



Our flight towards sustainability



REPORT OF COMMUNICATION ON PROGRESS 2009-10

**CENTRAL COALFIELDS LIMITED
A CATEGORY-I, MINIRATNA COMPANY
RANCHI, INDIA**

Mr. Ban Ki Moon
General Secretary
United Nations
New York, NY 10017
USA




Dear Mr. Secretary General,

I express my immense pleasure to convey that Central Coalfields Limited, a leading Public Sector Unit playing pivotal role in India's Energy scenario, supports the principles of Global Compact in respect of Human Rights, Labour Rights, Protection of the Environment and Anti Corruption & looks forward to align its business operations towards furtherance of these principles. The company dedicates its commitment not only to pursue the principles but also advance the cause as enunciated in the principles. Further, the company is committed by making the Global Compact and its principles part of the strategy, culture and day to day operations of our company by optimizing generation of internal resources by improving productivity preventing wastage, maintaining high standards of safety and conserving environment through committed plan for reclamation & plantation. We undertake to make a clear statement of this commitment for our employees and all other stakeholders. We support public accountability and transparency and will report on progress made in a Public manner.

This report covers some general information about our societal and environmental programmes carried out within the company and in surrounding communities.

I hope that you will find the report useful.

Sincerely yours,


(Ranjan Kumar Saha)
Chairman-cum-Managing Director,
Central Coalfields Limited, Ranchi
India.
November, 2010.

UN Global Compact- Communication on Progress

Background:

Central Coalfields Limited (CCL) is a pioneer company under Ministry of Coal, Government of India and is proud to be a member of Global Compact. The Company has emerged as a dominant domestic player in the primary energy sector and is committed to provide energy security to the country by attaining environmentally and socially sustainable growth through best practices from Mines to Market. The company is committed to promote social good for sustainability of business and industry.

The company believes that it is its prime responsibility to uphold the 10 principles of UN Global Compact. The Company is poised to go a long way in the Energy sector of the Nation with thrust on overall development of society and well designed production enhancement programme.

Overview of CSR:

Making mining socially sustainable, CCL focuses on inclusive growth of community in its command area through a host of Corporate Social Responsibility measures. The Company has a spectacular turnaround a couple of years ago and has grown thereafter, from strength to strength by registering record production, productivity, profit and people care. The company emphasizes on triple bottom line i.e. People, Planet & Profit with people as its first principle.

In order to be a Corporate trusted by all, CCL has formulated a CSR policy to articulate the corporate philosophy. With a view to make its CSR Policy sustainable, our activities are based on Core Competency, Community and Customers' choice and thus there will be strong business dimension of CSR measures adding value to the bottom line.

CSR strategy: Our CSR strategy has fourfold initiative as under-

- **CCL as Promoter:** CCL taking up CSR activities on its own.
- **CCL as a Partner:** CCL building up partnership with Voluntary Bodies, Autonomous Bodies, Statutory Agencies, State and Central Government Agencies, to take up Corporate Strategic Responsibility Projects on a sustainable basis.
- **CCL as Facilitator:** CCL making contributions to various Socially Beneficial Projects in and around its command area, in the State of Jharkhand, and in Country at large.
- **CCL as a Consultant:** CCL extending assistance in terms of technical expertise, managerial expertise etc. to welfare and developmental projects.

The Welfare & Community Development department of the company oversees our CSR strategy and reviews progress made in this regard. We are continuously giving our impetus to monitor our progress. In addition, we have revised our CSR policy during the year 2010 extending the gamut for doing more CSR activities.

The major CSR activities undertaken by CCL are given below:

a) Adoption & development of model villages :

Under adoption and development of villages for the “model village programme”, CCL has adopted 2 villages namely, Lupungtoli and Semartoli near Ranchi, (Jharkhand State) for their overall development. 18 Nos. of medical camps, 9 at each village, have been organized during 2009-10 where around 2000 number of villagers have been medically examined and were provided with medicines free of cost. Presently, the works related to infrastructure development, like installation of hand pumps, construction of P.C.C. roads, construction of school building, community centers are in progress.

b) Adoption of Blind girl child:

11 nos. of visually challenged girl students of Brajkishore Netrahin Balaika Vidyalaya, Ranchi have been adopted in the year 2009-10 for their education and health care. An amount of Rs. 2.60 lakhs has been provided to the school initially for two years for the purpose. The above adoption ceremony was graced by Sri Sriprakash Jaiswal, Hon'ble Minister of Coal, Government of India.



c) Promotion of girl child:

5 girl students of St. Anthony School, Jarangdih belonging to Below Poverty Line families have been adopted for their education and health care. An amount of Rs. 1.20 lakhs has been provided to the school initially for two years for the said purpose.

d) Promotion of education:

Specific emphasis is being given to provide quality education facilities to the children in CCL Command Areas, especially in nearby villages. During the year 2009-10 infrastructural help was provided to Seventy (70) rural Schools in the Command Area of CCL.

e) Operation Jyoti:

It's our programme to eradicate all cases of reversible blindness in the command area of CCL. Under this programme, 1544 cases were examined and 1099 operations have been done.

f) CSR Clinic & CSR Ambulance:

There are 14 nos. of CSR Clinics operating in the command area of CCL. During the year 2009-10, 32657 persons have benefited through these clinics. There are Eleven (11) CSR Ambulances deployed in different areas of CCL. These have made 115 visits within the Command Areas of CCL giving benefit to 4950 persons.



g) Drinking Water:

For supply of drinking water, 126 no. of works have been done in 2009-10 which include installation of hand pumps, digging of wells, ponds, boreholes etc.



h) Infrastructural Development:

- **ROADS:** Construction/repair of 38 nos. of rural roads has been done during the year 2009-10.



- **COMMUNITY CENTRES:** 37 nos. of community centres have been constructed/repared during the year.

i) Caring and Sharing programme:

Under this CSR Scheme, different institutions and schools of physically and visually challenged, differently-abled persons and Old Age Homes are frequently visited and consumable items for day-to-day use are provided to them. Apart from providing moral support to such persons by spending quality time with these persons, CCL is committed to bring hope to their lives.

Honouring Human Rights:

Central Coalfields Limited adheres to and follows the articles of Constitution of India wherein a great place has been covered for Human Rights. The company's business is being run by abiding the statutes and legislation which are in line with International Labour Organization Convention and Universal Declaration of Human Rights.

The company is committed to uphold the cause of Human Rights in all aspects of its business and to ensure that no one in the company indulges in any Human Right violation or is found guilty of human abuse in any manner. Congenial and safe atmosphere has been created by enforcing stringent rules which enables the employees to work in a positive atmosphere free from physical or psychological threat, abuse or sexual harassment. All legal and statutory obligations towards employees, customers, associates and society at large are also complied with.

The company religiously works towards development of the society at large, giving emphasis on women empowerment, girl child promotion, support and help to physically challenged/differently-abled persons and care for old persons. This includes programmes aimed at ameliorating the condition of socially & economically down trodden and the weaker sections of the society.

Labour Practice:

Central Coalfields Limited respects the dignity of labour and ensures total freedom to its workforce with no discrimination whatsoever. It follows the extant labour legislations and rules framed by Govt. of India as statutes. For effective recognition of labour-force and to safeguard their rights & to look after their well-being, the company has separate departments to deal with various activities related to Labour. The workforce of the company is represented by six no. of Trade Unions recognized by National Federation level and these Unions enter into long term wage settlement through harmonious collective bargaining process. To protect their rights, the company allows these Unions to express their views through their representatives at different forums and consultative committees. This provides opportunities for improvement of welfare measures for employees.

The company is a Public Sector Unit (Government of India owned) and is regulated by the stipulations of Labour legislations and labour enactments of the country. As such, there is no scope of forced and compulsory labour in any form. The Company's Policy has strong belief in ILO convention on Labour practices.

The company policy doesn't allow employment of any person below the age of 18 yrs. in any segment of its business process. Being a mining company, we are regulated by Mines Act and Mines Regulations as framed by Govt. of India and there is no scope of Child Labour. Contrary to this, children of the employees, children belonging to villagers of peripheral areas and children of weaker sections belonging to Below Poverty Line families are supported and encouraged by imparting better healthcare and educational facilities under our CSR schemes.

We have strong belief on providing equal opportunities to our workforce irrespective of caste, creed or sex. We don't practice any form of discrimination or show any biasness in the matters related to employment as well as growth of our employees within the organization.

Employee's Involvement & Empowerment

In CCL, apart from various participative forums to meet the statutory regulations, the following forums have been especially created for improving workers' participation in management:

a) Unit Level

Sl.	Forum	Purpose	Constitution	Periodicity
1	Industrial Relation Machinery	Resolve grievance	Project Head + HR Personnel + Union Representatives	Regular day to day interaction as well as structured meeting
2	Unit Consultative Committee	To discuss matter of importance & performance, productivity of the unit	Project Head + Required Departmental Heads + HR Personnel + Union Representatives	Quarterly
3	Pit Safety Committee	To discuss issue related to safety in mines	Project Head + Required Departmental Heads + HR Personnel + Union Representatives	Monthly
4	Housing Committee	For allotment of quarter	Project Head + HR Personnel + Union Representatives	As & When required
5	Welfare Committee	To discuss welfare measures	Project Head + HR Personnel + Union Representatives	As & When required

b) Area Level:

Sl	Forum	Purpose	Constitution	Periodicity
1	Industrial Relation Machinery	Resolve grievances	General Manager + HR Personnel + Union Representatives	Regular day to day interaction as well as structured meeting
2	Area Consultative Committee	To discuss matter of importance & performance, productivity of the Area	General Manager + HR Personnel + Union Representatives	Quarterly
3	Area Safety Committee	To discuss issues related to safety in mines	General Manager + Departmental Heads of Safety Deptt. + Statutory Personnel + Union Representatives	Quarterly
4	Welfare Committee	To discuss welfare measures	General Manager + HR Personnel + Executives from Civil Maintenance + Union Representatives	As & When required
5	CD Committee	To discuss matter of community development (CD)	General Manager + HR Personnel + Executives from Civil Maintenance + Union Representatives + Representative of Local authority	As & When required

c) Corporate Level:

Sl.	Forum	Purpose	Constitution	Periodicity
1	Joint Consultative Committee	To discuss matter of importance & performance, productivity of the Company	CMD + D (P) + GM (P&IR) + Required Deptt. Heads + Union Representatives	Quarterly
2	Safety Committee	To discuss issues related to safety in mines as well as that of employees	CMD + D(T)(O) + D(T)(P&P) + Deptt. Head of Safety Deptt. + Required Deptt. Heads + Union Representatives	Quarterly
3	Medical Advisory Committee	Matter related with medical facilities given to employees & its dependents of the Company	CMS/CMO + D(P) + Union Representatives	Quarterly
4	Welfare Board Committee	Welfare measures of the Company	CMD + D (P) + GM (W&CD) + Required Deptt. Heads + Union Representatives	Quarterly
5	Education Sub Committee	Matters related to educational facilities of the Company	CMD + D (P) + GM (W&CD) + Required Deptt. Heads + Union Representatives	Quarterly
6	Employee Benevolent Committee	Matters related to employee's benevolent schemes	CMD + D (P) + GM(W&CD) + Union Representatives	Yearly
7	CD Committee	Community development measures of the Company	CMD + D (P) + GM (W&CD) + Required Deptt. Heads + Union Representatives	Yearly

Note: CMD: Chairman cum Managing Director; **D(P)** : Director (Personnel); **D(T)(O)**: Director Technical Operations; **D(T) (P&P)**: Director Technical Project & Planning; **GM(W&CD)**: General Manager Welfare & Community Development; **GM (P&IR)**: General Manager Personnel & Industrial Relations.

Environment Control Measures in CCL:

Being a mining company, CCL is well aware of the effects of mining to the environment. It accords high priority to ecological balance and pollution control. The Company has made major breakthrough by planned afforestation programmes and reclamation of degraded land. Continuous monitoring in respect of ambient air quality, water and noise is carried out at units and treated effluents are discharged which not only meet the statutory requirements but also exhibit continuous improvement trends.

The major activities for environmental up-gradation in CCL are:

a) Large scale tree plantation in and around the mining areas: The success in land reclamation of mines spoils and afforestation has been very significant and overwhelming in places like Ashoka, Piparwar etc. The mined out areas (or the de-coaled areas) is refilled with overburden at places where no mining is required in future. The OB fills and dumps are not very conducive to growth of plants, since these sites do not contain adequate plant nutrients. The dumped soil is improved in stages through modern techniques to bring back its fertility and the horticultural operations are carried out by adding nutrients, like organic, inorganic and bio-fertilizers. CCL has done bio-reclamation of degraded mined areas of more than 4300 Ha (since 1992) of different types of land like OB dumps, subsided areas, mined out areas, colonies, avenues etc.

The total plantation done in CCL since 1992 is more than 66 lakhs. During last 7 years, the plantation done is more than 34 lakhs which itself is a positive indication of improvement in bio-diversity and environment management.

Plantation in CCL during last 7 years:

Year	Plantation (No of Trees planted in lakhs)
2003	6.22
2004	6.03
2005	4.76
2006	5.16
2007	6.09
2008	5.45
2009	0.375

Avenue Plantation at Ashok OCP of CCL



Block Plantation on Backfilled area of Piparwar OCP of CCL



b) Development of water bodies / lagoons in mining areas for sedimentation of fines as well for improvement of aquatic life.

Lagoon at Piparwar OCP of CCL



Migratory bird finding shelter at Piparwar OCP in one of the hydro-reclaimed de-coaled quarry.



c) Regular air, water and noise monitoring are being done to keep a check on the adverse parameters, if any:

All the mines / washeries of CCL are being monitored on regular basis by Central Mine Planning and Design Institute Limited (CMPDIL), the monitoring agency. Every quarter there are about 175 Ambient Air Quality sampling, 185 water quality sampling and 150 noise survey being done by CMPDI. In case any parameter is reported beyond the permissible limit, immediate actions are taken by the areas/projects for mitigation.

d) Remote Sensing Survey for analysis for land use improvement in large mines:

The large producing mines are being monitored for land reclamation by Remote Sensing techniques by CMPDIL on annual basis. Bigger mines like Piparwar and Ashoka are being monitored since last 4 years and it can be seen from the analysis that the area of reclamation/afforestation has increased from 198 Ha to 225 Ha between years 2007-2009 i.e. an increase of about 14% in 2 years. The mines being monitored through Remote Sensing technique are Ashoka, Piparwar, KDH, Parej East and Rajrappa OCPs.

e) Dust Suppression - Provision for water sprinkling by 28 Kilo Litre capacity tankers in its open cast mines, haul roads and other places:

For suppression of dust, total no of mobile water sprinklers in CCL are 44 of capacity 28 KL each and two of 60 KL each. Besides these there are 4 converted water sprinklers of 28 KL. In addition to these, the projects do water sprinkling activity by engaging contractual water tankers.

For dust separation in CHPs, Feeder breakers, Coal transfer points, crushers etc. in mines and washeries, water spray system with suitable types of nozzles have been installed.

Static Sprinkler at RCM siding of Piparwar Area of CCL



f) Filling of abandoned mine voids by fly ash and reclamation thereafter:

CCL has undertaken filling of some of its abandoned mine voids by fly ash from nearby thermal power plants like BTPS, CTPS, BPSCL, DLF etc. Thereafter, it is covered by top soil and plantation activities are carried out to make the site more green and conducive for birds to live.

g) Controlled blasting in mines near colonies/ habitation:

CCL is using NONEL type detonators for controlled blasting and minimum impact of dust and vibration.

h) Provision of closed water recirculation arrangement in all coal washeries:

The closed water recirculation system prevents the effluent discharge from the washeries. Besides this, arrangements of water sprinkling at coal transfer points, good housekeeping and plantation etc. are being done in the washeries for overall improvement of environment.

i) Pollution control through effluent treatment plants/domestic treatment plants/oil grease traps etc.:

There are 17 mines having ETPs (Oil & Grease Traps) and 4 mines are having Sewage Treatment Plants (STP). By regulating the discharge of effluent, pollution level is kept under control.

STP at KDH OCP of CCL



j) Rain Water harvesting at 5 mining areas of CCL for ecological balance:

There are six mines equipped with Rain Water Harvesting (RWH) facilities.

Rain water harvesting at Piparwar OCP of N K Coalfields



Rain Water Harvesting Plant



k) Water Treatment Plants in areas for providing clean drinking water:

CCL has 12 water treatment plants spread over the mining area. There are 77 pressure filters plants and 75 deep boreholes for supply of clean domestic water to its employees.

Ethics & Transparency in CCL:

The Articles of Association of the company have given emphasis on the concepts of transparency, accountability and integrity. Accordingly, transparent policies and systems have been put in place to ensure ethical behavior of its employees. The company expects from its employees to behave in conformity with such policies.

We have entered into Memorandum of Understanding (MoU) with Transparency International, India, in order to ensure greater transparency with scope of scrutiny of its designated activities by external independent monitors. The company is uploading all the high value tenders on its website. To ensure and drive

transparency, new practices have been introduced/initiated in the form of e-auction of coal, e-procurement of store items, e-tendering and e-payment to eliminate any human interference. Also, the coal supplies to customers are now governed by legally enforceable Fuel Supply Agreements (FSAs).

There is a strong Vigilance department in the company working as per the guidelines of Central Vigilance Commission, Govt. of India. This department monitors and takes corrective and preventive measures including disciplinary actions against erring employees who violate the policies, norms and practices of the company. This department periodically holds meeting with Central Vigilance Commission, Ministry of Coal & Coal India Limited to discuss critical issues. It also provides clarification of the guidelines framed by Central Vigilance Commission so that the operations are commenced as per the norm.