

Public Sector Undertakings in Coal Sector

10.1 Historical Development of Coal India Limited and its Subsidiary Companies

10.1.1 The Coking Coal Mines (Emergency Provisions) Ordinance was promulgated by the Government of India on 16.10.1971 under which except the captive mines of TISCO and IISCO, the management of all coking coal mines was taken over by the Government. A new company called the Bharat Coking

Coal Limited was formed as a subsidiary company of the Steel Authority of India Limited to manage the taken over mines. These mines were subsequently nationalized w.e.f. 01.05.1972. Later on, the management of 711 coal mines was also taken over by the Government with effect from 31.01.1973 and they were nationalized w.e.f. 01.05.1973 and a new Government Company, namely, the Coal Mines Authority Limited (CMAL) with



Hon'ble Minister of Coal Shri Sriprakash Jaiswal, Secretary (Coal) and Chairman, CIL flanked by artists at the event of Coal India Limited Foundation Day

headquarters in Kolkata, was set up by the Government in May, 1973 to manage the non-coking coal mines. CMAL was organized as a unitary structure on divisional pattern with four Divisions, the Central Division, the Eastern Division, the Western Division and the CMPDIL. The mines of erstwhile National Coal Development Corporation were brought under the Central Division of CMAL. In September, 1975, CIL was formed as a Holding Company with five subsidiaries, namely, Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Eastern Coalfields Limited (ECL), Western Coalfields Limited (WCL) and Central Mine Planning and Design Institute Limited (CMPDIL).

10.1.2 In view of the projected increase in production and investment contemplated for CCL and WCL group of coal mines and in view of their extensive geographical spread resulting in day to day administrative, technical and communication problems etc. two more coal companies, namely, Northern Coalfields Limited and South Eastern Coalfields Limited were formed w.e.f. 28.11.1985.

10.1.3 Considering the prospects of Orissa Coalfields, being the growth centre for the VIII and IX Plan periods, a new coal company was formed bifurcating the South Eastern Coalfields Limited (SECL). The new company, the Mahanadi Coalfields Limited was incorporated on 3rd April, 1992 with its headquarters at Sambalpur (Orissa) as fully owned subsidiary of Coal

India Limited to manage the Talcher and IB-Valley Coalfields in Orissa.

10.1.4 Coal India Ltd. (CIL) has now 8 subsidiaries viz. Bharat Coking Coal Limited (BCCL), Central Coalfields Limited (CCL), Eastern Coalfields Limited (ECL), Western Coalfields Limited (WCL), South Eastern Coalfields Limited (SECL), Northern Coalfields Limited (NCL), Mahanadi Coalfields Limited (MCL) and Central Mine Planning and Design Institute Limited (CMPDIL). CMPDIL is an engineering, design and exploration company set up for preparing perspective plan(s), rendering consultancy services and undertaking exploration and drilling work to establish coal reserves in the country and collection of detailed data for preparation of projects for actual mining. The other seven subsidiaries of CIL are coal producing companies.

10.1.5 CIL and its subsidiaries are incorporated under the Companies Act, 1956 and 90% of the shares are owned by the Central Government and 10% have been disinvested through Initial Public Offer (IPO) on 04.11.2010. The coal mines in Assam and its neighbouring area are controlled directly by CIL under the unit North Eastern Coalfields.

10.2 Coal India Limited and its Subsidiaries

10.2.1 Board of Directors

CIL, the holding Company with headquarters in Kolkata, is headed by a Chairman-cum-Managing Director in

schedule 'A' scale of pay. He is assisted by four Functional Directors, namely, Director (Technical), Director (Personnel and Industrial Relations), Director (Finance) and Director (Marketing), who are all in Schedule 'B' scale of pay. Each Subsidiary Company has its own Board of Directors headed by a Chairman-cum-Managing Director in Scheduled 'B' scale of pay. In addition, there are four functional Directors (in schedule 'C' scale of pay) in each of the six production companies of BCCL, ECL, CCL, NCL, MCL, SECL and WCL viz Director (Personnel), Director (Finance),

Director (Planning and Projects) and Director (Technical). CMPDIL has four functional Directors on its Board of Directors designated as Director (Technical), Director (Coal Production and Utilisation), Director (Planning and Design) and Director (Research, Development & Technology). In addition, there are several part-time or nominee Directors on the Board of CIL and its subsidiary companies, who are appointed in accordance with the Articles of Association of the Company and Government guidelines prescribed in this regard from time to time.



Scope Special Jury Award Ceremony

10.2.2 Authorised Share Capital

The authorised share capital of CIL as on 31-03-2010 was ₹8904.18 crore. The Division of Authorised share capital given as under:-

(i)	90,41,800 Non-cumulative 10% redeemable preference shares of Rs. 1000/- each.	₹ 904.18 crore.
(ii)	8000000000 Equity Shares of Rs. 10/- each.	₹ 8000.00 crore.
	Total.	₹ 8904.18 crore.

Authorised Share Capital of the Subsidiary Companies of CIL as On 31-03-2010

(A) The authorised share capital of the Subsidiary companies of CIL are as under:

Subsidiary Company	Authorised Share Capital (Rs. in crore)
Bharat Coking Coal Limited.	2,500.00
Western Coalfields Limited.	800.00
Central Coalfields Limited.	1,100.00
Eastern Coalfields Limited.	2,500.00
Northern Coalfields Limited.	1,400.00
South Eastern Coalfields Limited.	1,300.00
Mahanadi Coalfields Limited.	500.00
Central Mine Planning & Design Institute Limited.	50.00

(B) Authorised Share Capital of the foreign subsidiary company of CIL is as under :

Foreign Subsidiary Company	Authorised Share Capital (Meticais/ USD)
Coal India Africana Limitada.	25000 Meticais (Approx.USD1000)

10.2.3 Coal India Limited (HQ)

10.2.3.1 CIL is mainly responsible for laying down corporate objectives, approving and monitoring performance of subsidiary companies in the fields of long-term planning, conservation, research and development, production, sales, finances, recruitment, training, safety, industrial relations, wages, material for all operational, acquisition of land, execution of welfare programmes, maintenance of safety standards, improvement of industrial relation etc.

10.2.3.2 In addition to the above function matters, commissioning and execution of new as well as on-going projects, man management, production, consumer satisfaction etc. In addition, subsidiary companies perform related functions, such as maintaining liaison with concerned State Governments, CIL has directly under its control the development and exploitation of the coal mines in the North-Eastern States, and the coal marketing network spread throughout the country.

10.2.4 Joint Venture of CIL

(I) **Joint Venture Between CIL And NTPC**

A Joint Venture company between CIL

and NTPC has been formed with effect from 27th day of April , 2010 as CIL NTPC Urja Private Limited under the Companies Act, 1956 as Private Limited Company. It is a 50 : 50 JV between CIL and NTPC with authorised share capital of ₹10 crore and paid up capital of ₹5 lakh. The main object of the Joint Venture is to carry on the business of Coal mining and generation of electricity etc.

(II) Joint Venture of MCL

Mahanadi Coal Fields Limited, a subsidiary of Coal India Limited is having two Joint Venture Projects namely Gopalprasad OCP(15.00 Mty) and Talabaria OCP (20.00 Mty). For this purpose, two JV Companies have been formed.

(i) MJSJ Coal Ltd was incorporated on 13th August, 2008 under the Companies Act, 1956 as a Joint Venture Company of MCL. For Gopalprasad OCP, MJSJ Coal Ltd has been formed where MCL has 60% shares, JSW Steel Ltd & JSW Energy Ltd having 11% shares each and Jindal Stainless Ltd and Shyam Metallics & Energy Ltd. (formerly known as Shyam DRI Power Ltd) having 9% shares each. The Paid up Share capital of MJSJ Coal Ltd as on 31-03-2010 was ₹ 40.10 crore.

(ii) MNH Shakti Ltd was incorporated and registered under the Companies Act, 1956 on 16th July, 2008 as a Joint Venture Company of MCL. For Talabaria OCP, MNH Shakti Ltd has been formed where MCL has 70% shares, Neyveli Lignite Corporation Ltd having 15% shares and HIL having 15% shares. The Share capital

of MNH Shakti Ltd as on 31-03-2010 was ₹2510 Lakh.

(iii) International Coal Ventures Limited.

International Coal Ventures Limited (ICVL) has been incorporated on 20th May, 2009 under the Companies Act, 1956. International Coal Ventures Ltd is a Joint Venture Company of SAIL, CIL, RINL, NMDC and NTPC with equity holding in the ratio of 2:2:1:1:1 respectively. The object of the Company is to carry on the business in India and abroad for overseas acquisition and /or operation of coal mines or blocks or assets or properties by way of purchasing, taking on lease, licence etc.

(iv) Joint Venture BEML Ltd, CIL & DVC

(For acquiring the assets of M/s. MAMC and starting manufacturing of equipments at Durgapur Plant.)

The representatives of the consortium companies formally took over the possession of the assets and properties of all the establishments of M/S MAMC from the Official Liquidator (OL) before 31st October, 2010.

Share holder's agreement between CIL,DVC and BEML Ltd , which is under preparation , provides for equity participation of BEML Ltd – 48% , CIL –26% & DVC 26% and authorised capital of ₹125 crore.

The factory land measuring 193.67 acres at Durgapur has been handed over provisionally to the representative of BEML Ltd by the Asonsol Durgapur Development Authority (ADDA) on 16. 11. 2010.

10.2.5 Profitability of Coal PSUs

(₹ in crores)

COMPANY				As Review by Auditors	Provisional Figures (Unaudited)	
	2007-08	2008-09	2009-10		Apr'10 to Dec'10	Jan' to March'11
ECL	(1026.66)	(2105.70)	333.40	(142.81)	186.32	43.61
BCCL	97.05	(1376.99)	793.93	507.19	181.57	688.76
CCL	1035.25	763.80	1533.05	1159.57	448.42	1607.99
NCL	2763.75	3131.01	3766.30	2654.71	1019.72	3674.43
WCL	930.22	516.12	931.02	705.36	145.01	850.37
SECL	2067.37	1817.93	3063.57	2359.41	976.33	3335.74
MCL	2504.79	2580.25	2953.90	2897.62	961.33	3858.95
CMPDIL	5.00	6.74	19.61	14.46	8.22	22.68
CIL/NEC	2642.58	3657.68	3870.40	3460.31	2214.09	5674.4
SUB-TOTAL	11019.35	8990.84	17265.18	13615.82	6141.01	19756.83
LESS: Dividend From Subsidiaries	(2378.27)	(3329.74)	(3367.36)	(3137.05)	(2157.14)	(5294.19)
TOTAL	8641.08	5661.10	13897.82	10478.77	3983.87	14462.64
Adjustment for deferred revenue income	97.38	83.00	67.11	41.14	(0.86)	40.28
Overall profit as per consolidation of Accounts	8738.46	5744.10	13964.93	10519.91	3983.01	14502.92

10.2.6 Wages in Coal Sector

Since inception, wage structure and other conditions of service including fringe benefits, welfare measures etc. of the non-executive cadre employees in the Coal Industry have been settled by Bipartite Wage Negotiations by a committee set up by Govt. of India. The committee is functioning in the name of Joint Bipartite Committee for the Coal Industry consisting of representatives of 5 Central

Trade Unions and the management of Coal Companies i.e. CIL & its subsidiary companies, Singareni Collieries Co. Ltd., Tata Iron & Steel Company and Indian Iron & Steel Company from NCWA-I to NCWA-VI. However, in NCWA-VII & VIII, TISCO, IISCO and other Private Coal Companies declined to participate. Eight National Coal Wage Agreements have so far been signed as detailed in the table as follows :-

National Coal Wage Agreement (NCWA)	Signed on	Period of Agreement From To	Duration period of Agreement
NCWA-I	11.12.1974	1.1.1975 31.12.1978	4 Years
NCWA-II	11.08.1979	1.1.1979 31.12.1982	4 Years
NCWA-III	11.11.1983	1.1.1983 31.12.1986	4 Years
NCWA-IV	27.07.1989	1.1.1987 30.06.1991	4&1/2Years
NCWA-V	19.01.1996	1.7.1991 30.06.1996	5 Years
NCWA-VI	23.12.2000	1.7.1996 30.06.2001	5 Years
NCWA-VII	15.07.2005	1.7.2001 30.06.2006	5 Years
NCWA-VIII	24.01.2009	1.7.2006 30.6.2011	5 years

10.2.7 Manpower

The total manpower of CIL including its

subsidiaries as on 31.12.2010 is 386530. the Company-wise position of manpower for last three years is given below :-

Company	2008-09 (As on 31.03.2009)	2009-10 (As on 31.03.2010)	2010-11 (As on 31.12.2010)
ECL	90470	85617	82090
BCCL	76369	71838	68816
CCL	56553	54057	52864
WCL	62492	60870	59376
SECL	81434	79781	78272
MCL	20869	20978	21441
NCL	16450	16373	16289
NEC	2962	2820	2648
CMPDIL	3065	3156	3117
DCC	620	600	589
CIL(HQ)	1066	1048	1028
TOTAL	412350	397138	386530

10.2.8 Industrial Relations

The Industrial Relations scenario in Coal India Ltd., and its subsidiary companies during the year remained cordial. Regular structured meetings were held with the operating Trade Unions at different levels.

representatives of the Management and the 5 Central Trade Unions for interaction and redressal of issues related to the wages & service conditions, employment, safety, grievances, welfare etc. The following joint bipartite fora are operating at different levels: -

10.2.9 Workers Participation in Management

In CIL and subsidiaries there are well established bi-partite fora consisting of the

1. JBCCI at CIL
2. Apex Jt. Consultative Committee

- | | |
|-------------------------------------|---|
| 3. Safety Board/ Safety Committee | 5. Joint Consultative Committees |
| 4. Welfare Board/ Welfare Committee | 6. Industrial Relation Meetings (Structural meetings with union). |

Strike and Bandhs

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 (up to Dec.10)
No.of strikes	10+1*	5+1*	6+1*	2+0*+2**	3+1*+2*	Nil	2*+2**
Man days Lost	70172	176898	127703	23823	196707	Nil	246899
Production Lost (in tonnes)	324444	193670	193423	95477	239983	Nil	510291

*IS = Industrial Strike **BB = Bangla Band

10.2.10 Employees Welfare Scheme

The focus of our Welfare Activities is the welfare of our employees and their families. The coal companies are paying greater attention to the welfare of their workers. Every effort is being made to improve the living conditions of the coal miners. In order to create a sense of belongingness and involvement in work, top priority is given by the management to provide housing, medical, educational facilities etc. The results of the welfare measures taken in different areas are as follows:-

10.2.10.1 Housing

At the time of Nationalisation, in Coal India Limited and its subsidiaries there were only 1,18,366 houses including sub-standard houses. The availability of these houses has increased to 4,21,266 (up to 31.12.2010). The percentage of housing satisfaction has now reached 100%.

10.2.10.2 Water Supply

In the areas of Coal India Ltd. & its subsidiaries 2.27 Lakhs population was having access to potable water at the time of Nationalisation in 1973, presently a populace of 22.94 Lakhs (up to 31.12.2010) has been covered under water supply scheme.

10.2.10.3 Medical Facilities

Coal India Ltd and its subsidiaries are extending medical facilities to its employees and their families through various medical establishments from the Dispensary level to the Central and Apex Hospitals in different parts of the coalfields.

There are 86 Hospitals with 5,835 Beds, 423 Dispensaries, 634 Ambulance and 1474 Doctors including Specialists in CIL and its subsidiaries to provide medical services to the employees.

Besides 12 Ayurvedic Dispensaries are also being run in the Subsidiaries of Coal India Limited to provide indigenous system of treatment to workers.

In addition, Special emphasis has also been given on Occupational Health, HIV/AIDS awareness programme for the employees and their families.



10.2.10.4 Educational Facilities

The primary responsibility of providing educational facilities lies with the State Governments. However, the subsidiary companies of CIL have been providing financial assistance and infrastructure facilities to certain schools like DAV Public Schools, Kendriya Vidyalaya, Delhi Public School etc and also providing occasional financial assistance to other recognized educational institutions.

As a part of Corporate Social Responsibility (CSR) financial assistance by way of grant-in-aid/infrastructural

facilities are also provided to certain privately managed schools functioning in and around coalfield areas by the subsidiary coal companies.

In addition, Coal India has provided following types of scholarship as per scheme to the employees wards as a part of educational facilities.

(1) Coal India Scholarship Scheme (Revised – 2001)

In order to encourage the children of the employees of Coal India Limited two types of Scholarship

namely Merit and General Scholarship, are being provided every year under prescribed terms and conditions, as following:-

Merit Scholarship

Admissible strictly to the students securing 1st to 20th position in Madhyamik/H.S. or any State Board or securing 95% and above marks in ICSE/CBSE/ISC Exam (Class – X and XII) where merit is not declared.

General Scholarship

Admissible to the students studying Class-V onwards up to Graduation/Post-graduation level in any discipline subject to prescribed percentage of marks.

(2) Cash Award and certificate of appreciation

Every year Cash Award of Rs.5000/- and Rs.7000/- respectively are provided to the Meritorious Wards of CIL employees who secure 90% or above Marks in aggregate in 10th and 12th Standard Board level Examination.

(3) Considering the high cost of technical and medical education in the country Coal India Limited is providing financial assistance towards meeting the cost of education of the dependent children of Wage Board Employees to the extent of Tuition Fees

and Hostel Charges who secure Admission in Engineering in such Colleges viz., IITs, NITs, ISM etc which are short listed by CIL for conducting campus selection and also dependent children securing Admission in Govt. Medical Colleges from the Academic Session 2009-10 onwards.

- (4) Payment of Coal India Scholarship to 100 Nos. of students who belongs to BPL category and 25 Nos. of wards of land oustees'/displaced persons' for pursuing degree course (Graduation course) in IITs, NITs and other selected Govt. Engineering Colleges and Central Govt Medical Colleges (MBBS Course)

10.2.10.5 Statutory Welfare Measures

In accordance with the provision of the Mines Act 1952 and Rules and Regulations framed there-under, subsidiaries of Coal India Limited are maintaining various statutory welfare facilities for the coal miners such as Canteen, Rest Shelters and Pit Head Baths etc

10.2.10.6 Non-statutory Welfare Measures

Co-operative Stores and Credit Societies

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

Societies are also functioning in the Coal Companies.

10.2.10.7 Banking Facilities

The Management of Coal Companies are providing infrastructure facilities to the various Nationalised Banks for opening their Branches and Extension Counters in the Coalfields for the benefit of the workers. Workers are educated to draw their salaries through 485 Number of Bank/ Extension Counters and they are also encouraged to practice thrift for the benefit of their families.

10.2.11 Resettlement & Rehabilitation (R & R) Policy of Coal India Ltd

Coal India's R & R Policy was first formulated in 1994 and has been in operation with modifications from time to time. The R & R Policy, in vogue since 2000, has been further modified in May, 2008, in consonance with the National Rehabilitation and Resettlement Policy, 2007 (NRRP) notified by the Ministry of Rural Development, Govt. of India.

10.3 Neyveli Lignite Corporation Limited

NLC was registered as a company on 14th November 1956. The Mining operations in Mine-I were formally inaugurated on 20th May 1957 by the then Prime Minister Pandit Jawahar Lal Nehru. Neyveli Lignite Corporation has been conferred with "MINIRATNA" Status.

NLC presently operates four open cast lignite mines viz., Mine I, Mine IA &

Mine II in the State of Tamilnadu and Barsingsar Mine in the State of Rajasthan aggregating to a total capacity of 30.6 MTPA and three thermal power stations viz., TPS-I & TPS-I Expansion and TPS-II with a capacity of 2490 MW all located in Tamil Nadu, and Barsingsar TPS in the state of Rajasthan (250 MW) and TPS-II Expansion at Neyveli (500 MW) are under implementation aggregating to a total of 3240 MW.

All the Mines and the Power Stations of NLC have already received ISO Certification for Quality Management System, Environmental Management System, and Occupational Health & Safety Management System.

10.3.1 Authorised Capital

The authorized capital of NLC is ₹ 2000 crores and paid up equity is ₹ 1677.71 Crs. The investment by Govt. of India as on 31.12.2010 is as under:

(₹ In Crores)	
Equity (GOI portion)	1568.64
Loan from GOI (including accrued interest)	Nil

10.3.2 Production Performance

Overburden removal, lignite production, gross power generation and its export during the year 2010-11 up to the end of December 2010 and provisional for the period January 11 to March 2011 are indicated as follows :

Product	Unit	BE 2010-11	April 10 to December 10		Prov. Jan. 11 to Mar. 2011
			Target	Actual	
Overburden	MM ³	158.10	1161.65	1192.94	388.06
Lignite	MT	24.14	17.57	16.41	5.48
Power Gross	MU	18758.00	13520.00	12730.51	3955.49
Power Export	MU	15642.00	11264.00	10608.27	3305.92

10.3.3 Productivity

The productivity performance in 2009-10

and 2010-11 up to the end of December 2010 is furnished in the table below:-

a. Output Per Manshift (OMS)

Unit		2009-10	2010-11 (April 10 to December 2010)	
		Actual	Target	Actual
Mines	Tonne	10.70	8.93	10.38
Thermal	KwHr	17380	12699	16987

b. Plant Load Factor

The PLF achieved by TPS-I, TPS-I Expansion and TPS-II during 2009-10 and 2010-11 up to the end of December 2010 are as under:-

Unit	2009-10	2010-11 (April 10 to December 2010)	
	Actual	Target	Actual
T.P.S-I	78.28	69.19	69.20
T.P.S-IE	80.98	76.41	78.34
T.P.S-II	82.01	72.07	79.14

10.3.4 Financial Performance

NLC has been making profits since 1976-77. During 2009-10 the Corporation earned a pretax profit of ₹ 1604.86 Crores. The Corporation has earned pretax profit of ₹ 929.34 Crores (Provisional) during 2010-11 (up to November 2010) and ₹ 197.63 Crs provisional for the period December 10 to March 2011. Reserves and surplus as on 31.03.2010 was

₹ 8646.96 Crs. NLC has paid 20 % dividend amounting to ₹ 391.91 Crores including distribution tax for the year 2009-10.

The sales turnover in 2009-10 was ₹4121.03 Crores against ₹3354.91 Crores (including Prior adjustment) during 2008-09. The sales turnover during 2010-11 (up to November 10) was ₹2812.51 Crores (Provisional) as against

₹2150.60 Crores during the corresponding period of last year and ₹1260.01 Crs., provisional for the period December 2010 to March 2011.

Product wise sales during 2010-11 (Up to November 2010) is as under:-

Product	Sales (Provl.) (₹ in Crores)
Lignite	230.06
Power	2586.18
Other	0.27
Total	2812.51

10.3.5 Manpower

The total manpower of NLC as on 31.12.2010 is indicated below:-

Category	Technical	Non-Technical	Total
Executives	3439	717	4156
Non Executive	4608	3279	7887
Workmen	697	5384	6081
Total	8744	9380	18124

10.3.6 Industrial Relations

The Industrial Relations during the period April to December 2010 was by and large smooth and cordial. The non recognized trade unions went on strike between 2nd June 2010 night shift to 3rd June 2010 second shift to include certain demands in the wage revision for workmen with effect from 01.01.2007. The recognized Trade Unions viz. Tho. Mu. Sa and Pattali Thozhir Sangam along with other non-recognized unions commenced strike from the 3rd shift on 30th June 2010 for early settlement of wage revision for the unionized workmen. The Regional Labour Commissioner / Central, Chennai conducted conciliation proceedings from 01.07.2010 to 05.07.2010. After protracted negotiation and conciliation meetings by RLC, at Chennai, Memorandum of Understanding was reached. Certain non-recognized trade union went on strike between 6th September 2010 night shift to 7th September 2010 second shift



CMD NLC presents dividend cheque to Hon'ble Minister of Coal

in support of the call given by all India trade against the Government Policies. However, there was no loss of production.

10.3.7 Employees Welfare

Welfare measures under the following heads have been extended to the employees

- 100 % Housing to Employees
- Subsidised Canteen Facilities and Uniforms/Footwear
- Conveyance Reimbursement
- Merit Scholarships to School Students
- Special Scholarships to SC/ST Students
- Group Accident Insurance Schemes
- Special Increments for Acquiring Higher Qualifications
- Long Service Awards
- Marriage & Superannuation Gifts
- Free Medical Treatment to Employees & their Dependents
- Terminal payments including Provident fund on the date of retirement
- Post Retirement Medical Benefit Scheme.
- Death Relief Scheme.

10.3.8 Resettlement & Rehabilitation (R & R) Policy of Neyveli Lignite Corporation

The implementation of Resettlement and Rehabilitation Policy (RAP) has since been discontinued and has been substituted with the National Rehabilitation and Resettlement Policy,

2007 (NRRP 2007) published on 31.10.07 by the Government of India, Ministry of Rural Development and as directed by Government of Tamil Nadu. Accordingly, NLC is following the National Policy on Rehabilitation and Resettlement, 2007, for the ongoing projects with certain enhancements, aimed at minimizing the adverse impacts on the affected people and for the benefit of the project affected population. The R&R measures are being implemented as directed by the R&R Administrator. NLC also executes capital works in the peripheral villages through an exclusive scheme for sustainable development of the region.

10.3.9 Future Plans

NLC in its endeavor to become a leading lignite mining and Power Company has embarked on the following projects:

1. 1600 MW Thermal Power Plant with 13.5 MTPA capacity lignite Mine at Jayamkondam
2. 1000 MW TPS at Neyveli in lieu of existing TPS-I
3. 250 MW Thermal Power Project with 2.25 MTPA lignite mine at Bithnok.
4. 250 MW Thermal Power Project as Barsingsar Extension with 2.5 MTPA Hadla & Palana lignite mines
5. 1000 MW Lignite based Power Project with 8.0 MTPA linked lignite mine in South Gujarat.
6. 2000 MW Coal based Thermal Power Plant at Orissa & A joint Venture Talabira Mine Project (20 MTPA) with MCL & Hindalco.

7. A Joint Venture coal based 2000MW power project in western Uttar Pradesh by UPPCL and NLC.
8. 1000 MW TPS-III at Neyveli and linked 8.0 MTPA Mine-III at Neyveli.
9. 50 MW Wind Power Project.

	2010-11 (upto Dec.'10)	2009-10 (upto Dec.'09)
OMS in tonnes	3.42*	3.23

* Provisional

10.4 Singareni Collieries Company Limited

10.4.1 The Singareni Collieries Company Limited is a State Enterprise of Government of Andhra Pradesh in which Government of Andhra Pradesh and Government of India hold equity capital in the ratio of 51:49 respectively.

As per the Tripartite Agreement between SCCL, Government of Andhra Pradesh & Government of India, SCCL Board can approve new projects with capital expenditure upto ₹ 500 crore. Power projects with capital investment of more than ₹ 500 crore now be approved by the State Govt. However, projects costing over and above ₹ 500 crore will be approved by Government of India.

10.4.2 Coal Production in SCCL

(in Million Tones)

Target (2010-11)	Actual Production (2010-11) upto December, 2010
46.00	36.33

10.4.3 Productivity

The OMS during 2010-11 (April'10 to Dec.'10) is 3.42 tonnes (Provisional) against 3.23 tonnes during the same period in 2009-10 as indicated as follows :-

10.4.4 Manpower

As on 31.12.2010, employees on roll of SCCL are 67,980 including 2,417 female employees.

10.4.5 Employees Welfare

The SCCL is taking all possible measures to provide welfare amenities to its employees, particularly in the field of health, sanitation, residential accommodation, education to workers children, supply of water, laying of roads, improving health awareness among employees and their families through communication cell, sports and games to provide recreation in addition to various Social Security Schemes.

SCCL has spent ₹ 38,233 per employee towards Welfare expenditure during 2009-10.

10.4.6 Industrial Relations

The Industrial Relations Scenario in SCCL for the year 2010-11 (upto December, 2010) recorded 1 (one) Strike. The Management has laid down clear Industrial Relations Policy providing for mechanism to discuss the issues with Recognised Union at Company level and Area level and with Representative Status Union at Area level.

By introducing reforms, harmonious

Industrial Relations are being maintained through systematic co-operation between the labour and the Management, in reducing costs, increasing the production and productivity, improving quality of work

and maintaining Industrial Peace & improvement in overall quality of life.

All these measures contributed for reduction in number of strikes, as can be seen from the following details :-

Sl. No.	Year	No. of Strikes	Mandays lost	Production Lost (in tonnes)
1	2002-03	35	16,30,798	6,47,426
2	2003-04	15	1,02,942	1,21,647
3	2004-05	14	91,818	57,499
4	2005-06	11	2,40,403	1,10,189
5	2006-07	03	5,587	9,872
6	2007-08	Nil	Nil	Nil
7	2008-09	04	23,065	19,072
8	2009-10	02	1,430	4,893
9	2010-11 (up to Dec,2010)	01	49,910	1,08,952