

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 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 Odisha 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 (Odisha) 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. MCL has two subsidiaries viz. Mahanadi Neyveli Hindalco (MNH) Shakti Limited and Mahandi MJSJ Coal Limited with 70% and 60%

equity holding. In addition, CIL has a foreign subsidiary in Mozambique namely Coal India Africana Limitada (CIAL).

10.1.5 CIL and its Indian 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. He is assisted by four Functional Directors, namely, Director (Technical), Director (Personnel and Industrial Relations), Director (Finance) and Director (Marketing). Each Subsidiary Company has its Board of Directors headed by a Chairman-cum-Managing Director. In addition, there are four functional Directors in each of the seven 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.

10.2.2 Authorised Share Capital

The Authorized share capital of CIL as on 31-03-2014 was ₹ 8904.18 Crore. The Division of Authorized share capital given as under:

(₹ in Crore)

(i)	90,41,800 Non-cumulative 10% Redeemable Preference Shares of ₹ 1000/-each.	904.18
(ii)	8,00,00,00,000 Equity Shares of ₹ 10/-each.	8000.00
Total		8904.18

CPSE-ETF SCHEME:-

As part of the disinvestment programme of GOI, the CCEA on 2.05.2013 approved the setting up of a CPSE "Exchange Traded Fund" comprising of equity shares of CPSEs to be launched as a scheme of a mutual fund registered with SEBI under SEBI MF regulations, 1996.

The CCEA has approved divestment upto 3% shareholding in selected CPSE over a period of time through the ETF route. The final CPSEs ETF basket as decided by EGoM include 10 CPSE stocks including Coal India Limited (CIL). Accordingly, this Ministry divested 2,20,37,834 shares of CIL by way of placement in CPSE-ETF Scheme. The President of India now holds 89.65% of total shares of CIL.

Authorized Share Capital of the subsidiary companies of CIL as on 31-03-2014.

A) The Authorized share capital of the Subsidiary companies of CIL are:

Subsidiary companies	Authorized Share Capital (₹ in Crore)
Bharat Coking Coal Limited.	(equity-2500 Crore+Pref.2600 Crore.) - 5100.00
Western Coalfields Limited.	(Equity – 800 Crore) - 800.00
Central Coalfields Limited.	(Equity – 1100 Crore) - 1100.00
Eastern Coalfields Limited.	(Equity - 2500 Crore) - 2500.00
Northern Coalfields Limited.	(Equity -1000 Crore+Pref.-400 Crore) - 1400.00
South Eastern Coalfields Ltd.	(Equity -1000 Crore+ Prof.-300 Crore) - 1300.00
Mahanadi Coalfields Limited.	(Equity-295.82Crore+Prof.204.18 Crore –500.00
Central Mine Planning & Design Institute Limited.	(Equity – 50 Crore) - 50.00

B) Authorized Share Capital of the foreign subsidiary company of CIL :

Foreign Subsidiary Company	Authorized Share Capital (Meticais/USD))
Coal India Africana Limitada.	25880 Meticais (Approx.USD1000) [25000 Meticias]

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 Subsidiary companies perform related functions, such as maintaining liaison with concerned State Governments, etc. 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 named as CIL NTPC Urja Private Limited Company under the Companies Act, 1956 as private Limited Company. It is a 50:50 Joint Venture Company between CIL and NTPC having Authorized Capital of ₹10 Crore and Paid up Capital of ₹5 Lakh. The share holding pattern as on 31-12-2012 in CIL NTPC Urja Private Limited by CIL and NTPC is 50:50 with 25000 shares, each.

The main object of the Joint Venture is to carry on the business of Coal Mining & generation of electricity etc.

(II) Joint Venture of MCL.

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

The two Joint Venture Companies are:

(i) Mahanadi Jindal Shyam (MJSJ) Coal Ltd.

MJSJ Coal Ltd was incorporated on 13th August, 2008 as a

Joint Venture Company of MCL. MJSJ Coal Ltd. has been formed for Gopalprasad OCP where MCL is having 60% shares, JSW Steel Limited and JSW Energy Limited having 11% share each and Shyam Mettallics and Energy Ltd. (formerly known as Shyam DRI Power Limited) and Jindal Stainless Limited having 9% share each. The Paid Up Share Capital of MJSJ Coal Ltd as on 31-03-2014 was ₹ 95.10 Crore.

(ii) Mahanadi Neyveli Hindalco (MNH) Shakti Ltd.

MNH Shakti Ltd was incorporated and registered under the Companies Act, 1956 on 16th July, 2008 as a Joint Venture Company of MCL. MNH Shakti Ltd has been formed for Talabaria OCP where MCL having 70% shares, Neyveli Lignite Corporation Ltd having 15% shares and Hindalco Industries Ltd. having 15% shares. The Share Capital of MNH Shakti Ltd. as on 31-03-2014 was ₹ 85.10 Crore.

Mahanadi Basin Power Limited

Another Company Mahanadi Basin Power Ltd. has been formed on 2nd December, 2011 as an SPV with 100% share hold by Mahanadi Coalfields Ltd and its nominees with power generation capacity of the SPV was incorporated as 'Mahanadi Basin Power Limited' on 2-12-2011 having its Registered Office at Mancheswar Rly Colony, Chandrasekharpur, Bhubaneswar -751017 and commencement of business certificate was issued by ROC on 6-2-2012.

The Company would be inviting proposal on behalf of MCL to develop, operate and maintain the Proposed power Project of 2x800 MW capacity Super Critical Thermal Power Plant at District Sundargarh. The Proposed Project shall be executed on a joint venture basis by the SPV in accordance with the terms and conditions of the Share Purchase –cum –Shareholders Agreement amongst the Successful Bidder, MCL and MPBL. The Share Capital of Mahanadi Basin Power Limited as on 31-03-2014 was ₹5 lakh.

Apart from above, Mahanadi Coalfields Ltd. Ventured into Power Transmission Business in the State of

Odisha for better utilization of surplus fund along with infrastructure in the State of Odisha. Accordingly, on 8th January, 2013 another Joint Venture Company named, 'Neelachal Power Transmission Company Private Limited' was incorporated with Odisha Power Transmission Company Ltd. By virtue of a Joint Venture Agreement between the Company and Odisha Power Transmission Company Limited with an objective of carrying out power transmission business jointly with M/s. OPTCL having and equity share holding pattern of 50:50 in the newly formed company.

(iv) International Coal Ventures Limited.

Coal India Limited is also a member of Joint Venture Company named as International Coal Ventures Private Limited (ICVL). ICVL has been incorporated on 20th May, 2009 under the Companies Act, 1956. It is a Joint Venture Company of SAIL, CIL RINL, NTPC and NMDC with equity holding in the ratio of 2:2:1:1:1 respectively. NTPC has decided to opt out of ICVL in the December, 2011.

As regards to continuity of CIL in the aforesaid Joint Venture Company (ICVL), CIL Board resolved to

withdraw from ICVL in May, 2012. However, on the advice of Ministry of Coal, the matter is under reconsideration of CIL Board. 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.

(V) Joint Venture with BEML Ltd , CIL & DVC.

(For acquiring the assets of M/S MAMC (Mining and Allied Machinery Corporation) and starting of manufacture of equipment at Durgapur Plant)

The representatives of the consortium companies took over the possession of the assets and properties of all the establishments of M/S MAMC from the Official Liquidator (OL) by October 2012.

The Share Holders' Agreement between CIL, DVC and BEML (Bharat Earth Movers Limited) Ltd has been approved by the Boards of all the three partner companies of the consortium and is presently awaiting clearance from Ministry of Defence, Govt. of India (Administrative Ministry of BEML) as per current requirement of

Defence PSUs.

Meanwhile as per the decision of the Interim Board of Management, a committee is being formed for preparation of a bankable Detailed Project Report (DPR)."

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 constituted 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. In NCWA-VII and NCWA-VIII the private coal companies though nominated but they declined to participate. In NCWA-IX only the representatives of Coal India and its subsidiaries as well as Singareni Collieries Company Ltd. were nominated and they participated. The National Coal Wage

Agreement (NCWA-IX) was signed on 31st January, 2012. The details of

NCWA-I to NCWA-IX are given in the table below:-

National Coal Wage Agreement (NCWA)	Signed on	Period of agreement		Duration period of Agreement
		From :	To:	
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 & 1/2 years
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	30.06.2011	5 years
NCWA -IX	31.01.2012	1.7.2011	30.06.2016	5 years

The salient features of NCWA-IX are as under:-

- i) Minimum Guaranteed Benefit (MGB) @ 25% on the total emolument with 100% D . A . neutralization as on 30.6.2011.
- ii) Minimum Basic ₹ 8360 p.m. (NCWA-VIII) enhanced to Rs.15,713/- p.m. in NCWA-IX,
- ii) Annual increment shall be payable @ 3% on progressive basis;
- ii) The existing allowances which are being paid in percentage form in NCWA-VIII shall be paid in same percentage in NCWA-IX w.e.f. 01.02.2012;
- iv) The existing allowances which are being paid in absolute amount in NCWA-VIII shall be paid by increasing 88% over the existing amount w.e.f. 01.02.2012;
- v) HRA for other than Urban Area i.e. Coalfield Area - @ 2%

- of the revised basic w.e.f. 01-02-2012;
- vi) Introduced Special Allowance @4% of the revised basic.

10.2.7 The total manpower of Coal India Limited including its subsidiaries as on 31.03.2014 is 346638. The Company wise position of manpower is as under:-

Company	2011-12 (as on 31.03.2012)	2012-13 (as on 31.12.2012)	2012-13 (as on 31.03.2013)	2013-14 (as on 31.03.2014)
ECL	78009	74963	74276	71826
BCCL	64884	62691	61698	58960
CCL	50026	48668	48126	46686
WCL	56989	55461	54960	52484
SECL	76078	74311	73718	70910
MCL	22023	22039	22065	22278
NCL	16329	16204	16073	16741
NEC	2538	2412	2376	2199
CMPDI	3129	3098	3142	3135
DCC	562	556	551	512
CIL(HQ)	979	945	941	907
Total	371546	361348	357926	346638

10.2.8 Industrial Relations:

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

10.2.9 Workers participation in management

In CIL and subsidiaries, there are well established bi-partite forums

consisting of the 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 and welfare etc. as well as matters of common interest. The following joint bipartite forums are operating at different levels:-

1. JBCCI at CIL Level
2. Apex Joint Consultative Committee at CIL Level

3. Safety Board/Safety Committee at CIL & at Subsidiary Level
4. Welfare Board/Welfare Committee at CIL & at Subsidiary Level
5. Joint Consultative Committee at subsidiary level
6. Industrial Relations Meeting (Structured meetings with operating unions) at CIL & at Subsidiary Level.

STRIKES AND BANDHS:

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	01.01.2013 to 31.03.2013	01.04.2013 to 31.03.2014
No. of strikes	22**	3+3*	Nil	2 +2*	2+1*	2 +1*	2	1*
Man days Lost	23823	196707	Nil	246899	1,92,383	140407	1,40,407	15424
Production Lost (in tonnes)	95477	239983	Nil	510291	8,10,542	558100	5,58,100	nil

*IS =Industrial Strike ** BB = Bangla Bandh

10.2.10 Employees Welfare Scheme

The focus of welfare activities of Coal PSU's is the welfare of its employees and their families. These 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 sense of belonging 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 under:-

10.2.10.1 Housing

At the time of Nationalisation, in Coal India Limited and its subsidiaries there were only 118366 houses including sub-standard houses. The availability of these houses has increased to 399354 (up to 31.03.2014) and the housing satisfaction level has now reached 100%.



Housing facility

10.2.10.2 Water Supply

As against 2.27 lakh population having access to potable water at the time of Nationalisation in 1973, presently a populace of 21,17,478 (up to 31.03.2014) has been covered under water supply schemes by Coal India Limited & its subsidiaries.

10.2.10.3 Medical Facilities

Coal India Limited and its subsidiaries are extending medical facilities to the 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 79 Hospitals with 5709 beds, 418 dispensaries, 589 ambulances and 1445 Doctors including specialists in CIL and its subsidiaries to provide medical services to the employees. In addition, 11 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 Vidyalayas, 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 by the subsidiary Coal companies functioning in and around Coalfield areas.

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

(i) Coal India Scholarship Scheme (Revised – 2013)

In order to encourage the sons and daughters 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.

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 & XII) where merit is not declared.

General Scholarship:

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

(ii) Cash Award and Certificate of appreciation:

Every year Cash Award of ₹5000/- and ₹ 7,000/- respectively are provided to the Meritorious Wards of CIL Employees who secure 90% marks in aggregate in 10th and 12th Standard Board level Examination.

- (iii) Reimbursement of tuition fees and Hostel charges to the wards of Wage Board employee studying in IIT, NIT, ISM, Govt. Engineering and Medical Colleges.

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, Government Medical and Engineering Colleges from the Academic Session 2009-10 onwards.

- (iv) Payment of Coal India Scholarship to 100 students who belong to BPL category and 25 wards of land oustees / displaced persons for pursuing degree course (Graduation Course) in IITs, NITs and other selected Government Engineering 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 thereunder, subsidiaries of Coal India Limited are maintaining various statutory welfare facilities for the Coal miners such as Canteens, Rest Shelters and Pit-Head Baths.

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-operative 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 Nationalized Banks for opening their Branches and Extension Counters in the Coalfields for the benefit of their workers. Workers are educated to

draw their salaries through 485 Bank / Extension Counters and they are also encouraged to practice thrift for the benefit of their families.

10.2.10.8 Contributory post-retirement Medical Scheme for Executives (CPRMSE)

Board of Directors of CIL, in their 289th meeting held on 18.09.2012, has approved the modifications/additions in the Contributory Post-Retirement Medical Scheme for Executives of CIL and its subsidiaries (CPRMSE) dated 25th April 2008. The payment of outpatient/domiciliary treatment as per Clause 6.1 is effective from 01.01.2013.

The payment of outpatient/domiciliary treatment for the period 01.07.2012 to 31.12.2012 will be as per the pre-revised rates.

The reimbursement of charges for hospitalization (Indoor treatment) as per CPRMSE, has been enhanced to ₹25.00 lakhs or ₹12.50 lakhs, as the case may be, with immediate effect. There will be no

limit for specified diseases as mentioned in Clause 3.2.1 (d) of the Scheme, which will not be accounted against the amount of ₹25.00 Lakhs or ₹12.50 Lakhs, as the case may be. So far, 1494 CPRMSE Medical Cards have been issued.

10.2.10.9 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, had been further modified in 2004 and 2008. In order to further liberalise the R&R Policy and to give more flexibility to the subsidiaries companies of Coal India limited and multiple options to the land losers to meet their aspirations, a revised R&R Policy, 2012 of CIL has been formulated with effect from 13.3.2012.

Some of the salient features of the policy which has been provided to the displaced families including the tribals are as follows:-

1. Land compensation to land oustees is paid as per the provisions of the relevant Act or State Government notification. Solatium and Escalation are paid to land oustees as per provisions of the relevant Act or as imposed by the State Government.
2. Employment is provided to land oustees against every two acre of land. All the land losers who are not eligible for the employment as above, are entitled to receive monetary compensation in lieu of employment at the rate of ₹ 5 lakh for each acre of land on pro-rata basis.
3. One time lump sum payment of ₹ 3 lakh is paid in lieu of alternate house site, assistance in designing, shifting allowances, compensation for cattle shed. Monetary compensation is also provided for construction of work shed etc.
4. Each affected family gets a subsistence allowance at the rate of 25 days Minimum Agriculture Wage (MAW) per month for one year.
5. Coal companies assist the Project affected People (PAPs) to establish non-farm self-employment through the provision of infrastructure, petty contracts or formation of cooperatives and encourage provisions of jobs with contractors. Contractors are encouraged to give jobs to eligible PAPs on preferential basis.
6. As far as possible coal companies shift tribal community as a unit and provide facilities to meet the specific needs of the tribal community that allow them to maintain their unique identity.
7. Affected tribal families are given one time financial assistance of 500 days for loss of customary right or usage of forest produce loss.
8. Affected tribal families settled out of the district shall be given 25% higher rehabilitation and resettlement site, a school, road with street light, pucca drain, pond dug well and/or tube well for drinking water supply,

community center, place of worship, dispensary, grazing land for cattle and play ground.

9. The community facilities are available to all the residents of the resettlement colonies, including PAPs and the host population.
10. The approach for operation of community facilities is flexible and all efforts are made to involve the State and local self-Government/ Panchyat for operating the facilities. The planning of the community facilities and their construction is undertaken in consultation with the affected community.

10.3 NEYVELI LIGNITE CORPORATION LIMITED (NLC)

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 "NAVRATNA" status since April 2011.

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

Mine II in the State of Tamil Nadu and Barsingsar Mine in the State of Rajasthan, aggregating to a total capacity of 30.6 MTPA and four thermal power stations viz., TPS-I & TPS-I Expansion and TPS-II with a capacity of 2740 MW located in Tamil Nadu and Barsingsar TPS in the state of Rajasthan.

TPS-II Expansion (500 MW) Neyveli New TPP (1000 MW) at Neyveli and Coal based NTPL (1000MW) a joint Venture Project are under implementation.

All the Mines and the Power Stations of NLC have 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 Crore and paid up equity is ₹1677.71 Crore. The investment by Govt. of India as on 31.03.2014 is as under:

₹ in Crore

Equity	(GOI portion) :1509.94
Loan from GOI	(including accrued interest) Nil

10.3.2 Production Performance:

Overburden removal, lignite production, gross power generation and its

export during the period January, 2013 to March, 2014 is indicated below

Product	Unit	BE 2013-14	Jan, 2013 to March 2014	
			Target	Actual
Overburden	MM ³	155.00	197.39	216.05
Lignite	MT	25.20	32.15	34.32
Power Gross	MU	18929.00	24272	25566.61
Power Export	MU	15742.00	20194	21709.83

10.3.3 Productivity:

The productivity performance during

the period Jan, 2013 to March, 2014 is furnished in the table below:

a) Output Per Manshift (OMS)

Unit		Jan, 2013 to Mar, 2014	
		Target	Actual
Mines	Tonne	10.29	13.03
Thermal	KwHr	17543	22671

b) Plant Load Factor

The PLF achieved by TPS-I, TPS-I

Expansion and TPS-II during the period January, 2013 to March, 2014 is as under:

Unit	2013-14 (January, 2013 to March 2014)	
	Target	Actual
T.P.S -I	73.52	77.12
T.P.S -IE	82.20	91.70
T.P.S -II	76.71	85.69
Barsingsar TPS	71.76	67.35

10.3.4 Financial Performance:

NLC has been making profit since 1976-77. The Pre-Tax profit earned during 2013-14 is ₹ 2209.13 Crore against ₹ 2047.65 Crore earned during the period 2012-13. Reserves and

surplus as on 31.3.2014 was ₹ 12225.91 Crore. The Sales Turn over in 2013-14 was ₹ 5967.23 Crore against ₹ 5590.07 Crore during 2012-13.

Product wise sales during the period January, 2013 to March, 2014, is as under:-

Product	Sales (₹ in Crore)	
	Target	Actual
Lignite	555.81	744.42
Power	6104.46	6865.77
Other	18.29	26.36
Less Excise Duty	8.39	15.97
Net Sale	6670.18	7620.58

10.3.5 Manpower:

The total manpower of NLC as on 31st March 2014 is indicated below:

Category	Technical	Non- Technical	Total
Executives	3514	812	4326
Non Executive	4404	3515	7919
Workmen	431	4173	4604
Total	8371	8546	16849

10.3.6 Industrial Relations

The Industrial Relations during the period from April 2013 to December 2013 was by and large smooth and cordial. However, the details of strike/unrest during the above period are furnished below:

- Protesting against the proposed disinvestment of 5%

of NLC Shares, the registered trade unions, including two recognized unions and the associations representing Supervisors, Engineers and Officers, gave letters to the Management intimating their intention to go on indefinite strike / direct action from

- 03/07/2013 till the proposed disinvestment is withdrawn by the Government of India. Since 28/06/2013, the unions and associations resorted to various forms of agitations like gate meetings, one day hunger strike etc.
- b) The matter was seized by Assistant Labour Commissioner (Central) Puducherry and conciliation proceedings were held on various occasions.
- c) The Management filed an application before the Hon'ble High Court of Madras praying for an injunction against the strike which was admitted by the first bench of the High Court of Madras and an interim injunction order was issued on 03/07/2013 "restraining the 17 unions from going on indefinite strike from 03-07-2013 / 04-07-2013 or any day thereafter, till the proceedings before conciliation officer are concluded".
- d) However, in violation of the order of the Hon'ble High Court of Madras, the Trade Unions commenced an indefinite strike from 22.00 hrs. on 03/07/2013. The contract workmen engaged by the contract employers and Indcoserve Society had also joined in the strike.
- e) At about 05.50 p.m. on 15/07/2013, the unions announced withdrawal of strike with immediate effect after a meeting between SEBI and representatives of Government of Tamil Nadu held on 15/07/2013 followed by an appeal made by the Chief Minister of Tamil Nadu. The striking employees resumed duty forthwith and all activities returned to normal.
- f) The Trade Unions representing contract work-men are frequently requesting the management to implement the order of the Hon'ble Supreme Court on regularization of the contract workmen as per the seniority list.
- ☞ Accordingly, suitable actions are being taken in accordance with the orders of the Hon'ble Supreme Court of India.

In the meantime, 4219 contract workmen have been enrolled into NLC Indcoserve Society on 03/06/2013 and were deployed in different units of NLC with effect from 01/09/2013 as per the 12(3) settlement arrived on 16/06/2008 before Chief Labour Commissioner (Central), New Delhi.

During March 2014 industrial Relation is smooth and cordial. However the recognised unions had called for flash strike (one day strike) from the night shift of 17th March 2014 to the second shift of 18th March 2014 condemning the shooting incident that took place on 17th March 2014 at Mine-II entrance in which a person was shot dead by personnel of CISF. Executives and Supervisors reported for duty. All precautionary measures were taken to avoid any untoward incidents and to maintain normal production in all units.

10.3.7 Employees Welfare

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

- 100 % Housing to Employees
- Subsidized Canteen Facilities and Uniforms/Footwear

- 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
- Post Retirement Medical Benefit Scheme.
- Death Relief Scheme.

10.3.8 R&R policy – NLC

The implementation of Resettlement and Rehabilitation Policy (RAP) that was being followed has been replaced 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. Bithnok Lignite Thermal Power Station (1x250MW) with Bithnok Mine (2.25MTPA)
2. Barsingsar Thermal Power Station Extension (1x250 MW) with 2.5 MTPA Hadla & Palana lignite mines.
3. Joint Venture Coal based Ghatampur (NUPPL) Thermal Power Station 3x660MW) in Uttar Pradesh by NLC and UPRVUNL
4. Coastal "Sirkali Thermal Power Project" (4000 MW) in

Tamil Nadu.

5. 10MW solar power project at Neyveli,
6. Devangudi Lignite Mine Project (2.0 MTPA, Neyveli area)
7. Talabira II & III Coal Mine(20MTPA) JV with MCL & Hindalco (MNH Shakthi Ltd)-MNH
8. 10 MW solar Power Plant at Barsingsar, Rajasthan.

10.4 SINGARENI COLLIERIES COMPANY LIMITED

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

10.4.2 Coal Production:

(in Million tonnes)

Target 2013-14	Actual Production
50.30	50.47

10.4.3 Productivity:

The Output per Mananift (OMS) during 2013-14 (April, 2013 to December, 2013) is 3.51 tonnes against

3.63 tonnes during the same period in 2012-13.

	2013-14 (upto Dec.'2013)	2012-13 (upto Dec.'2012)
OMS in tonnes	3.51	3.63

10.4.4 Manpower:

As on 31.12.2013, Employees on roll of SCCL are 62,420 including 2,092 female employees.

10.4.5 Employees Welfare:

The SCCL is taking 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 ₹ 38,237 Lakhs (Provisional) towards Welfare expenditure during 2013-14 (upto December, 2013).

10.4.6 The Industrial Relations:

The Industrial Relations Scenario in SCCL for the year 2013-14 was marked with one day strike on 05.12.2013 to response of the Bandh call given by Recognised Union against the proposal of Rayala Telengana State formation. Production was partially affected. The management has laid down clear Industrial Relations Policy providing for mechanism to discuss the issues with recognized union at company level and area level and with Representative Status Union at Area level.

By introducing reforms, harmonious industrial relations are maintained through systematic cooperation 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 to reduction in number of strikes, as can be seen from the following details:

S No.	Year	No. of Strikes	Man days Lost	Production Lost (in tonnes)
1	2006-07	03	5,587	9,872
2	2007-08	Nil	Nil	Nil
3	2008-09	02	23,065	19,072
4	2009-10	02	1,430	4,893
5	2010-11	02	1,68,760	4,22,984
6	2011-12	05	16,28,931	40,11,353
7	2012-13	2	93418	128519
8	01.01.2013 to 31.03.2013	1	92973	128077
9	01.04.2013 to 31.03.2014	1	37504	79752