GOVERNMENT OF INDIA COAL LOK SABHA

UNSTARRED QUESTION NO:1272 ANSWERED ON:13.08.2013 CSR WORK DONE BY COAL COMPANIES Hussain Shri Syed Shahnawaz;Sugumar Shri K.

Will the Minister of COAL be pleased to state:

- (a) the criteria fixed for spending by the coal companies under the Corporate Social Responsibility (CSR);
- (b) the nature of work and the details of the amount spent for the development of surrounding villages by the subsidiaries of the Coal India Limited (CIL), its subsidiaries and other private companies involved in the production of coal during each of the last three years and the current year, company-wise;
- (c) whether the CSR activities undertaken by the CIL and other companies are found satisfactory;
- (d) If so, the details of achievements made during the said period; and
- (e) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

- (a) The Department of Public Enterprises (DPE) had framed the CSR guidelines, based on which, Coal India Ltd. (CIL) formulated a CSR policy and provided funds to the tune of 5% of retained earnings of previous year subject to minimum of Rs. 5/- per tons of coal production for subsidiaries & 2.5% for CIL. The criteria for spending funds under CSR. cover the economically backward and needy section of the society living in different parts of India. For Carrying out CSR activities, 80% of the budgeted amount should be spent within the radius of 25 km of the projects / mines and 20% of the budget would be spent on CSR activities within the State/States in which the Subsidiary companies are operating. For CIL (HQ) CSR should be broadly executed in the areas, which are beyond the jurisdiction of subsidiary companies.
- (b): As per CIL's CSR policy, the nature of work on which CSR funds are being utilized include Education, Water Supply including drinking water, Health care by providing Indoor medical facilities and medicine, Sports and culture, Social Empowerment, Infrastructure for Village Electricity/Solar Light/Pawan Chaki. Etc., Generation of employment & setting up Co-operative Society, Infrastructure Support, Heritage sites in the CSR purview ensuring involvement of employee's representatives in this Project, Empowerment of women for education / health & self-employment, Adoption of village for carrying out the activities like infrastructural development e.g. road, water supply, electricity and community center etc. The details of amount utilized during last three years for the development of the surrounding villages by CIL & its subsidiaries is given below.

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(Fig in Rs. Crs)
2010-11 2011-12 2012-13 2013-14
(Up to June)

ECL 04.74 13.14 09.42 0.35

BCCL 03.15 05.53 07.43 01.73

CCL 10.98 11.00 13.66 02.08

WCL 07.12 07.85 20.96 02.33

SECL 15.70 17.66 46.63 14.71

MCL 53.45 14.47 25.56 17.19

NCL 04.35 09.25 17.64 03.84
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CIL & NEC 08.71 02.59 07.19 53.13

Total 108.42 82.00 149.55 95.36

(c, d & e): The Department of Public Enterprises (DPE) had framed the CSR guidelines in 2010 and as per CSR policy, the budget allocation for CSR increased tremendously. However, the CIL and its subsidiaries were not geared to utilize the funds within the financial year commensurate with higher allocation. Besides, the CSR projects are to be implemented by specialized agencies. In order to quantify the impact made by CSR activities, baseline data had to be compiled by conducting baseline survey before start of a project. The above formalities took time resulting in slow utilization of funds. However, the unutilized fund for 2011-12 was carried over to the next financial year. Further, CIL has taken measures to step up utilization of CSR funds in the current year. A separate Cell in CIL, HQ. as well as its subsidiaries has been established under senior level executives of the Company. For monitoring of CSR activities the Committee comprising of Board Level Directors have been formulated at CIL, H.Q and its subsidiaries separately. CIL has entered into a Memorandum of Understanding (MOU) with Tata Institute of Social Science (TISS), A National CSR Hub for extending assistance in implementing CSR activities for CIL and its subsidiaries.