



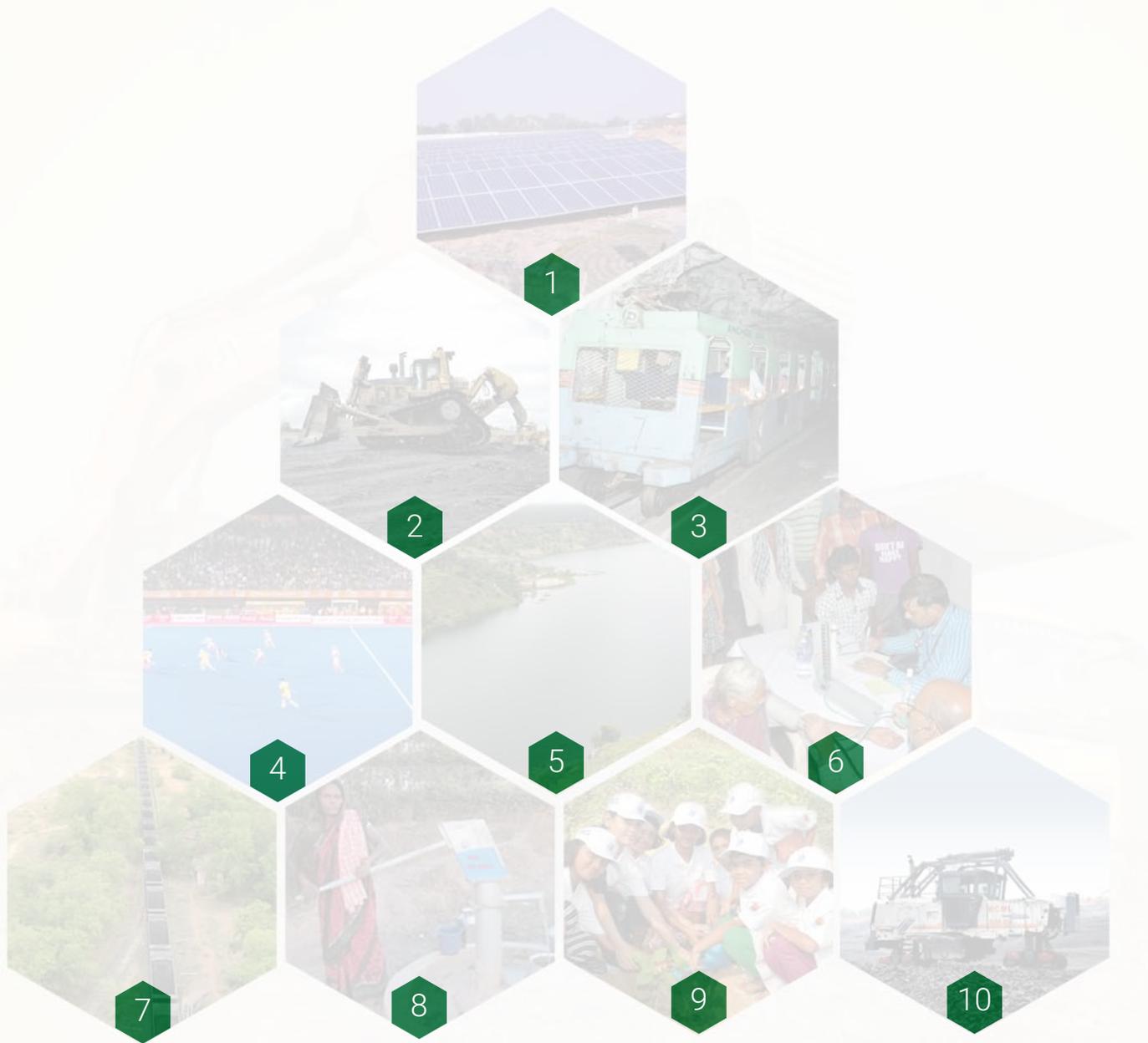
# MAHANADI COALFIELDS LIMITED

CSR and Sustainability Report 2014-15



F U E L L I N G   P R O G R E S S

# Fuelling progress through our **SUSTAINABILITY STRATEGIES**



- 1 | Harnessing Renewable Energy
- 2 | Improved mining methods by use of ripper dozers and other HEMMs.
- 3 | Ensuring workplace safety and comfort in underground mines by operating man-riding systems.
- 4 | Promoting the national game-hockey by sponsoring IDCO-MCL 'Kalinga Lancers'.
- 5 | Creating water reservoirs of excavated mines.
- 6 | Monitoring community health through regular health camps.
- 7 | Despatching coal through eco-friendly rail mode.
- 8 | Provisioning potable water for community.
- 9 | Driving environmental awareness.
- 10 | Adopting eco-friendly mining by using surface miners.



## Vision

“To be one of the leading energy suppliers in the world, through best practices from mine to market.”



## Mission

“To produce & 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.”

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# I CMD's Message

Dear Stakeholder,

I am honoured to introduce the fourth Sustainability Report of Mahanadi Coalfields Limited (MCL) as per GRI G4 guidelines that emphasizes on sustainability context and stakeholder inclusiveness. As you may be aware, I formally assumed responsibility as CMD of MCL in November 2015. I hope to bring forth the advantage of a fresh perspective, as I've spent my entire career in the mining industry and have a long association with CIL.

At MCL we have always believed that our purpose as a company is to uplift the communities around us, as we continue to ensure energy security for our country. Whilst Sustainability is the current buzzword for a 360-degree development approach for any organisation, it has always been a priority for us. To this end, we have implemented the best available practices and benchmarks in governance, ethics, transparency, inclusivity and environmental protection. Safety and quality are also top priorities for us in all that we do to create value for our stakeholders.

'Fuelling Progress' is the theme of this year's report and we have used it to share our achievements and shortcomings during 2014–15. We have had several hits that we've showcased herein and unfortunately some significant misses too – the most tragic of these being the loss of life of Golekha Bihari Pradhan, a contractual worker at the Bhubaneswari OCP.

## Fuelling Economic Development

In FY 2014–15, we generated a revenue of 17,068.85 crore rupees – a combined figure of our core and other businesses. This was higher than our previous year's revenue by 1,859.91 crore rupees, which can be directly attributed to an increased production of 121.38 MT of coal. In discussing the economic aspects related to our company, we would like to draw your attention to the one pressing issue that most significantly impacts us – land acquisition. For most of our projects, especially infrastructure development, we are bound to acquire forest, non-forest and non-coal bearing land. Fulfilling these three requirements is perhaps the single largest hindrance for our business. Despite this, we continue to strive on an everyday basis to achieve this herculean task. Thanks to an amazing team of dedicated MCLites, we have achieved tremendous progress on this front.



**A.K. Jha**

Chairman-cum-Managing Director

At a strategic level, we intend to emerge as an integrated energy firm, by diversifying into power generation, power transmission, and the harnessing of solar power. In this way we will continue to fuel progress in the state of Odisha and our country. To expand our sphere of business in this way, we have recently commenced the formal process to create a 1,600 MW thermal power plant at Basundhara area, Sundargarh district. This project, which is likely to depend on the output of our projects in the Basundhara-Garjanbahal area, Sundargarh district, will consequently reduce our transportation efforts to powerhouses located in other states. This in turn will reduce carbon emissions to a great extent. Our venture will also increase momentum for the development of the Sundargarh district, leading to employment opportunities, contractual work, and the creation of ancillary units. A couple of years ago, we ventured into power distribution and now we envisage harnessing solar power as an alternative energy source. We have already successfully established our pilot scale 2 MW solar power plant and we are now considering rooftop installations of solar panels, throughout our operations.

## Fuelling Green Growth

We are fully aware of the impact that our operations have on the environment. In our pursuit to be a 'Green Ambassador' we have implemented effective strategies to manage our environmental footprint. These include the adoption of new technologies and minimisation of our resource consumption, i.e., diesel, electricity, explosives, and water. In the past we have made a transformational shift from blasting methods

to more eco-friendly methods such as using surface miners in our opencast mines. Currently, 88% of our total coal production is through surface miners and this is estimated to reduce our carbon footprint by 1,10,000 t of CO<sub>2</sub>. This has also resulted in significant reduction of NO<sub>x</sub> due to restricted blasting activities. Also, the ripper dozers have been deployed for OB removal which is significantly contributing into the reduction of carbon footprint as well as NO<sub>x</sub>. In the future we aim to escalate this to the maximum and reduce our explosive needs to a bare minimum. In gearing up to optimise our resource requirements, one of our first steps was to monitor our diesel needs. I am pleased to state that our meticulous efforts to track diesel use in our operations has saved us 30 crore rupees during FY 2014–15. We are the first amongst all CIL subsidiaries to have achieved this target. Through our LED replacement drive during the reporting period, we saved 4.48 lakh units of energy equivalent to 25.9 lakh rupees. Additionally, our massive afforestation efforts that reached the planting of 49.2 lakh saplings till the reporting period, is estimated to decrease carbon emissions by 98,000 t of CO<sub>2</sub>. Dealing with the dust has been another major challenge and we are adopting changes in coal transportation modes, to reduce the intensity of dust generated. These changes include the constructing of SILOS, establishing coal corridors, transportation through MGRs, and improving rail logistics. 79.55% of our coal was transported via rail, MGR and conveyor belt during 2014–15. Our green belt development initiatives are also helping to resolve this gruelling problem. We have also begun the initial process to establish four coal washeries to reduce the ash content of the coal we produce. Our progress in this respect was hindered due to problems in acquiring land to construct the washeries. The first phase of washeries is now likely to be operational in FY 2017–18.

In our endeavour to be environment-friendly, we have also made huge advances in effective water management by a introducing a 'Comprehensive Mine Water Management Plan' for effective recharging of the groundwater. We are confident that with these continuous and conscious efforts, our company will soon prove to be a 'Green Champion'.

## Fuelling Social Progress

At MCL, we have always believed that we have a responsibility towards all those who enable the success of our business. This includes our dedicated workforce and the local communities, which specifically includes the PAFs (Project Affected Families). During the reporting period our CSR spend touched 61.3 crores for various CSR activities that we implemented for better education; more healthcare facilities; adequate drinking water supply; sports facilities and several infrastructure development projects. Our massive workforce of 37,735 people,

comprising of both permanent and contractual employees, are provided with the adequate facilities that can be made available in the remote locations of our projects. To enhance the motivation level of our workforce, we are upgrading our systemic operational processes using technology interventions like RFID (Radio-frequency identification of in-motion weigh bridges); Geo-fencing; e-surveillance and ERP through improved coalnet. To sustain these changes for the long-term we are fostering a preventive vigilance approach and strengthening our safety machinery.

To extend our responsibility to the PAFs, we reward them with the best financial packages, absorb them into the company's workforce and settle them at dwelling sites exclusively constructed for them. During FY 2014-15 we resettled 551 PAFs and provided employment to 569 PAPs. Irrespective of our incessant support, we realise that there is quite a distance between us and these relocated families. To help bridge this gap, during 2014–15, we created a new cadre of employees – 'Community Development', to effectively engage with these communities. We have also embarked on 'Schooling and Skilling' as a strategy to enhance the productivity value of our locals. Taking this a step further, we have tried to infuse the spirit of enterprise and entrepreneurship, amongst the local populace, through our Ancillary Development Cell and our Vendor Development Scheme. In the same vein, our Mahila Mandals, who are the torchbearers of our community efforts, are conducting various programmes through their '**Swawalamban**' scheme. We have even attempted to answer the Prime Minister's call for the improvement of hygiene and sanitation – '**Swacch Bharat Abhiyaan**', by undertaking many activities to keep our surroundings clean and help the community understand the importance of good hygiene.

## The Road Ahead

In conclusion, with our myriad efforts aimed at holistic sustainable growth, we aspire to play the role of a catalyst in 'Fuelling Progress' in Odisha, along with meeting our commitment to India's energy security plan. As we confidently move ahead, we need the unwavering support of all our stakeholders. I request you all to come forward with your suggestions and be equal partners in our journey towards sustainable development.

---

Sd/-

**A.K. Jha**

Chairman-cum-Managing Director

# IGM's Message

Dear Valuable Readers,

I am very much pleased to be playing a role in the development of the fourth Sustainability Report of MCL. This report discloses our performance using the fourth generation guidelines of GRI, "in accordance" with core criteria, including the technical protocols of the Mining and Metals Sector Supplement. Our sustainability reporting journey has evolved continuously over these four years and we have streamlined data collection systems to increase our disclosure levels. I am proud to announce that we are the first company in the CIL commune to publish a GRI G4 report.

This report themed 'Fuelling Progress', is a chronicle of our endeavours to achieve sustainable growth during FY 2014-15. In this comprehensive report, we have attempted to share details of our operations, in context of the material issues of our stakeholders and our company, using Economic, Environment and Social parameters. A glimpse of our achievements and shortcomings in each of these sectors follows.

## Achieving Production Success

During the reporting period, we produced 121.38 MT of coal, which has been our highest production value in the history of MCL with a growth of rate 9.91 % over previous year. Whilst we strive to achieve our production objective, we do not compromise on our operational processes. We adopt the highest safety standards for our employees in all conditions and take care that our activities have the least impact on the environment. Amidst various adversities, we are determined to deliver high quality coal to our customers. We have resolved to achieve our total production using surface miners, to ensure green coal.

## Reducing our Environmental Footprint

We acknowledge the impact of our operations on land, air quality, surface and ground water resources. This is why we implement counteractive measures to deal with these adverse effects on the environment and take appropriate steps to minimise these impacts.

As a responsible curator of nature, MCL reclaims the mined out land back to its original state, immediately after excavation is complete. As a usual practice we backfill the overburden into the mine voids followed by



**R. K. Shrivastava**  
General Manager (Environment)

soil compaction and plantation of vegetation. We have entrusted CMPDIL to monitor our land reclamation progress in 15 OCPs. During the reporting period, we also continued our plantation drive by planting 1.2 lakh saplings to achieve biological reclamation.

In the wake of global climate change, we have already initiated conscious efforts to reduce our carbon emissions. To this end, we are focused on reducing our fuel demands throughout our operations. We are also committed to decreasing our usage of electricity by integrating energy efficiency principles in most of our operational activities. Our major drive in this context has been to replace fluorescent tubes with LED tubes and bulbs. Thanks to this activity, we conserved 4.48 lakh units of energy during the reporting year. Our 2 MW solar power plant is also likely to gather strength in the future. We envisage the installation of solar panels on all our rooftops as our next plan to harness renewable energy.

To cater to our water requirement to suppress fugitive dust emissions due to our operations, we are continuing to recycle mine water. As we have seen an escalating trend in our demand for water over the past few years, we intend to meet our needs by creating more water harvesting structures from our decoaled mines. We are also working on a 'Comprehensive Mine Water Management Plan' to recharge the ground water, by channeling the captured surface water through enhanced connectivity, to the depth of the water table which is also termed as recharge of aquifers.

When it comes to waste generation and disposal, we have implemented several effective waste management initiatives. We are cautious about solid wastes generated on our premises. We have adopted appropriate measures for the safe disposal of hazardous wastes, biomedical wastes, and other domestic wastes. We have pledged for zero discharge of our wastewater so, we utilise all treated wastewater for dust suppression, vehicle washing, firefighting, recharge of aquifers, supplt to surrounding for farming, recharge of ponds etc. During the reporting year, we invested a sum of 2,578.20 lakh rupees for various environmental protection activities.

## Ensuring Community Development

Ours is an inclusive model where business growth is linked proportionately with the development of the local community. Our Corporate Social Responsibility (CSR) efforts existed much before the Companies Act, 2013 came into being. We have always been on the best of terms with our local people and have been instrumental in enhancing their living standards. Our contribution on this front spans several initiatives, from developing infrastructural facilities, such as roads and railways, to catering to their basic amenities, such as, water and electricity. We also take responsibility for the liability of our PAFs and try to satisfy them with both monetary and non-monetary compensation packages. Till FY 2014–15, we have resettled a total of 6,960 PAFs. Our CSR investments reached 61.3 crore rupees during the reporting period, for implementing various infrastructural and community based projects.

## The Way Forward

Though in a small way, we have already taken the first steps towards sustainable growth. For systematic monitoring of depletion of water table due to opencast

mining and its restoration after backfilling of the voids and recharge of the deep aquifers due to storage of water in the mine sumps, network of very deep peizometers along with existing wells have been prepared and work has been awarded for construction of 40 nos. of piezometers in Talcher, Ib valley and Basundhara coalfields of MCL. And for assessment of surface runoff during monsoon and its flow into the mine sump and storage capacity of mine sump for planning the zero discharge potential of all the 15 OCPs of MCL, a sustainable water management road map can be prepared.

As we continue on our sustainability journey, we strive to explore every opportunity to continue 'Fuelling Progress' for all our stakeholders. We foresee a future full of unknown challenges and exciting times ahead. As we step into this direction with a bright future, we need your support throughout. We request all our readers (stakeholders) to go through this report and share pointers for improvement in the times ahead.

---

Sd/-

**R. K. Shrivastava**

General Manager (Environment)



# MCL's Sustainability at a Glance

## ENERGY SECURITY OF INDIA

**71%**

of our production caters to power houses



## PRODUCTION

**121.38**

MT of coal production in 2014-15



**25%**

of CIL's production volume contributed by MCL in 2014-15

**7.57%**

increase in coal offtake over last year



## GREEN AMBASSADOR

**₹ 30**

Crores saved by specific diesel consumption



**88%**

coal production through surface miners reducing 1,10,000 t of CO<sub>2</sub>

**49.2**

Lakhs

saplings planted and distributed since inception serves as a carbon sink owing to 98,000 t CO<sub>2</sub>



**79.55%**

of coal dispatch through railways, MGR and conveyor belts

**2 MW**

solar power plant operational



**15**

OCPs monitored for land reclamation through satellite imagery

**89.22**

Mm<sup>3</sup> of overburden removed



## PROFITS



**₹ 14,989.05** Crores

gross sales in 2014-15 with 14.58% increase over previous year

**₹ 3554.10** Crores

Profit after Tax in 2014-15



## RESPONSIBLE MANAGEMENT

**37,735**

Total workforce including contractual workers in 2014-15



**18**

Vigilance cases resolved during 2014-15

**6960**

PAFs resettled since inception



## SAFETY MANAGEMENT

1 Fatality; Safety Management Plan implemented in all 22 operational mines



## SOCIAL INCLUSION

**₹ 61.3**

Crores

spent on our community through CSR investments; 19<sup>th</sup> amongst all companies in India



## BUSINESS EXPANSION

**1600** MW

thermal power plant planned at Basundhara



## NATIONAL PRESENCE

**19**

Awards & accolades earned in 2014-15



# Fuelling Progress Throughout 2014–15

## A Performance Report

We are pleased to present our 4th Annual Sustainability Report that captures our sustainability-related performance, throughout the reporting period of 2014–15. In this report, we offer a consolidated view of our strategic goals and objectives, supported by relevant technical and quantitative information. We also detail out our accomplishments and shortcomings in relation to our business performance. Last but not least, we highlight the initiatives we have taken, to meet our environmental-related commitments and our efforts to keep the promises we made to society.

## Our Readers

We designed this report to help our stakeholders find answers to their queries about Mahanadi Coalfields Limited (MCL), whilst addressing any concerns they may have about the company. The readers who will find this report useful include our employees, local communities, the Government, the media, and those with business interests in our company, such as shareholders, business partners, and industry associations.

## Areas this Report Encompasses

The report covers 31 units of Mahanadi Coalfields Limited, spread across various locations in our coalfields and including our corporate offices. Our two major coalfields, Talcher Coalfield and Ib Valley Coalfield are located in Odisha. The six operating areas at Talcher are Jagannath Area, Bharatpur Area, Hingula Area, Lingaraj Area, Kaniha Area, and Talcher Area. The four operating areas at Ib Valley are Lakhanpur Area, Ib Valley Area, Basundhara-Garjanbahal Area, and Orient Area.

## What this Report Contains

In this report, we disclose the sustainability-related data of our company, for the period 1st April 2014 to 31st March 2015. Last year, our Sustainability Report 2013–14 themed 'Unearthing Smiles' was compiled as per the GRI G3.1 guidelines. This year, we have followed the fourth generation guidelines of **GRI, "in accordance" with core criteria**, including the technical protocols of the Mining and Metals Sector Supplement.





In this report, we have discussed the key Material Aspects that we identified and our attempts to manage them effectively, whilst also projecting next year's targets for these aspects. In addition, we have detailed out our progress in meeting the long-term goals and targets we set in the last reporting period.

The data in this report has been reviewed for completeness and accuracy at the operations level. Unless otherwise stated, we used the metric system to report data and INR to report currency. There are no specific restatements of the information and no significant changes in terms of acquisition and

physical boundaries from the previous reporting period. The GRI Index on pages 112 and 113 provides a list of GRI indicators and disclosures (as per the GRI G4 guidelines) and their locations within this report.

### For Further Details



Please visit  
<http://www.mcl.gov.in>



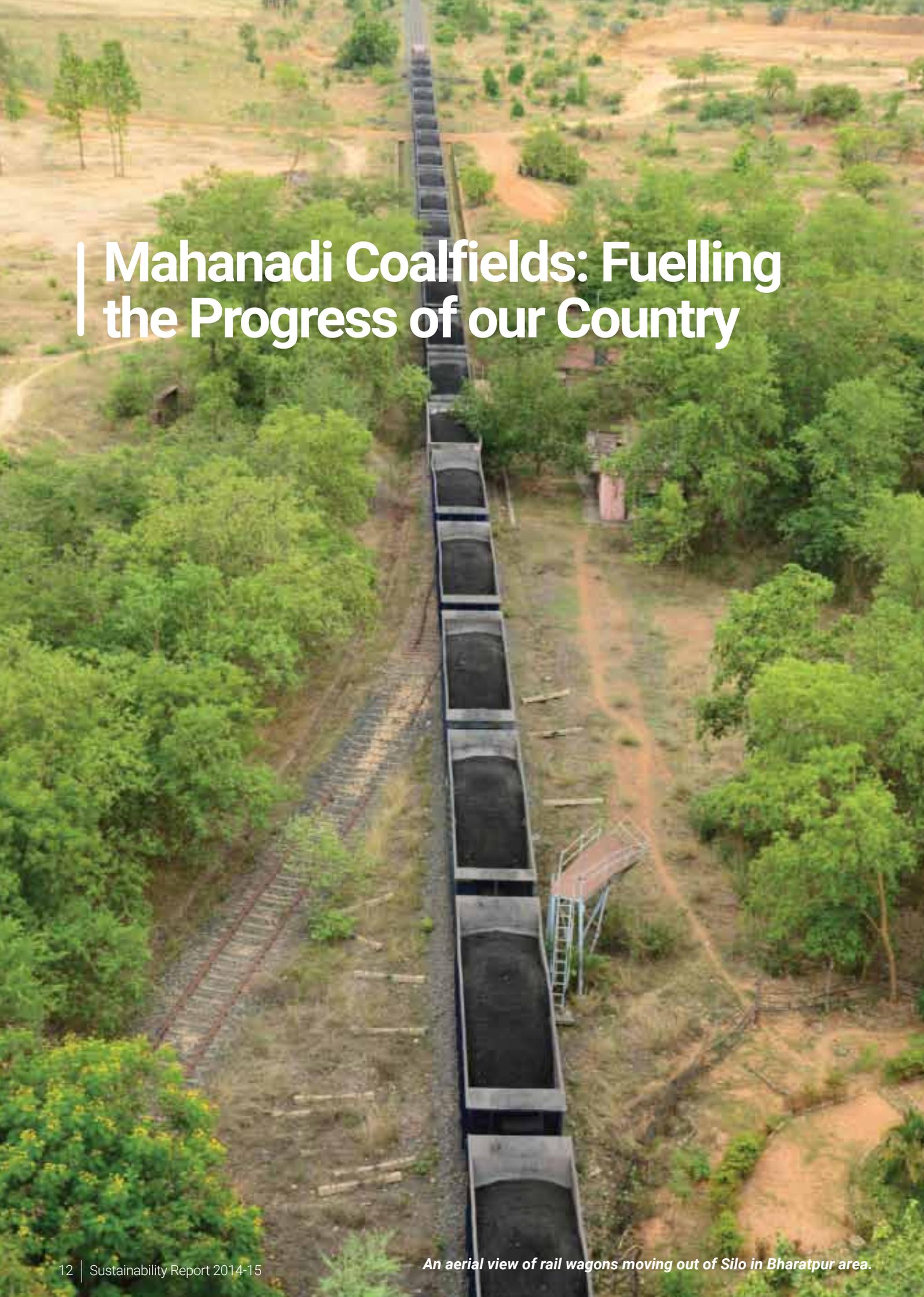
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# I How this Report is Organised

In this report, we intend to communicate our sustainability-related progress in FY 2014–15, to all our stakeholders. Comprising of three distinct sections – Fuelling Economic Development, Fuelling Green Growth, and Fuelling Social Progress – this report maps our key performance indicators against the triple bottom line, or three pillars of sustainability, i.e. Economic, Environment, and Social Equity. In this way, we have attempted to understand and highlight our

current status in the sustainability space. These three sections follow a brief overview of Mahanadi Coalfields Limited and a segment that offers a glimpse of the Sustainability Framework of our company. They are interspersed with narrations of real stories and true to life experiences (titled Factfile and Tete-a-Tete), as captured during stakeholder engagement initiatives. Refer to the diagram below for a pictorial depiction of the key aspects covered in each of these sections.



An aerial photograph showing a long, single-file train of dark-colored coal wagons moving along a railway track. The track is set in a lush, green, hilly area with scattered trees and some small structures. The perspective is from a high angle, looking down the length of the train as it recedes into the distance.

# Mahanadi Coalfields: Fuelling the Progress of our Country

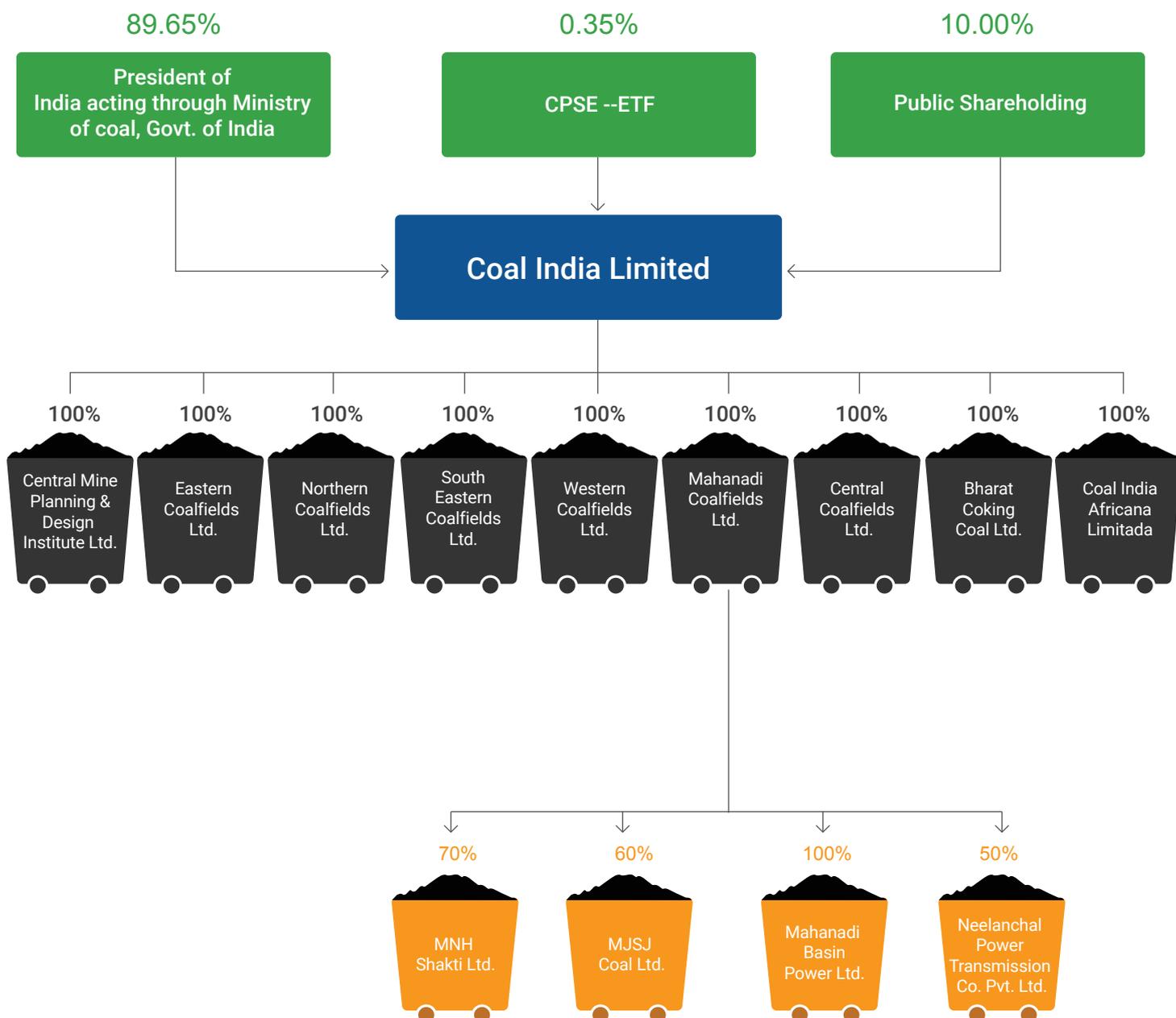
# A Snapshot of Our Business

Headquartered at Sambalpur in Western Odisha, Mahanadi Coalfields Limited (MCL), is a major coal mining company in India and a 'Miniratna' Central Public Sector Enterprise (CPSE). Our operations span over major coalfields – Talcher Coalfield and Ib Valley Coalfield. We also have three subsidiary companies – MNH Shakti Limited, MJSJ Coal Limited, and Mahanadi Basin Power Limited (SPV). Neelanchal Power Transmission Company Pvt. Limited is our joint venture

enterprise. For over two decades now, we have proven our well-earned reputation of being a stable employer in the districts of Angul, Jharsuguda, and Sundargarh.

We are the second largest coal producing entity of Coal India Limited (CIL), a state owned coal mining corporate and the single largest coal producer in the world, with 'Maharatna' recognition. Headquartered at Kolkata, CIL has operations in eight Indian states including West Bengal, Jharkhand, Chhattisgarh, Madhya Pradesh, Maharashtra, Assam, UP and Odisha. They have one international unit at Mozambique.

## Parent Holding Structure

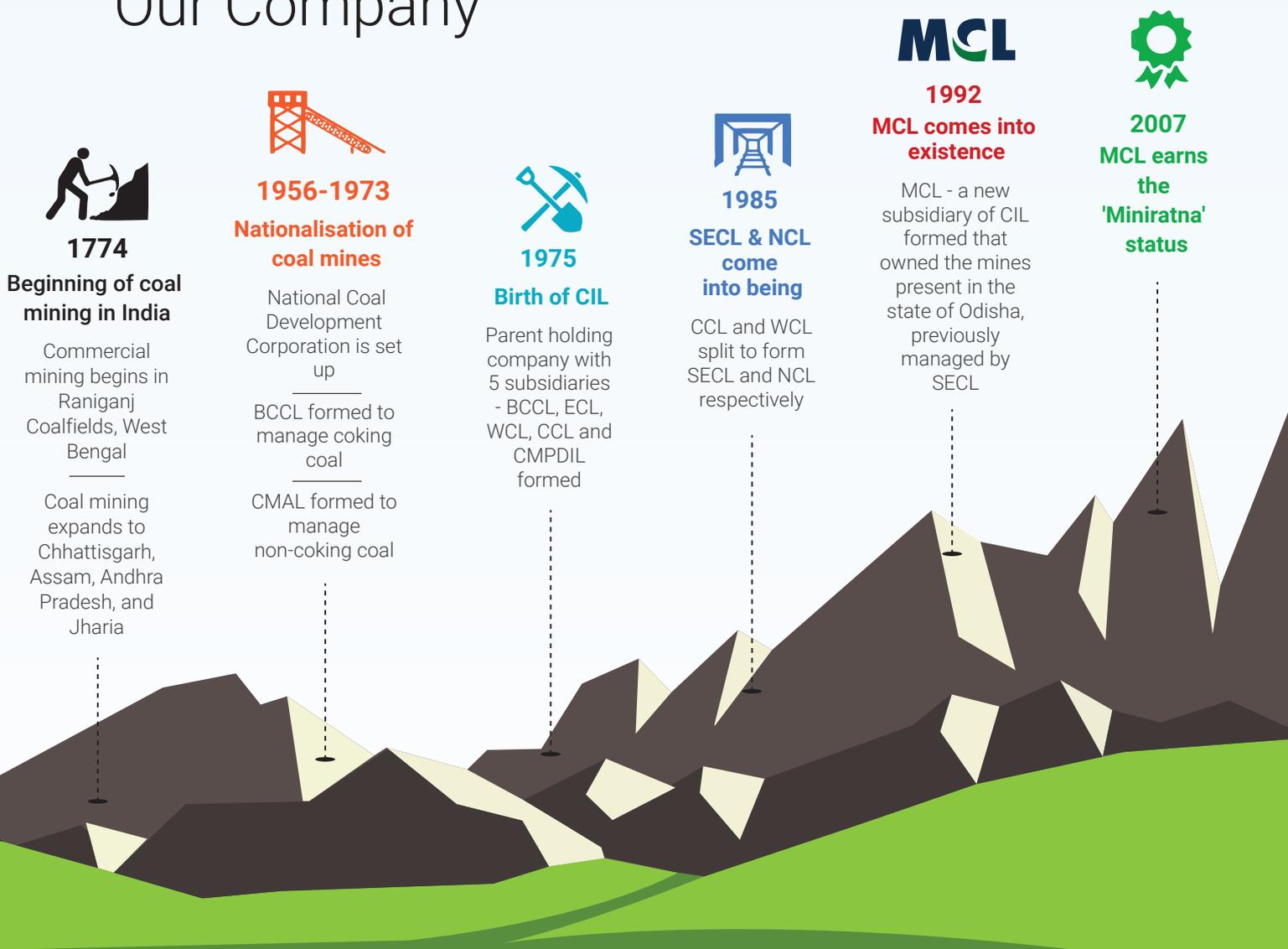


At MCL, we primarily cater to the needs of the power sector, through the production and supply of coal, mined from a vast expanse of 2,723 sq.km, an estimated 24.89% of the Indian coal reserves . We extract the coal via opencast mining and underground mining. Currently, we have 53 sanctioned mining projects (with a capacity of 261.32 MT and a capital outlay of 12,514.27 crore rupees), of which 34 projects have been completed. Two out of completed projects at Balanda and Basundhara – East OCP, have been exhausted. The remaining 19 projects with a

sanctioned capacity of 161.33 MT and a capital outlay of 9,690.49 crore rupees, are ongoing.

Due to a continuous rise in the demand for coal, we are expanding to tap unexplored deposits in the vicinity of our existing mining areas. Further, in the future, we intend to emerge as an integrated energy firm, by diversifying into power generation, power transmission, and solar power. In this way we will continue to fuel progress in the state of Odisha and our country.

## The Inception of Our Company



# Our Production Performance and Challenges

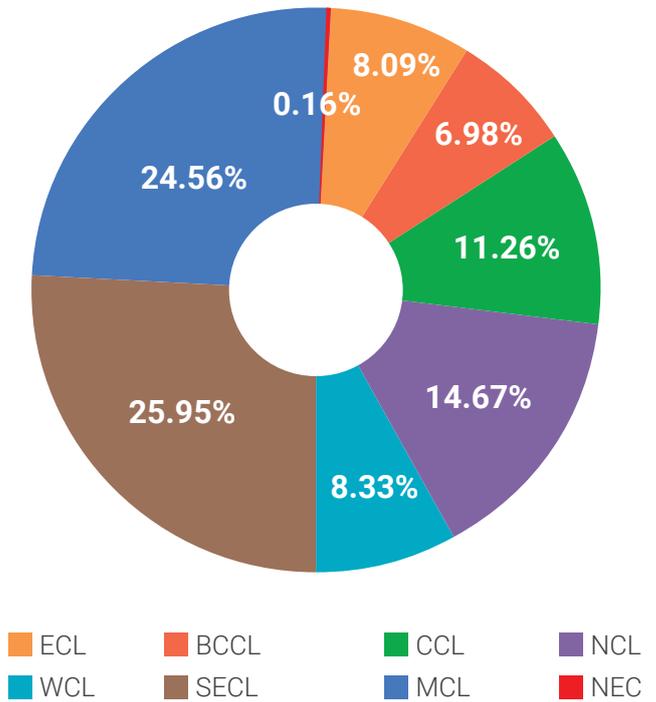
During FY 2014–15, we produced 121.38 MT of coal, which contributed to 24.56% to the total CIL production volume. This was a 9.91% increase in production performance, from FY 2013–14. Most of our coal production (120.10 MT), was gleaned from our opencast mines, whilst the remaining 1.28 T was from our underground mines.

Although we recorded our highest production till date, here are some of the challenges that prevented us from producing more:

- Production was restricted in Bhubaneswari OCP, due to the attainment of optimum EC capacity.
- There was a production halt in Belpahar OCP for 20 days, due to the exhaustion of EC capacity.
- We were unable to work in the Hingula area, due to a rehabilitation & resettlement problem.
- We experienced a low coal evacuation rate in the Basundhara area, due to the restriction of despatch during the day.

- There was a labour strike for a few days, due to a bandh, related to the Aahar Scheme.

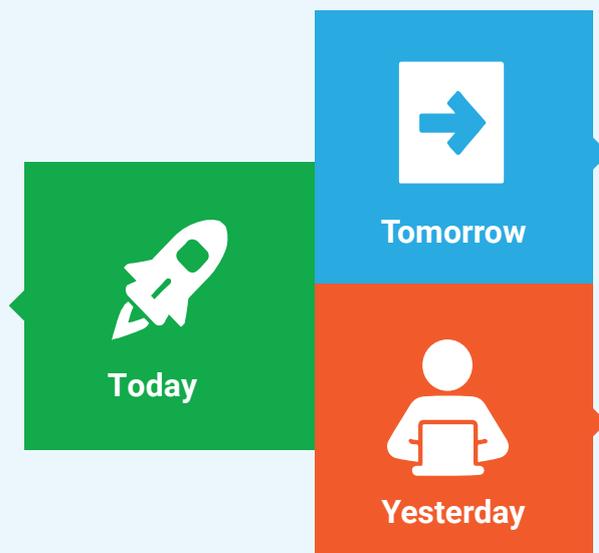
CIL Coal Production Statistics



## Production Performance

### Fuelling Progress

We have produced 121.38 MT of coal and this caters to 24.56% of the total production of CIL.



### Looking Ahead to Future Achievements

Our goal is to produce 250 MT of coal by the year 2020 with best sustainable practices.

### Building on Past Successes

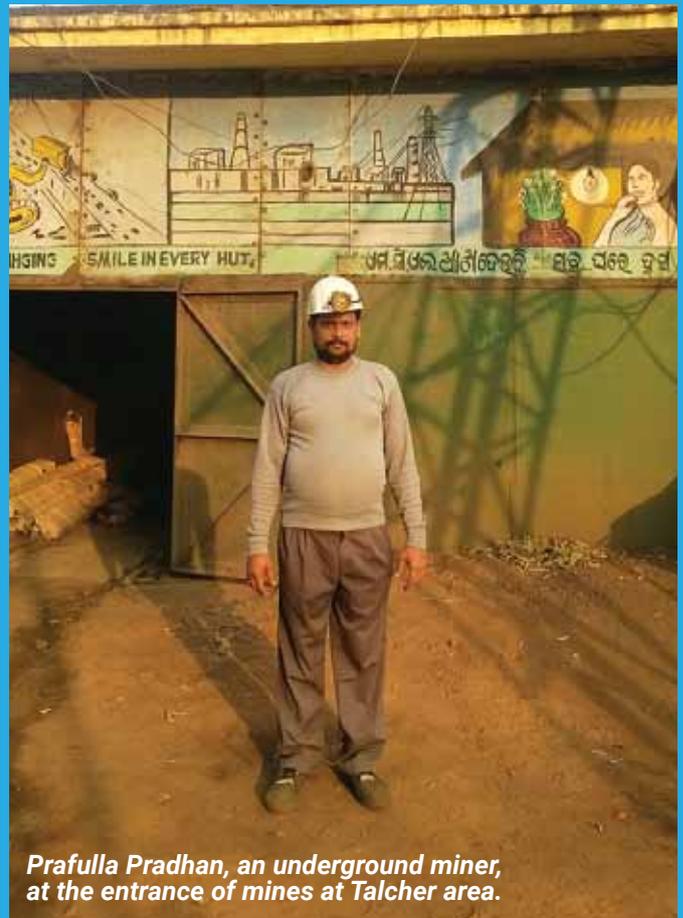
We have produced more than 100 MT, over the past two years. Keeping in mind the safety of our employees, we have in the past used up-to-date technologies, including surface miners, ripper dozers, SDLs, LHDs, man-riding systems, and GPRS geo-fencing.

# Tete-a-Tete

## Workers in Underground Projects-Mining happiness

People usually perceive miners as people who are exploited and unhappy. Mr. Prafulla Pradhan and his other colleagues Suresh Muduli and Mani Behera certainly refute this image, as they are very happy to be underground miners at the Talcher mine. They think the mine looks after them economically and ensures job security for them. They also commend MCL on their safety measures, which have been initiated in the last few years. Regular safety talks, surprise checks, provision for PPEs for all miners are a norm at their mines. They find the internal communication system in the underground mines to be excellent that prevents occurrence of any major incident. Immediate first aid facilities are available underground and in case of any major issue they are immediately rushed to the Central Hospital, Talcher. Compared to the opencast mines, they feel better working in the underground mines, where the dust is significantly less.

In their entirely different world below the earth strata, these miners are happy mining at Talcher and recommend others to give this occupation a shot.



***Prafulla Pradhan, an underground miner, at the entrance of mines at Talcher area.***

## Fuelling Customer Retention through Quality

To effectively sustain our business, it is crucial for us to supply our customers with high quality coal. We know that if customers receive an inferior quality product, they will not continue to buy from us. That's why we take great care to retain and even improve the grade of the coal we supply, through several initiatives. One such initiative is the gradual transition we are making from traditional opencast mining methods to excavation by deploying surface miners. The coal extracted when using surface miners is uniformly sized (100 mm) and does not contain any shale or impurities. The ash content in the coal is also much lower, and therefore suitable to use in powerhouses.

We also ensure the coal quality, by checking random samples taken from seam, stock, siding and tippers, before despatch. The sampling and analysis of coal is conducted in accordance with the guidelines of the Fuel Supply Agreement (FSA). We also provision for third party sampling and analysis to be done by representatives from among our consumers. We have ten coal analysis laboratories in different areas of our coalfields that are equipped with sophisticated instruments like Auto Proxiimate Analyzers and Auto Bomb Calorimeters. We measure the gross calorific value (GCV) and the UHF of our coal, in these laboratories. We are also attempting to get accreditation for all of our laboratories, from the National Accreditation Board for Testing and Calibration Laboratories (NABL). While two of our labs, namely Jagannath and Ib Valley are already NABL accredited.

Being the second largest coal producer of CIL, we need to employ MCL branding to promote the sale of our product. We emphasise on retaining the quality of our coal and effectively meeting our customers' demand

for it. Apart from this, our QC department continuously engages in enthusing our workforce about ensuring quality, by conducting the 'Quality Fortnight'. With these efforts and marketing communication, we manage to retain our position in the Indian coal market. Consumers and suppliers meets are arranged each year for consumer grievance redressal. For the satisfaction of consumers and suppliers, several steps were taken as suggested in the meeting.

### FACTFILE

## Quality Fortnight

(16th February 2015 to 1st March 2015)

We observed this event in all our areas. The QC function made efforts to convey the message of retaining and improving coal quality across all functions and all levels of workforce. The 15 –day long event evidenced active participation in all areas. To further boost the enthusiasm of the various functions, competitions based on their 'Quality' performance in various categories - 'Consumer Participation'; 'Publicity Propaganda'; 'Road Weighbridge'; 'Rail Weighbridge'; 'MGR Siding'; 'Railway Siding'; 'Coal Analysis Laboratory'; were conducted. In the final day celebration at MCL, HQ, graced by CMD, CVO and all functional directors, customer representatives – Shri D. K. Rath, Chief Manager (FM) OPGC and Shri Vinod Agarwal, AGM, M/s Sesa Sterlite Pvt. Ltd, shared their MCL experience. Awards for the various competitions were distributed to the representatives of functional areas. Individual Performance awards were also given away to the dedicated employees to mark their efforts in retaining quality.



Coal analysis laboratory at Kaniha area.

## Ensuring Accurate Supply Quantities

We have a well-established system for tracking the quantity of coal we despatch to our customers. We use in-motion weighbridges at railway sidings, electronic rail weighbridges, and standby weighbridges and have succeeded in achieving 100% weighment of our coal supplies. Ensuring that the correct quantity of coal reaches our customers ensures that they retain their confidence in us, thus enabling us to further strengthen our relationship with them. We also endeavour to improve our systemic processes, by frequently interacting with our customers and getting feedback from them.

## Effectively Addressing Customer Complaints

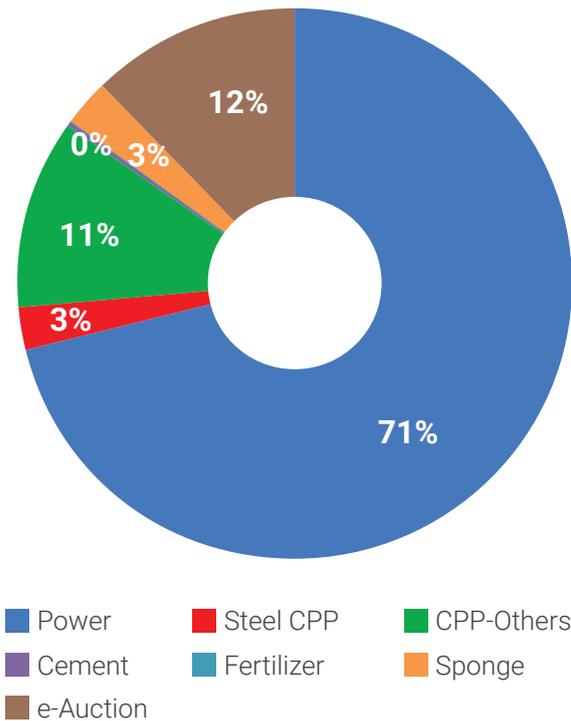
To generate better customer satisfaction, we have made provisions to record customer complaints that are promptly attended to by our QC spot officers. These officers investigate the issue at hand and communicate their findings to the complainant. We have even created an exclusive portal for consumer complaints, where registered consumers can list their grievances. To further prevent any issues from arising, our Nodal Officers in the QC department continuously monitor all railway sidings.

## Supplying Coal Across India and Industries

During the reporting period of FY 2014–15 MCL supplied coal to 12 states in India, namely Andhra Pradesh, Chhattisgarh, Gujarat, Punjab, Haryana, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Tamil Nadu, and West Bengal. Refer to the table below 'Coal Supply Statistics' for details on the coal quantities supplied.

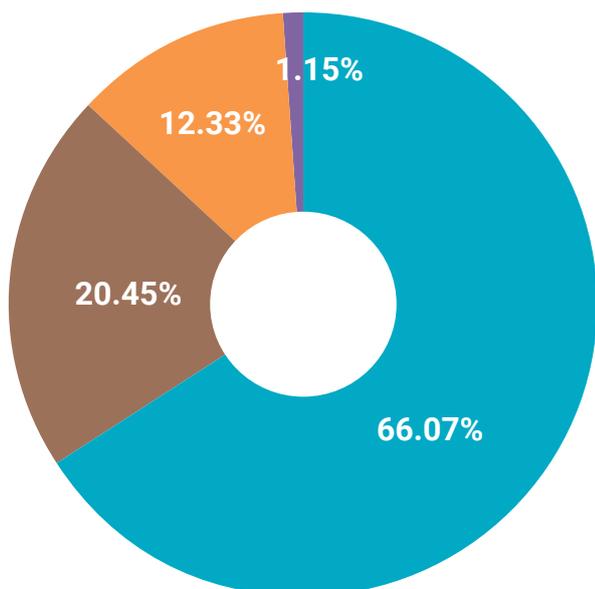
Coal Supply Statistics	
Total Quantity of Coal Supplied (MT)	
2014–15	
<b>123.00</b>	
2013–14	
<b>114.34</b>	
2012–13	
<b>111.96</b>	

Sector-wise Coal Despatch (MT)



Every year, we cater to the energy need of various industrial sectors, whilst a major part of our coal is supplied to powerhouses (refer to the figure on 'Sector-wise Coal Despatch'). We have an exclusive portal for our powerhouse customers where we display the status of coal availability. Interested customers then arrange to lift coal from our sites, abiding by the FSA. The guidelines for supply to powerhouses indicate that coal must have an ash content of less than 34%. We have begun our efforts to meet these requirements by establishing washeries in three phases: Phase I is to be operational by 2017–18. In this phase four washeries, each with a capacity of 10 MT, will be completed at the Jagannath and Hingula areas at Talcher Coalfield, and at the Ib Valley and Basundhara areas in the Ib Valley Coalfield. Phase II will be operational after 2018. In this phase, three washeries will be completed at the Ib Valley Coalfield – one at Lakhanpur (with a capacity of 20 MT) and second at Garjanbahal (capacity 10 MT) and another at Siarmal (with a capacity of 40 MT). These washeries will function on a build-operate-maintain model. Currently, Phase I of the washeries is operational and a techno-economic feasibility report for all these washeries has been approved by the MCL board.

### Mode-wise Coal Despatch (MT)



- Railways
- Road Transport
- MGR
- Conveyor Belt

About 66% of our coal is despatched through the railways (refer to the figure on 'Mode-wise Coal Despatch'). Coal is also transported to our customers by road, merry-go-round (MGR) and conveyor belts. We are currently working on improving the logistics for coal evacuation, which will impact our production performance positively.

We understand that we are responsible for our product and services, and we strive to ensure high customer satisfaction levels. We do this, by effectively meeting our customers' needs and taking their feedback from time to time. We supply coal to buyers through the Fuel Supply Agreement (FSA) or through an e-auction, which is why we deal with them as per the directives of MOC / CIL or the FSA. The balance quantity of coal after being lifted by customers is used as an indicator of customer satisfaction. When a customer lifts beyond the trigger level, they pay an incentive to MCL. When the supply is below the trigger level, MCL pays compensation to the customer. In case of an e-auction, if we fail to supply the stipulated quantity of coal due to MCL's fault, we refund the total value of the coal including EMD for the unlifted quantity of coal to the customer. If the consumer fails to lift the stipulated quantity of coal due to his fault, the coal value is refunded and the proportionate EMD is forfeited for the unlifted quantity. Due to these in-built mechanisms in our selling schemes, fines for non-compliance with laws and regulations concerning the provision of use of product and services, do not apply to MCL.



Wagon loading at railway siding at Talcher Coalfield.

## Our Corporate Values and Governance Philosophy

A key factor that helps ascertain the long-term sustainability of any business is good governance practices. At MCL, our corporate governance philosophy is 'Performance with Integrity' – a way of working that enables us to create value for our stakeholders, whilst making sure they retain their confidence in us. In line with this philosophy, we aim to ensure transparency, greater organisational justice, and corporate sustainability in our company, by integrating our core values of equity, justice, accountability, and transparency, throughout our business operations. We also make it our priority to uphold the highest standards of business integrity, ethical values, and professionalism, in all that we do.

As a Government of India undertaking, we continuously try to implement the Corporate Governance Guidelines that are set by DPE. In FY 2014–15 we managed to extensively entrench these DPE guidelines throughout our organisation structure. For our Board of Directors and our senior management personnel, we follow a statutory document called the 'Code of Business Conduct and Ethics'.

## Our Governance Structure

Our governance structure is in accordance with Coal India Limited. CIL's organisational structure and

governance framework, is headed by Chairman cum Managing Director, who is appointed / nominated by the President of India. This ensures accountability to operational management, within the purview of business strategy, policy guidelines and standards laid down by the Board of Directors of CIL. The CMD who heads MCL, reports to the Chairman of CIL and is ably supported by the Board of Directors.

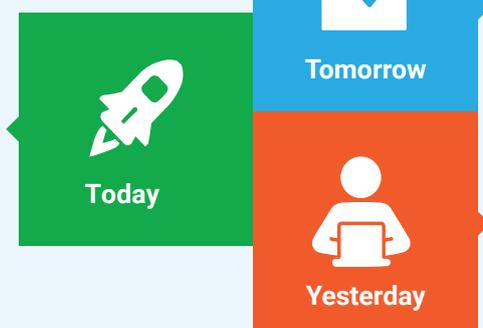
During FY 2014–15, our Management Committee consisted of four functional directors for the departments of Technical / Operations, Technical / Project and Planning, Personnel and Finance respectively. There were also two official part-time directors, one permanent invitee, and the Company Secretary on the committee. The four functional directors, along with the Chief Vigilance Officer (CVO) who works closely with all MCL areas, drive the operational management at our company. General Managers (GMs) of various functions and areas, report to them.

At MCL, our Board of Directors has also formed various committees and sub-committees, which function according to their defined scope of work. The reporting year of FY 2014–15, evidenced enhanced effectiveness of the Board, through quick decision-making and the implementing of appropriate auditing and reporting systems, wherever necessary.

## Corporate Governance

### Fuelling Progress

Over the years, our business and ethical standards and sustainability strategy have amalgamated into our business philosophy. Stakeholder participation and ESG have gained importance in our operations.



### Looking Ahead to Future Achievements

We continue to work towards ensuring that our values of equity, justice, transparency, and accountability, are ingrained throughout our company.

### Building on Past Successes

We have always embarked on conducting business with highest standards of Corporate Governance.



**CMD and Directors standing up for Corporate song during a co-ordination meeting.**

## Committees



### Audit Committee

Review of Financial and Operational Performance



### Technical Sub-committee

Evaluation, Appraisal and Recommendation of Projects for Approval of MCL Board



### Corporate Governance, Strategic & Risk Management, Sustainable Development and CSR Sub-committee (CGSRMSDCSR)

Review, Monitor and Suggest Improvements on Corporate Governance; Strategic Management; Risk Management; and Corporate Social Responsibility



### Human Resource Management and Remuneration (HRMR) Sub-committee

Review, Recommend Options and take Decisions on Human Resource Management; Remuneration



### Sub-committee for Land oustee cases

To Consider and approve all the Cases of Employment, Cash Compensation etc. as per Existing Norms of R&R Policy Being Followed by the Company

## Management During 2014-15



**Shri A. N. Sahay**  
Chairman-Cum-Managing Director

### Functional Directors



**Shri A. K. Tiwari**  
Director (Tech/Op)



**Shri J. P. Singh**  
Director (Tech/P&P)



**Shri P. C. Panigrahi**  
Director (Personnel)



**Shri K. K. Parida**  
Director (Finance)  
(w.e.f 30.9.2014)

### Official Part-Time Directors



**Shri S. K. Singh**  
Joint Secretary,  
Ministry of Coal,  
New Delhi.



**Shri B. K. Saxena,**  
Director (Marketing),  
CIL, Kolkata.



**Shri G. D. Brahma**  
COM, East Coast  
Railway, Bhubaneswar.

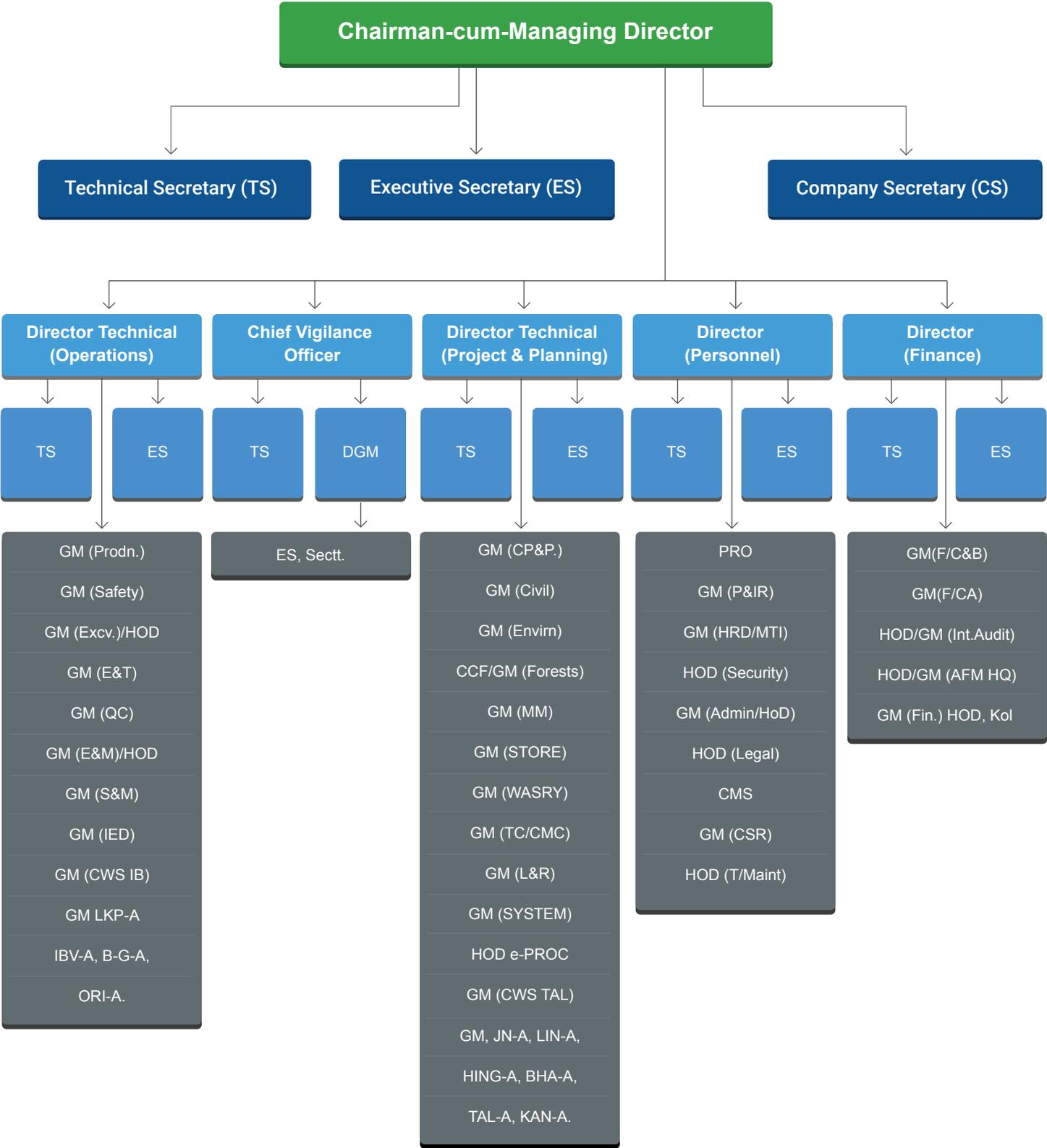
### Permanent Invitee

### Company Secretary



**Shri. A. K. Singh**  
Company Secretary

# Organization Structure of Mahanadi Coalfields Limited



## Keeping our Company Corruption-free

Our vigilance department is responsible for ensuring transparency and enhancing good governance throughout our company. Headed by the dynamic Chief Vigilance Officer (CVO), who is nominated by the Central Vigilance Commission, New Delhi, this department focusses on preventive rather than punitive vigilance. This means that they introduce systemic improvements and other improvements like e-initiatives to create transparency and reduce the potential for unethical behaviour, within MCL.

We'd like to specially mention the human face of vigilance in our organisation, and the manner in which our vigilance department encourages openness and dialogue with employees and other stakeholders of MCL. This has helped increase the level of awareness on ethics and corruption, amongst our staff members. When it comes to our production and operational management, our vigilance teams make surprise inspections to ensure smooth operations across



**Special training session on vigilance awareness for new officers.**

relevant departments. They carried out 40 inspections in FY 2014–15. During this reporting period, there were 9 fresh vigilance cases. In addition to this, 12 cases were pending from the previous financial year. As on 31st of March 2015, 18 cases were resolved satisfactorily and 3 were at different stages of investigation.

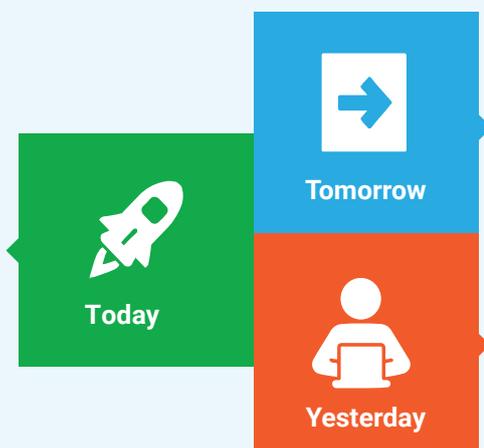
We also have a portal on our website, where vigilance-related complaints can be lodged. The status of these complaints can be obtained online by keying in the date the compliant was registered. Additionally, any written complaint addressed to the CVO, is attended to personally by the CVO and prompt action is taken to resolve the problem escalated by the complainant.

Apart from formal modes of inducing a culture of transparency in the company, our vigilance department also resorts to informal approaches to reduce the differences that exist, due to hierarchy in official positions. We try to bring all our workforce together on a common platform, to remove existing barriers and enable employees at various workforce levels to perform as a team. With this in mind, our vigilance department conducted an Inter-directorate cricket tournament as an employee engagement initiative. The department also conducts several programmes throughout the year, to spread the idea of anti-corruption and transparent behaviour. For instance, a Vigilance Awareness Week was organised between the 27th of October and the 1st of November 2014, at our company headquarters, to break the barrier between employees and vigilance for free flow of information and grievances.

## Vigilance and Anti-corruption

### Fuelling Progress

We have transformed our approach from punitive vigilance to preventive vigilance. We have employed RFID in motion weighbridges, geo-fencing and vehicle tracking systems, and ERP, through an improved coalnet.



### Looking Ahead to Future Achievements

Our plans for the future include overseeing the effective utilisation of CSR welfare funds, with a special focus on dust suppression.

We also plan to prepare for the 'Next Generation' and create a platform for innovations, ideas and thoughts.

### Building on Past Successes

We implemented systemic improvements through digitisation, in an effort to increase transparency and accountability.

## FACTFILE

### Vigilance Awareness Week

(27th October 2014 to 1st November 2014)

**Theme:** Combatting Corruption – Technology as an Enabler

The Vigilance Awareness week was observed at all areas. Several events were hosted on this occasion:

- Seminars: Two seminars were conducted.
  - Combatting Corruption – Technology as an Enabler
  - E-Governance – Data Security
- Bidders Meet: Attended by contractors, suppliers, vendors, Area Chief General Managers, General Managers, and Staff Officers of various disciplines, General Managers / HODs and employees
- Debate Competitions: Two competitions were conducted
  - For school students with the active participation of Jagruti Mahila Mandal
  - For employees
- Interactive Sessions: Vigilance Department interacted with employees and JCC members
- Release of 10th Edition of Vigilance Bulletin

### Transparency through Technology - A Special Feature

At MCL, we strive to improve our real time vigilance systems to garner more transparency in our operations and to reduce the avenues for corruption and unethical dealings. We take a preventive approach to doing this and try to adopt the latest technologies to assist us. In this section, we highlight the endeavours we have made in this regard.

#### Radio Frequency identification of in-motion weighbridges

Tipplers are automatically weighed, using radio wave frequency cameras in real time, that employ RFID or real time radio frequency identification technology. This RFID mechanism can weigh around 800 tipplers per shift, as opposed to erstwhile electronic static weighbridges that could only weight 200 tipplers per shift. This has improved coal weighment by 80% and the RFID cameras have also helped reduce any chances of manipulating the coal weighing. By connecting the RFID system to the Coalnet central server, our vigilance department has ensured transparency in our daily production numbers.

#### Geo-fencing of mining areas and vehicle tracking systems

We established GPS-based tracking for the vehicles that transport and supply water to the villages around our operations.



Brainstorming session during vigilance awareness week.



Interaction of CVO with Secretary, MoC.

Introduction of GPS-based vehicle tracking for our production units as well. We geo-fenced all our mining areas, which raised the bar for e-surveillance methods at MCL. We fixed GPS systems to a total of 1,800 coal tippers and monitor them through a dedicated web portal. The systems account for the number of trips made and the paths taken by the vehicles. We receive alerts in case of route violations, and a record of activities of both contractual and departmental vehicles is maintained. This e-surveillance system has significantly reduced the theft and pilferage of coal, enroute from the mines. In early 2015 alone, the number of violations came down from 2,127 in January, to 1,821 in February, to 1,385 in March. Adoption of this system has also improved the efficiency of coal transportation in general, throughout MCL.

### **Monitoring and e-surveillance through CCTVs and IP cameras**

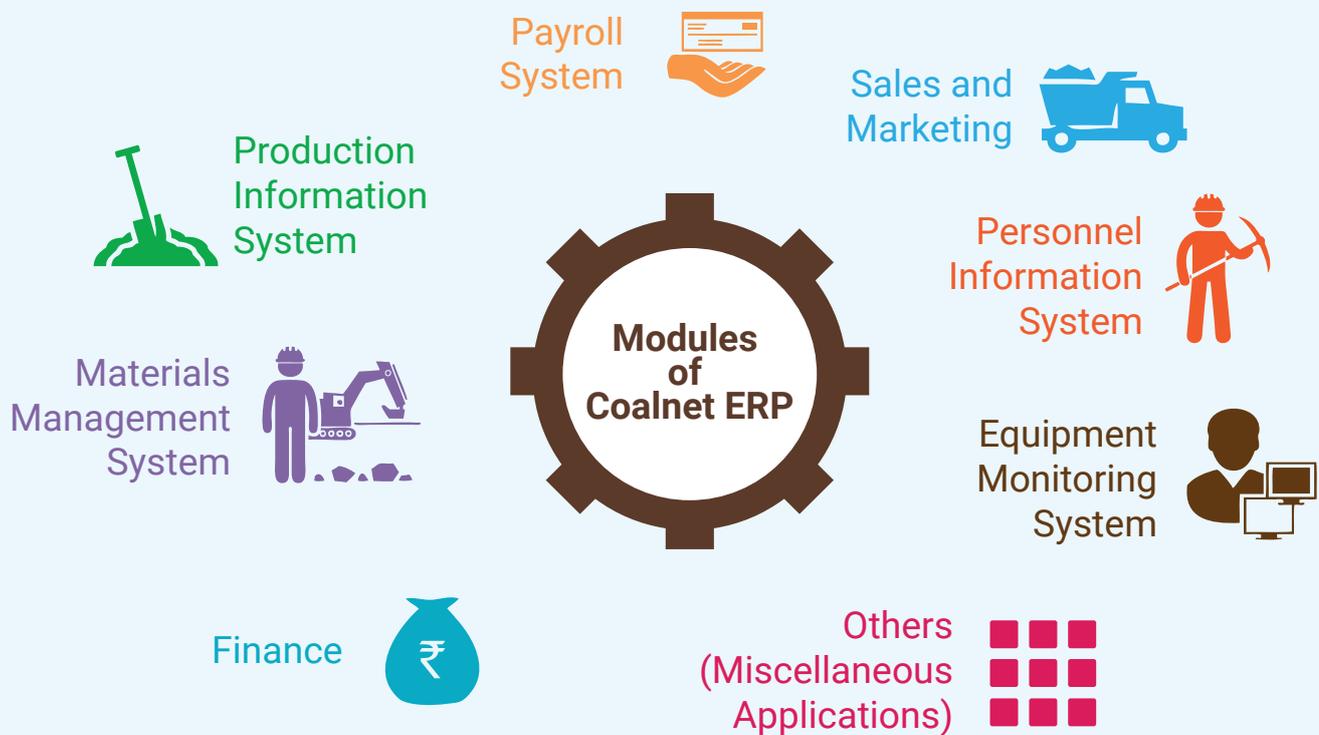
In an effort to remain vigilant throughout our operations, we installed 51 close circuit television (CCTV) surveillance and 92 Internet Protocol (IP)

cameras, in our mines. The presence of the cameras encourages optimum use of time especially in loading of the rail wagons. Loading times have been reduced by an hour or two which will in the future result in reduced demurrage costs for MCL as a close watch can be kept on coal quality through CCTVs. However, the main aspect of this surveillance is that it has created an opportunity to monitor the key mining operation and created a working environment with reduction in the scope of corruption.



*In motion weighbridge in operation.*





## Enterprise Resource Planning (ERP) through the new improved Coalnet

Coalnet is MCL's ERP and stabilising it to tap its benefits has been a top priority of our vigilance department. Encompassing an area of 2,700 sq.km, through radio network, Coalnet has enabled greater transparency and accountability across our operations, thereby proving to be an effective tool for our company. Our ERP solution covers a host of functions in various departments including finance, HR, materials management, production, and sales and marketing. The various modules of Coalnet ERP that have helped to enhance transparency are:

- Payroll System:** Having identified the payment of contractual bills as vulnerable to corrupt practices, MCL has strengthened Coalnet's functions to ensure on-time payment to contractors, thereby reducing the payment time from 3 months to 15 days. This real-time monitoring of bill payment to contractors, has reduced grievances and complaints significantly.
- Sales and Marketing:** Online monitoring of the issuance of a D.O. is now done by Coalnet in 2-3 days. Earlier this would take one month to do. We have also managed to refund an average coal sale value of 138 crore rupees to about 2,130 customers, within just one month – a process that previously took 4 to 5 months. Another grievance that has
- Personnel Information System:** We are using this module of Coalnet to monitor contractual manpower. To ensure transparency in manpower management, we have created a database of nearly 22,109 departmental employees and 14,000 contractual employees, with their personal details and photographs.
- Materials Management System:** This Coalnet module assigns a unique identification code to each material, which helps provide a systematic mechanism for store and material inventory control. Since each material in the store has a unique code assigned to it, unused material is clearly identified and a fresh inventory of material that is required, can be created.
- Production Information System:** This module enables the monitoring of daily production through online e-surveillance – GPS tracking, in-motion weighbridges, installation of CCTV and IP cameras, has resulted in improved production and coal quality monitoring.

come to light over the years, is the the time taken to refund the EMD amounts to unsuccessful bidders. We tackled this issue by introducing an online auto-refund system, wherein EMD is refunded to unsuccessful bidders instantly, once the tender e-portal declares the bid unsuccessful.

# Tete-a-Tete

## Working in the vigilance team – an employee's point of view



**Mr. Ashok Kumar,**  
Vigilance Department,  
MCL, HQ.

In a tete-a-tete with Mr. Ashok Kumar, Senior Manager Civil / Vigilance, he talks about his experience working in the Vigilance Department and highlights the commendable efforts made by the department towards improving the productivity of the company, by guiding and steering it towards excellence.

Mr. Kumar joined MCL in 1998. Prior to being in the Vigilance Department, he worked in the Civil Department looking after CSR activities in the Lingaraj Area. He says that he enjoys his new role, which gives him the liberty to 'ask questions' rather than 'being asked questions.' As a Vigilance executive, his responsibility towards the company has significantly increased as he tries to keep track of the segment of employees who tend to indulge in unfair and fraudulent practices. In the same context, he appreciates the initiation of e-surveillance, which compels employees to perform ethically. Being in the Vigilance Department, he experiences unique teamwork and thoroughly enjoys his interaction with nine other colleagues, especially when they are all geared up to resolve a particular case.

In his opinion, the CVO is the chief motivator, who is their shield to the world outside their department. He credits the new employee-friendly trend in the company, to the leadership efforts of the CVO to completely transform the vigilance perspective. Even after their tenure in the Vigilance Department, the CVO personally intervenes to ensure the appropriate placement of team members.

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*“ To sum up I would like to say that working in the Vigilance Department has been an enlightening experience. Though there is ample scope for both positive and negative actions here, but due to the preventive vigilance being put into place, the incidents of corruption have certainly reduced. ”*

## Human Rights

Preservation, retention and upliftment of human rights is central to our everyday business operations. We respect the human rights of all our stakeholders and hence, consider human rights across all aspects of our operations, as this would eventually reflect in the sustainability of our organisation. We do not endorse any form of forced, compulsory or child labour directly or through our contractors. To ensure the same, our Contract Management Cell (CMC) has human right clauses in-built in all vendor contracts. During the reporting period, there were no reported instances of human rights violations.

## Our Whistle Blower Mechanism

We adopt the Whistle Blower Policy of our parent company – Coal India Limited. We have an internal controlled system for dealing with cases of fraud and mismanagement. We have a toll free number (1800 345 6795) which is active 24x7. Stakeholders can also complain using the e-mail facility- [cvo.mcl@nic.in](mailto:cvo.mcl@nic.in). We ensure that the identity of the whistle blowers are protected. The complaints are channelized for review

to either the CMD or the CVO or the Chairman of the Audit Committee. All the above mechanisms and processes have played a significant role in instilling confidence amongst our stakeholders to come forth and participate in whistle blowing.

Redressal of grievances is also attended by the Grievance Redressal Cell (GRC). The committee meets periodically and complaints received are examined within stipulated time and reply is sent to the complainant. Employees also have the option of appraising their grievances to the Chairman of the Audit Committee.

## Our Industry Association Memberships

MCL is a member in several industry associations including Confederation of Indian Industries (CII), Standing Conference of Public Enterprises (SCOPE), Mining Geological and Metallurgical Institute of India (MGMI), Coal Preparation Society of India (CPSI) and Utkal Chamber of Commerce and Industry Limited (UCCI) etc.



Employees of MCL taking the pledge together on Rashtriya Ekta Diwas.

# Earning Recognition for our Achievements

## Company Accolades and Awards



### HR Best Practices Award 2014

By the National Institute of Personnel Management (NIPM)



### Odisha Inc. Best CSR of the Year Award



### Coal India Quality Assurance Award 2014



### elets Awards 2014

- e-initiatives in vigilance to CVO, MCL  
- e-initiatives in business to GM (IED), MCL



### Greentech Foundation Environment Award

- Received for 2 MCL mines: Lajkura- Gold, Kaniha- Silver



### Training Excellence Gold Award 2014

By Greentech Foundation, New Delhi



### Best Mother Plant for Display Award

Odisha MSME Trade Fair 2015



### Award for 'Concept & Design' of Company Exhibit

5th Coal Summit & Expo 2014



### Best Display Award

MSME Expo Odisha 2014



### National Award 2014 (Category – for Crisis Communication)

By Public Relations Society of India



### National Gold Award (Public Relations Case Study)

By Public Relations Council of India



Indian Society for Training & Development  
Innovative Training Practices 2014  
Commendation Award

## Marks of Distinction Earned



### Lifetime Achievement Award 2015

Conferred to Shri A.N. Sahay, CMD, MCL, for his exemplary leadership and contribution towards training & people development, at the 44th ISTD National Convention



### Leadership Excellence Award 2015

Conferred to Shri P.C. Panigrahi, Director (Personnel), MCL, in Training & Development, by the Indian Society for Training & Development, New Delhi, at the 44th ISTD National Convention



### HR Oriented CEO of the year 2014 Platinum Award

Conferred to Shri A.N. Sahay, CMD, MCL, by Greentech Foundation, New Delhi



### HR Leader 2014 Gold Award

Conferred to Shri P.C. Panigrahi, Director (Personnel), MCL, by Greentech Foundation, New Delhi





🏆 Coal India Award for Quality Assurance  
November 1, 2014



🏆 Lifetime Achievement Award to Sri A N Sahay,  
CMD, MCL



🏆 15th Annual Greentech Environmental Award 2015 –  
a) Gold award for Lajkura OCP  
b) Silver award for Kaniha OCP



🏆 **MSME Expo Odisha-2014**  
Mr A K Tiwari, Director (Tech/Ops) receives  
BEST DISPLAY Award from Hon'ble Minister for  
Industries, School & Mass Education, Govt. of Odisha



🏆 **Odisha Inc Best CSR of the Year Award**  
Hon'ble Union Minister for Tribal Affairs,  
Mr Jual Oram, presents the award trophy to  
MCL's Director (Personnel)



🏆 elets awards 2014- for e-initiatives in vigilance

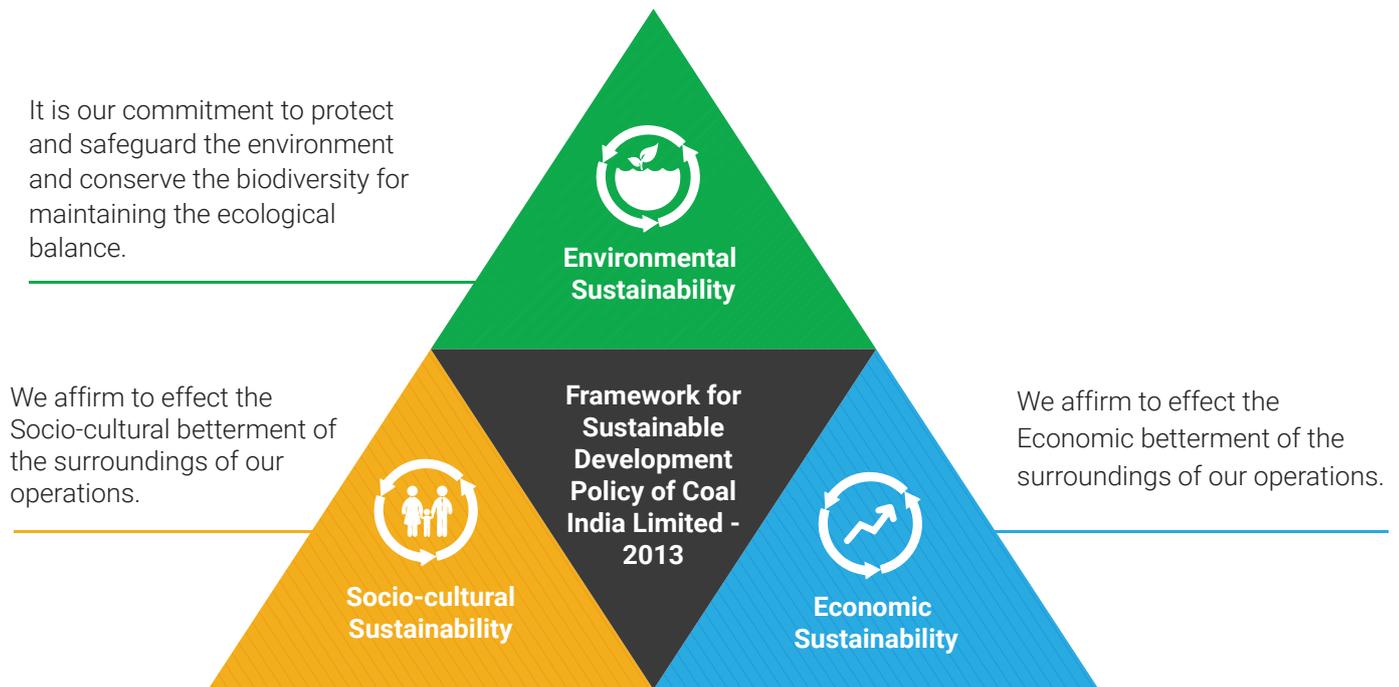
# | Fuelling Progress through Sustainability



# Adopting a Proven Policy

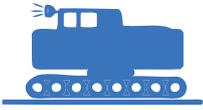
At MCL, we have adopted the Sustainable Development Policy of Coal India Limited – 2013, to ensure a sustainable future for our company operations. Our focus is on delivering excellence in safety, conservation, and quality. To achieve these goals, we have strategically implemented a socially inclusive model that will help sustain us for a longer period, and see us through adverse conditions. Our sustainability policy also helps us meet our growth targets whilst creating long-term value for all our stakeholders.

## CIL's Sustainability Development Policy Framework



Miners at work in underground mines.

## Directives of Sustainable Development Policy



Adopt world-class eco-friendly technologies for mining.



Conserving natural resources by Reducing, Reusing, Recycling, Redefining and Replacing.



Neutralise the impact on environment due to mining through afforestation, rain water harvesting & regeneration of cultivable land and other suitable mitigative measures.



Create income generation avenues / skill development programmes for the project affected people.



Ensure society a better quality life by providing basic infrastructure and management of the services like water, waste management, healthcare, education, etc.



Organise programmes especially for the project affected tribal people to maintain their culture, heritage and identity.



Create awareness among the stakeholders by incorporating a system of communication for obtaining feedback and assessing the opinions / ideas / suggestions.



Delegation of powers to take decisions at the project level for SD related activities for timely implementation through monitoring / evaluation mechanism.



Strive to conduct the business in an ethical and transparent manner.





**Interactive session during 21st welfare board meeting.**

## Successfully Implementing our Strategy

We align our sustainability objectives with the Sustainability Development Policy of Coal India Limited – 2013, that has been developed in line with the principles of the Government of India. In consultation with the Sustainability Development Committee of CIL, we implement the correct approach to achieving these targets. To stay ahead, we also continually evolve our approach, based on changing market trends, stakeholder feedback, and local context. The CIL committee reviews our annual action plan to meet our goals and periodically reviews the progress of the activities we undertake to this end.

## Insights from Stakeholder Interactions

To successfully achieve our business goals and ensure long-term sustainability at MCL, it is imperative for us to satisfactorily address the concerns of our stakeholders. To do this, we engage with both internal and external stakeholders and consistently communicate with them, in order to collect feedback and address any issues they may have. We begin by first understanding their concerns.

To learn about their concerns, we regularly engage with different stakeholders groups and interact with them throughout the year. Apart from this, in FY 2014–15, we organised a special stakeholder engagement programme at the Talcher Coalfields and Ib Valley Coalfields. This was together with Green Evangelist, our external consulting firm that prepares our sustainability



development report. Understanding the challenges that stakeholders face, allows the MCL management to intervene and facilitate the resolution of these issues.

Stakeholder interactions have been essential in identifying the issues that are most material for the sustainability of our company. We have also based our sustainability roadmap on insights gained from these efforts.

## Highlighting Stakeholder Concerns

Based on our engagement with various stakeholder groups, we were able to identify our priority stakeholders and the concerns they believe will impact them. Key stakeholder groups, along with a description of the modes of engagement, frequency of engagement, and their key issues and concerns are highlighted below. Engagement modes refers to the regular interactions we conduct throughout the year.

# Stakeholder Interactions

## Employees and trade unions

### How we engage

Performance appraisal, employee trainings, unit and corporate level industrial relations, vigilance week, safety week, monthly co-ordination meetings, employee recognition activities, annual report, sustainability report and राजभाषा पखवाड़ा

### How often we interact

Monthly, Quarterly, Annually

### What are their concerns

Skill development and opportunities for growth and diversification, infrastructure – transport and accessibility, Infrastructure and network connectivity in offices, workplace hygiene and safety, safety of mine workers, medical facilities, dust pollution, water scarcity, English-medium schools for children of employees, environmental awareness, awareness on the company's sustainable practice

## Community

### How we engage

Community development initiatives; Public consultation

### How often we interact

Ongoing

### What are their concerns

Potable drinking water; Ground water depletion; Enhanced medical benefits; Dust emissions; Blasting activities; Collaborations with local NGOs; Infrastructure; Delay in rehabilitation activities; Schools and adult education programmes; Hygiene and environment awareness; Employment creation; Resettlement sites; Monitoring of CSR activities

## Customers

### How we engage

RCCC meetings with customers, Team meets –marketing, Consumer complaints system

### How often we interact

Monthly, Quarterly, Annually

### What are their concerns

Consistent product quality, timely delivery, despatch and transportation, corporate governance

## MoC and CIL

### How we engage

Business Performance Report, Annual General Meeting, board meetings

### How often we interact

Monthly, Annually

### What are their concerns

Company performance, Sustainability performance

## Contractors and suppliers

### How we engage

Ancillary Development Cell, interactive meetings and sessions, bidders meet

### How often we interact

Monthly, Annually

### What are their concerns

Coal corridor, timely payments, infrastructure – road quality, vehicle numbers, manpower, fuel efficiency, accessibility and infrastructure in living areas, health and safety

## Regulatory authorities

### How we engage

Environment Report, inspection visits, labour meets

### How often we interact

Monthly

### What are their concerns

Compliance with applicable regulations especially with regard to dust suppression and mitigation of dust pollution, timely response and action

# Interactions with Stakeholders for Sustainability Reporting



Employee focused group discussion at Lakhanpur.



Meeting with community representatives of Basundhara-Garjanbahal Area.



One-to-one discussion with contractors and suppliers in Talcher Coalfield.



Sustainability awareness workshop at MCL, HQ.



Interaction with PAPs- registered as co-operative societies under the Vendor Development Scheme for coal transportaion jobs at Lakhanpur Area.



Sustainability awareness workshop conducted for employees at Ib Valley Coalfield.

# Key Management Concerns

The key issues from the MCL management's perspective, were derived after an in-depth study of the company's focus areas, over the last three years. While compiling this, we also considered our Annual Reports, Sustainability Reports and insights from regular meetings with the management team. A two-member

team from Green Evangelist even conducted one-to-one interviews with our CMD and the company's directors, to get the management's perspective and prioritise MCL's sustainability-related issues. The pictogram below highlights the material issues that emerged from this integrated exercise.

## Material Issues of MCL



## Prioritising Materiality Issues

We combined our management’s perspective and our stakeholders’ perspective on material issues, to arrive at the materiality matrix for FY 2014–15. The process of building this matrix began by identifying relevant sustainability topics, followed by prioritisation of these topics, and the verification of our analysis with the performance indices for 2014–15. We arrived at our stakeholder priorities through engagement sessions with them, including employee-focused group discussions, stakeholder engagement workshops, interviews with functional teams and personal interviews with stakeholders, conducted by Green Evangelist.



Employee focus group discussion at Lakhanpur.

### Our Materiality matrix

		Low	Medium	High
Influence on Stakeholders	High	<ul style="list-style-type: none"> <li>• Timely payments</li> </ul>	<ul style="list-style-type: none"> <li>• Coal quality</li> <li>• Infrastructure development</li> <li>• Skill development</li> <li>• Local businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Land acquisition</li> <li>• Rehabilitation &amp; resettlement</li> <li>• Dust pollution</li> <li>• Groundwater scarcity</li> <li>• Business diversification</li> <li>• Anti-corruption - systemic improvement through vigilance activities</li> </ul>
	Medium		<ul style="list-style-type: none"> <li>• Despatch and transportation of coal</li> </ul>	<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Carbon footprint mitigation</li> <li>• Employment creation</li> </ul>
	Low			

Significance of Economic, Environmental and Social Impacts

# Analysing and Mitigating Risks

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Our key risks for FY 2014–15 and mitigation plans are detailed below:

## Land Acquisition

We face serious challenges in acquiring non-coal bearing and non-forest land that is a primary requirement for our new projects. Since the coal seams are spread across thick vegetation zones in the state of Orissa, it is very difficult to find such land to initiate a new project. Despite us having EC & FC, the non-availability of this much needed resource, usually delays many of our expansion projects.

To resolve this persistent problem, we now plan to create land for rehabilitation and resettlement within the premises we own. This will be done by developing level lands by backfilling the excavated areas of our mines and by using appropriate soil compaction and landscaping. If this approach is successful, we believe it will help us meet relevant mine closure norms whilst greatly reducing our need for land acquisition.

## Rehabilitation & Resettlement

When we move from de-coaled mining areas, to coal-bearing lands in the vicinity of our sites, we need to ensure that the local population occupying those lands are relocated to new spaces, and provided with all necessary amenities. This is in accordance with our Rehabilitation & Resettlement (R&R) policy. However, despite offering the best R&R compensation packages, we always face resistance from the local communities we are trying to relocate. This is a major challenge faced by the mining industry.

While we understand that compensating for the emotional ties that the local people have to their land is hard, our larger objective is to meet the needs of the country. This is why we must continue our efforts and provide satisfactory R&R for land oustees. Our current focus is on engaging with local communities, to try and cater to their demands as practically as possible. At MCL, we have even introduced a new cadre for executives called Community Development. Those hired under this cadre will be employee representatives, who specifically deal with the development of local areas in the vicinity of our mines. They will also

facilitate the establishment of R&R sites, with all essential amenities. We hope by these engagement efforts, to smoothen the process of R&R to a great extent.

## Dust Pollution

Dust emission is an unavoidable consequence of our coal mining process. As most of our mines are opencast, this problem is prevalent throughout our coalfields. To help mitigate this risk, we are increasing our dust suppression mechanisms. We are focusing on installing water sprinklers throughout our mines and are attempting to develop exclusive coal transportation corridors, while establishing more silo-loading systems. Our target is to conduct the coal production process using only surface miners – this will drastically reduce the generation of dust. In addition, washeries that have already been approved, will become operational in the coming years and these too will help reduce dust emissions.

## Groundwater Scarcity

We face water scarcity in most of our areas. This problem peaks during summer, when there is a continuous demand for potable water, from our neighboring communities. Since we have adopted a sustainable, inclusive growth model, we try to provide most of these communities with drinking water. In our efforts to do this, we have been very successful in pumping underground mine water for domestic purposes. Currently we are planning to increase the number of water harvesting structures, by using our mined out areas for this purpose. At the same time, we are intensifying our rooftop rainwater harvesting efforts for subsequent recharging of ground water.

## Anti-corruption

Since we have a large workforce of over 35,000 employees, the probability of corruption is high. At present, we endeavour to deal with this issue by employing preventive vigilance through systemic improvements. We are also working to increase transparency and to reduce the potential for unethical behavior within our organisation. We have a vigilance department that encourages open dialogue with employees and other stakeholders, in order to resolve issues, before they turn into problems. We continuously strive to increase awareness about ethics and corruption, throughout the company. For our production and operational management, we have

adopted technology-based interventions, to inculcate a culture of transparency in the company.

## Business Continuity

To ensure the long-term sustainability of our company, we aim to emerge as an 'Energy Supply Company'. To achieve this we have embarked on several endeavours that will create long-term value for our stakeholders, whilst ensuring business continuity. We have planned a coal-based Thermal Power Plant of 1600 (2X800) MW, with super-critical technology. This project will be undertaken by our joint venture Mahanadi Basin Power Limited (MBPL). We have also ventured into the

business of power transmission in the State of Odisha. This will enable us to better utilise our surplus fund whilst helping to develop the infrastructure of the State. The initiative was flagged off by a joint venture company, called Neelanchal Power Transmission Company Private Limited (NPTCPL), in conjunction with Orissa Power Transmission Company Ltd. We have also attempted to capture renewable sources of energy and have successfully installed and commissioned a 2 MW Photovoltaic Solar Power Plant at Anand Vihar, Burla, Sambalpur for our captive consumption.



*Miners retreating after work at Nandira underground mines.*

# Fuelling Economic Development



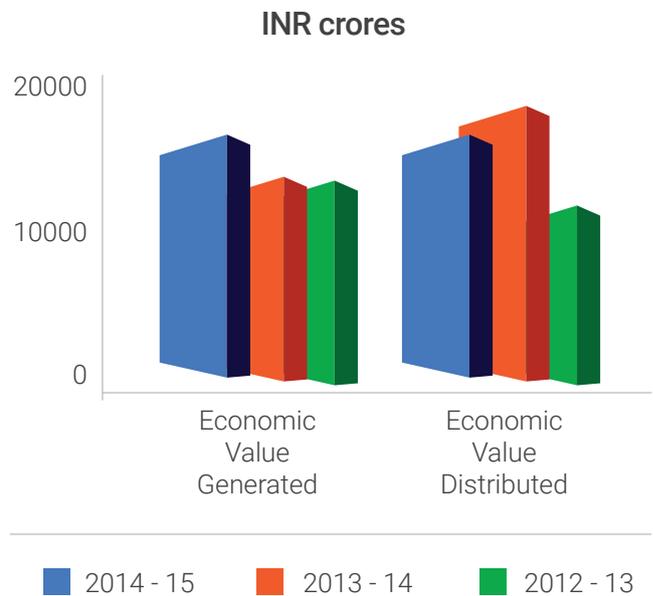
# A Snapshot of our Financial Performance

We at MCL endeavour to ensure long-term sustainability of our business. However, the inevitable truth is that the mining industry has a limited lifetime. Currently our economy is stable, since we achieved a production level that was close to our targets. This section of the report contains details of our economic performance during FY 2014–15. It also recaps the special efforts we have made to support small time businesses and develop new business alternatives.

In FY 2014–15, we generated a revenue of 17,068.85 crore rupees – a combined figure of our core and other businesses. This was higher than our previous year's revenue by 1,859.91 crore rupees, which can be directly attributed to an increase of 121.38 MT in our coal production. We registered 14.58% growth on the gross sales value over the previous year. Details of our financial status are provided in the table on 'Economic Performance'. Our profit before tax and profit after tax for the reporting year were recorded as 5,314.24 crore rupees and 3,554.10 crore rupees respectively. We

have been consistent in payment of our dividends for the last nine years. No donations were given to any political party during the reporting period. We also received an assistance of 66.19 crore rupees from Coal Controller – CCDA, for Road & Rail Infrastructure.

## ECONOMIC PERFORMANCE



Economic Performance			
	2014–15	2013–14	2012–13
<b>Direct economic value generated (A)</b>	INR (crores)		
Revenue (through core business segments)	14,989.05	13,165.61	13,190.42
Other income (through other sources)	2,079.80	2,043.33	2,070.72
<b>Total (A)</b>	<b>17,068.85</b>	<b>15,208.94</b>	<b>15,261.14</b>
<b>Economic value distributed (B)</b>	INR (crores)		
Operating costs	5,669.54	4,632.62*	4,148.53
Personnel expenses (wages + benefits)	1,997.10	1,841.29 *	1,711.67
Interest charges	1.44	14.89	4.97
Taxes and royalties (includes direct taxes such as income tax, corporate dividend tax, etc.)	6,434.69	5,997.56	5,576.26
Dividends (payments to capital providers)	3,841.82	5,983.16	2,529.45
Community development / CSR investments	61.30	111.48	25.56
<b>Total (B)</b>	<b>18,005.89</b>	<b>18,581.00</b>	<b>13,996.44</b>
<b>Economic value added (A-B)</b>	<b>-937.04</b>	<b>-3,372.06</b>	<b>1,264.70</b>

\* Operating costs & Personal Expenses for the FY 2013-14 also stands corrected in the CSR & Sustainability Report of MCL 13-14. Pg-21

## Employee Benefit Expenses

We provide our employees with several short term and long term benefits that are recognized as expenses in the balance sheet. Gratuity, Contribution to PF, Leave encashment, VRS are few of the expenses that are included in the list. More details on this are provided in the section "Ample Benefits for Employees".

Employee Benefit Expenses			
	2014-15	2013-14	2012-13
	INR (crores)		
Salaries, wages, allowances, bonus and benefits	1,410.53	1,319.84	1,204.59
Ex-gratia	90.63	73.59	62.35
PRP	38.93	48.41	46.15
Contribution to PF and other funds	186.30	176.09	161.42
Gratuity	48.03	23.39	22.63
Leave encashment	71.56	52.51	43.72
VRS	0.01	0.79	1.93
Workmen compensation	0.55	-2.35	0.58
Medical expenses for existing employees	38.79	29.42	35.24
Medical expenses for retired employees	1.26	17.24	30.84
Grants to schools and institutions	21.85	28.18	18.68
Sports and recreation	5.48	4.17	0.79
Canteen and crèche	0.91	0.78	0.68
Power – township	60.19	53.81	54.07
Hire charges of bus, ambulance, etc.	3.37	2.66	2.61
Other employee benefits	18.71	12.40	25.39
<b>Total</b>	<b>1,997.10</b>	<b>1,841.29</b>	<b>1,711.67</b>

## Indirect Economic Development

We have, since inception, felt a sense of responsibility towards the development of the surrounding communities and in particular to the progress of the State of Odisha, where MCL's operations are located. To this effect, we invest yearly in infrastructure development to improve the basic living condition of the community around the mines. We commercially engage in kind or pro bono on such development and infrastructure investments and services primarily for the public benefit.

Infrastructure Investments				
	2014-15		2013-14	
	Numbers	INR (lakhs)	Numbers	INR (lakhs)
Medical centres	3	65.67	4	420.02
Schools	332	252.99	19	99.85
College	5	154.42	13	109.14
Sewing machines		0.00	10	1.48
Road repairing / strengthening	38	2,689.01	22	2,118.59
Hand pumps	25	103.05	74	53.81
Dug wells / ponds	28	319.01	4	77.94
Marketplaces	1	0.91	2	12.84

## Fuelling Good Business Relationships

For business success, we depend largely on our extensive supply chain for goods and services. In order to build better supply chain business relationships, our procurement practices offer the utmost transparency and we leverage local markets to produce more sustainable goods and services. It is also our aim to broaden our supplier base and establish the youth in the State of Odisha as entrepreneurs. To this end, we provide business opportunities to small scale industries (SSIs) and extend similar support to our PAFs, through a unique vendor development scheme, that offers business opportunities, only through nominations.

## Our Supply Chain Vendors and Procurement Practices

At MCL, our supply chain consists of vendors for coal production products and services, including transportation and overburden removal (e.g. BCML) vendors for products such as equipment and spares (e.g. BEML), iron and steel materials (e.g. SAIL), conveyor beltings (International Conveyors e.g. Fenner, Forech) and other large sector enterprises and SSIs. Procurement is centralised and individual departments request for the services they need, independently. Our Materials Management Division then handles the procurement of these products.

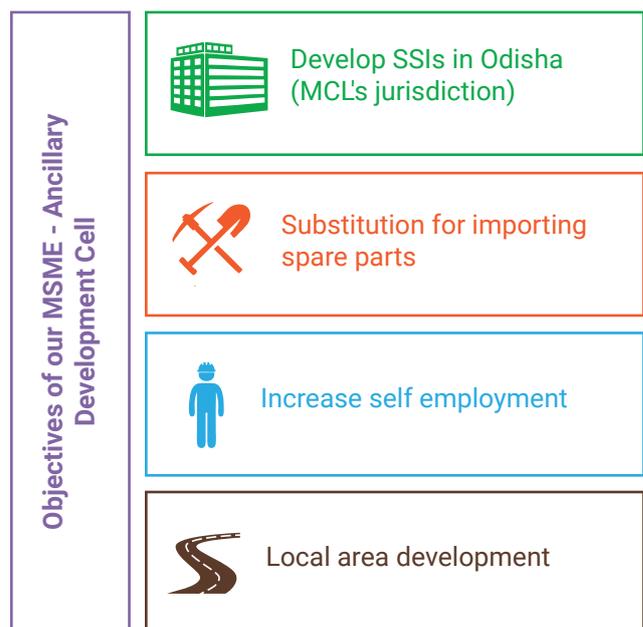
Our usual procurement process involves e-tendering where bidders upload their credentials and quotations. From amongst the bidders who meet the qualification criteria, the bidder with an L1 quote is selected by system itself, after they accept all our terms and conditions. Currently, we do not have an exclusive procurement policy for selecting a vendor based on their performance related to specific labour criteria, environmental criteria, or the impact their services have on society. However, we work to strengthen our relationship only with vendors who are not engaged in fraudulent and unethical practices. To ensure this, we have made it a mandate for our bidders to sign an 'Integrity Pact' before they bid for any work. We have also appointed Independent External Monitors (IEMs) who keep track of any corrupt practices. Our suppliers even have the privilege of approaching these IEMs.

Our relationship with any new vendor begins with offering them assistance in the e-tendering process.

Once we contract a vendor, we interact with them throughout the project's tenure, to facilitate the smooth delivery of goods and services. We continuously engage with them, to ensure that they offer prompt services, whilst meeting set deadlines. For vendors that provide services for coal production / transportation, we ensure that their employees (including contractual employees), are trained on the basic operating processes before they formally begin to perform their duties. We also strive to resolve any issues they face – any grievances that our vendors have can be filed on an exclusive portal on our website. In addition, vendors can communicate their suggestions to improve our procurement process, to our vigilance department, during the special annual 'Bidders Meet' organised during the Vigilance Awareness Week, at MCL.

## Our Ancillarisation Endeavours

Our efforts to create ancillary units began a few years ago, when we were instructed by the Directorate of Industries of the State and the Ministry of Micro, Small and Medium Scale Enterprises (MSME), to encourage the growth of SSIs within the operational jurisdiction of MCL. We realised then that we could develop a model for substitution of spare parts that were usually imported. It is our goal to provide sustainable business to MSME units and for this, we have an exclusive Ancillary Development Cell, which works in alignment with their set objectives.



At MCL, we opt for ancillary units to procure consumable stores, furniture, forest products, safety items, machinery spare parts, castings, services, feeder breakers / CHP spares, underground equipment spares, pipe fittings, civil items, electrical items, firefighting equipment, rolled steel items, printing jobs, cables, and so on. The selection of these units is based entirely on their ability to supply high quality material, efficiently and promptly. Their performance in this respect is reviewed annually and the resulting report determines if their ancillary status will be renewed or not.

During FY 2014–15, 28 SSI units received an extension of their ancillary status, while 25 other units are either at various stages of revalidation for a 5-year extension period, or hold an expired status. To maintain amicable relationships, we make interactive sessions or meetings including a PLAC to resolve any issues that our ancillary units may have. We do this through interactive sessions or meetings.

As an extension of our ancillarisation-related responsibilities, we consistently update ourselves by attending various events. During FY 2014–15, we attended two major events: The Odisha MSME International Trade Fair – 2015 and the MSME Expo Odisha – 2014, where we were awarded with a Certificate of Excellence. To further reinforce small-scale entrepreneurial opportunities in Odisha, we also participated in various events, including, the MSME Summit cum Expo organised by the Indian Chamber of Commerce, the 28th Annual State Level Convention and seminar organised by the Orissa Assembly of Small and Medium Enterprises (OASME), and the 4th National Trade Fair organised by the Dalit Indian Chamber of Commerce and Industry (DICCI).

## Our Vendor Development Scheme

We created our vendor development scheme just a few years ago, to give young Project Affected People (PAP) an opportunity to become entrepreneurs. To benefit from this unique 'Sustainable Livelihood' model, a group (often around 7 to 9) of interested PAPs need to register as a co-operative society. These societies then apply for any work (usually coal loading or transportation) that has been tendered. They have the advantage of being selected only on the basis of nominations.

As of 28th April 2015, 59 companies, involving 739 beneficiaries had been registered as co-operative societies. Through this scheme, 442 tippers were deployed daily for transportation of 55.56 MT of coal, during FY 2014–15. The total monetary value gained by these societies was 217.81 crore rupees.

Our vendor development scheme has been very successful in all MCL areas, as more and more PAPs come forward to participate. The uniqueness of this strategy is that it offers an alternative livelihood to those who lost their land due to our mining activities. Also, these PAPs, who would have possibly never ventured into business, now have an opportunity to become entrepreneurs – this is a long-term life sustenance model that they will be trained to employ. Along with the many implicit advantages, there is also scope for further local area development when these young business tycoons get up the nerve to progress even further in business and thus create value for the community that they belong to.



# Tete-a-Tete

## Strengthening Relationships with PAFs (also vendors)

The Vendor Development scheme, which was introduced by MCL to support PAFs with entrepreneurial opportunities and make them self-dependent in the future, has received fair recognition amongst its beneficiaries. During a tete-a-tete with some of the society members at Lakhanpur, we tried to capture their experience through this scheme. Lakhanpur today has nine co-operative societies registered under this scheme, namely, M/s Rudraksh Logistic, M/s Belpahar Paribahan, M/s PAP Transport Co-operative Ltd., Utkal Multipurpose Co-operative Ltd., Subham Transport, Hari Om Transport, Anchalik Transport, Mahanadi Transport, and Hirakhand Transport. They mainly deal with the internal transportation from surface to

siding or transportation of stock or reject. They find the work very challenging since many of them are new to the profession. The fact that the renewal of their license is dependent on 80% of their target being achieved, emphasises the need for consistent performance. The financial returns and other benefits that they get from MCL, motivates them to continue with zest. Gaining more and more experience in their work, they feel that a few changes are required for some stringent clauses, which will help them to deliver their work appropriately. They are hopeful these amendments will be made soon, as they have already communicated their concerns to the higher authorities.

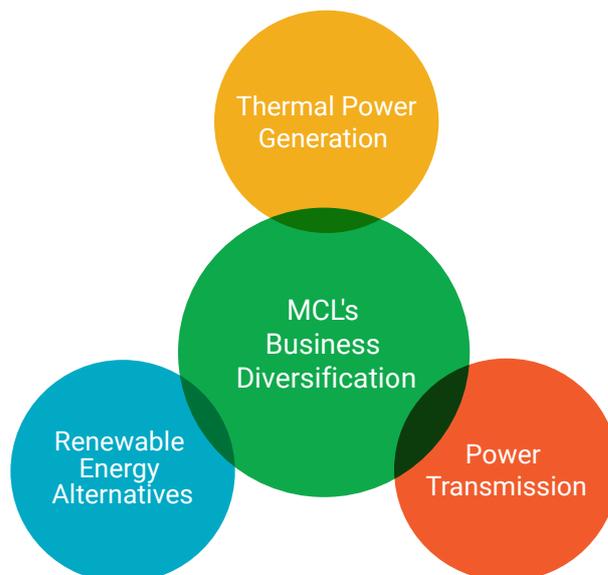


# Fuelling New Businesses: The Sustainable Alternative

It's been 23 years since our inception and today we are comfortably positioned as the second largest producer of coal for CIL. Our production targets are set for years to come and we plan to achieve them by intensifying our efforts in updating technology and implementing the best management practices. Our coal reserves will allow us to continue without any economic-related crisis for few more decades. At this juncture, although it is not in the purview of immediate business sustainability, we are exploring diversifying our operations, so that MCL can evolve into an integrated 'Power Giant'. Not just in the business of coal, but in power generation, power transmission, and renewable energy alternatives.

## Power Generation

We have already initiated efforts to establish a coal-based thermal power plant 1,600 (2X800) MW that employs super-critical technology, at Basundhara Area, Sundargarh. This project will take off through our subsidiary Mahanadi Basin Power Limited (MBPL) and we are currently considering a proposal for funding with 70:30 debt-equity participation. The EIA has been completed and the final DPR of the project has been approved by the CIL Board. The coal linkage proposal has been accepted by Ministry of Coal (MoC); Ministry of Environment and Forest (MoEF) has accorded for ToR, and the Water Resources Department (WRD) has given approval for water allocation of 25 cusec to the project. Subsequently, we are likely to see quick progress on this project.



## Power Transmission

In FY 2012–13 we ventured into the business of power transmission through the installation of a 220 KV power transmission line from Budhipadar to the Basundhara Area. We envisaged this as a business diversification option that would also allow us to illuminate the remotes areas of Odisha. Our joint venture company Neelanchal Power Transmission Company Private Limited (NPTCPL) has partnered with Orissa Power Transmission Company Ltd., for similar interventions.

## Renewable Energy Alternatives

In our quest for sustainable energy alternatives, we have invested in capturing renewable solar energy through a 2 MW Photovoltaic Solar Power Plant. This solar power project was launched during FY 2014–15, at Anand Vihar, Burla, Sambalpur. More updates are available about this in the section on 'Alternative Energy', in this report.



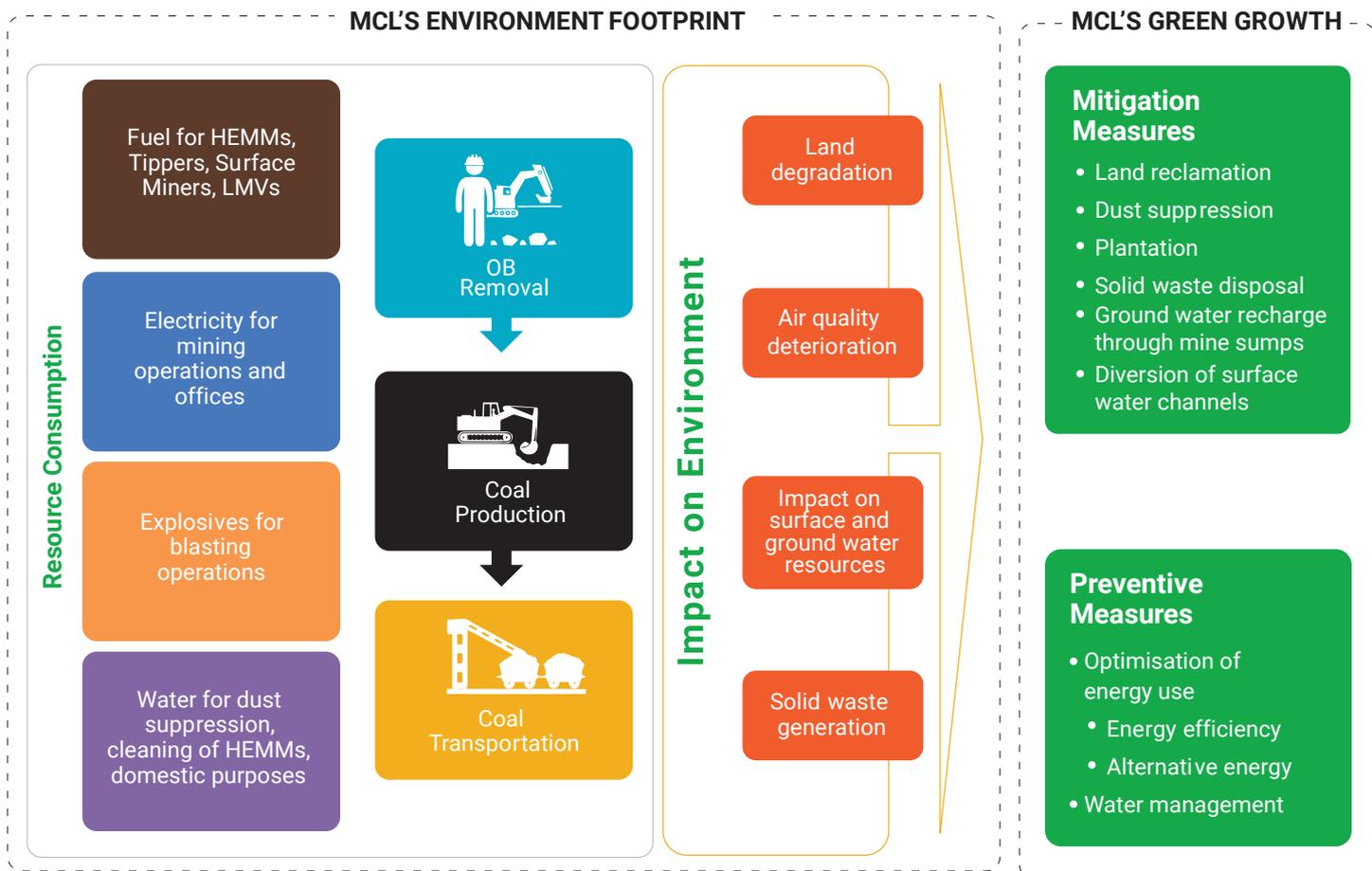
# FUELLING GREEN GROWTH



# Our Endeavours to be Eco-friendly

Our company's mission to produce coal in an eco-friendly manner is strengthened by our efforts to support environmental growth. To fulfill our goals in this area, we have well-defined plans, budget and the necessary machinery to put those plans into action. We have been registered for an Integrated Management System conforming to Quality Management (ISO 9001:2008), Environmental Management (ISO 14001:2004) and Occupational Health & Safety Management (OHSAS 18001:2007), to ensure compliance with environmental norms and standards. We are also in the process of applying for accreditation for ISO 50001:2011 for an Energy Management System to manage the rationalised consumption of all energy inputs in our organisation.

At MCL, we have a dedicated environment department and special teams at our headquarter and in all our operational areas. These teams work to successfully implement our Environmental Action Plan. We also strive to create environmental awareness amongst our employees, through innovative and interesting activities, such as, celebrating 'Environment Fortnight' culminating in 'World Environment Day; 'Van Mohatsav'; and monthly lectures on environmental awareness and sustainable development. We realise that the coal industry cannot eliminate its impact on the environment completely. That said, we are confident that our planned and well-organised endeavours, will help fade our footprint to a great extent. If any of our stakeholders have concerns or complaints related to the negative effect our activities have on the planet, we proactively address those grievances. We are happy to report, that there were no reported grievances during FY 2014-15. During the reporting year there were no fines levied on us due to non-compliance with environmental laws and regulations.



## Creating Mechanisms to Reduce Environmental Damage

For our mining operations, we use several natural and man-made resources. We acquire large areas of land for mining and resettlement purposes. We also consume fuel for our Heavy Earth Moving Machinery (HEMM), surface miners, tippers, and LMVs. Water is another major resource we use – especially to suppress fugitive dust. Electricity for our offices is also a vital requirement. Apart from this, we use explosives and other chemicals for blasting operations in our mines. All these ultimately have an adverse effect on the environment. Since they are key to our operations, it is not possible for us to eliminate the use of resources and chemicals that cause environmental degradation. However, in line with our sustainability mantra, we are conscientious to ensure energy security for our country and the environmental damage our operations bring about. We have adopted immediate mitigation measures to counteract prevailing issues of dust pollution, land degradation and impact on water regime. Moving a step ahead, we have started to employ preventive tools, such as energy efficiency initiatives, alternative energy options, and effective water management. In this way, during the reporting period of FY 2014–15 we continued to evolve mechanisms aimed at reducing our negative impact on the environment.

## The Extent of our Environmental Footprint

MCL's environmental footprint is marked by significant natural resource consumption and the input of a few raw materials in our operations. Apart from the coal bearing lands that we excavate, we extensively use various types of fuel for our HEMMs (draglines, shovels, surface miners, dumpers, dozers, drills, loading machines, graders, water sprinklers, and cranes) and other LMVs that we employ for coal production, OB removal, and coal transportation. Electricity is another resource that is consumed in all our mechanised operations and especially in our offices. Our demand for water is significant too, as we require huge quantities of it for dust suppression activities, firefighting other cleaning operations and to cater to the domestic needs of people who reside in the

vicinity of our operations.

## The Resources that we Consume

### *Fuel, Explosives and Other Raw Materials*

To produce coal during the reporting period FY 2014–15, we used 44495.24 KL of high-speed diesel (HSD) in our departmental Heavy Earth Moving Machinery (HEMMs). We also used other raw materials such as explosives, detonators, and so on. Refer to the table on 'Raw Material Consumption Statistics' for category-wise details on the raw material consumed during the reporting period, in comparison to the previous two years. It should be noted that there is limited scope for the use of recycled input materials in our production process. However there is large scale recycling of water resource for activities like dust suppression, firefighting, washing, plantation etc.



**Explosive van at Lilari, OCP.**



**HEMMs used for opencast mining operation.**

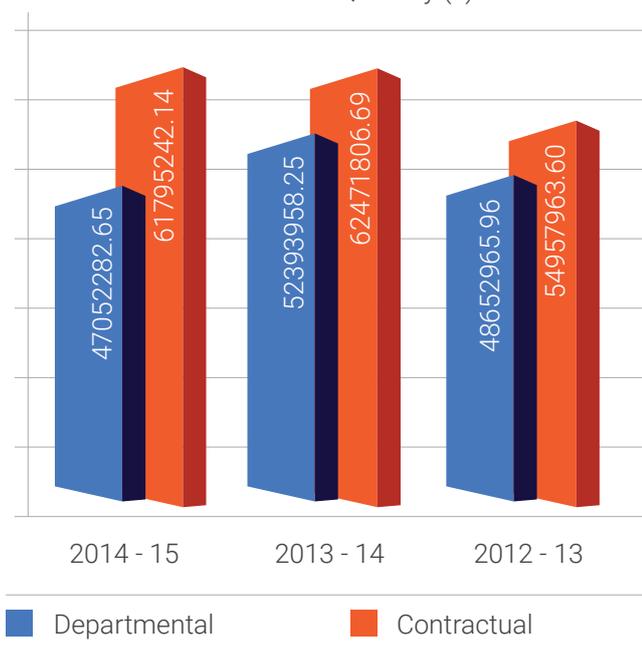
## Raw Material Consumption Statistics

Raw Materials	2014-15	2013-14	2012-13
<b>Explosives (in tonnes)</b>			
Permitted explosives	676.33	790.21	882.21
Large dia explosives	2,378.20	3,542.79	4,941.52
Bulk explosives	28,899.01	32,872.08	31,901.10
Cast boosters	64.05	70.65	69.41
<b>Total Explosives</b>	<b>32,017.59</b>	<b>37,275.73</b>	<b>37,794.24</b>
<b>Detonators (in lakhs)</b>			
CED	0.18	0.26	0.32
CDD	15.04	17.67	19.35
Cord relay	0.06	0.19	0.35
<b>Total of detonators</b>	<b>15.28</b>	<b>18.12</b>	<b>20.02</b>
<b>Nonels (in numbers)</b>	<b>1,214,279</b>	<b>1,328,801</b>	<b>1,081,803</b>
<b>Detonating Fuses (in lakh metres)</b>	<b>5.72</b>	<b>14.18</b>	<b>22.98</b>

During FY 2014-15, we used a total of 47,052.28 kL of fuel (including diesel, petrol and lubricants) for our departmental HEMMs, vehicles, and D.G. sets. This translates to 16,88,482.99 GJ of energy consumption. The fuel consumption in our contractual vehicles was 61,795.24 kL equating to 22,16,352.87 GJ of energy consumption. The figure on 'Fuel Consumption Trend' depicts our usage during the last three years.

### Fuel Consumption Trend

Units of Fuel Quantity (L)

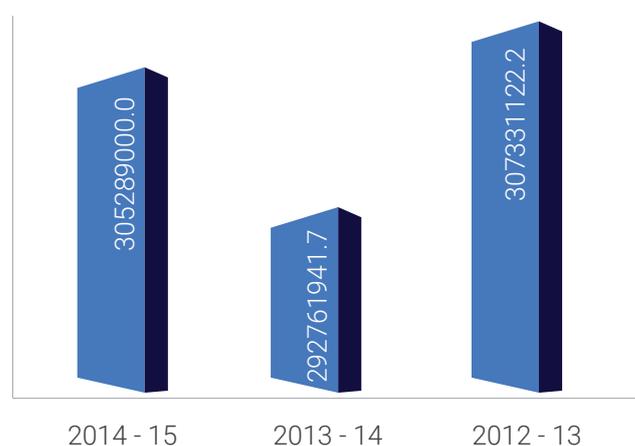


### Electricity

During FY 2014-15, we consumed 305.29 million kWh of electricity that was supplied from the state's power grid. We achieved a decrease in specific consumption of power for coal production, compared to the previous years. Although it wasn't a very significant reduction in energy consumption, we have been able to maintain a decreasing usage trend over the past few years. Refer to the figure on 'Consumption of Electricity' and table on 'Electricity Usage Statistics' for details on electricity consumption for the current and previous reporting periods.

### Consumption of Electricity

Units of Electricity (kWh)



Electricity Usage Statistics				
SL. No.	Parameters	2014-15	2013-14	2012-13
1	Electricity consumption (million kWh)	305.29	292.76	307.30
2	Specific electricity consumption (coal) (kWh / T)	2.52	2.65	2.85
3	Specific electricity consumption (composite) (kWh / Cum)	1.88	1.80	2.08

## Water

To meet the demand for water that we need in our operations, we source it from mine sumps which contain vast amount of accumulated rain water. For drinking and domestic water requirements we tap the recycled water of u/g mines and nearby surface water sources.

Most of our surface water for drinking water and domestic water requirements is sourced from the Brahmani, Mahanadi, Ib, and Basundhara rivers, and from the power channel on the Mahanadi River. Our major water consumption, i.e., for industrial purposes is met out from the mine sumps. During the reporting period of FY 2014-15, we drew 27,587.36 million litres of fresh water from various surface watercourses. We have ensured that these sources were not affected due

to the withdrawal of water for our operations. It is also to be noted that a major part of the water we require is met by recycling underground mine water for various domestic and industrial purposes such as dust suppression, firefighting, gardening, plantation and so on. Refer to the table on 'Ground Water Consumption Statistics' for comparative details on water obtained from various sources over three reporting periods.

The water we supply for drinking and domestic use is adequately treated in our Water Treatment Plants (WTPs) operational in Talcher, Ib Valley, Belpahar, and Basundhara, under the Integrated Water Supply Scheme (IWSS). Treated underground mine water is also supplied as water for drinking, domestic and agricultural use to surrounding villages in our mining areas. Approximately 50.35% of total mine water was recycled in FY 2014-15.

Surface Water Consumption Statistics					
Sl. No.	Name of Area / Project	Surface Water Sources	Total Water Withdrawn (million litres / year)		
			2014-15	2013-14	2012-13
1	IWSS Talcher	Brahmani River	16,888.80	16,326.92	16,451.70
2	IWSS Lakhanpur area	Hirakud Reservoir (Mahanadi)	2,449.44	4,932.62	5,285.92
3	IWSS Ib Valley area	Ib River	7,275.30	3,314.20	2,304.60
4	IWSS Basundhara	Basundhara River	182.40	659.44	228.75
5	MCL, HQ, Burla	Power Channel (Mahanadi)	791.42	949.10	436.80
<b>Total</b>			<b>27,587.36</b>	<b>26,182.28</b>	<b>24,707.77</b>

Ground Water Usage Statistics		
Ground Water Usage Details	Quantity of Water (million litres / year)	
	2014-15	2013-14
Annual makeup of water in mines	80,165.00	64,198.67
Mine water used	40,366.25	35,651.33
Domestic use	6,618.00	5,173.67
Industrial use	13,707.00	14,407.00
For surroundings	20,041.25	16,070.66

## Our Overall Impact on the Environment

The use of all these natural and man-made resources and the very nature of our operations, contribute to an undesirable impact on the environment. Land degradation, deterioration of air quality due to dust and carbon emissions, the impact on natural water regime, and solid waste generation, are the unfortunate consequences of our mining activities.

- **Land degradation:** For our coal mining operations, we need to excavate the coal bearing land. Apart from this, we also require non-coal bearing land where we can relocate the communities evacuated from proposed mining areas and establish new resettlement colonies.
- **Air quality deterioration:** Emissions of dust (due to our mining activity) and carbon dioxide (due to fuel consumption) are the major pollutant sources that alter the air quality negatively.
- **Impact on natural water regime:** As we excavate the coal bearing land, the surface and ground water resources are disturbed. Water from unconfined and confined aquifers accumulate in the mine sumps and rain water of the catchment area also comes in.
- **Solid waste generation:** Overburden waste generated during coal production, hazardous waste, non-hazardous solid waste, and biomedical waste, all constitute our solid waste inventory.

These identified impacts on the environment during our operations have the potential to be a menace and therefore require attention.

## Our Green Growth Mantra

We proactively work to safeguard nature, without compromising our operational requirements and whilst fulfilling the energy needs of our country. Our sustainable approach to 'Fuelling Green Growth' consists of various mitigation measures to combat immediate problems and several preventive measures to prepare for unknown detrimental consequences in the future.

## Mitigating Immediate Environmental Issues

### Land Reclamation

We employ a sequential two-step process for land reclamation. First, the excavated land back to its original state, by backfilling the overburden (OB) material in the de-coaled voids. However in MCL, as the coal evacuated is much more than the OB material, approx. 50%-60% of the area is backfilled upto the original ground level and the balance 50-40% of the excavated area is partially filled and developed as water harvesting places. Then we revive the filled-up land by planting greenery. To keep a track of our reclamation progress, we have delegated another CIL subsidiary, CMPDI that regularly monitors our progress, through remote sensing. To assess the progressive reclamation status of our mined out land, CMPDI engages with the National Remote Sensing Centre in Hyderabad, to obtain satellite data for the areas of vegetation, backfilling, and active mining. This satellite data is analysed by digital image processing, to obtain relevant information and create land reclamation maps.

#### Land Reclamation



#### Physical Reclamation

Backfilling with OB



#### Biological Reclamation

Plantation



**Reclamation of overburden dumps at Lingaraj area.**

During FY 2014–15, we monitored 15 open cast mines in the Ib Valley Coalfield and the Talcher Coalfield. 11 of these have a greater than 5 Mm<sup>3</sup> per year capacity and 4 have less than 5 Mm<sup>3</sup> per year capacity. For the open cast mines with a capacity greater than 5 Mm<sup>3</sup> per year, 65.78% of land area has been reclaimed. Bharatpur OCP topped the list with 78.38% of successful land reclamation, followed by the Lajkura OCP with 74.43% reclaimed land. For the OC mines with a capacity less than 5 Mm<sup>3</sup> per year, 49.69% of land area has been reclaimed. The Lilari OCP achieved 85.85% reclamation of its excavated land followed by the Chhendipada OCP with 56.32% of its land restored. Details of land reclamation for FY 2014–15 are depicted in the pie charts 'Land Reclamation Status – FY 2014–15 OC Mines (Capacity > 5 Mm<sup>3</sup> / year)' and 'Land Reclamation Status – FY 2014–15 OC Mines (Capacity < 5 Mm<sup>3</sup> / year)'.



**Biological reclamation of Lajkura OCP.**

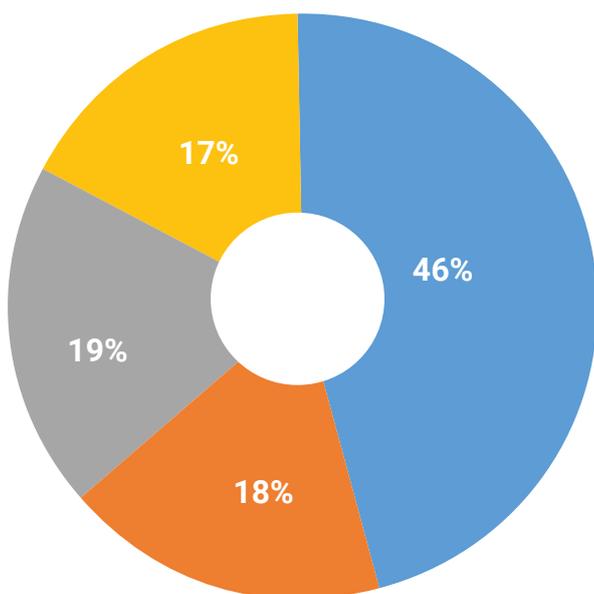
## FACTFILE

### An Attempt to Revive the Lost Biodiversity

The Talcher Coalfield has developed a 20-acre nursery in the Jagannath Area. The nursery was created to house various indigenous plants, medicinal plants, fruit bearing plants, etc. that could be used for plantation on OB dumps, roadsides, office premises, and residential colonies. Along with green belt development for climate change mitigation, MCL plans to create livelihood significance for the community through plantation. Thus, plant species such as lemon, jackfruit, kaju, jamun, boula, mango etc., which either have some food value or benefit to the local people in the future, are selected.

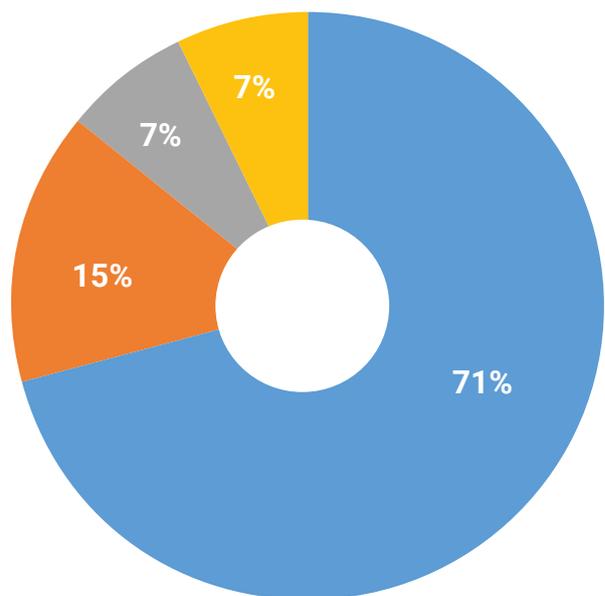
This attempt of MCL to revive the lost biodiversity and ensure sustained and inclusive development of the community is supported by the efforts of M/s Chhattisgarh Rajya Van Vikas Nigam Limited, which takes the responsibility for maintaining the nursery and serving as a source of saplings for our plantation efforts.

**Land Reclamation Status - FY 2014-15  
OC Mines (Capacity > 5 Mm<sup>3</sup> / year)**



■ Not Excavated      ■ Backfilling  
■ Active Mining      ■ Plantation

**Land Reclamation Status - FY 2014-15  
OC Mines (Capacity < 5 Mm<sup>3</sup> / year)**



■ Not Excavated      ■ Backfilling  
■ Active Mining      ■ Plantation

## Plantation

Planting vegetation is the sole remedy for most of our environmental degradation issues. We adopt this measure for biological land reclamation, carbon sequestration, prevention of dispersion of dust, and for controlling noise, etc. Since our inception, we have planted 49.18 lakh saplings with 1.2 lakh saplings planted during the reporting period of FY 2014–15. After adequate physical land reclamation, we planted a mixed range of indigenous plant species over dump areas. We also worked to transform the vacant patches and other land and avenues in the mines, to green pastures. Additionally, we carried out plantation projects in our residential townships and office premises – especially focusing on fruit bearing, flowering, and medicinal plants.

### FACTFILE

## Sustainable Plantation Programme

With the expansion of each of our projects, we immediately plan to secure and maintain balance with the surrounding environs, by implementing plantation programmes. Our aspiration to expand the verdant cover, to deflect noise, and create a

natural dust filtration zone, guides us to innovate in our afforestation practices. Mass afforestation programmes are continuously implemented in the periphery of our projects. Our new effort for a Sustainable Plantation Programme this year was the distribution of indigenous fruit bearing plants. The fruit bearing plants will prove vital for enriching the habitat and also ensuring sufficient food availability.

We distributed nearly 13,000 plants in 16 villages of Ib Valley, namely, Chhualiberna, Kudopali, Katapali, Sanjob, Amdarha, Brajrajnagar, etc., which included 3,250 families. 10,000 hybrid fruit bearing plants including mango (5,000), lemon (3,000), guava (1,000) and Sapota (1,000) were distributed among the peripheral villages in our Samaleswari open cast project area. Additionally, 3,000 mango plants were also distributed to the surrounding villagers in the Lajkura open cast project area.

The wide variety of fruit bearing plants distributed will help in maintaining natural diversity green belts in the vicinity of our mining areas, as well as our residential areas. The indigenous fruit bearing plants will enrich the habitat and ensure sufficient availability of food.



*Distribution of fruit bearing plants.*

## Dust Suppression and Air Quality Management

Emission of dust and other particulate matter is a consequence of the nature of our operation. The magnitude of the pollutants that are released into the air depends on the mining methods adopted, the intensity of mining activities, the types of vehicles and equipment used, and the geological and geomorphologic settings of the mining site. Some of our activities that are major sources of dust emissions include, cutting and loading operations of coal, loading and unloading operations of OB and coal, coal transportation on haul roads, dozing operations at OB dumping yards, and heavy vehicles plying on haul roads. We are well aware that air pollution is a pertinent environmental problem associated with our mining activity and therefore we take the utmost care to explore all possible options for its remedy. This is why we have implemented a well-defined Air Quality Management System, which includes both air quality monitoring and air pollution control measures.



**Mechanical road sweeper at Lingaraj OCP.**

### Air Quality Management at MCL



- **Air Quality Monitoring**
  - SPM, PM10, PM2.5
  - SO<sub>x</sub>
  - NO<sub>x</sub>
  - Other NAAQS parameters
- **Air Pollution Control**
  - Eco-friendly Mining by Surface Miners
  - Coal Transportation by Railways
  - SILO Rake Loading System
  - Suppressing dust by Water Sprinklers; Mobile Water Tankers; Truck-mounted mechanical sweepers
  - Instant Shower System
  - Green Belt Development

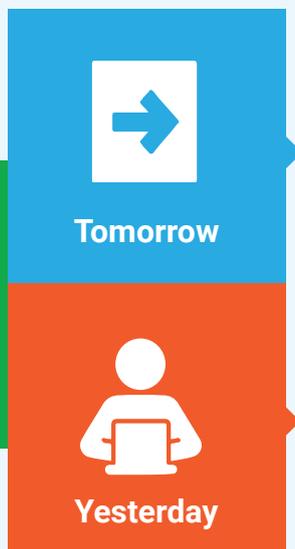
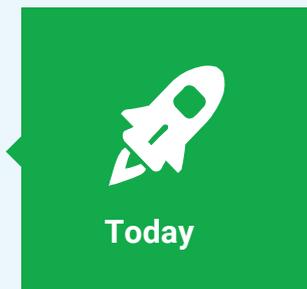
### Air Quality Monitoring

We regularly monitor air quality to assess the level of pollution in the ambient air of the areas located in and around our coal mines and projects. This air quality data also helps us to determine the efficacy of our air pollution mitigation measures. The data on air quality is available in our annual environmental monitoring report, submitted as per the Environment (Protection) Amendment Rules. Refer to the table on 'Air Quality Data – FY 2014–15', for pertinent details of air quality parameters.

## Air Quality Management

### Fuelling Progress

Maximizing coal production by eco-friendly surface miner, maximizing coal dispatch by eco-friendly rail mode, mechanical road sweepers and sprinkler systems are in use to reduce the dust generation in and around our mining areas



### Looking Ahead to Future Achievements

In the future we will be looking into dust suppression through mist blower technology.

Within the next 5 years, 100% of the coal we produce will go through the washeries before despatch.

### Building on Past Successes

In order to combat dust pollution, we implemented air quality monitoring, water sprinklers and plantation areas.

## Air Quality Data – FY 2014–15

Parameters	Talcher Coalfield	Ib Valley Coalfield	Total
Total particulate matter (kg)	8,392,847	7,903,559	16,296,406
SO <sub>x</sub> (kg)	48,756	58,613	107,369
NO <sub>x</sub> (kg)	69,710	35,504	105,214
PM 2.5 (kg)	1,258,927	1,185,534	2,444,461

### Air Pollution Control Measures

During FY 2014–15, we produced 88% of our coal (106.82 MT), using surface miners. This helped eliminate activities that are major sources of dust generation, namely, drilling, blasting, and crushing. As already mentioned, a significant quantity of dust is generated during the transportation of coal. This is why we have maximised the transportation of coal via railways – 80% of our coal is now transported by this eco-friendly mode. A single railway rake (3,800 t) reduces the dust equivalent to plying of 250 trucks each carrying approx. 15 t of coal, had the transportation been made through road mode. This is why we are upgrading our rake loading facilities and rail Infrastructure, by doubling of tracks, interconnecting sidings, implementing auto signaling systems, and so on.

During FY 2014–15, we despatched coal through 22 sidings and 3 MGRs, with an average of 35 rakes per day in Talcher Coalfield and 25 rakes per day in Ib Valley Coalfield. This was an overall increase in rake loading approximately by 10.5% over the previous year. We have also taken up SILO loading to further extend our efforts to reduce dust pollution. During the reporting

period, Bharatpur RLS became operational and the construction of six additional SILOs are now in the pipeline. We also continued to develop green belts between residential areas and our mines, to prevent the dispersion of dust. Details of our plantation efforts are provided in the sub-section ‘Plantation’ under the section ‘Mitigation Measures’.

Apart from the eco-friendly technological changes that we have implemented, we also put in significant effort to suppress the air borne dust. During the reporting period of FY 2014–15, we deployed 80 mobile water tankers (of capacity 28 KL) to control the dust emitted in our mining areas. To settle the dust generated during transportation, beyond MCL areas, we sprinkle water through mobile water tankers of 12 KL capacity on a contractual basis. We have also installed fixed sprinklers in all our railway sidings for the same purpose. We have deployed three heavy-duty truck-mounted, vacuum-operated mechanical road sweepers to sweep and collect any coal spillage and dust over pucca coal transportation roads at Talcher Coalfield. We are even considering installing innovative dust suppression systems, such as, atomisers or fog cannons, in the future.



## **Combatting Noise and Ground Vibrations**

To deal with noise generation and ground vibrations caused by our mining activities, we take adequate measures including various engineering and administrative controls and management procedures. All workers in high noise generating sites are provided with Personal Protective Equipments (PPE) like earmuffs and earplugs. We also train workers to properly use PPE onsite and to reduce their exposure to noise pollution. All our HEMMs are provided with adequate noise level and vibration reduction technologies. The regular maintenance of our mining equipment increases their reliability and performance, whilst also reducing the consequences of noise and ground vibrations. A controlled blasting system and the use of non-electric detonators have also been effective in curbing noise pollution and ground vibrations. More initiatives like green belt development between our residential areas and the mines have also helped in reducing the impact of noise on the surrounding areas.

### **Waste Management**

At MCL, the major types of wastes we generate include, overburden, solid waste, and biomedical waste.

### **Overburden**

A huge quantity of overburden is generated during our coal mining operations. As a practice, concurrent use of the overburden material is done to backfill the mine void. Most of this overburden is used to backfill the excavated land. We use appropriate technical and biological methods to reclaim these backfilled de-coaled voids – bulldozers and other machineries are employed and plantation of vegetation is carried out for effective stabilisation of overburden as it improves the moisture content, bulk density, pH, and overall nutrient content of the soil. Similar land reclamation processes are adopted for the external overburden dumps. During

the reporting period of FY 2014–15, 89.22 Mm<sup>3</sup> of overburden was removed and backfilled in the mine void.

### **Solid Wastes**

As part of our regular operations, the solid wastes we produce can be categorised as, hazardous waste (mainly burnt oil and used batteries, spent oil and grease), and non-hazardous waste (mainly drill bits, tyres, iron and steel, empty drums, and old vehicles). The used batteries and recovered oil and grease are auctioned to authorised re-processors through MSTC Ltd. Half-yearly return for batteries and annual return for other hazardous wastes are submitted to the SPCB, as per the existing statutes. None of the hazardous wastes that fall under the terms of the Basel Convention Annex I, II, III and VIII are transported, imported, exported, or treated at any of MCL's operations. Non-hazardous wastes are disposed off through an authorised dealer. Refer to the table on 'Waste Disposal Statistics' for details on the solid wastes generated during the past three years.

### **Biomedical Waste**

We also generate biomedical waste at our hospitals and dispensaries, which we manage by adopting the Bio-medical Waste (Management & Handling) Rules. All biomedical waste from these hospitals is collected and stored as per the provisions of the rules. The stored waste is then transported, treated and disposed off suitably through authorised biomedical waste operators, in compliance with existing norms.

### **E-waste**

We have already initiated actions for the tendering process for inventorization of electric and electronic wastes, categorized under E-waste (Management & Handling) Rules, 2011. Subsequently, we plan to channelize the E-waste generated at our facilities through auction to recyclers authorized by SPCB.



*Overburden management at Lakhanpur area.*

Waste Category		Waste Disposal Statistics		
		Quantity Disposed Off		
		2014-15	2013-14	2012-13
Hazardous	Burnt oil (kL)	397	356.45 *	835.78
	Battery (numbers)	1,138	518	175
	Miscellaneous items (MT)	10	329	0
Non-hazardous	Drill bits (numbers)	150	550	0
	Tyres (numbers)	3,740	2,442	161
	Iron and steel (MT)	2,566.40	2,533.95	1,458
	Empty drums (numbers)	0	2,300	80
	Vehicles (numbers)	19	14	7
	Miscellaneous items (MT)	200	30	4.56

\* the fig. for Burnt oil stands corrected as 356.45 kL in the CSR and Sustainability Report of MCL 2013-14, pg. 61



Empty crude oil drums piled in stocking yard before disposal at Belpahar Open Cast Mine.

## Preventing Potential Environmental Damage

In order to get to the root of environmental pollution and contribute globally to climate change mitigation, we have adopted several preventive measures, which will impact the sustainable performance of MCL in the long-term. Our endeavours are driven by two important aspects of conservation – the optimisation of energy use, and effective water management.

## Optimisation of Energy Use

To aid us in our quest to eventually negate our impact on global climate change, we are determined to reduce our consumption of energy. To do this we intend to maximise utilisation, by enhancing energy efficiency and adopting low carbon technologies. In the same context we have begun our project of implementing alternative renewable energy. By these meticulously planned efforts, we believe that over time, we will be in an energy-positive scenario.

## Energy Efficiency

During FY 2014–15 we attempted to curb our fuel and electricity requirements. In order to minimise our consumption of **fuel and lubricants**, we have taken the following steps:

- Periodic overhauling of engines, and transmission and hydraulic operated systems
- Periodic checking of hoses and their routing
- Preventing the leakage of hydraulic oil from equipment
- Ensuring the proper inflation of tyres
- Regular checking of self-starters, alternators, and batteries
- Monitoring of our specific diesel consumption as per the norms of CMPDI

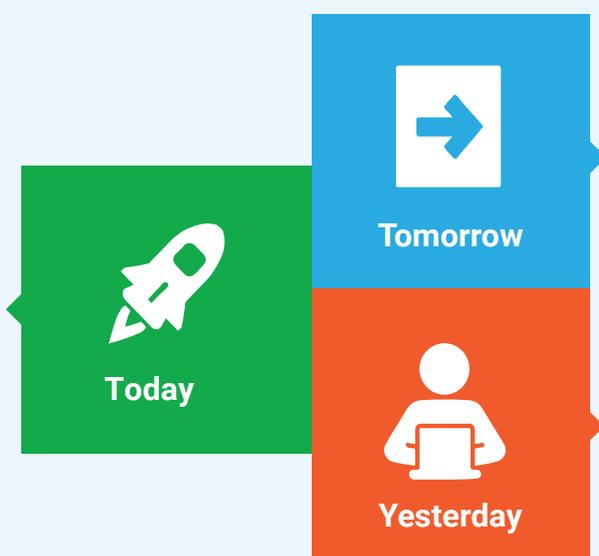
Thanks to all these efforts, we managed to decrease our HSD consumption for composite production and coal production, by 5.2% and 9.5% respectively over last year. We witnessed a similar decreasing trend in our lubricant consumption, where the usage reduction for composite production and coal production was 5% and 9.3% respectively.

Some of our major initiatives to reduce electricity consumption included replacing fluorescent tubes with LED tubes, installing power capacitors and adopting variable frequency drives. We also continued our other efforts to reduce the use of electricity, as in the previous year. During FY 2014–15, we replaced 5,904 numbers of 40-watt fluorescent tube lights with 19-watt LED lights, and 500 numbers of 20-watt fluorescent tube lights with 10-watt LED tubes, at MCL headquarters, the

## Energy Efficiency

### Fuelling Progress

Some of our initiatives include installation of LED lamps in the mining areas, commissioning of a 2 MW solar power plant at our headquarters, and avoiding the misuse of diesel.



### Looking Ahead to Future Achievements

We aim to commission solar rooftop plants over the service buildings, workshops, and hospitals across all MCL areas. We plan to divert to solar energy in the future.

### Building on Past Successes

We took various initiatives to reduce the use of indirect energy. We installed LED lamps in the mining areas. We also installed capacitor banks in the substations to improve power factors, and established a 2MW solar power plant.

Jagannath area, the Orient area, and MCL's Bhubaneswar office. By doing this, we saved 4.48 lakh units of energy and 25.9 lakh rupees, during the reporting period. We also installed 600 KVAR of (2 X 300 KVAR) power capacitors for a total value of 16.47 lakh rupees, at Kali Nagar substation in the Orient area. In addition, we finalised the procurement of four 55 kW and three 90 kW variable frequency drives, to install in the motors at Balram OCP CHP, for a total value of 31.64 lakh rupees.

To formally establish the concepts of energy efficiency in our operations, we appointed consultants to benchmark our energy efficiency in electricity use, in our Bharatpur open cast mine and to benchmark our energy efficiency in diesel use, in 12 open cast mines.

## Alternative Energy

We commissioned a 2.016 MW peak solar power plant at the Anand Vihar complex, in Sambalpur. We also began the official process to obtain REC for the plant. During the reporting period of FY 2014–15 the plant generated 835,260 kWh of energy, which translates to a reduction in our carbon footprint by 773,388 kilograms. We also initiated a project to install solar rooftop plants over our service building, workshop, hospital, and so on. We have estimated the generation of 4,659 kWh of electricity by this model, after its implementation in the available rooftop areas spanning 65,225.14 m<sup>2</sup>. We have also requested Solar Energy Corporation, to conduct a baseline study and prepare a feasibility report for this initiative and it is under consideration.

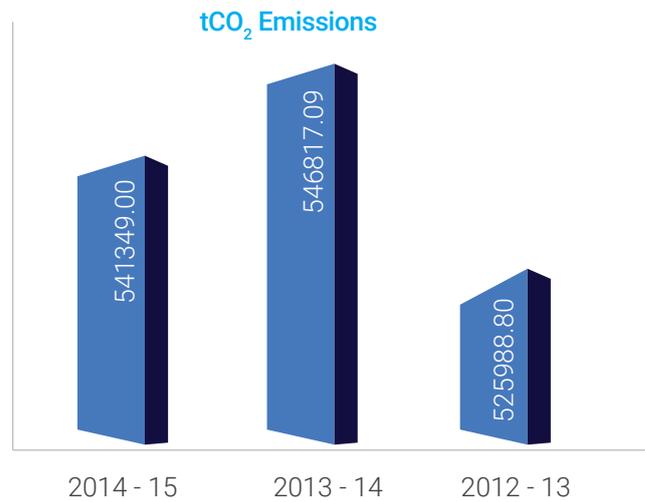


## Carbon Emission Management

During FY 2014–15, our carbon emission was recorded as 541349.00 tCO<sub>2</sub>e (0.8% reduction over 2013-14) due to fuel consumption in our departmental (Scope 1) and contractual vehicles (Scope 3) and our electricity consumption (Scope 2). Our consumption of fuel has decreased by 5.23%, whereas our electricity consumption (departmental) has increased by 4.28% compared to the previous year. As a consequence, the GHG emissions due to fuel consumption by departmental and contractual vehicles (Scope 1 & Scope 3) has decreased by 4.93%, whereas it has increased by 4.28% compared to previous reporting year due to increase in electricity consumption. The increase in electricity consumption was due to the increased coal production as well as increased domestic consumption. However the specific consumption (kWh/t) of electric power has been reduced by 4.91% over 2013-14.

Currently, our major carbon trade-off is from the use of surface miners and our extensive plantation drives. Our production using surface miners stands at 88% for FY 2014–15 and we estimate an avoidance of 110,000 tCO<sub>2</sub> emissions due to this. We estimate a carbon footprint reduction of 98,000 tCO<sub>2</sub> at the rate of 20 kg

per tree per year, due to our plantation efforts during the reporting year. Our cautious efforts to optimise energy usage and the adoption of alternative renewable resources, are currently at a nascent stage and will yield results for reducing carbon emissions only in the future. However, by effective monitoring, we have achieved significant reduction in diesel consumption in our departmental vehicles. More details on this can be obtained from the 'Factfile: Spotlight: Special award for energy efficiency'.



Source of Energy	Direct Energy (Departmental Vehicles and D.G. Sets)			Indirect Energy			Fuel in Contract Vehicles			Total Energy in GJ	Total CO <sub>2</sub> Emissions in CO <sub>2</sub> e
	HSD, lubricant and petrol in litres	HSD, lubricant and petrol in GJ	Scope 1 Emissions in tCO <sub>2</sub> e	Electricity in kWh	Electricity in GJ	Scope 2 Emissions in tCO <sub>2</sub> e	Petrol, diesel, lubricant in litres	Petrol, diesel, lubricant in GJ	Scope 3 Emissions in tCO <sub>2</sub> e		
2014-15	47052282.7	1688483.0	125274.6	305289000.0	1099040.4	250337.0	61795242.1	2216352.9	165737.4	5003876.3	541349.0
2013-14	52393958.2	1881744.3	138038.1	292761941.7	1053943.0	240064.8	62471806.7	2240030.1	168077.1	5175717.3	546180.0
2012-13	48652966.0	1748439.6	127175.7	307331122.2	1106392.0	252011.5	54957963.6	1971720.4	146801.6	4826552.1	525988.8

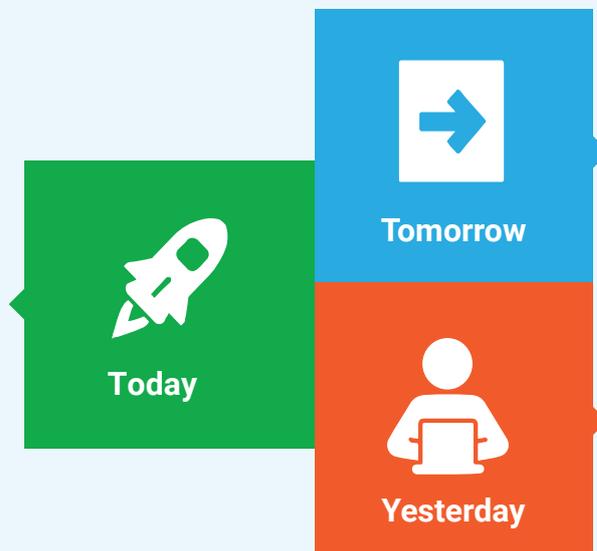
Excluding Kolkata office and petrol, lubricants and light vehicle diesel consumption of Lingaraj Area unit.

## Carbon Emission Management

### Fuelling Progress

We use surface miner technology for 88% of our production, leading to an avoidance of 110,000 tCO<sub>2</sub> emissions.

As far as green belt creation goes, we have planted and distributed 129,735 saplings, leading to massive carbon sinks.



### Looking Ahead to Future Achievements

We plan to conduct and disclose the Greenhouse Gas (GHG) accounting for our operations in the near future.

### Building on Past Successes

With the use of surface miner technology we were able to avoid 100,082.54 kg of CO<sub>2</sub> emissions.

Over the years, we have been rigorously involved in green belt development.

## FACTFILE

### Spotlight: Special award for energy efficiency

#### Savings of 30 crore rupees and a first among all CIL subsidiaries

FY 2014–15 saw the success of another unique venture attempted for the first time in CIL. Noticing the vast amount of diesel being consumed in departmental operations, sometimes exceeding 100,000 litres, our IED department headed by Mr. R.K. Sinha, was given the challenging task of bringing down this consumption and raising the issue of energy efficiency and conservation, in the departmental operations of all 12 OC mines of MCL.

During 2014-15, our team managed to enforce certain practices that consequently reduced diesel consumption by a noteworthy 5.28 lakh litres. They were able to achieve this by adhering to the IED Guidelines which were prepared using the 'Best Practices in Operations of Diesel Management' and by putting systems in place using the specific guidelines of the CMPDI Special Diesel Consumption Norms. They ensured that efficiency practices were maintained and checks were conducted throughout the process chain, from the disbursement of diesel at the depot, to the final consumption by HEMM equipment. They thoroughly checked flow meters and ensured that all operations were efficiently implemented by carrying out monthly checks. Surprise checks were also done at random. The MCL projects were also required to maintain stringent records and limit the daily consumption as far as possible, by minimising the idle running of machines during break times, increased production with reduced lead distances and creating awareness among staff operators about running the machines in an efficient manner.

As the custodians of coal productivity and production targets, curbing the misuse of diesel and making operations fuel-efficient, was without

a doubt a challenging task. The success of this project highlights the effective co-operation between our different stakeholders. In financial terms, we incurred savings on fuel to the tune of 30 crore rupees during 14-15. In recognition of our achievement, MCL was given a special award for saving on diesel consumption, at the ELETS PSU Summit 2014. In the near future, we aim to save 10 lakh litres of diesel, amounting to a saving of 50 crore rupees approximately.



**GM (IED), receiving the eLETS award for energy efficiency.**



**HEMM operational at Samaleswari OCP.**

## Water Management

Our company's goal is to have a positive water footprint through effective water management. We intend to achieve this by reducing our usage of surface water, by efficient water storage, by maximising the recycling of water, and by implementing controls to mitigate the impacts of water discharge.

To conserve water, we resorted to innovative options to decrease our requirement for surface water, whilst simultaneously enhancing water storage. We transformed our de-coaled mine voids into water harvesting structures. These voids house water from various sources, such as rainwater, water from OB dumps, coal stockyards, and other catchment areas, through garland drains and catch drains. They act as huge sedimentation ponds where suspended particles in the water settle naturally over a period of time and the clean water in the top layers is used for dust suppression, firefighting, plantation initiatives, drinking water, irrigation of nearby agricultural land on demand, and so on. The underground water table also gets recharged due to the accumulation of rainwater in these huge voids. We also recycle water from our underground mines and pump it out to meet domestic water requirements. Small-scale water filtration units at Talcher Coalfield and Ib Valley Coalfield treat the water before supplying it for use.

We aspire to achieve zero discharge of effluent. This is why we use treated sewage for our plantations and the sludge generated as manure for our plantations and the gardens in our townships. Currently, we have sewage treatment plants (STPs) operational in 7 townships and one under construction in the colony of Lajkura OCP. We have also constructed mine drainage treatment plants (MDTPs) to treat the surface run-off before discharge into natural watercourses. These MDTPs currently exist at Samaleswari, Lakhanpur, Belpahar, Jagannath, and Kaniha OCPs. Our HEMM workshops are aided with oil and grease traps (OGTs) that facilitate the removal of oil and grease, as well as the oily sludge from the wastewater generated after cleaning our HEMMs. We have also installed an oil skimmer at our Samaleswari HEMM workshop for the same purpose. Further, we have adopted a zero discharge policy for all the ETPs / OGTs of HEMM workshops and the treated water is completely reused in these workshops.

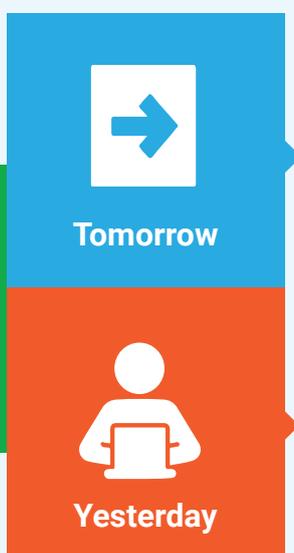
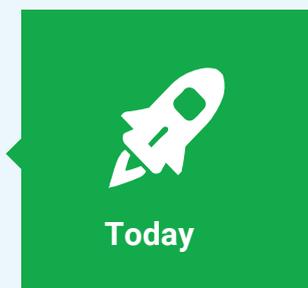


**Quarry no.4 of Belpahar mines converted to a mine sump.**

## Water Management

### Fuelling Progress

We continued our water recycling efforts and used the mine water for dust suppression, firefighting, plantation and supply it to the surrounding villages for domestic and agricultural requirements.



### Looking Ahead to Future Achievements

Our future plans include initiating programmes on water table restoration, and converting inactive voids to water storage ponds.

### Building on Past Successes

We successfully recycled water stored in the underground mine voids, for domestic and industrial purposes. We also developed three RWH projects.

## Our Environment-related Expenditure

During FY 2014–15, we invested a sum of 2,578.20 lakh rupees, for various environmental protection activities. Refer to the table on 'Environmental Expenditure' for details.

Environmental Expenditure			
Details of Expenditure	2014–15	2013–14	2012–13
Revenue Expenditure	INR (lakhs)		
Tree plantations	98.77	59.43	78.29
Other environmental expenses	695.65	710.69	906.89
Water tax / cess	873.60	46.80	77.55
Environmental training and seminars	0.30	0.20	0.23
Environmental monitoring cost for air, water, and noise	272.35	412.43	232.61
Environment-related operations and maintenance – catch / garland drain / fencing	67.39	101.91	177.71
Environment-related operations and maintenance – ETP / STP	10.40	4.45	8.81
Environment-related operations and maintenance – mobile and fixed water sprinklers	75.96	81.88	49.01
Environment-related operations and maintenance – other dust mitigating equipment	25.46	16.79	11.61
Repair and maintenance for dust suppression measures	51.49	1.86	20.48
Miscellaneous – ground water monitoring, etc.	27.89	8.76	-
Dust suppression measures	-	-	7.56
<b>Total Revenue Expenditure (A)</b>	<b>2,199.26</b>	<b>1,445.2</b>	<b>1,570.75</b>
Capital Expenditure			
Civil works – plantation and afforestation	-10.16	-	-
Civil works- effluent treatment plant under construction	12.77	-	-
Surface miners	340.44	-	-
Water sprinklers	-	904.43	-
Dust suppression equipment	-	-	2.70
Vehicles ESMP	-	-7.03	-
Water treatment plants	50.45	-	-
Environmental monitoring equipment	-	5.31	49.64
Other environmental expenses	-14.56	12.56	1.50
<b>Total Capital Expenditure (B)</b>	<b>378.94</b>	<b>915.27</b>	<b>53.84</b>
<b>Total Expenditure</b>	<b>2,578.20</b>	<b>2,360.47</b>	<b>1,624.59</b>

# Fuelling Social Progress



# Fuelling progress through our people

## Effective Employee Management



### HR Best Practices Award 2014

Conferred by the National Institute of Personnel Management (NIPM)



### HR Oriented CEO of the Year 2014 Platinum Award

Conferred to Shri A.N. Sahay, CMD, MCL, by Greentech Foundation, New Delhi



### HR Leader 2014 Gold Award

Conferred to Shri P.C. Panigrahi, Director (Personnel), MCL, by Greentech Foundation, New Delhi

We realize that a talented and motivated workforce is instrumental in growing our company to get ahead. To this end it is essential for us to manage and enhance our human resources as we prepare to meet upcoming challenges in the coal industry. Our long-term employee management goals include investing in the development of our people, which is also a key part of our sustainability strategy. By honing skills, we aim to help our employees become future leaders who are capable of ensuring higher productivity in the face of stiff competition. In FY 2014–15, we emphasised on building a competitive workforce across all levels and functions, by hiring, nurturing, developing and retaining outstanding talent. We are proud to have won prestigious accolades for our efforts, during the year.

## Nurturing Talent

At MCL we continue to successfully attract the finest talent from around the country, thanks in no small measure to the highly competitive compensation packages that we offer. Our Miniratna status (based on our high turnover), gives us this pivotal recruiting advantage.



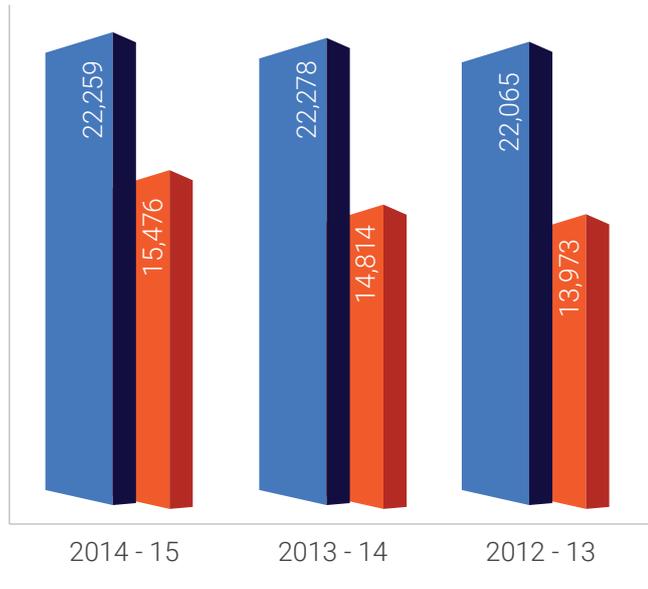
Once our new executive and non-executive recruits are on board, we work to nurture, develop and retain them with several proven human capital development programs. We provide exclusive training sessions to help them upgrade their skillsets that enable them to hold responsible positions. Our Advanced Management Programme for Senior Executives exposes them to the training they need to become leaders in the coal business. In addition, we have well-structured processes in place, including a job rotation system and a reward system.

Our remote working locations have often deterred our young employees from continuing to work with us. Despite this drawback, we have managed to build a strong workforce, with passionate employees who dedicate time and energy to help us successfully retain our position in the industry whilst bringing about MCL's growth – in turn ensuring the nation's growth.

## Our Diverse Workforce

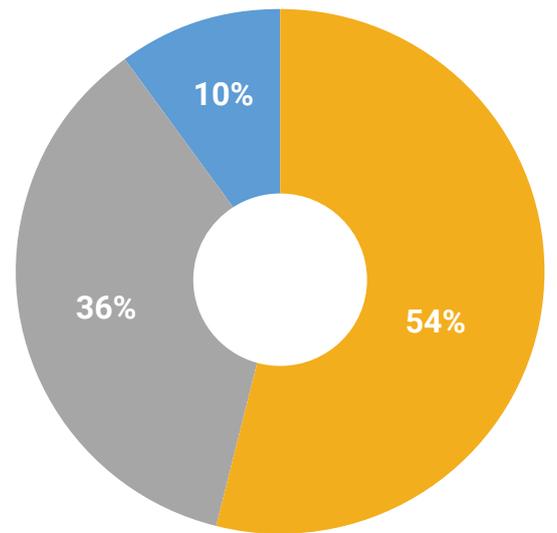
In FY 2014–15, the total workforce at MCL, comprised of 37,735 permanent and contractual employees (Refer to the table on 'Workforce Statistics'). We appoint permanent staff numbers to both executive and non-executive positions, across various disciplines. A majority of our employees are in the age group of 30–50 years (as shown in the 'Permanent Employees Age-wise Break-up' figure). The 'Workforce Distribution' table displays the gender-wise and region-wise break-up of employees. Our workforce is spread across our coalfields and our corporate offices at Sambalpur, Headquarters (HQ), Bhubaneswar, and Kolkata.

### Workforce trend



■ Permanent Employees  
 ■ Contractual Employees

### Permanent Employees Age- Wise Break-up



■ < 30 years   ■ 30-50 years   ■ > 50 years

### Workforce Statistics FY 2014-15

Employee type	Total
Permanent employees	22,259
Contractual employees	15,476
<b>Total</b>	<b>37,735</b>



Workforce Distribution									
Permanent Employees Gender-wise Break-up									
Employee Category	2014-15			2013-14			2012-13		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives	1,800	84	1,884	1,808	71	1,879	1,784	67	1,851
Non-executives (technical)	2,909	231	3,140	2,870	238	3,108	2,849	234	3,083
Non-executives (non-technical)	15,834	1,401	17,235	15,906	1,385	17,291	15,877	1,254	17,131*
<b>Total</b>	<b>20,543</b>	<b>1,716</b>	<b>22,259</b>	<b>20,584</b>	<b>1,694</b>	<b>22,278</b>	<b>20,510</b>	<b>1,555</b>	<b>22,065</b>

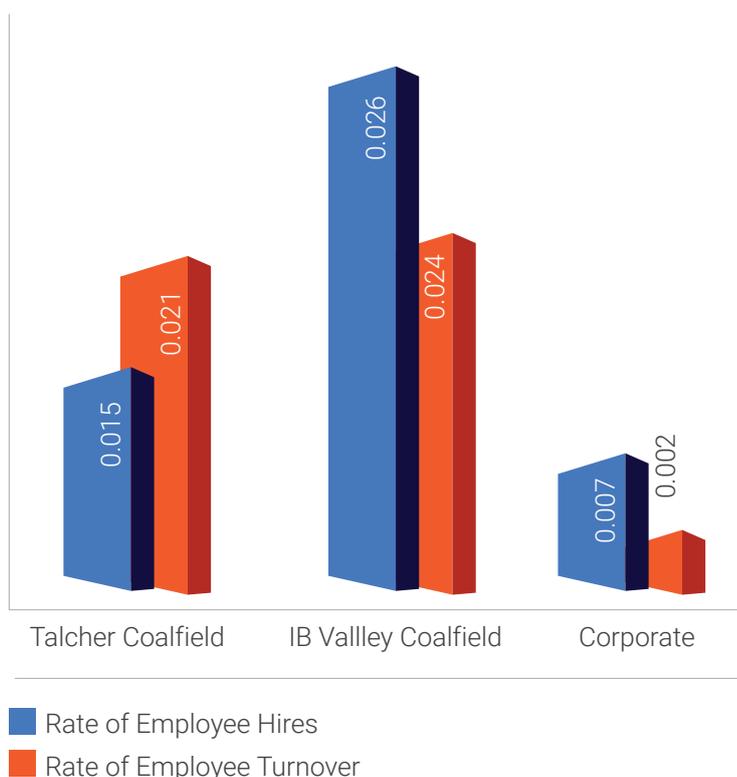
Permanent Employees Region-wise Break-up									
Region	2014-15			2013-14			2012-13		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Ib Valley Coalfield	8,525	510	9,035	8,473	499	8,972	8,839	485	9,324
Talcher Coalfield	11,261	1,129	12,390	11,351	1,122	12,473	10,933	999	11,932
Corporate	757	77	834	760	73	833	738	71	809
<b>Total</b>	<b>20,543</b>	<b>1,716</b>	<b>22,259</b>	<b>20,584</b>	<b>1,694</b>	<b>22,278</b>	<b>20,510</b>	<b>1,555</b>	<b>22,065</b>

\*17,131 - the value for FY 2012 - 13 from the previous Sustainability Report at page 30 stands corrected as above.

## Talent Acquisition and Retention

At MCL, we continuously acquire the best talent and induct them into the realms of the coal industry. Our executives are recruited fresh from reputed engineering colleges, via a campus selection process, giving us the opportunity to find those who best fit our requirement. We also offer jobs to land oustees, in accordance with the R&R (Resettlement and Rehabilitation) rules. During FY 2014-15, our hire rate was 0.047, with the recruitment of 1,046 permanent employees, out of which 569 were land oustees. The details of the recruitment categories and gender-wise distribution across our coalfields and corporate offices can be seen in the table on 'Employee Hires Statistics'.

### Talent Acquisition and Attrition Profile FY 2014-2015



Employee Hires Statistics FY 2014–15								
Permanent Employees Gender-wise Break-up								
Employee Hire Category	Talcher Coalfield		Ib Valley Coalfield		Corporate		Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Appointment under NCWA - 9.3.0 (in case of death)	14	8	42	15	7	1	63	24
Appointment under NCWA - 9.4.0 (in case of permanent disability)	0	0	0	0	0	0	0	0
Appointment under land oustees	129	23	400	13	4	0	533	36
Fresh recruitment (executives)	6	1	9	2	91	13	106	16
Fresh recruitment (non-executives)	29	0	74	0	4	0	107	0
Re-instatement	91	15	9	1	0	0	100	16
Transfer from other company	9	0	11	0	25	0	45	0
<b>Total</b>	<b>325</b>		<b>576</b>		<b>145</b>		<b>1,046</b>	

Our employee turnover rate for FY 2014–15 was 0.048 (Refer to the table on 'Employee Turnover Statistics'). This turnover was mainly due to employee retirement. During the reporting period, 707 employees superannuated from service. We also had a 100% retention of all female employees who availed of maternity leave – twenty six female employees availed of maternity leave during the reporting period.

Employee Turnover Statistics FY 2014–15								
Permanent Employees Gender-wise Break-up								
Employee Turnover Category	Talcher Coalfield		Ib Valley Coalfield		Corporate		Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Death	45	5	62	3	4	0	111	8
Dismissal	2	1	2	0	1	0	5	1
Resignation	12	2	11	1	5	1	28	4
Retirement	241	10	423	4	29	0	693	14
Removal / Termination	102	11	15	2	3	2	120	15
ESS / VRS	3	17	2	9	0	0	5	26
Medically unfit	3	0	0	0	0	0	3	0
Transfer from other company	15	0	10	0	6	1	31	1
<b>Total</b>	<b>469</b>		<b>544</b>		<b>52</b>		<b>1,065</b>	

## Equality for All

We have a well-earned reputation for being an employer of equal opportunity. When it comes to remuneration, there is no gender-based discrimination and the ratio of basic salary of men to women is 1:1. Apart from this, we follow the National Coal Wage Agreement (NCWA) for non-executive employees and specified pay scales for executive employees.

We are pleased to announce that during the reporting period, no cases of discrimination based on race / color, gender, religion, or social origin were recorded. We do our best to provide a comfortable and conducive environment for our women employees, by taking care of their special needs – all with a view to helping them perform well and excel in their work. For childbirth, women team members can avail of 6 months maternity leave. In addition, 2 years of child care leave is provisioned for women executives with minor children .

At MCL, we offer tremendous career development and growth opportunities for women employees. The WIPS (Women in Public Sector) forum also provides a good exposure platform for MCL's women staff members, within and outside the company. Special care is taken to protect the interests of our women employees, and issues or grievances raised by them are effectively addressed. Our Anti-Sexual Harassment Policy aligns with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The policy covers every employee (permanent, contractual, temporary, and trainees) and the Internal Complaints Committee (ICC) redresses all complaints. No such complaints have been received from women employees during the reporting year.

Apart from our women-friendly approach within the company, we also involve ourselves in several Corporate Social Responsibility (CSR) projects that facilitate women in the local communities. We focus strongly on empowering women from lower income groups; helping them leverage their skills and enabling them to take financial responsibility for their families . More details and success stories can be found in the section on 'Mahila Mandal'.

## FACTFILE

### Empowering women through our WIPS forum

Women are multitaskers – delicately balancing professional milestones with personal and family commitments. Through WIPS, women employees at MCL are given opportunities to improve their professional status, whilst also having fun.

WIPS or Women in the Public Sector is a forum that was created under the aegis of SCOPE (The Standing Conference of Public Enterprises), on 12th February, 1990, with a central apex forum in Delhi and four regional forums. It represents the first ever initiative by the single largest organised sector, that focusses on issues related to the advancement of women.

All women staff members at MCL are automatically inducted into the WIPS chapter within our company. The forum brings its members together, for social, cultural, and career development activities, including regular seminars on relevant topics and skill development initiatives. The chapter also has a sexual harassment cell that tries to ensure a safe working environment for our women workers. Apart from these activities, WIPS also engages in community welfare programmes and even organises fun and cultural events such as Dandiya Night.

WIPS at MCL plans to host its next annual meeting at our headquarters in Sambalpur.



**Seminar on women empowerment organised at MCL.**

# Tete-a-Tete

## From cocoon to butterfly – an employee’s metamorphosis!



**Ms. Upali Ipsita Das,**  
Personnel Department,  
Ib Valley

Ms. Upali Ipsita Das joined MCL in July 2012, after completing a Masters Degree in Business Administration, specialising in Human Resources, from the National Institute of Technology, Rourkela. When asked in a tete-a-tete, what she finds unique at MCL she said, “When I joined MCL I was like a cocoon and away from my family but with the support of my seniors and staff, I have turned to become a butterfly who can independently handle any kind of situation. Every experience has been unique and has taught to me grow every day.” She also emphasised on the various learning and development opportunities at MCL through various facilities such as the Vocational Training Institute, Belpahar, Management Training Institute, Burla, and MEETI, Talcher. In the same vein, she highlighted the company’s recent tie-ups with various private institutes to provide schooling and skill development training to newly appointed under-matriculate and undergraduate employees.

On being asked what it’s like to be a woman employee at MCL, Ms. Das replied,

.....  
**“There is a Women Grievance Cell to look after the grievances of women employees and training is also provided to women workers to deal with office and personal problems. I have undergone one such training at Bhubaneswar. However I have not faced any problem being a woman employee at MCL. Everybody has been supportive to me. ”**  
.....

Finally, when asked for her suggestions to make MCL an even better workplace, she said she would appreciate a faster pace of progress to keep up with the ever-changing business world. She also felt that a positive approach and determination to encounter any unsaid challenge would make a great difference in building the organisation.

## Building Capacity and Fuelling Career Growth

We believe that human resources are the most valuable assets for the sustainability of any company. That's why we explore every possibility to sharpen our talented workforce, so that they may render high quality service in their respective functions. We take a holistic approach to career development, laying emphasis on the overall growth of an individual. Through necessary training for skillset enhancement and other management programmes, we enable our employees to excel. We also ensure that they use what they learn through their service tenure. For this, we have implemented a well-planned Performance Management Programme that is linked with employee appraisals.

Training Programmes at MCL	Technical Training	<ul style="list-style-type: none"> <li>• Basic Course: For specific technology, equipment and system</li> <li>• Refresher Course: For employees at mines (once in 5 years)</li> <li>• Specialised Course: For specific technology or equipment</li> </ul>
	Management Training	<ul style="list-style-type: none"> <li>• For all workforce levels</li> <li>• In-house business-related training at the Management Training Institute, Burla</li> <li>• External management development programmes, at IICM - Ranchi, IIMs, IITs, NITs, etc.</li> </ul>
	Transformation Training	<ul style="list-style-type: none"> <li>• Empowerment of employees to make business decisions</li> </ul>

## Improving Employee Potential

At MCL, we offer ample scope for our employees to enhance their skills and strengthen their career profiles. Through various Technical Trainings, Management Trainings and Transformation Trainings, we enable our workforce to develop competency for future situations they may face whilst on duty. Besides, these trainings, we also help instill in them self-confidence and other attributes that are essential for taking on lead roles. Our trained personnel employ their keen business acumen to successfully achieve their set targets, thus contributing to the progress of our company.



**Training session on 'Stress Management' conducted for employees.**

During FY 2014–15, 8,081 employees were trained through various programmes and the average training hours per employee was 32.36. Refer to the table on 'Training Statistics' for more details.

Description		Training Statistics					
		2014–2015		2013–2014		2012–2013	
		No. Trained	Avg. Training Hours	No. Trained	Avg. Training Hours	No. Trained	Avg. Training Hours
Executive	Male	1,688	32.81	2,210	48.89	1,778	39.87
	Female	85	12.88	105	59.15	40	23.88
	<b>Total</b>	<b>1,773</b>	<b>31.87</b>	<b>2,315</b>	<b>49.28</b>	<b>1,818</b>	<b>39.29</b>
Non-executive	Male	6,053	32.64	6,034	15.43	5,631	14.43
	Female	255	29.12	426	12.60	111	3.58
	<b>Total</b>	<b>6,308</b>	<b>32.50</b>	<b>6,460</b>	<b>15.20</b>	<b>5,742</b>	<b>13.63</b>
<b>MCL Total</b>	<b>Total</b>	<b>8,081</b>	<b>32.36</b>	<b>8,775</b>	<b>18.08</b>	<b>7,560</b>	<b>15.79</b>
Non-executive	Skilled	5,200	33.09	4,821	16.44	3,891	13.11
	Unskilled	1,108	26.04	1,639	12.44	1,851	14.88
	<b>Total</b>	<b>6,308</b>	<b>31.85</b>	<b>6,460</b>	<b>15.20</b>	<b>5,742</b>	<b>13.63</b>

## Ensuring Employee Excellence

We believe in maintaining quality at work, through regular performance evaluations of our employees. At MCL, all permanent employees, except apprentices (as deployed under the Apprentices Act), undergo regular performance reviews. Our executives are reviewed through an online Performance Management System (PMS), based on the key performance targets that are

set for them at the beginning of each year. Twice a year, their progress is assessed by their reporting authority and subsequently an accepting authority approves it annually. Non-executives undergo a performance assessment annually, in a two-tier process – their work is reviewed in sequence by the reporting authority and the Head of Department (HOD). In FY 2014–15 performance appraisals were done for 30.34% of our non-executives (refer to the table on 'Performance Reviews – 2014–15').

Performance Reviews – 2014–15			
	Male	Female	Total
Total number of employees	20,543	1716	22,259
Total number of non executives receiving regular performance appraisals	5667	514	6181
Percentage	27.59%	29.95%	27.77%



# Tete-a-Tete

## Rendezvous with Anupam Shrivastava



### Mr. Anupam Shrivastava

Dy GM/ Project Officer,  
Basundhara (W) OCP,

Dy GM/ Project Officer, Basundhara (W) OCP, Mr. Anupam Shrivastava, is amongst those senior executives who have earned a wealth of experiences in the CIL commune. Mr. Shrivastava started his career as a junior executive trainee at Khadia Project, NCL, Singrauli, way back in 1986, after completing his degree in Mining Engineering, from IT, BHU, Banaras. With his 20 years of alliance, he affirms that CIL is a great platform with immense opportunities for diversities in work profile.

He happily reminisces about a memorable experience:

*“In 2001, while I was appointed as a Manager at Dakra, Bukbuka Colliery, the reserves of the mine were exhausted and it was about to close. At that time, for exploring new reserves, we were assigned two major works – diversion of the Sona Duba Nala and evacuation of Munda Basti, for further extension of the life of the mine. Within two years, we completed the diversion of the nala. The biggest challenge was to convince the Munda Basti dwellers to evacuate their living places. The situation was grim since we did not have resettlement sites, which they demanded. This was the first time that I was exposed to the adverse realities of R&R activities. Steadfast with our resolution to relocate the Munda Basti, we interacted with the people living there on a regular basis, counselling them and convincing them to accept our offer. Finally, we succeeded in achieving our goal of moving all the 49 families to new locations with monetary compensations. This incident made me realise that success of the mining industry is reliant on effective engagement with communities as much as on sophisticated engineering practices.”*

When asked about his experience at MCL, he expressed that he got an opportunity to repeat the same at Basundhara (W) OCP, where he was successful in convincing one particular family which refrained from vacating the mine area. Proud of his new non-engineering skills that he gathered at various units of CIL, he preaches:

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**“ We need to be genuine in our interaction and try to build confidence amidst the villagers. We should always be cautious about the face value that we create for our company in every action of ours. Off-course we have to deal with the prejudices they carry about us but at the same time we need to be sensitive to their emotions. A lot can be resolved faster by proper communication and frequent interaction. ”**

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Gymnasium facilities for MCL employees.



Yoga classes conducted in MCL residential colonies.

## Ample Benefits for Employees

Working at MCL, brings with it an abundance of benefits. Most standard benefits apply for those who are on the MCL payroll. We have also provisioned benefit plans such as gratuity, leave encashment, and a funded group gratuity scheme that can be availed of by staff members. Our well-planned contribution plans (Provident Fund and Pension Fund), continue to help bolster employees financially, post their retirement. We even provide healthcare facilities as a basic requirement. Employees can opt for life insurance coverage (for board employees covered under NCWA, across all wages), and for disability or invalidity coverage (as per the Employee Compensation Act, 1920). Standard benefits exclusively for full time employees include, Leave Travel Allowance or Leave Travel Concession, Group Personal Accident Insurance Scheme, Settlement Allowance, Retired Executive Medical Benefit Scheme, and compensation to the

dependents of those who passed away in mine accidents.

Most of our contractual employees are eligible for and covered under the Coal Mines Provident Fund / Employees' Provident Fund. During FY 2014–15, we conducted a special drive in all our coalfields to facilitate these benefits for them. We succeeded in including and covering 13,786 eligible contractual employees, during the reporting period.

Apart from the regular benefits mentioned above, we also constituted an MCL Employees Benevolent Fund Society. Through this society, the dependents of member employees receive immediate financial help of 25,000 rupees, in the case of the accidental or natural death of the related member. This scheme was reintroduced in August 2002 as the employees found it very helpful. The fund status at the end of FY 2014–15 was 1.97 crore rupees.

Employee Benefits						
Standard Benefits Provided	Ib Valley Coalfield		Talcher Coalfield		Sambalpur Headquarters	
	Full Time	Part Time / Contract	Full Time	Part Time / Contract	Full Time	Part Time / Contract
Life insurance	Life Cover Scheme is provided for all wage board employees covered under NCWA					
Healthcare	Y	Y	Y	Y	Y	Y
Disability / Invalidity coverage	Implemented as per the Employees Compensation Act, 1920					
Parental leave	Y	N	Y	N	Y	N
Retirement provision	Y	N	Y	N	Y	N
Stock ownership	Y	N	Y	N	Y	N

## Joint Responsibility

We have four trade unions at MCL that operate ceaselessly to maintain harmony between the management and workers. These trade unions are covered under the collective bargaining agreement. During the reporting period of FY 2014–15, 20,382 employees (91.57%), were covered under this collective bargaining agreement.

The representatives of the trade unions are nominated to the JCC Safety and Welfare Board. To successfully disseminate the participatory management approach, the union representatives are often consulted to discuss and resolve issues and they are also involved in decision making for future initiatives. The union representatives are informed well in advance about any operational changes and the minimum notice period prior to implementing these changes is also decided mutually in the JCC meetings. During the reporting period, there were no strikes or lockouts specifically on issues related to MCL.

While we have the machinery in place for our workers to interact with the management and participate in crucial decision making, we have not as yet made efforts to assess our operations and suppliers, to ensure that the collective bargaining rights of our workers are not violated. This remains on our agenda.

## Employee Welfare and Wellness

Many of our employees reside in the townships within the vicinity of our sites, and we provide basic amenities for them to live comfortably. These townships have necessary infrastructure such as schools, shopping complexes, hospitals and dispensaries, a playground for children, community centres, banks, ATMs, temples, and so on. Some of our townships even have badminton courts, tennis courts and golf courses for our employees to use. All the residential complexes have 24-hour drinking water supply and electricity.

### Housing

Housing is a basic need, so we try to provide residential facilities for all our employees. Over 15,000 quarters are already occupied in the MCL townships close to our coalfields. By 2019, we plan to build 2,000 new quarters. Since most of our residential areas are very

old, we aim to replace the abandoned quarters with 8,000 new quarters. A new township is also being planned at Siarmal, to provide housing to employees of Garjanbahal, Siarmal, and MBPL. Since MCL has such a wide coverage, the housing needs are immense. We have been persistent in our efforts to adequately meet these needs and this has resulted in an increased level of satisfaction among our employees. For convenience, we are also attempting to introduce Wi-Fi in our townships.



*MCL township at Lakhanpur.*

## Water Supply

Water is a basic need for life, so we focus on providing clean and safe drinking water to all our people. Each of our residential colonies is supplied with drinking water through our Integrated Water Supply Scheme (IWSS). The total water supply capacity is nearly 15.1 MGD as seen in the table on 'Drinking Water Supply'. Apart from this, we also use tankers to supply peripheral villages in our mining areas with potable water during summer.

Drinking Water Supply		
Sl. No.	MCL Area	Water Supply Capacity (MGD)
1	Talcher Coalfield (IWSS)	10.1
2	Ib Valley Coalfield (without Basundhara) (IWSS)	3.6
3	Basundhara	1.1
4	MCL HQ (IWSS)	0.3

## Schools

We ensure the availability of basic schooling facilities in all MCL areas. We have a total of 9 D.A.V public schools and 18 privately managed schools, with a student strength of over 14,000. These schools have all the necessary facilities and we continuously upgrade them by introducing state-of-the-art teaching methods. The DAV schools at Burla and another five MCL DAV public schools are equipped with smart boards and we plan to extend these facilities to the schools in other project areas as well. For student transport convenience, we have even made arrangements for school buses.

Students pay very nominal fees ranging from 20 to 100 rupees (MCL ward) and 60 to 300 rupees (non-MCL ward). These amounts have not been increased since 2005 and since they are so low, most school-related expenses are borne by the company. During FY 2014–15 MCL committed financial assistance to these schools to the tune of 22.46 crore rupees for D.A.V schools and 3,578,400 rupees for privately managed schools. During this reporting period, the company funded 92.5% of the finances of some of the DAV schools. To encourage meritorious students we also offer financial assistance through the CIL Scholarship scheme. In FY 2014–15, the total amount of scholarships awarded to 1,266 students, amounted to 1,881,720 rupees.

We also enable the children of non-executive employees to earn a higher education, by reserving 24

seats at the Indira Gandhi Institute of Technology, Sarang, Talcher, for a Diploma in Engineering Degree, in the electrical, mechanical and civil branches and 16 seats at the Orissa School of Mining Engineering, Keonjhar, for a Diploma in Mining Degree. We assist these institutes with 40% of their recurring grant. We also manage two nursing schools – one at the Talcher Coalfield (30 seats) and the other at the Ib Valley Coalfield (20 seats). In the near future, we plan to open a medical college at Talcher.

## Hospitals

Basic and immediate healthcare facilities are available at 6 hospitals and 22 dispensaries established across our project sites and at our headquarters. In critical cases, employees are referred to hospitals in Bhubaneswar, Cuttack and Sambalpur. Our central hospitals at Talcher and Ib Valley are well-equipped with high-end instruments and super-speciality facilities. However, the availability of renowned and well-established hospitals in the nearby cities, dissuades our employees and the local people from availing of treatment at our hospitals. Hence, the number of patients being referred to big hospitals in the cities is quite high. Consequently, it is challenging for us to retain specialised doctors and paramedical staff at our healthcare centres. In spite of these barriers, we continue to upgrade our hospitals with sophisticated facilities. During FY 2014–15, we also laid the foundation stone for a 500-bed hospital at Talcher.



Maternity ward of Central Hospital, Talcher.

MCL Healthcare Facilities	
Name of Hospital	Bed Strength / No.
NSCH, Talcher	115
CH. Ib Valley	150
Deulbera Hospital, Talcher	4
HRC Hospital, Orient Area	12
Anand Vihar Hospital, MCL HQ	12
BG Hospital	10
Dispensary	22
<b>Total bed strength</b>	<b>325</b>

**Sports Achievements**

Ms. K.T Das: Winner in Women’s Badminton in the Corporate Games, Sirifort, New Delhi

Ms. Kamalini Nayak, MCL Women Athletic Team: Champion in the Inter Company Athletic Meet at Singrauli

Sri Rajtodai Singh, MCL Team: Champion in the All India Public Sector Golf Tournament, at Noida

MCL athletes representing CIL participated in the Open National Athletic Championships

MCL Bridge & Chess team participated in state and national level tournaments

### Sports and Recreation

Our townships are located in the rural part of the state of Odisha, where there aren’t enough avenues for sports and recreation. We understand how essential it is to be physically and mentally fit, and therefore we have built children’s parks, community centres, recreational clubs, and auditoriums for cultural activities, inside our residential colonies. Our employees and their families, use these facilities to engage in cultural programmes and partake in other relaxing and fun activities, through the year. We even conduct regular yoga camps, and are currently in the process of setting up gymnasiums in all our residential areas.

From celebrating festivals to organising picnics and outings, to sports activities, our people explore different ways to enjoy themselves outside of work. These informal engagements spur a healthy atmosphere as

employees of all levels in the workforce have one common platform to interact with each other. This strengthens the relationships between employees and infuses a feeling of ‘one family’. With this in mind, the vigilance department initiated the Inter-directorate Cricket Tournament, which has been a great success (refer FactFile: ‘Cricket- the great leveller’).

Sports, has always been an integral aspect of working with MCL. Different tournaments are organised through the year and our employees participate in these with great enthusiasm. During FY 2014–15 MCL teams participated in several tournaments and earned accolades. Sometimes events are also organised by the Mahila Mandals for a social cause. Our employees involve themselves in these events with equal zest and help make them a success. During FY 2014–15, ‘Run for Excellence’ was organised on two occasions – CIL Foundation Day and MCL Foundation Day.





The winner of the inter-directorate cricket tournament-CVO XI.

## Resolving Employee Issues

We understand that a dissatisfied employee will not be able to perform to his or her potential. We therefore prioritise dealing with the issues of our employees and try to sort them out in an amicable manner. Through joint meetings with union representatives and employees, we develop an in-depth understanding of the issues at hand and come up with solutions that are acceptable to all. For the grievances of employees belonging to Scheduled Caste / Scheduled Tribe communities, issues are resolved in meetings with the Coal India Scheduled Caste / Scheduled Tribe Employees' Association (CISTEA) held in a particular area or HQ.

We also monitor the effectiveness of our grievance redressal system from time to time. During FY 2014-15, 90.98% of employee grievances were settled. This was significantly higher compared to our set target. We aim to maintain the same level of efficiency in the future.

## FACTFILE

### Cricket – the great leveller

Sports help forge unlikely friendships. At MCL, sports have a special place and invite cross-company participation irrespective of our hierarchical system. Initiated by our CVO, Mr. Deepak Srivastava, the Inter-directorate Cricket Tournament is an effort to bring together 'MCLites' of different departments and backgrounds, to help make employees more comfortable when it comes to reporting grievances and vigilance-related issues. The cricket teams are a mix of executives, non-executives and even contractors, thereby bridging the gap between MCL's organisation cadres whilst encouraging camaraderie across employee levels. This 'sporty' interaction has been instrumental in enabling employees to highlight the issues they face and strengthening ethical values at MCL. Conducted biannually, between February and March and October and November, the tournament is also a platform for budding MCL players. The best players and winners of the tournament then get to play for MCL at the MCL Inter-area Cricket tournament. Players selected at the MCL level get an opportunity to showcase their talent at the CIL level cricket match.

Of the 6 teams that compete at the Inter-directorate Cricket Tournament, the CVO XI team has been the winner for the last two years.

## Health and Safety for Employees

The health and safety of our employees is of primary importance to us. Over the years, we have tried to inculcate a culture of safety amongst our workforce. 'Zero Accident' status remains our target and to achieve this, we continuously work to improve our standards. We have an integrated Management System (IMS) accredited with OHSAS 18001:2007 - Occupational Health and Safety management, ISO 9001:2008 - Quality Management System, and ISO 14001:2004 - Environmental Management System.

Our safety initiatives are driven through several committees that exist at our headquarters, MCL areas and our mines. These committees take directives from the CIL Safety Board and other national-level safety committees. Their suggestions and recommendations are implemented throughout all projects of MCL. The committees monitor the safety events and also provide advice on occupational health and safety. The bipartite and tripartite committees are actively involved in assisting the management take certain decisions to resolve problems. Employee representatives are consulted at the projects and areas before implementing new initiatives. The initiatives undertaken are routinely monitored by an Internal Safety Organisation, at headquarters and in MCL areas.

## Safety Committees

### At National Level or Parliamentary Level:

- Standing committee on safety in coal mines
- National Safety Conference
- Various parliamentary committees on safety

### At CIL Headquarters Level:

- CIL Safety Board
- National Dust Prevention Committee

### At Subsidiary Headquarters Level:

- Bipartite / Tripartite safety committee: Inspection and advising on corrective measures by Safety Board constituted at subsidiary level

### At Area Level:

- Bipartite / Tripartite safety committee: Inspection and advising on corrective measures by Safety Board constituted at area level

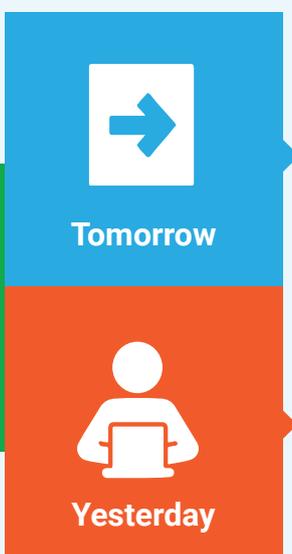
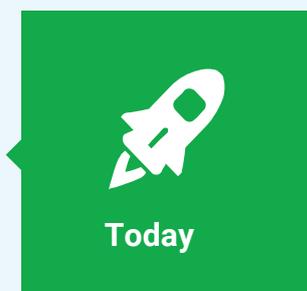
### At Mine Level:

- Workman inspectors as per Mine Rule, 1955
- Pit safety committee constituted as per Mine Rule, 1955
- Statutory supervisory personnel

## Health and Safety

### Fuelling Progress

We use technology and social media to implement improved incident tracking systems, and safety awareness programmes.



### Looking Ahead to Future Achievements

We will continue to work towards ensuring safety and to this end, we will adopt best practices in the industry.

### Building on Past Successes

Health and safety has been one of our priorities; we have aligned our operations with the health and safety of our employees.

## 'Zero Accident' Strategy

Our holistic approach to achieving 'zero accident' status follows a 'Plan-Do-Check-Act' model.



### Plan

The planning phase starts with planning for safety gadgets such as, helmets, safety footwear, fluorescent jackets, earmuffs, goggles, gloves and so on. These gadgets are mandated for employees at work, to reduce the probabilities of injuries and occupational health disorders to a great extent. During FY 2014–15, 30,119 pairs of mining shoes, 6,795 pairs of gumboots and 6,208 helmets were provided to the employees.

During this phase we also introduce safe technologies that provide comfort to our employees whilst maintaining an atmosphere of safety to set them at ease. We are gradually switching over to blast-free mining technologies, by using surface miners and ripper dozers. We are attempting to mechanise the manual practices in the underground mines, i.e., manual drilling and coal loading, by introducing UDMs and SDLs & LHDs, respectively for these processes. Man-riding systems in four of our underground mines have been installed to reduce long walks for our miners. Apart from this, we have begun to use an environmental telemonitoring system to keep a close watch on the

noxious gases emitted in the underground mines. We are also in the process of procuring real time slope monitoring radars for gauging the OB dump slope movement. This is likely to decrease the occurrence of accidents due to slope failures.

### Do

We conduct safety trainings for employees of all levels, at the Group Vocational Training Centres and at other training institutes throughout the company. Our contractual workers are also taught about safety aspects and essential safety practices to be adopted by them while at work. During FY 2014–15, 21 dumper operators were trained on a simulator at Northern Coalfields Limited, Singrauli. We also conduct regular in-house workshops on safety aspects and consistently update our employees.

As a futuristic initiative, we conduct research studies by associating with renowned institutes, to develop safe mining technologies. In collaboration with the Central institute of Mining and Fuel Research (CIMFR), Dhanbad, we completed stability studies of the Deulbera Colliery, the Talcher Coalfield and an R&D project – 'Studies on determination of free silica (α-quartz) content in air borne respirable dust (ARD) in coal mines and preparation of data bank of free silica and minerals present in dust as well as in coal'.

### Check

We appoint Safety Officers who conduct regular safety compliance monitoring checks to keep a close watch on our safety management system. Regular safety audits are conducted by the Internal Safety Audit team as well as by external agencies. During FY 2014–15, 30 mining sirdars, 147 electricians, and 2 deputy surveyors were appointed to exercise control over the existing safety machinery and continue to maintain the same. We also conducted an Internal Safety Audit of our 16 OCPs and 6 UG mines, driven by our Internal Safety Organisation and reviewed the safety management plans of our units.

As a preventive measure we do regular health check-ups for timely detection of diseases and occupational disorders. More details on this are provided in the section 'Preventing Health Issues at Work'.

## Act

Inculcating behavioral change is usually a slow process, so we make a continuous effort to infuse an attitude of safety amongst our workforce. Safety fortnights and special safety drives are conducted throughout the year and we recognise employees who make special efforts towards safety in various categories. We celebrated the Annual Safety Fortnight with a great deal of enthusiasm, in all our areas.

We have well-equipped rescue stations in the Ib Valley Coalfield and the Talcher Coalfield that cater to rescue operations in case of emergencies. During the reporting period, of FY 2014–15, we trained 191 officials in rescue and recovery operation. This rescue team responds to calls in our mines as well as in our townships. We also procured and equipped the rescue services with 14 fire suits to strengthen the Fire Brigade capacity, 1 air compressor for water mist type fire extinguisher, and 4 portable generators & lighting system for emergency lighting during power failures.

## Achieving Employee Safety

In FY 2014–15, we prepared a Safety Management Plan (SMP) for 16 opencast mines and 6 underground mines which was implemented after review by CIL. The safety performance of MCL is detailed in the table on 'Safety Statistics'. In spite of the stringent measures that we take, there was one fatality during the reporting period. The details of the fatality are highlighted in the Factfile: 'Our safety systems – renewed focus, stronger measures'.



**Training the employees on safe blasting practices.**

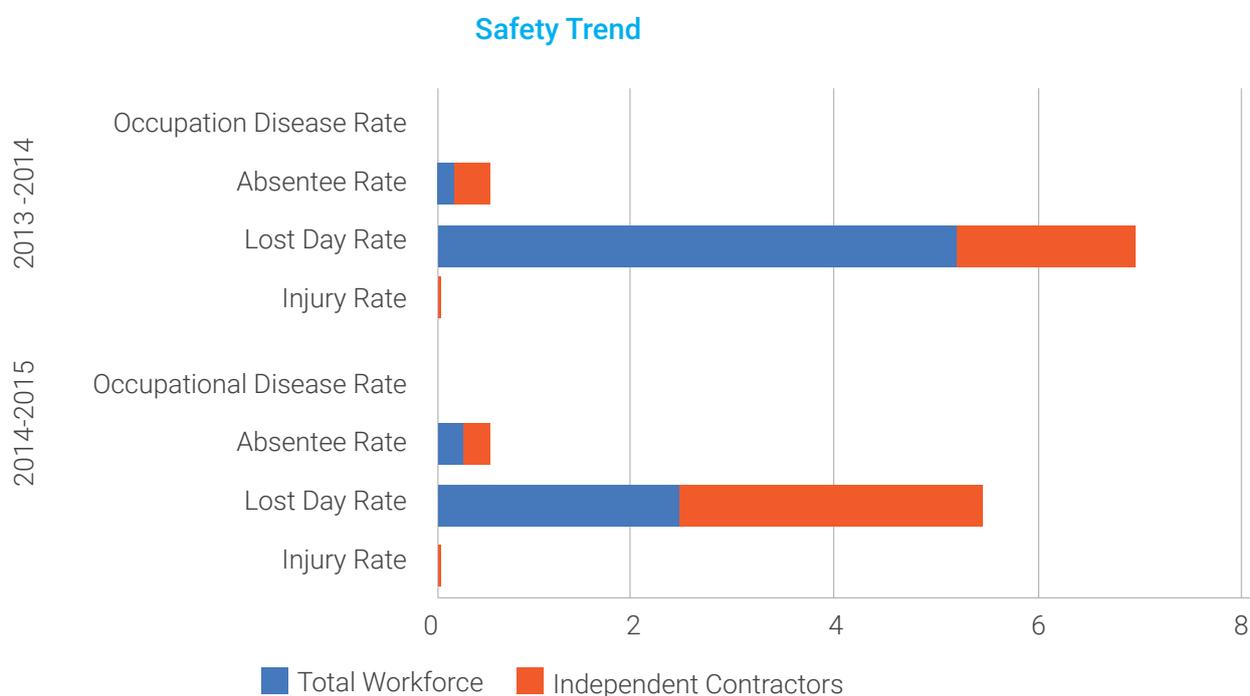
Safety Statistics FY 2014–15							
Category		Region-wise				Gender	
		Overall	Talcher Coalfield	Ib Valley Coalfield	Sambalpur HQ	Male	Female
Number of Fatalities		1	1	0	0	1	0
Rates of Injury (IR)	For total workforce	0.033	0.037	0.026	0	0.034	0
	For independent contractors	0.028	0.04	0.015	0	0.028	0
Occupational Disease Rate (ODR)	For total workforce	0.003	0.005	0	0	0.028	0
	For independent contractors	0	0	0	0	0	0
Lost Day Rate (LDR)	For total workforce	2.574	3.217	1.950	0	2.718	0
	For independent contractors	2.719	3.749	2.313	0	2.765	0
Absentee Rate (AR)	For total workforce	0.214	0.208	0.253	0.009	0.216	0.149
	For independent contractors	0.324	0.331	0.312	0	0.324	0

The SMPs implemented demonstrate a positive influence on the safety trend of MCL (Refer bar graph on 'Safety Trend'). The Lost Day Rate for the total workforce has reduced to a greater extent as compared to the previous reporting year. However, there is a marginal increase in the rates for the independent contractors. Our focus on avoiding near misses may have an overall improvement in our safety performance.

## Preventing Health Issues at Work

Mining of coal exposes workers to several altered environments and there is a possibility of developing

some associated health ailments. This is why we conduct regular medical checkups for employees, including the Initial Medical Examination (IME) and the Periodic Medical Examination (PME). Our health centres also conduct various health camps to create awareness on health aspects and potential diseases. During FY 2014–15, we spent 2,001,820 rupees on these health camps (Refer to the table on 'Health Camp Statistics' for details). Health and safety aspects are also covered in the formal agreement with unions, based on the National Coal Wage Agreement IX. 4.89% of our total workforce is represented in a formal joint management-worker health and safety committee.



Health Camp Statistics FY 2014–15			
Type of Camp	Number of Camps	Number of Beneficiaries	Expenditure (INR)
General health awareness camps	41	5,517	534,410
Diagnostic camps	28	2,186	100,976
Cancer detection camp	1	31	24,300
Eye camps	3	432	435,981
AIDS awareness camp	17	5,078	159,620
Family welfare programmes	4	18	5,345
Routine health camps	55	3,627	741,188
<b>Total</b>	<b>149</b>	<b>16,889</b>	<b>20,018,20</b>

## FACTFILE

### Our safety systems – renewed focus, stronger measures

At MCL, we have a safety day awareness programme conducted every month by a team from HQ, an annual safety fortnight event, and a host of other initiatives. Despite our unwavering focus on safety, to our misfortune, there was a fatal incident at Bhubhaneshwari OCP. Mr. Golekha Bihari Pradhan, was a category 1 mazdoor who worked for our contractor, BCML. The details of the tragic chain of events that led to his death are as described further. Mr. Pradhan who is a tipper driver had got down from his vehicle, at a working patch to wash his shoes in a small pit of water nearby. As he remained engrossed in the act of cleaning his shoes, tragedy struck him in the form of a tipper which missed his presence and went on to cause his untimely demise.

As an immediate response to this extremely serious safety-related incident, our management called a safety committee meeting for a thorough discussion and to conduct an investigation. Our goal was to arrive at some measures, by which we would try and minimise the possibility of such incidents in the future. Some of these measures were as follows:

A standard operating procedure (SOP) was already in place to discourage drivers from exiting their vehicles in mining areas. To make this SOP robust and drive home our non-acceptance of any violation of safety protocols, we decided to temporarily suspend workers and the tipper who didn't comply with this SOP. We also gave safety talks to all the people involved and to those working in the area. A separate safety training programme for contractors was conducted in November 2015 by the DGMS. A thorough Safety Management Plan and risk assessment was carried out based on the feedback received from the members of the Safety Committee. Safety audits and more frequent surprise checks were also planned.

### Immediate action taken by MCL

- An employment opportunity at BCML was given to Mr. Golekha Bihari's widow, Mrs. Soubhagini Devi, with a monthly remuneration of 15,000 rupees p.m. She was also given an immediate compensation of 665,160 rupees and a cheque for one lakh rupees for funeral activities. Additionally, an ex gratia payment of three lakh rupees was also made. Whilst this will not lessen her sorrow, we have attempted to make her economically self reliant with these measures.
- The person in charge of the shift at BCML, who was present during the accident, was issued a warning letter. A charge sheet was also issued to the department supervisor.
- The driver in question, responsible for the accident, was terminated from duty. We hope that with all these additional measures and by the strengthening of our SOPs, we will be able to prevent such accidents in the future.



**PPEs are a must for all mining activities at MCL.**



*Jagruati Mahila Mandal enrolls girls of peripheral Durgapalli village under Ladli Pariyojana.*

## Fuelling a Progressive Community

'Our Community is our Responsibility' – this is what we truly believe in and commit to. It's a motto that aligns with our goals to operate through a sustainable, all-inclusive business model and paves the way for us to support our local communities, whilst we work to develop society. Our local communities include 'Project Affected Families' or PAFs, who are displaced when we begin mining in a particular place, and the villagers who reside on the peripheries of our operational areas. To enable our vision of unified growth, we at MCL offer certain key services to these communities. We work to carefully resettle and rehabilitate our PAFs to their satisfaction. We also assess the needs of

our neighbouring communities and try to meet these needs in an attempt to provide them with the best possible living conditions. We often engage formally and informally, with members of our communities, using several platforms – in this way we try to determine and cater to their needs. In order to sustain our communities, our R&R and CSR Departments strive tirelessly to perform their duties.

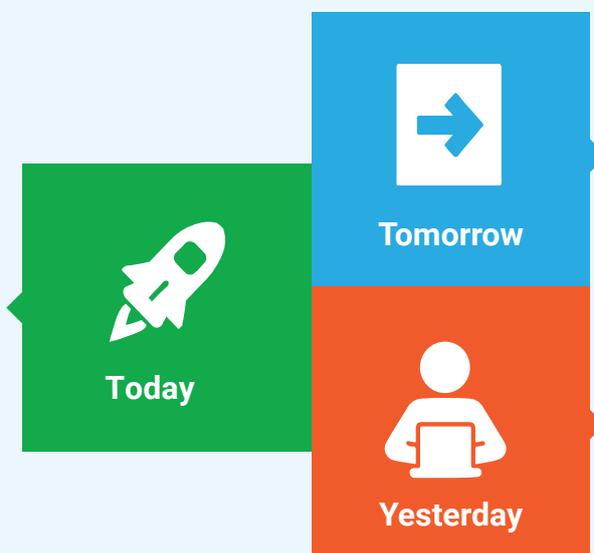
In this section of the report, we cover the resettlement and rehabilitation initiatives we conduct for PAFs, our CSR interventions in the vicinity of our communities, and the key role of Mahila Mandals – a women's group initiative that successfully executes our CSR ventures.

## Rehabilitation and Resettlement

### Fuelling Progress

Till the reporting year, 6,960 PAFs were resettled.

We have adopted 'Schooling and Skilling' to enhance capacities of the newly recruited PAFs.



### Looking Ahead to Future Achievements

Through regular consultations with PAFs, we hope to understand their concerns and provide them with the best possible resources.

### Building on Past Successes

We have offered the best compensation packages, infrastructure and employment opportunities to land oustees.

## Resettlement and Rehabilitation: Challenges and Focus Areas

As a coal-producing organisation, our business operations commence with the acquisition of coal-bearing lands. In doing so, very often the people living on those lands must be relocated from their ancestral properties, to other areas. This is easier said than done, as the impact of relocation goes beyond loss of inherited land. These issues can include loss of physical income earning assets such as homes, productive land, and jobs, and non-physical assets like community support, cultural sites, and social systems. Food insecurity, poor access to healthcare and education, and social disruption are the major concerns of the communities to be displaced.

In our experience, all these issues make it very challenging to convince people to give away their land and relocate to new living spaces. It isn't a pleasant pursuit, but we are compelled to persevere in order to ensure energy security for our country and the long-term sustenance of our business. In doing so, we encounter myriad unforeseen circumstances that we persistently try to tackle. The concerns of the local communities are diverse and we consistently strive to find mutually sustainable solutions.

Coal-bearing lands are often located in remote areas of Odisha. In fact, our Kulda OCP and Basundhara (West) OCP projects are located on the premises of indigenous communities . When we acquire these lands, we need to provide appropriate compensation to the landholders. Very often the economic status of the villagers may suddenly escalate because of this compensation. This does not always soothe the anguish many of them feel at losing their land. This is why we focus strongly on providing these villagers with the best resettlement and rehabilitation facilities. We have adopted the Rehabilitation & Resettlement Policy (R&R) of the Government of Odisha, for remuneration of those who lose their land and for the Project Affected Families. We have also attempted to modify certain compensation packages to further benefit these PAFs. Indigenous communities are also compensated as per our R&R policy. The consent of these communities is sought through a public hearing before we acquire the land. Whenever we acquire forestland, a 'Palli Sabha' is conducted, in order to get the consensus of the communities. There have been no significant incidents of violations involving the rights of indigenous people, by MCL, during the reporting period.



*Residents of R&R site at Khadam, Lakanpur.*

## Our Comprehensive R&R Scheme

Our unique R&R scheme is based on an all-inclusive model that offers attractive compensation packages along with a range of livelihood options, for PAFs. These PAFs are free to select the most appropriate offer that best suits their needs.

### Compensation Offered

**Cash Compensation:** We offer lucrative cash compensation to PAFs in terms of one-time cash compensation of 10 lakh rupees in lieu of employment at MCL. Furthermore, we also provide 10 dec. of plot in a developed resettlement site or 3 lakh rupees as cash compensation in lieu of resettlement plot. These packages are much higher than the provisions under the R&R policy, 2006, Government of Odisha. Availing of these compensations is completely at the discretion of the PAFs. During FY 2014-15, MCL has sanctioned 208.95 crore rupees as compensation for land, trees

and structures and also granted 23.82 crore rupees towards cash compensation in lieu of employment to 285 persons.

**Annuity:** We also have an alternative provision where PAFs can opt for an annuity of 12,000 rupees on a monthly basis, till the age of 60. Every two year, the monthly compensation will increase by 1,000 rupees per month. This provision can be availed of by PAFs who are considered for employment at MCL. During FY 2014-15, annuity in lieu of employment to seven persons have been granted.

**Establishment Assistance:** Besides cash compensation or annuity, we also provide financial assistance for house building, maintenance, temporary housing shed, and transport. The details of these are provided in the 'Establishment Assistance' table. Resettlement expenditure including incentives to the PDFs (Project Displaced Families) during FY 2014-15 was 31.28 crore rupees.

**Incentives:** Despite the compensation packages that we offer, we usually encounter delays when it comes to people vacating their land and property. This is why we have provisioned an additional incentive for those who vacate their home / homestead and agricultural land, early. As per this provision, families can avail up to 100,000, 75,000, or 50,000 rupees, for handing over their property within a period of one, two, or three months, respectively. This scheme is unique to MCL and is not covered in the R&R policy of the Government of Odisha.

**Ex-gratia:** For PAFs dwelling in houses on government land, we provide an ex-gratia of 70,000 rupees, which is equivalent to the cost of one unit of IAY (Indira Awaas Yojana), in addition to the cost of the building structure.

### MCL's All-Inclusive R&R Scheme



#### ○ Compensation

- Land, Tree, Structure
- Annuity
- Plot at R&R site
- Establishment Assistance
- Incentives
- Ex-gratia
- Cash in lieu of Employment

#### ○ Livelihood Options

- Employment & Capacity Building
- Vendor-Development Scheme

### Establishment Assistance

Sl. No.	Details of Assistance	Amount (INR) Revised rate w.e.f. 1st April 2014
1	House building assistance	255,000.00
2	Maintenance allowance at the rate of 3,400 rupees per month, for 12 months	40,800.00
3	Assistance for temporary shed	17,000.00
4	Transport allowance	3,400.00
<b>Total</b>		<b>316,200.00</b>

A further incentive of 25,000, 15,000, or 10,000 rupees is provided, for shifting within the stipulated time period. Till FY 2014-15, 49.61 lakh rupees have been paid as compensation to the PDFs.

## Livelihood Options

**Employment and Capacity Building:** A displaced person sustaining loss of agriculture land, homestead land and dwelling houses of even less than mere 2 dec. of area get employment if they are covered under R&R policy of Government of Odisha. All members of a family, who are above the age of 18, are eligible for this provision. The land oustees who are offered employment are sent to different reputed technical institutions for training or skill development, for a period of up to two years. These trainings enhance their skillsets and help them perform their duties with confidence. During the training period they are entitled to their wages, besides the cost of training, hostel expenditure and so on. During FY 2014-15, 343 persons were enrolled under the 'Schooling and Skilling' programme and were admitted in various schools, ITIs and for other specialised training courses (including welding).

**Vendor-development Scheme:** As an extension of our responsibility to PAFs and in our bid to provide avenues for them to be financially independent, we launched a unique 'Vendor-development Scheme' where members of PAFs have the opportunity to transform into young entrepreneurs. In this scheme, they are offered contracts for coal transportation by nomination. PAF members need to apply for contracts as co-operative societies. A minimum 10-member team can register as a co-operative society, in which 80% of the members need to be from PAFs within 30 kilometers of particular coalfields and the remaining 20% may comprise of people from peripheral areas within 75 kilometers. To ensure fair practice of the scheme, it is mandated that those who form a co-operative should not belong to a single family and one individual should not represent more than one co-operative society. Through this scheme, the area CGMs / GMs have the liberty to award coal transportation work up to a total value of 10 crore rupees. During FY 2014-15, 15.54% of MCL's total coal transportation work was accomplished by these registered societies that were successful in loading / transporting 55.56 MT of coal, by deploying 442 tippers per day. The scheme recorded the enrollment of nearly 59 such co-operatives with 739 ben

eficiaries, immediately after the reporting period. The initial response to this scheme in the first few years promises immense scope to spread to all our coalfields. The PAFs are completely in favour of this sustainable scheme, which offers long-term continuity of their livelihood.

## Resettlement Trends

During FY 2014-15, we acquired 47.51 hectares of land and obtained possession of 314.04 hectares of land to execute various projects (refer to the table on 'Land Acquisition Statistics - FY 2014-15'). We resettled a total of 6,960 PAFs upto 31.03.2015 and these families either chose relocation to R&R sites, or to sites of their own choice (refer to the table on 'Statistics of Resettlement of PAFs - FY 2014-15'). Some of the prominent R&R sites where our PAFs have been settled include, Handidhua, Ghantapada, Kuio Jungle, Danara, Gurujang, Baghmara and Takua in Talcher Coalfield, and Tikilipara, Barpali, Ganesh Nagar, Jagannath Nagar, Khadam, Belpahar, and Sanjob in Ib Valley Coalfield. These sites are provided with all basic amenities including drinking water, electricity, roads, shopping complexes, schools, etc. In spite of all these provisions, the graphical representation of 'Resettlement Trends' suggests that most PAFs prefer to relocate to sites of their own choice. When 20 or more displaced families choose to settle together in a place that is not an R&R site, we provide them with infrastructure and amenities such as electricity, water, roads, drainage facilities, and a boundary wall.



**A view of Baghmara R&R site at Talcher Coalfield.**

Land Acquisition Statistics, FY 2014-15								
Land area (in hectares)								
Region	Tenancy		Govt. non-Forest		Forest Land		Total	
	Acq.	Poss.	Acq.	Poss.	Acq.	Poss.	Acq.	Poss.
Talcher Coalfield	0.00	36.39	0.00	0.00	0.00	189.29	0.00	225.68
Ib Valley Coalfield	47.51	62.36	0.00	20.99	0.00	5.00	47.51	88.35
<b>Total</b>	<b>47.51</b>	<b>98.75</b>	<b>0.00</b>	<b>20.99</b>	<b>0.00</b>	<b>194.24</b>	<b>47.51</b>	<b>314.03</b>

Statistics of Resettlement of PAFs till 31.03.2015				
Region	Number of PAFs Required to be Resettled	Total Number of PAFs Resettled	Number of PAFs Resettled at	
			Resettlement Site	Sites of their Own Choice
Talcher Coalfield	9,231	5,357	1,453	3,904
Ib Valley Coalfield	2,961	1,603	684	919
<b>Total</b>	<b>12,192</b>	<b>6,960</b>	<b>2,137</b>	<b>4,823</b>

### Resettlement Trend (Progressive)



the Rehabilitation & Peripheral Development Advisory Committees (RPDAC). Any issues faced by the displaced community are monitored, reviewed and addressed during these meetings. The Government of Odisha created three such committees for the Angul, Jharsuguda and Sundargarh Districts. These committees function under the chairmanship of the Revenue Divisional Commissioner (Northern Division), Sambalpur. The CMD, Directors of MCL and the Chief General Managers/ General Managers of respective areas of MCL are members of these committees. The RPDAC also constitutes sub-committees for the redressal of individual cases taken up by local Honorable MP, Honorable MLA, Collector & SP of the concerned district, Director (Personnel), MCL and CGMs/ GMs of MCL's areas. The meetings of these sub-committees are also held regularly to redress the grievances of land oustees. Also the grievances at local level are handled by PLRRC (Project Level Rehabilitation and Resettlement Committee) meeting under the chairmanship of the District Collector at local level.

## Effectively Addressing Grievances of Land Ousteers

We have well-defined systems in place to address the grievances of our local communities. The CBA Part Time Tribunal (under the CBA [A&D] Act, 1957), or the Civil Court (under LA Act, 1894), handle any disputes related to the compensation paid for land. Landowners are then compensated based on the decisions of these adjudicating bodies. Apart from this, any complaints from PAFs are attended to in the regular meetings of



R&R site beneficiary in Lakhanpur area.

# Tete-a-Tete

## The Great Indian Family

The Khilar family is an R&R site beneficiary of Boulpur, Talcher Coalfield. The head of the family is Mr. Kailash Chandra Khilar. He was a civil contractor with M/s Dilip Constructions and has gained from MCL expansion in the region.

In a tete-a-tete with Mr. Khilar and his wife Jasabanti Khilar, they narrate their journey from village Padmavatipur, to the R&R site, Boulpur. They recall the past and confirm that since 1979 they knew they would lose their 4-acre ancestral property one day. Although always aware, this started sinking in as reality when the compensation process was initiated in 2005. Knowing well that they would have to sacrifice their own property for the country, they decided to make the best of what was being made available to them.

The Khilars have six sons and one daughter. All their six sons got employment at MCL; two of them at Lingaraj and four of them at Bharatpur. They were allocated a 60-decimal land as a part of the R&R package, at the resettlement site where

they constructed 6 mini homes (all interconnected) on the land. They are hopeful that living conditions will further improve once the R&R site is fully established. They enjoy all the basic amenities provided by MCL at the R&R site. On their small land they manage to grow vegetables in their kitchen garden. Their ten grandchildren study at DAV Public School with very nominal fees. They also purchased agricultural land in Angul from the cash compensation that they received from MCL and the produce from this land is enough to cater their grain needs for a year. Their living standards have improved and they have managed all the marriages from the income of their sons. The only inconvenience they face is the dust that clouds the R&R site when the SILO is operational.

Today, all the 6 families stay happily together and yet have their own privacy if they so wish. Indeed this family is a shining example of large Indian Joint families that try and weave the culture and traditions by staying together as a single unit and have the strength to withstand any adversity.





*Pyau camp organised by the Chetana Mahila Mandal near the mine sites in summers.*

## Giving Back to Society through CSR Initiatives

The local community around our operations depends on MCL to a large extent and so, ever since our inception, developing these local areas has been an integral part of what we as a company do. Our endeavour to contribute to our society began much before the implementation of the Company's Act 2013 that emphasises on Corporate Social Responsibility. Most of what we spend on infrastructure development for the community has always been a significant part of MCL's expense list. As a norm, we have a budget allocated on a year-on-year basis for implementing CSR projects. At the end of each financial year, we evaluate the total amount that was spent in relation to the allocated budget. To implement our local area development ventures, we have adopted the CSR Policy of CIL. We also implement some projects in collaboration with the State Government of Odisha.

MCL with a CSR spend of 61.30 crore for FY 2014-15 stands 19th in the total CSR spend among all the companies in the country.

(Source: Press Information Bureau, Govt. of India)

### CSR Objectives



Strengthening Stakeholder Engagements and Building Relationships

Working towards Welfare of Local Community



Ensuring Water Availability to Peripheral Villages

Developing Community Infrastructure



Educating Children & Youth

Taking care of Health & Well-being



Promoting Sports & Encouraging Cultural Activities

For us, these projects that are targeted towards the development of local areas and the local communities, are a continuous process. We believe in prioritising projects based on the actual needs of people in a particular area. Though philanthropic to some extent, we engage in models that have scope for the involvement of the local people and the subsequent upliftment of weaker sections of our society. A few years ago, we engaged the Tata Institute of Social Sciences (TISS), as a consultant to conduct a baseline needs assessment study for the peripheral areas of our operations. Based on the studies conducted, we are attempting to strengthen our efforts to satisfy the needs of communities. We also encourage people who have the yearning to serve the society. One such exemplar case is elaborated in Tete-a-Tete: 'Helping snakes to help the community!'.

During the reporting period of FY 2014–15, we created a new 'Community Development' cadre, to create a dedicated workforce that would effectively engage in implementing our CSR projects. These executives would be points-of-contact for the local people and would act as moderators between the management and community. Having realised that most of our community-related issues are due to ineffective communication between both parties, we appointed 'Community Development' executives in all our areas, to understand the needs of our priority stakeholders and develop a strong relationship with them. We also supported the Prime Minister's 'Swachh Bharat Abhiyaan' and actively initiated cleaning drives throughout our areas. In the coming year we plan to undertake a more formalised commitment of providing toilets in schools in remote areas of Odisha. Details of Swachh Bharat Abhiyan initiatives at MCL are provided in the Factfile: 'Fuelling a clean India'.

## FACTFILE

### Fuelling a clean India

Various Swachh Bharat Abhiyaan initiatives were conducted at MCL during 2014–15. It all started with the CMD (Mr. A. N. Sahay), functional directors, and the Chief Vigilance Officer wielding a broom and cleaning the Corporate Office Complex and at Hirakud rly station on 25th September 2014. Post this, similar activities were undertaken by the Area General Managers in their respective zones. Many different forums in MCL, such as, WIPS (Women in Public Sector) and Mahila Mandals, helped conduct awareness campaigns in residential areas and nearby communities as well in the Leprosy Colony at Sambalpur.

To promote the concept of cleanliness, all possible communication media were explored, ranging from banners and hygiene leaflets, and SMS campaigns, right up to musical jingles and Swachhta Geets (composed in the Odia language).

Thanks to this Abhiyaan a lot of places in and around MCL wear a clean look. We aim to continue this effort to emphasise on 'fuelling a clean India'.



# Tete-a-Tete

## Helping snakes to help the community!



**Sandip Singh**  
helping the community  
with his unique skill

During his many years of service at MCL, Mr. Sandeep Singh has actively volunteered to rescue snakes that enter people's homes in Sambalpur. As a child, Mr. Singh used to chase snakes; a hobby that developed into a unique service to society, that also helps preserve biodiversity. A school bus driver by profession, he spends a lot of his free time educating the local gentry on ill-founded fears, debunking their superstitions and counselling them on why they should not kill the snakes. He was even bitten during one of his rescue operations, but that did not deter him in the least. To date, he has rescued over 200 snakes.

A member of the YMCA, and a participant in several health awareness camps for children and young people, Mr. Singh believes that service to society comes first. We at MCL are indeed humbled to have such a sterling example of service and dedication in our midst. In recognition of his outstanding initiatives, he was awarded the Special Service Award, by the CMD, in 2014

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*“ I have been catching snakes, rescuing them and returning them back to the wild since my childhood. It feels good to be recognised by MCL, and have my name on their notice board. MCL is doing a great job for the communities, my sincere thanks to them. I'm proud to be part of the MCL family. ”*

## Our Major CSR Initiatives

Our CSR projects for the reporting year focused on meeting the various needs of our communities, including providing them with basic amenities and healthcare facilities, whilst ensuring the infrastructural development of local areas and implementing several initiatives to enliven their lives.



**Blanket distribution by Jagruti Mahila Mandal.**



**Pond reclamation in Badasinghada village.**



**Repair and Maintenance of Joragardia High School.**



**Replacement of Kuio GI sheet of community centre in Kuio R&R site.**



**Concrete road construction from Lakeipasi to Kandhaberini village.**

## Provisioning Water Supply

We continued to supply water to the peripheral villages in the vicinity of our coalfields. New borewells were dug at several places and hand pumps were installed. Refer to the table on 'CSR Projects: Water Supply FY 2014–15' for details on activities undertaken to ensure the supply of water to the local people.

## Achievements

- Two piped water supply for 35 villages of Talcher and Kaniha block of Angul initiated with an investment of 55.05 crore rupees
- 270 peripheral villages and 19 municipal wards were provided with drinking water supply through mobile water tankers during summer in Jharsuguda
- Improvement of water supply system of Brajrajnagar town initiated with a sanctioned investment of 4.44 crore rupees

CSR Projects: Water Supply FY 2014–15		
Sl. No.	Details of Major Water Supply Projects	Area Impacted
1	Water supply arrangement during summer to the peripheral villages of Talcher Coalfield	Angul
2	Borewell at Gopal Prasad, Naraharipur, Gobara (3nos.), Gurujang (3nos.), Hiloi (2nos.), Rakas, Jarada, Madan mohanpur, Dayanidhipur, Rasulpur, Soubhagyanagar, near SDPO Office, Talcher, Handidhua and hand pump at Boulapur, Orphan home, Hingula.	Angul
3	Construction of 4 temporary sand bandha on the bed of Ib river at Budhipatar village, Rajpur village and at OPM filter plant.	Ib Valley
4	Construction of bathing steps at Puruna Bandha and Raja Bandha at village Jambubahali. Construction of drain with culvert towards Rajbandha at Jambubahai village. Construction of compound wall and development work at Belargada pitha, Dera	Angul
5	Renovation of pond and construction of bathing ghat at village Sartangpal and Pipilikani of Pipilikani G.P. Excavation of new pond of Lechuapada village of Kushraloi G.P., under Lakhanpur OCP. Deepening of pond at Limtaliapada under Sarandamal G.P.	Jharsuguda



Drinking water supplied to peripheral villages in Talcher area in summer.

## Enabling Education

In FY 2014–15 most of our endeavours to promote education were in the area of creating appropriate infrastructure for schools and hostels. We also undertook the renovation of schools and provided

essential supplies to enable them to operate efficiently. Refer to the table on 'CSR Projects: Education FY 2014–15' for details on the activities undertaken to ensure proper educational facilities for the local people.

CSR Projects: Education FY 2014–15		
Sl. No.	Details of Major Projects for Promoting Education	Area Impacted
1	Construction of Ladies Hostel at VSSUT Burla, Sambalpur	Sambalpur
2	Financial assistance for construction of laboratory building and balance work of computer hall at government high school SBP	Sambalpur
3	Construction of a girls hostel for the mentally retarded school at Brindamal, Jharsuguda	Jharsuguda
4	Distribution of 110 nos. of cycles to students of Arjun Gupta Girls High School, Phatapali, for encouragement of Girls education and in nearby school as deemed fit who came top in class	Jharsuguda
5	Repairing of road from Vivekananda School of Baula Chhak to Ghantapada village under CSR Scheme Talcher Area	Talcher



## Ensuring Health and Sanitation

We believe that health and sanitation are basic necessities for healthy living. To this end, we attempt to provide facilities for the local people that would help them lead a life free from dreadful diseases. Our health

initiatives include health camps, cleaning drives, provision of facilities for basic sanitation, and so on. Refer to the table on 'CSR Projects: Health and Sanitation FY 2014–15' for details on the activities we have undertaken to ensure health and sanitation for our communities.

CSR Projects: Health and Sanitation FY 2014–15		
Sl. No.	Details of Major Health and Sanitation Projects	Area Impacted
<b>Implemented Directly by MCL</b>		
1	Payment to Mahanadi Medical Education Trust MMET.	Talcher
2	Construction of drain along the road connection Balunga khamar to Ekadashipur under CSR Lingaraj Area.	Talcher
3	Construction of 21 toilet blocks near village school under Swachh Vidyalaya Scheme at LKP OCP.	Lakhanpur
4	Health Camps, general camps, AIDS awareness camps, diabetic and hypertension camps , malaria, dengue and diarrhea camps and supply of medicines to health camps.	Talcher and Jharsuguda
5	Financial assistance towards payment for mobile unit at Ib Valley Central Hospital, Brajrajnagar, Jharsuguda for June, July and August 2014 and MCL HQ CMS 2014	Jharsuguda
6	Construction of toilets in different schools of Dhenkanal Sadar under Swachh Vidyalaya Abhiyan	Talcher



*Clinic on Wheels delivers multiple healthcare services to un-served & underserved through a Mobile Medical Unit (MMU).*

## Developing Local Areas

MCL facilitates most of the development in the remote areas of Angul, Jharsuguda and Sundargarh districts. Some of the CSR initiatives for rural development that we undertook in FY 2014–15 include, the construction of new roads, the repair and maintenance of already

constructed roads, the construction of community centres, the construction and renovation of ponds, and the construction of shopping complexes. Refer to the table on 'CSR Projects: Rural Development FY 2014–15' for details on the projects we implemented in order to develop our local areas.

CSR Projects: Rural Development FY 2014–15		
Sl. No.	Details of Major Rural Development Projects	Area Impacted
Implemented Directly by MCL		
1	Widening and strengthening of Balinga Taparia Road 2.24 Km to 24.20 Km.	Sundargarh
2	Deposit of 5.54 crore rupees to CESU for the lighting arrangement along Sea Beach of Puri and Grand Puri for Nabakalebar Festival 2015 of Lord Sri Jagannath.	Puri
3	Providing toilets, cycle shed and cultural pendal at Satyabadi High School Badajorda near Nandira Colliery. Repairing of road from Vivekananda School of Baula Chhak to Ghantapada village under CSR Scheme, Talcher Area. Pipeline arrangement at Satyabadi High School.	Talcher
4	Resurfacing of damaged portion of the road along Barpali village by rigid concrete pavement under CSR scheme of BG Area.	Sundargarh
5	Construction of Ujjalpur bye pass road in Sundargarh.	Sundargarh
6	Construction of community centre building at village Nuadihi, Kuarkela, Luabahal of Garjanjore GP; Construction of community centre building at Chitamunda village of Kendudihi Grampanchayat; Construction of community centre building at Kandadhupa village.	Sundargarh
7	Renovation of Soubbhagya Sagar Big Tank of Talcher Municipality.	Talcher



## Promoting Sports and Culture

We believe that 'All Work and No Play Makes Jack a Dull Boy'. That's why we actively encourage participation in sports and cultural activities at MCL and in our communities. Our support to this end extends from providing financial assistance for various initiatives, to creating sporting avenues such as playgrounds and sports complexes. Refer to the table on 'CSR Projects: Sports and Culture FY 2014-15' for details on the activities we undertook to enhance sports and culture.



*Glimpse of All India Football Tournament*

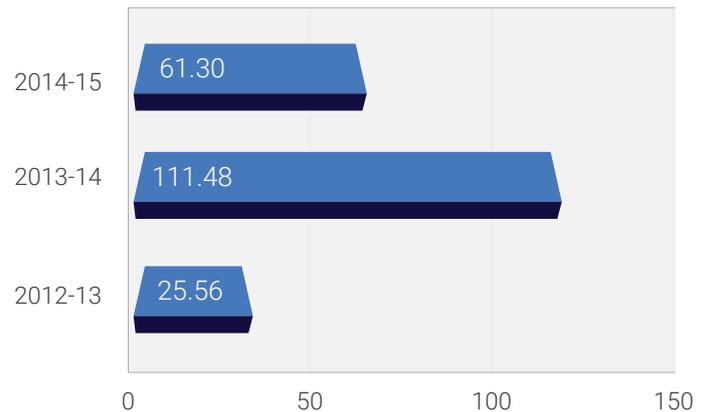
CSR Projects: Sports and Culture FY 2014-15		
Sl. No.	Details of Sports and Culture Projects	Area Impacted
1	Promotion of hockey in Odisha in partnership with IDCO.	Odisha
2	Sports Complex at Burla, Sambalpur.	Sambalpur
3	Collaterals for branding opportunity and cost during FIH championship trophy at BBSR.	Odisha
4	Organising inter village cricket tournament at Bandhabahal village field.	Jharsuguda
5	Organising inter village football tournament at Patrapali village field.	Talcher



## Our Investment in CSR

During the reporting period of FY 2014–15, our investment in CSR ventures amounted to 61.30 crore rupees. This was a 53.8% utilisation of the allocated budget under the CSR head. The balance amount that was unspent during the period is carried forward to the next financial year to accomplish other CSR projects. Refer to the table on 'CSR Expenditure Break Up – FY 2014–15' for the amount spent on each kind of local area development or facilitation project.

CSR Expenditure Trend (INR crores)



CSR Expenditure Break Up – FY 2014–15 (INR crores)

CSR Activities	Talcher Coalfield	Ib Valley Coalfield	Corporate HQ
Education	1.23	0.32	0.36
Water Supply	6.55	0.64	0.01
Healthcare	0.40	0.10	0.51
Environment	0.00	0.04	0.00
Sports and Culture	0.11	0.10	7.03
Social Empowerment	0.00	0.24	0.10
Relief	0.00	0.00	0.00
Miscellaneous (Others)	4.05	1.49	5.56
Miscellaneous (Women)	0.02	0.00	0.00
Community Activity Expenses	0.00	0.01	0.00
Infrastructure	3.23	22.25	3.19
Community Development	3.56	0.19	0.00
<b>Total</b>	<b>19.15</b>	<b>25.39</b>	<b>16.77</b>
<b>Total CSR Spend</b>		<b>61.30</b>	

## Mahila Mandal: Spearheading Change through Community Service

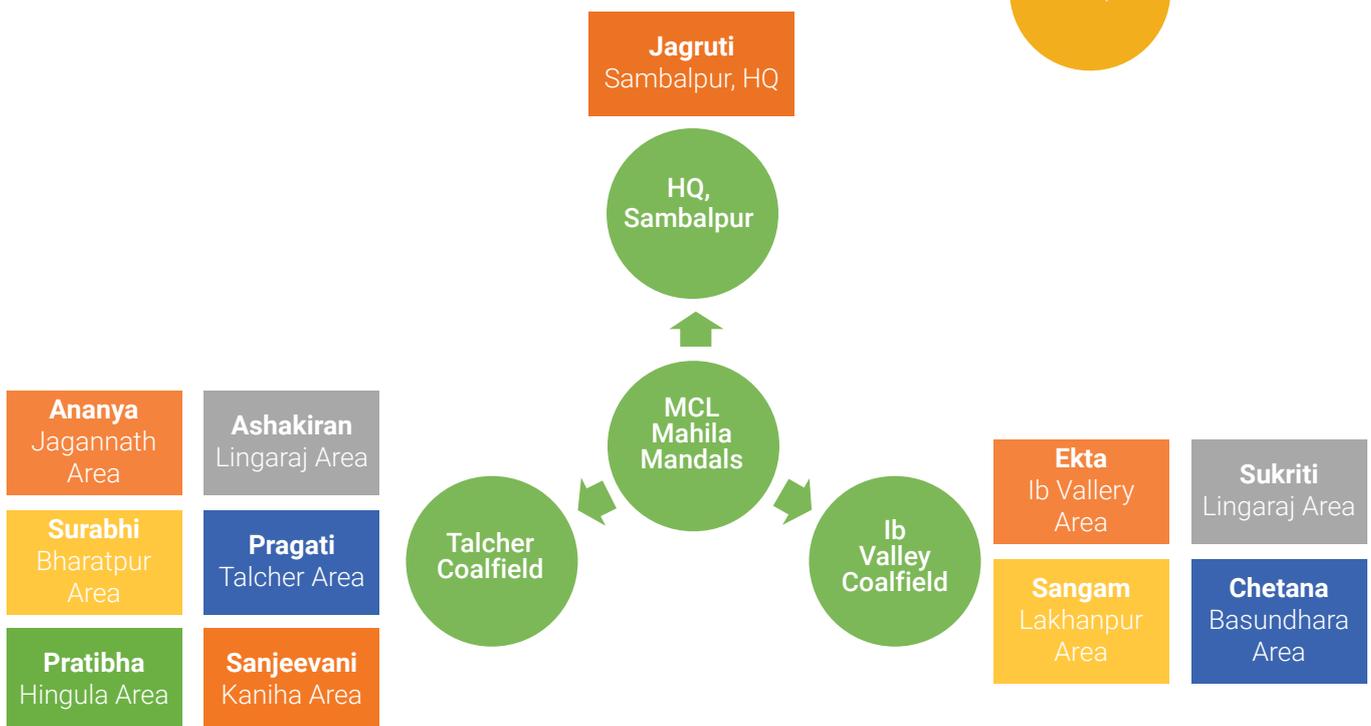
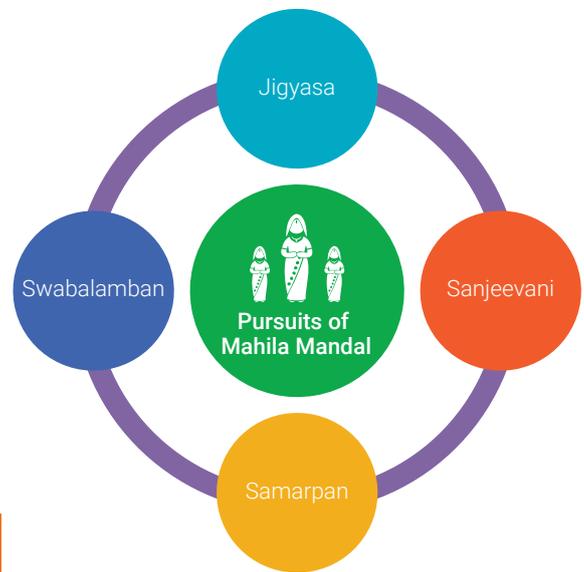
Our efforts to effect social progress are driven by a deep-seated intent to bring about a transformational change for the weaker sections of our society. Our Mahila Mandals take the lead in this respect and spearhead many of our CSR activities. Formed by the wives of senior MCL executives, this women's group acts and serves with a great deal of benevolence and lends a warm human touch to their initiatives – their comforting approach is well received by the local communities. Since Mahila Mandals exist in all our areas, members can join another chapter even if they relocate to a new area. Currently there are 11 groups across various areas that perform as social work groups, each headed by the wife of the most senior executive in the area. Refer to the figure below, for details on the areas in which these groups operate.

## Projects that Uplift our Communities

The activities of our Mahila Mandals are accomplished under the following four target areas for social upliftment:

- Jigyasa (Education)
- Sanjeevani (Health)
- Samarpan (Charity)
- Swabalamban (Social Empowerment)

Apart from these four target areas, the Mahila Mandals also play a significant role in maintaining the socio-cultural atmosphere of the areas in which they operate. Here is an overview of some of the unique projects that they undertake.





**Cleanliness drive by Ananya Mahila Mandal at Durga Mandap, Balanda.**



**Plantation drive by Pragati Mahila Mandal.**

### **Laadli Pariyojana**

This special programme helps support female children who hail from poor families. In each MCL area, about 15 to 20 girls are adopted and provided with their basic needs, education, and so on. These girls are called 'Laadlis' and the Mahila Mandal members interact very

closely with them, and meet with them on a regular basis. They determine the needs of the girls and try to provide them with the essentials that they need, from time to time. This programme has been successfully implemented in all our areas and many success stories have emerged from it.



**Laadli's adopted by Chetana Mahila Mandal.**

# Tete-a-Tete

## 'Laadli' Binapani's dream comes true!



**Binapani Barma**  
Laadli,  
Jagruti Mahila Mandal

The Mahila Mandal's special initiative of nurture and nourish 'Laadli', provides scholarships to girls from underprivileged families and also grooms women who aspire to a career. 'Laadli' Binapani Barma was a beneficiary of this scheme. After the Jagruti Mahila Mandal awarded her a scholarship for higher studies, Binapani went on to complete a degree in engineering, post which she secured a job at the prestigious firm, Tata Consultancy Services (TCS). Here is what she has to say about her experience:

"Graduation was but a dream for me as my parents could never afford that level of education. But thanks to MCL's Mahila Mandal, not only did I get a scholarship during my undergraduate studies but also the motivation and reassurance that I could aspire for a high profile Bachelor's degree in Technology. Whilst financial assistance was a huge stepping stone, their grooming helped me gain the confidence which facilitated me during my interview with TCS – the result is that today I already have an offer for a job beyond my dreams much before I complete my graduation."

---

**“ For me, Mahila Mandal has the same stature as my parents as they have nurtured and nourished me! ”**

## Health Programmes

Our Mahila Mandals participate in several campaigns to create awareness amongst the masses, on the importance of a clean environment and the dangers of dreadful diseases such as dengue fever, or swine flu. Their enthusiasm and active participation in these events is the reason that such health programmes are a success. Members of our Mahila Mandals also take the lead by volunteering at eye surgery camps and at programmes for the rehabilitation of leprosy patients. To further fulfill the goals of 'Sanjeevani' or health, they also distribute medicines and health aids in local villages. Our Jagruti Mahila Mandal has initiated a unique pariyojana 'Naunihaal' that meets the nutritional demands of underprivileged children below three years. Details of this follows in the Factfile: 'Naunihaal – securing the future of our tiny tots'.

## FACTFILE

### Naunihaal – securing the future of our tiny tots

Children are our future and we need to help them grow. Unfortunately, many motherless toddlers suffer from growth deficiencies, due to the lack of nutrient-rich food. This is why, the Mahila Mandal in partnership with the state administration, provides vitamins, supplements, milk powder, and other food items, along with required medicine, in the Sambalpur areas. This is indeed one more outstanding project by the Mahila Mandal for the betterment of the local community.



Health camp at Saraswati Sishu Mandir, BGA, organized by Chetana Mahila Mandal.



Jagruti Mahila Mandal's 'Naunihaal' beneficiaries.

## Donations

Inspired by the tenet of 'Samarpan' or charity, our Mahila Mandals donate essential commodities to residents of the local areas and to the 'Anath Ashrams'. They also distribute blankets, mosquito nets, clothes, school uniforms, medicines, groceries, and so on. The kind of commodities they donate are decided based on the needs of the people they wish to assist. They further extend their involvement by organising small events for various festivals – Holi, Diwali, Basant Panchami, among others. Mahila Mandal members try to add more value to these functions by donating small attractive items.



**Blanket donation in BGA by Chetana Mahila Mandal.**



**Pragati Mahila Mandal donated water purification system.**

# Tete-a-Tete

## Rest Shelters – the necessary relief

Since the MCL HQ at Burla is located in a less populated region, domestic help for the residents of the MCL colonies is availed of from the nearby villages Jhupdi Pada, Pathan Ganj, etc. The maids who work in the colonies often travel from these villages. They come in the morning and leave for their homes in the evening. Due to the lack of frequent public transport, they prefer to stay back in the colonies during lunch, before they resume the work in the colonies again in the afternoon. Unfortunately they did not have any pre-designated spots where they could rest a while. Seeing this, The Jagruti Mahila Mandal, constructed a rest shelter for these maids inside the premise of Jagruti Vihar. This facility consists of a room equipped with a toilet where these maids can rest comfortably before they restart their afternoon work. These rest shelter clearly is a necessary relief for these hardworking women!

Sunita Nayak, a 17-year old cook, who makes use of this facility, affirms:

“This type of rest shelter is a great relief for us. We are about 40-45 women who make use of this facility. In the morning we come here and keep our tiffin boxes and rush to our respective work places. We all come back during lunch, have food together, chit chat for a while, take some rest and then again go back for our afternoon work. We come back and assemble here at around 4.30 or 5.00 pm in the evening and travel home in autos. The rest shelter is a respite from the scorching sun and heat waves in the summer. Also we get this private place like home, all for ourselves.”

***“We are extremely grateful to Jagruti Mahila Mandal for their thoughtfulness.”***



## Skill Development

To achieve the fourth objective of 'Swabalamban' or social empowerment, our Mahila Mandals have initiated tailoring training classes for community members. In this well-designed, six-month long skill development programme, students are taught to stitch clothes. After their training, they are capable of starting their own tailoring business. Some of the more efficient trainees continue to work as trainers for subsequent batches. This programme has been very successful in many of our areas. Despite encountering numerous challenges, the Mahila Mandals have managed to continue this programme.



**Students of stitching classes conducted by Jagruti Mahila Mandal.**



**Stitching courses run by Chetana Mahila Mandal.**

# Tete-a-Tete

## Tailor-made solutions for self-reliance



**Namita Maharana,**  
Tikilipara R&R site, BGA

Most women would like to support their families economically too, however they don't get an opportunity to try their hand at something. Ms. Namita Maharana, a resident of the R&R site Tiklipara of Basundhara-Garjanbahal, also had the urge to help with her daughters' education. However chances of a livelihood in the interiors of Orissa are remote. So, when she heard of the training programme on tailoring, conducted by Chetana Mahila Mandal, through their project Swavalamban, she wasted no time and quickly signed up for it. This programme, which lasted for 6 months, enabled her with a new skill for a livelihood, whilst instilling self-confidence. The talented Namita while gathering creative competence, also started imparting the knowledge she gained to others in her neighbourhood. When Chetana Mahila Mandal became aware of Namita's threading successes, they gifted her with a sewing machine to start her own tailoring shop. She ventured into custom-made cloth stitching along with training classes. The housewife Namita now started augmenting her family income. By this, not only did she manage to help her daughters get educated but she was even able to get two of her daughters married.

Elated by her achievements, the much obliged 'Namita' expresses herself:

---

*“ I am grateful to Chetana Mahila Mandal for this gift for life. I wish they reach out to other remote areas where many more sisters of mine will be benefitted. ”*

# Snapshots of MCL's Mahila Mandal Activities During 2014-15



Children's day celebration



Social empowerment



Women's health camp



Cleaning at Jagannath temple



Donation of pressure cookers



Laadli Pariyogana

# Sustainability Road Map



# Annexure

## MAPPING WITH UNGC PRINCIPLES

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Release of MCL's CSR and Sustainability Report for the year 2013-14.

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 Orange symbol with number indicates NVG Principle; In accordance with Chapter 5 (Business Responsibility Reporting Framework) of the NVG, i.e. Parts A, B and C of the Report Framework (Pg 36)

# GRI Content Index

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 Green symbol with number indicates UNGC Principle

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## “IN ACCORDANCE” CORE SPECIFIC STANDARD DISCLOSURES

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 Green symbol with number indicates UNGC Principle

# I Glossary

AIDS	Auto Immunodeficiency Syndrome
AR	Absentee Rate
ARD	Air borne Respirable Dust
BEML	Bharat Earth Movers Limited
BOM	Build Operate Maintain
CBA	Coal Bearing Areas
CCTV	Closed-circuit Television
CESU	Central Electricity Supply Utility of Orissa
CGSRMSD & CSR	Corporate Governance, Strategic, Risk Management and Sustainable Development and Corporate Social Responsibility
CHP	Coal Handling Plant
CII	Confederation of Indian Industries
CIL	Coal India Limited
CIMFR	Central Institute of Mining and Fuel Research
CISTEA	Coal India Schedule Caste / Scheduled Tribe Employees' Association
CMD	Chairman cum Managing Director
CMPDI	Central Mine Planning and Design Institute
CO <sub>2</sub>	Carbon Dioxide
CPSE	Central Public Sector Enterprise
CPSI	Coal Preparation Society of India
CSR	Corporate Social Responsibility
CVO	Chief Vigilance Officer
DICCI	Dalit Indian Chamber of Commerce and Industry
DPE	Directorate of Public Enterprises
DPR	Detail Project Report
EC	Environmental Clearance
EMD	Earnest Money Deposit
ERP	Enterprise Resource Planning
ETP	Effluent Treatment Plant
FC	Forest Clearance
FSA	Fuel Supply Agreement
GCV	Gross Calorific Value
GHG	Green House Gas
GJ	Giga Joules
GM	General Manager
Govt.	Government
GPS	Global Positioning System
GRC	Grievance Redressal Cell

# Glossary

GRI	Global Reporting Initiative
HEMM	Heavy Earth Moving Machinery
HQ	Headquarter
HR	Human Resource
HRD	Human Resource Development
HRMR	Human Resource Management and Remuneration
HSD	High Speed Diesel
ICC	Internal Complaints Committee
IDCO	Infrastructure Development Corporation
IED	Industrial Engineering & Design
IEM	Independent External Monitors
IME	Initial Medical Examination
IMS	Integrated Management System
INR	Indian National Rupee
IP	Internet Protocol
IR	Rates of Injury
ISO	International Standards Organisation
IWSS	Integral Water Supply Scheme
JCC	Joint Consultative Committee
JV	Joint Venture
kg	Kilogramme
KL	Kilolitre
kV	Kilovolt
KVAR	Kilovolt-Ampere Reactive
kWh	Kilowatt Hour
LA	Land Acquisition
L&R	Land & Revenue
LDR	Lost Day Rate
LED	Light Emitting Diode
LHD	Load Haul Dumper
LMV	Light Motor Vehicle
Ltd	Limited
m <sup>3</sup>	Cubic Metre
MBPL	Mahanadi Basin Power Limited
MCL	Mahanadi Coalfields Limited
MDTP	Mine Discharge Treatment Plants
MGMI	Mining Geological and Metallurgical Institute of India
MGD	Million Gallon per Day

# I Glossary

MGR	Merry Go Round
mm	Millimetre
Mm <sup>3</sup>	Million Cubic Metre
MMSS	Mining and Metal Sector Supplement
MOC	Ministry of Commerce
MoC	Ministry of Coal
MOEFCC	Ministry of Environment, Forests & Climate Change
MSME	Micro, Small and Medium Enterprises
MT	Million Tonne
MTI	Management Training Institute
MW	Megawatt
NABL	National Accreditation Board for Testing and Calibration Laboratories
NCWA	National Coal Wage Agreement
NGO	Non-Governmental Organisation
NOx	Nitrogen Oxide
NPTCPL	Neelanchal Power Transmission Company Private Limited
NSCH	Nehru Shatabdi Central Hospital
OASME	Orissa Assembly of Small and Medium Enterprises
OB	Overburden
OC	Open Cast
OCP	Open Cast Project
ODR	Occupational Disease Rate
OGT	Oil and Grease Traps
OHSAS	Occupational Health and Safety Assessment Series
P&P	Project and Planning
PAFs	Project Affected Families
PAP	Project Affected People
PDFs	Project Displaced Families
PF	Provident Fund
PLAC	Plant Level Advisory Committee
PLRRC	Project Level Rehabilitation and Resettlement Committee
PM	Particulate Matter
PME	Periodic Medical Examination
PMS	Performance Management System
PPE	Personal Protective Equipment
PR	Public Relations
PRP	Performance Related Pay
Pvt	Private

# I Glossary

QC	Quality Control
R&D	Research and Development
R&R	Resettlement and Rehabilitation
REC	Renewable Energy Certificate
RFID	Radio Frequency Identification
RLS	Rapid Loading System
RPDAC	Rehabilitation & Peripheral Development Advisory Committees
RWH	Rainwater Harvesting
SAIL	Steel Authority of India Limited
SCOPE	Standing Conference of Public Enterprises
SC/ST	Scheduled Caste / Scheduled Tribes
SDL	Side Discharge Loader
SO <sub>2</sub>	Sulphur Dioxide
SPCB	State Pollution Control Board
SSI	Small Scale Industries
STP	Sewage Treatment Plant
TISS	Tata Institute of Social Sciences
Te	Tonne
UCCI	Utkal Chamber of Commerce and Industry Limited
UG	Underground
UDM	Universal of Drill Machine
UHF	Ultra High Frequency
VRS	Voluntary Retirement Scheme
W	Watt
WIPS	Women in Public Sector
WRD	Water Resources Department
WTPs	Water Treatment Plants

# Feedback Form: MCL's CSR and Sustainability Report 2014–15

We value your feedback as it helps us to improve what we do and how we communicate. Please help us by taking a few minutes to complete this feedback form.

2. Were you able to find the information you needed? YES / NO

Do you think the report covered all of the important issues relating to sustainability? YES / NO

Are there any specific issue(s) you would like to see covered in our Sustainability Report?

Please specify. \_\_\_\_\_

3. Which sections of our Sustainability Report were you most interested in? (Please tick all that apply)

Our Strategy  Social Performance  Economic Performance

Any other, please specify  Environment Performance

4. Which of the following best describes you?

Employee  Stakeholder  Customer

Industry  Supplier  Student

NGO / Charity Other (please specify) \_\_\_\_\_

5. Clarity of information provided in the report.

High  Medium  Low

6. Quality of design and layout of the report:

Excellent  Good  Average  Poor

7. Would you like to tell us anything else about sustainability at MCL?

\_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Organisation: \_\_\_\_\_

E-mail: \_\_\_\_\_

**You may also mail / email your feedback to this address:**

GM (Environment),  
Mahanadi Coalfields Ltd  
Email: cgmenvt2014@gmail.com  
Ph: +91 663 2113769

**Mahanadi Coalfields Ltd., sincerely thanks you for your valuable feedback.**



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