, CIL (HQ).



**Fig. 56- Health checkup under CSR**



Health Camps	2420
Cancer Detection Camps	5
T. B.Screening	10
Village Camp	599
Mega Camp	160
Aid Awareness	19
Blood Donation	9
School Health Camp	144
Down Syndrome /Autistic The Disorder Awareness Programme	2
Child Nutrition awareness programme	2
Awareness programme on prevention and measures for swine flu	2
Basic life support	2
National Pulse polio programme	12
Diabetic & Hypertension	52
Health & Hygiene	1
Eye Camp/ (Cataract Surgery)	28
Family Welfare/Planning	11
Vector Borne Disease	1
Skin/Leprosy Camp	1
Health Mela	3
Health Awareness camps	25
Anaemia Detection	13
COPD/Asthma Camp	1
Heart Disease	1
Kidney Camp	3
ENT Camp	2
Breast Feeding Awareness	1
Orthopedic Camp	1

**Table-21- Details of Health Camp**

#### **Skill Development**

- Training 400 youth in various trades related to Plastic Engineering through CIPET, Murthal, Haryana was completed.



Fig.57- Sit and Draw Competition during Coal Mahostav

#### Welfare of Differently abled:

- Distribution of artificial limbs and other aids/devices to Divyangjan through NRS Medical College and Hospital, Kolkata.



Fig.58- Distribution of Tri-cycles to differently-abled persons

### Sanitation

- Observing Swachhta Pakhwada during 16<sup>th</sup> to 31<sup>st</sup> August, 2017 by way of spreading message of cleanliness and cleaning schools in Bidhan Nagar Municipal Corporation, Kolkata.
- Construction of soak pits, drains, platforms etc. for spot sources including training & IEC activities in 40 villages of Purulia district through Water & Sanitation Support Organization (WSSO), PHED, West Bengal.
- Yearlong cleaning of 20 schools under Bidhan Nagar Municipal Corporation.
- Construction of 200 nos. of individual household toilets initiated in Kathua, Jammu & Kashmir.

### Welfare of Armed Forces' veterans and war widows and other activities

- Contribution of Rs. 50.00 lakhs made to Armed Forces Flag Day Fund.
- Conducting traffic awareness programme in nine traffic zones of Kolkata for public utility service through Karmyog for 21<sup>st</sup> Century Foundation.
- Financial assistance to CCL for plantation of Tulsi and other plants in adjoining villages of Varanasi.
- Financial assistance to SECL for Installation of one set of Silent Diesel Generator in Amarkantak, Madhya Pradesh.



Fig. 59- Skill development under CSR

**Concluding Remarks:**

As a responsible business organization over the years, CIL is improving its business performance not only towards quality coal production in a sustainable manner, but also disclosing its business activities through Sustainability Reports as a part of the Annual Report of the company. CIL has been disclosing its business activity parameters through Sustainability Reports since 2011-12. Over the years it has improved its disclosures of business activities including Economic, Environmental and Social aspects to comply with the SEBI mandate and the prevailing Global Reporting Initiative (GRI) guidelines.

The report has covered the materiality issues, sustainability management, targets and achievements of CIL and steps taken to address the concerns raised by the stakeholders.

For continual improvement in environmental performance by setting targets, measuring progress and taking corrective actions, CIL has engaged ICFRE, Dehradun for Environmental Audit of OC Mines of CIL. The scope of work includes review of compliance of conditions laid down in Environment Clearance, approval by MoEF&CC for mitigation of environmental pollution.

CIL has signed MoU with National Environmental Engineering Research Institute (NEERI), Nagpur on 3rd Dec. 2015 to carry out studies, monitoring and collaborative research work for “Sustainable Coal Mining in CIL”.

On the economic as well as social performance, CIL has shown improved performance over the years.

CIL is committed for continual improvement of its business performance for strengthening the backbone of India’s economy with continued support from its stakeholders.



## Mapping of BRR Framework with GRI Frame Work

Business Responsibility Report (BRR) has been mandated by SEBI vide Reg.-34(2)(f) regarding Listing Obligation and Disclosure Requirements(LODR), 2015 as CIL being a top 500 Listed Company. As the Sustainability Report has been prepared as per GRI standard, it has been mapped for Environmental, Social and Governance perspective with the principles and framework of Business Responsibility Report (BRR). The same would be considered sufficient compliance with GRI Report. The BRR indicators mapped with GRI Framework are as follows:

<b>BRR Framework</b>	<b>Page no</b>	<b>Description of Indicator</b>	<b>GRI Framework</b>	<b>Disclosure number</b>
NA	6	Statement from senior decision-maker	GRI 102	<b>102-14</b>
Section E: P-6, #3, Section E: P-2, #1, #3	13	Key impacts, risks, and opportunities	GRI 102	<b>102-15</b>
Section A:#1;#2	10,13	Name of the organization	GRI 102	<b>102-1</b>
Section A:#7;#8	14	Activities, brands, products, and services	GRI 102	<b>102-2</b>
Section A:#3;#4	10	Location of headquarters	GRI 102	<b>102-3</b>
Section A:#9	13	Location of operations	GRI 102	<b>102-4</b>
Section A:#9; Section C:#1	Annual Report	Ownership and legal form	GRI 102	<b>102-5</b>
Section A:#7;#10	Annual Report	Markets served	GRI 102	<b>102-6</b>
	Annual Report	Scale of the organization	GRI 102	<b>102-7</b>
Section E: P-3 #1, #2, #3 NVG P-3	59-64	Information on employees and other workers	GRI 102	<b>102-8</b>
Section E: P-3, #1, #5, #6	60	Collective bargaining agreements	GRI 102	<b>102-41</b>
NA	42	Supply chain	GRI 102	<b>102-9</b>
NA	13	Significant changes to the organization and its supply chain	GRI 102	<b>102-10</b>
NA	13	Precautionary Principle or approach	GRI 102	<b>102-11</b>
NA	13	External initiatives	GRI 102	<b>102-12</b>
Section E: P7- #1, #2	20	Membership of associations	GRI 102	<b>102-13</b>
NA	22 and Director's Report	Entities included in the consolidated financial statements	GRI 102	<b>102-45</b>
Section C: #2, #3	4	Defining report content and topic	GRI 102	<b>102-46</b>



<b>BRR Framework</b>	<b>Page no</b>	<b>Description of Indicator</b>	<b>GRI Framework</b>	<b>Disclosure number</b>
		Boundaries		
NA	31	List of material topics	GRI 102	<b>102-47</b>
NA	31	Explanation of the material topic and its Boundary	GRI 102	<b>103-1</b>
NA	36	Restatements of information	GRI 102	<b>102-48</b>
NA	4	Changes in reporting	GRI 102	<b>102-49</b>
Section D: #2 NVG-P4	30,31	List of stakeholder groups	GRI 102	<b>102-40</b>
Section E: P-4 # 1, #2 NVG-P4	31	Identifying and selecting stakeholders	GRI 102	<b>102-42</b>
Section D: #2, #2.2 #2.7; Section E: P4 #2 NVG P4	31	Approach to stakeholder engagement	GRI 102	<b>102-43</b>
Section D: #2.9; Section E: P 4 #2, P-5 #2	33	Key topics and concerns raised	GRI 102	<b>102-44</b>
Section A: #6	4	Reporting period	<b>GRI 102</b>	<b>102-50</b>
Section D: #3	4	Date of most recent report	<b>GRI 102</b>	<b>102-51</b>
Section D: #3	4	Reporting cycle	<b>GRI 102</b>	<b>102-52</b>
Section A: #4, #5	5	Contact point for questions regarding the report	<b>GRI 102</b>	<b>102-53</b>
NA	4	Claims of reporting in accordance with the GRI Standards,GRI content index,External assurance	<b>GRI 102</b>	GRI 102-54,102-55, 102-56
Section D: #2.10	5	External Assurance	GRI 102	
Section D: #1, #3; NVG P1	16	Governance structure	GRI-102	102-18
NA	Annual Report	Delegating authority	GRI-102	102-19
NA	Annual Report	Executive-level responsibility for economic, environmental, and social topics	GRI-102	102-20
NA	Annual Report	Consulting stakeholders on economic, environmental, and social topics	GRI-102	102-21
Section D: #1,	Annual Report	Composition of the highest governance body and its	GRI-102	102-22

<b>BRR Framework</b>	<b>Page no</b>	<b>Description of Indicator</b>	<b>GRI Framework</b>	<b>Disclosure number</b>
		committees		
NA	Annual Report	Chair of the highest governance body	GRI-102	102-23
NA	Annual Report	Nominating and selecting the highest governance body	GRI-102	102-24
NA	Annual Report	Conflicts of interest	GRI-102	102-25
NA	Annual Report	Role of highest governance body in setting purpose, values, and strategy	GRI-102	102-26
NA	Annual Report	Collective knowledge of highest governance body	GRI-102	102-27
NA	Annual Report	Evaluating the highest governance body's performance	GRI-102	102-28
NA	6- 79	Identifying and managing economic, environmental, and social impacts	GRI-102	102-29
NA	33	Effectiveness of risk management processes	GRI-102	102-30
NA	6-79	Review of economic, environmental, and social topics	GRI-102	102-31
Section D: #2.4, #2.5, #3 NVG P1	16	Highest governance body's role in sustainability reporting	GRI-102	102-32
NA	Annual Report	Communicating critical concerns	GRI-102	102-33
NA	Annual Report	Nature and total number of critical concerns	GRI-102	102-34
NA	Annual Report	Remuneration policies	GRI-102	102-35
NA	Annual Report	Process for determining remuneration	GRI-102	102-36
NA	Annual Report	Stakeholders' involvement in remuneration	GRI-102	102-37
NA	Annual Report	Annual total compensation ratio	GRI-102	102-38
NA	Annual Report	Percentage increase in annual total compensation ratio	GRI-102	102-39
NA	17	Values, principles, standards, and norms of behavior	GRI-102	102-39
NA	20	Mechanisms for advice and	GRI-102	102-16

BRR Framework	Page no	Description of Indicator	GRI Framework	Disclosure number
		concerns about ethics		
NA	18	Mechanisms for advice and concerns about ethics	GRI-102	102-17
Section B: #1 ,#2, #3	36	Direct economic value generated and distributed	GRI-201	201-1
NA	33	Financial implications and other risks and opportunities due to climate change	GRI-201	201-2
NA	64	Defined benefit plan obligations and other retirement plans	GRI-201	201-3
NA	36	Financial assistance received from government	GRI-201	201-4
NA	60	Ratios of standard entry level wage by gender compared to local minimum wage	GRI 202	202-1
NA	60	Proportion of senior management hired from the local community	GRI202	202-2
Section B: #4	32	Infrastructure investments and services supported	GRI 203	203-1
Section B: #4, #5	33	Significant indirect economic impacts	GRI 203	203-2
Section E: P-2 #3, #4	7,15	Proportion of spending on local suppliers	GRI 204	<b>204-1</b>
NA	NA	Materials used by weight or volume	GRI 301	<b>301-1</b>
NA	NA	Recycled input materials used	GRI 301	<b>301-2</b>
NVG P6	57	Energy consumption within the organization	GRI 302	302-1
NA	NA	Energy consumption outside of the organization	GRI 302	302-2
NA	57	Energy intensity	GRI 302	302-3
Section E P-6 #2, #5; Section E-P- 2 #2; P-6 #2; P-6 #5	57	Reduction of energy consumption	GRI 302	302-4
NVG P-2, P-6	57	Reductions in energy requirements of products and services	GRI 302	302-5
Section E-P-2 #2 NVG P-6	47,48	Water withdrawal by source	GRI 303	303-1
NA	48	Water sources significantly affected by withdrawal of water	GRI 303	303-2

<b>BRR Framework</b>	<b>Page no</b>	<b>Description of Indicator</b>	<b>GRI Framework</b>	<b>Disclosure number</b>
Section E-P-2 #2 NVG P-6	48	Water recycled and reused	GRI 303	303-3
NVG P-6	10,52	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI 304	304-1
NA	52	Significant impacts of activities, products, and services on biodiversity	GRI 304	304-2
NA	52	Habitats protected or restored	GRI 304	304-3
NA	52	IUCN Red List species and national conservation list species with habitats in areas affected by operations	GRI 304	304-4
NA	26	Direct (Scope 1) GHG emissions	GRI 305	305-1
NA	56	Energy indirect (Scope 2) GHG emissions	GRI 305	305-2
NA	56	Other indirect (Scope 3) GHG emissions	GRI 305	305-3
NA	56	GHG emissions intensity	GRI 305	305-4
Section E-P-6 #2, #4 NVG P-6	56	Reduction of GHG emissions	GRI 305	305-5
NA	NA	Emissions of ozone-depleting substances (ODS)	GRI 305	305-6
NA	47	Nitrogen oxides (NoX), sulfur oxides (SoX), and other significant air emissions	GRI 305	305-7
NVG P-6	50	Water discharge by quality and destination	<b>GRI 306</b>	306-1
NA	39	Waste by type and disposal method	<b>GRI 306</b>	306-2
NA	37,38	Significant spills	<b>GRI 306</b>	306-3
Section E: P-2 #5	56	Transport of hazardous waste	<b>GRI 306</b>	306-4
NA	36	Water bodies affected by water discharges and/or runoff	<b>GRI 306</b>	306-5
Section E: P-2 #5	48	Reclaimed products and their packaging materials	<b>GRI 301</b>	<b>301-3</b>
NA	41	New suppliers that were screened using environmental criteria	<b>GRI 308</b>	<b>308-1</b>

<b>BRR Framework</b>	<b>Page no</b>	<b>Description of Indicator</b>	<b>GRI Framework</b>	<b>Disclosure number</b>
NA	62,63	New employee hires and employee turnover	<b>GRI 401</b>	<b>401-1</b>
NA	68	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<b>GRI 401</b>	<b>401-2</b>
NA	67,68	Parental leave	<b>GRI 401</b>	<b>401-3</b>
NA	65	Minimum notice periods regarding operational changes	GRI 402	402-1
Section E: P-3 #5, #6	67	Workers representation in formal joint management-worker health and safety committees	<b>GRI 403</b>	<b>403-1</b>
NA	65	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<b>GRI 403</b>	<b>403-2</b>
NA	71	Workers with high incidence or high risk of diseases related to their occupation	<b>GRI 403</b>	<b>403-3</b>
NA	71	Health and safety topics covered in formal agreements with trade unions	<b>GRI 403</b>	<b>403-4</b>
Section E: P-3 #8 NVG P-3	63, 64	Average hours of training per year per employee	<b>GRI 404</b>	<b>404-1</b>
Section E: P-3 #9 NVG P-3	63-65	Programs for upgrading employee skills and transition assistance programs	<b>GRI 404</b>	<b>404-2</b>
NA	59,64	Percentage of employees receiving regular performance and career development reviews	<b>GRI 404</b>	<b>404-3</b>
Section E: P-3 #3, #4	58 and 59	Diversity of governance bodies and employees	GRI 405	<b>405-1</b>
NA	59	Ratio of basic salary and remuneration of women to men	GRI 405	<b>405-2</b>
Section E: P-5, #1 Section E: P-3 #7, #8 NVG P-3	59	The management approach and its components	GRI 103	<b>103-2</b>
NVG P-2	59	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	<b>GRI 412</b>	<b>412-3</b>
NVG P-5	58	Incidents of discrimination and	<b>GRI 406</b>	<b>406-1</b>



<b>BRR Framework</b>	<b>Page no</b>	<b>Description of Indicator</b>	<b>GRI Framework</b>	<b>Disclosure number</b>
		corrective actions taken		
NVG P-2	17 and 41	Operations and suppliers at significant risk for incidents of child labor	GRI 408	<b>408-1</b>
Section E: P-3 #7 NVG P-2	17 and 41	Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI 409	409-1
NVG P-5	18	Incidents of violations involving rights of indigenous peoples	GRI 411	411-1
Section E: P-8 #4 #5 NVG P-8	32 and 33	Operations with local community engagement, impact assessments, and development programs	<b>GRI 413</b>	413-1
Section E: P-8 #4 #5 NVG P-8	33 and 53	Operations with significant actual and potential negative impacts on local communities	<b>GRI 413</b>	413-2
Section E: P-1 #2	19	Confirmed incidents of corruption and actions taken	<b>GRI 205</b>	<b>205-3</b>
NA	37	Political contributions	GRI 415	415-1
NA	18	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	GRI 206	206-1
Section E: P-2 #1 NVG P-9	68 and 69	Incidents of non-compliance concerning the health and safety impacts of products and services	GRI 416	416-1
Section E: P-9 #2 NVG P-9	32	Requirements for product and service information and labelling	<b>GRI 417</b>	<b>417-1</b>
Section E: P-9 #1, #3; P-2 #1 NVG P-9	None	Incidents of non-compliance concerning product and service information and labeling	<b>GRI 417</b>	<b>417-2</b>
Section E: P-9 #1, #4 NVG P-9	28, 29 and 30	Approach to stakeholder engagement Key topics and concerns raised	<b>GRI 102</b>	<b>102-43</b> <b>102-44</b>



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### Independent Assurance Statement

Number: 001/000-174/2018/SR-Asia/CIL/India

**Coal India Ltd (CIL)**, engaged Social Responsibility Asia (SR Asia) to assure and provide an Independent Assurance Statement on its **Sustainability Report 2017-18**. CIL is the world's largest producer of coal, a Maharatna, India's public sector company.

SR Asia's responsibility in performing assurance work is to the management of the CIL only and in accordance with the scope of work. The content and presentation of the report is the sole responsibility of CIL and SR Asia do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that third party has placed on the Report is entirely on its own risk. The assurance report should not be taken as a basis for interpreting the CIL's overall performance or sustainability except for the areas covered in the scope of work.

#### Scope of Assurance Service

1. Providing verification and assurance of the data and information & to issue Assurance Statement as per AA1000AS (2008) Assurance Standard and AA1000APS (2008) Accountability Principles Standard Type1 assurance service of Sustainability Report of Coal India limited for the year 2017-18, covering following activities
  - Interaction with senior Management of CIL to realize their sustainability vision;
  - An assessment of the methods used for data collection and reporting for the selected sustainability performance indicators;
  - Testing of such systems, including related internal controls;
  - Select interviews with staff responsible for data collection, collation and reporting;
  - Testing, on a sample basis, of evidence supporting the data;
  - Assessment of the consistency between the data for the selected sustainability performance indicators and the related written comments in the narrative of the Report; and
  - Completion of assurance statement for inclusion in the report, which will reflect the verification findings and conclusion. Gap assessment as per GRI guidelines statement differences, highlights of findings during verification process of data and information, draft assurance statement, signed assurance statement as per GRI guidelines compliance.

#### Limitation and Exclusion

The assurance scope excludes:

1. Aspects of the Report other than those mentioned under the defining materiality section and discussion on defining Report content.
2. Data and information in the public domain not covered in the reporting period.
3. CIL's statements and claims describing expression of opinion, belief, expectation, advertisement, and future planning.
4. Financial performance data and information from the CIL's documents other than those mentioned in the Sustainability Report 2017-18.

## Methodology

SR Asia follows a standard approach while conducting the independent assurance, the expert's plans site visits and meet head of Environmental Management Group (EMG) and Sustainable Development Group (SDG) team. Further interactions with other stakeholders is held along with the following activities

- Sustainability Report 2017-18 content review offsite and onsite with the sustainability team of CIL;
- Visit to the office, Meeting with senior management team of CIL and core team responsible for developing sustainability report and other stakeholders.
- Interviews with heads of sustainability reporting for relevance of information for reporting and sustainability management;
- Assessment of evidences for the selected indicators and external stakeholders consultations;
- Assessment of the evidences of external stakeholders consultations;
- Based on sample testing, confirmation of the Sustainability Report information with supporting documentation, management reports, internal controls and official correspondences.

## Adherence to AA1000APS (2008) and GRI standards

**Inclusivity** – The report demonstrate commitment and accountability of Coal India Ltd in engaging with internal and external stakeholders for receiving all positive and other concerns if any. The agenda covers the various aspects of social, economic, environmental, community and others. Overall, the Report has satisfactorily presented the management approaches and stakeholder engagement performed.

**Materiality** – The management has identified materiality aspects inside and outside the organization in line with management and stakeholders perspectives. The Report presents data and information about sustainability performance of material aspects at different levels and is acceptable.

**Responsiveness** – In general responses to sustainability, indicators at operational and local levels are addressed which includes issues like social needs, climate change mitigation, carbon, water, tree plantation, rehabilitation and resettlement, renewal energy etc. Number of practices are ongoing and implemented across operation.

**In "Accordance" with Core Option** – The Report follows the Core option of GRI standards where at least one indicator of each material aspect is presented and discussed in the Report. When relevant, indicators of Energy Sector Disclosures may also be addressed and appropriately presented.

**GRI Standards** – In developing the Report, CIL has applied the Principles for Defining Report Content (stakeholder inclusiveness, sustainability context, materiality, and completeness) and the Principles for Defining Report Quality (balance, comparability, accuracy, timeliness, clarity, and reliability). Supporting documents were adequately presented as the evidence for assurance. As required by GRI standards, the report identifies data and information that



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cannot be supported by evidences or cannot be presented due to management discretion or system and data administration issue not assessed.

### **Recommendation**

On the basis of our assurance methodology and procedure, it is our opinion that future reports may be improved by addressing the following:

1. The sustainability report is prepared referring GRI standards; however a modular approach as envisaged with the roll out of the standards may be planned.
2. Materiality and risk assessment may be followed using structured approach and available national/ international standards.
3. Disclosure of Management Approach may be mapped, linked and status presented in performance terms beyond mere compliances.

### **Statement of Competency, Independency and Impartiality**

SR Asia is an international organization among reputable organizations in Asian countries and promoting sustainable development through various activities, such as policy studies and advocacy, CSR studies and reporting, capacity building, researches, and various other services in sustainable development and sustainability.

The Assurance Team consists of a number of sustainability experts in ISO 26000, sustainability accounting standards of SASB, and the principles and standards of AA1000 Accountability, GRI Sustainability Reporting standards, and International Integrated Reporting (IR) Framework. The experts also have experiences in writing and reviewing sustainability reports and integrated reports of organizations from various industries.

SR Asia ensures that no member of the Assurance Team has any relationship with the CIL that could be perceived to affect the ability to provide an independent and impartial statement. SR Asia confirms that sufficient mechanism and professional codes of practices are designed in place to ensure independency and are free from bias and conflict of interest.

The assurance provider,

India, August 2, 2018

**Birendra Raturi**  
International Director of  
Social Responsibility Asia (SR Asia)



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**COAL INDIA LIMITED**  
**(A Govt. of India Enterprise)**  
**"COAL BHAWAN"**

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