

# 10 PUBLIC SECTOR UNDERTAKINGS IN COAL SECTOR

## 10.1 HISTORICAL DEVELOPMENT OF COAL INDIA LIMITED AND ITS SUBSIDIARY COMPANIES



The Minister of State (Independent Charge) of Coal, Statistics and Programme Implementation, Shri Sriprakash Jaiswal at the 34th Foundation Day celebration of Coal India Limited, in Kolkata on November 01, 2009

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 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 are wholly owned by the Central Government. The coal mines in Assam and its neighboring areas 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 & 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 schedule 'B' scale of pay. In addition, there are four functional Directors (in schedule 'C' scale of pay) 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 also has four functional Directors on its Board of Directors designated as Director (Technical), Director (Coal Production & Utilisation), Director (Planning & 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 authorised share capital of CIL as on 31.03.2009 was Rs.8,904.18 crore. The Division Authorised share capital is given as under:-

(i)	90,41,800 Non-cumulative 10% redeemable preference shares of Rs. 1000/- each	Rs. 904.18 crore
(ii)	8,00,00,000 Equity Shares of Rs. 1000/- each	Rs.8,000.00 crore
	<b>Total</b>	<b>Rs.8,904.18 crore</b>

The authorised share capital of the subsidiary companies of CIL as on 31.03.2009 was as given below:

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

### 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 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, 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, 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.

### 10.2.3.3 Coal Videsh Division (CIL)

- (a) CIL's initiatives for acquiring coal mines abroad is being pursued through two modes :- through internal "Coal Videsh Division" and a participation with its Joint Venture Company "International Coal Ventures (ICV)".
- (b) The initiatives taken by CIL during the year has yielded the following results:
- (i) CIL has emerged as the successful bidder in the global tender process run by Govt. of Mozambique, for allocation of

prospecting licenses for coal concessions in Mozambique. CIL has been awarded prospecting license for two coal concessions in Mozambique. CIL will shortly undertake the activities of exploration and formation of a company in Mozambique.

- (ii) A high level team under the leadership of Hon'ble MOS [Coal] consisting of Chairman, CIL and Director-in-Charge (Coal Videsh), CIL visited USA in October, 2008. The team held meeting with the Investment Bankers on issues related to acquisition of coal properties abroad.
- (iii) CIL also created a panel of 10 Investment/Merchant Bankers for identifying opportunities abroad and assist in due diligence.
- (iv) CIL has short listed several opportunities in Indonesia. However, with enactment of the New Mining Law in Indonesia, its implications are being examined prior to making any investment decision.
- (c) Government has approved participation of CIL in a Joint Venture Company with SAIL/RINL/NMDC & NTPC for acquisition of coal resources abroad. The Joint Venture Company is proposed to be registered as International Coal Ventures Limited (ICVL). The equity contribution of CIL in this Joint Venture will be Rs.1000 Crore, out of initial paid up capital of Rs. 3500 Crore. International Coal Ventures Limited (ICVL) is presently functioning as an

unincorporated body. The following are the activities undertaken by CIL for ICVL:

- (i) CIL Board in its 247th meeting held on 11.12.2008 approved to Joint Venture Agreement (JVA) to be signed between partner companies of ICVL. Subsequently, the JVA approved by the Board of all partner PSUs was signed on 14.01.2009. The Memorandum / Articles of Association of ICVL is under finalization.
- (ii) Coal Videsh Division, CIL is actively involved in the activities of ICVL. The Division also worked extensively in the selection process of Investment Banker (IB) for ICVL and a panel consisting of 10 (ten) Investment bankers of international repute have been constituted.
- (iii) ICVL is pursuing acquisition opportunities in Mozambique, Australia, Canada and USA.
- (iv) ICVL participated in the bidding for acquisition of stakes in the coal mining of Australia, in which it qualified the non-binding stage. Binding offer has been submitted to the owners, in response to which, the owners have requested for counter bid. The proposal for counter bid is under preparation.
- (v) ICVL is also pursuing acquisition of Greenfield Exploration License in Mozambique It has qualified the non-binding stage and has been asked to submit binding offer by end of April, 2009. Technical data of the coal block is under examination.

### 10.2.4 Financial Performance of CIL

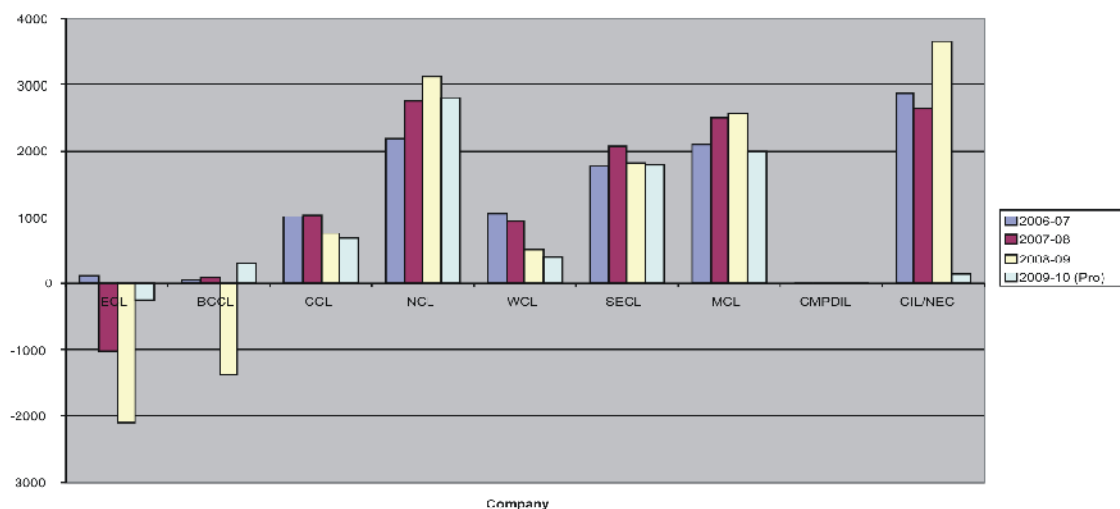
Company-wise position with regard to profit earned during the year 2009-10 (Upto Prog Dec'09(Prov).and actual profit for last three years is shown in the table below:

#### PROFITABILITY OF COAL PSUs

(Rs. in Crores)

Company	2006-07	2007-08	2008-09	'09-10 (Prog.Dec'09 (Provisional)
ECL	118.12	(-)1026.66	(-)2105.70	(-)247.94
BCCL	52.30	97.05	(-)1376.99	296.27
CCL	1020.30	1035.25	763.80	700.80
NCL	2177.61	2763.75	3131.01	2792.50
WCL	1054.44	930.22	516.12	390.93
SECL	1777.83	2067.37	1817.93	1783.55
MCL	2081.39	2504.79	2580.25	1988.34
CMPDIL	4.47	5.00	6.74	11.96
CIL/NEC	2864.84	2642.58	3657.68	137.11
<b>Sub-Total</b>	<b>11151.30</b>	<b>11019.35</b>	<b>8990.84</b>	<b>7853.53</b>
Less Dividend from subsidiaries	(-)2629.08	(-)2378.27	(-)3329.74	
<b>Total</b>	<b>8522.22</b>	<b>8641.08</b>	<b>5661.10</b>	<b>7853.53</b>
Adjustment for deferred Revenue Income	(+)80.24	(+)97.38	(+)83.00	
<b>Overall Profit as per Consolidated Accounts:-</b>	<b>(+)8602.46</b>	<b>(+)8738.46</b>	<b>(+)5744.10</b>	<b>(+) 7853.53</b>

Financial Performance of CIL



**MANPOWER**

The total manpower of the CIL including its subsidiaries as on 31.12.2009 is 4,01,510. The company-wise position of manpower is below:-

<b>Company</b>	<b>2007-08</b> (as on 31/12/2007)	<b>2008-09</b> (as on 31/03/2008)	<b>2009-10</b> (as on 31.12.2009)
ECL	96039	90,470	86,746
BCCL	81042	76,369	73,722
CCL	59689	56,553	54,739
WCL	64342	62,492	61,194
SECL	83113	81,434	80,267
MCL	20565	20,869	20,932
NCL	16753	16,450	16,225
NEC	3098	2,962	2,853
CMPDI	3071	3,065	3,161
DCC	641	620	603
CIL(HQ)	1100	1,066	1,068
<b>TOTAL</b>	<b>429507</b>	<b>4,12,350</b>	<b>4,01,510</b>

**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 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	30.6.2011	5 years

### 10.2.7 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.

### STRIKE AND BANDHS

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10 (upto 31.12.09)
No. of strikes	12	11	6	7	4	6	Nil
Mandays Lost	255706	70172	176898	127703	23823	196707	Nil
Production Lost (in tonnes)	414327	324444	193670	193423	95477.	239983	Nil

### 10.2.8 Workers Participation in Management

In CIL and subsidiaries there are well established bi-partite fora 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, welfare etc. related matters. The following joint bipartite fora are operating at different levels: -

1. JBCCI at CIL
2. Apex Jt. Consultative Committee
3. Safety Board/ Safety Committee
4. Welfare Board/ Welfare Committee



5. Joint Consultative Committees
6. Industrial Relation Meetings (Structural meetings with union).

### 10.2.9 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 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 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 31.12.2009). The percentage of housing satisfaction has now reached 100%.

#### 10.2.11 Water Supply

Coal India Ltd. & its subsidiaries as against 2.27 Lakhs population having access to potable water at the time of Nationalisation in 1973, presently a populace of 22.94 Lakhs (up to 31.12.2009)

has been covered under water supply scheme. Details of population covered under Water Supply Scheme (up to 31.03.09) are given in Annexure-IIB.

#### 10.2.12 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 85 Hospitals with 5,835 Beds, 424 Dispensaries, 659 Ambulance and 1572 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.

#### 10.2.13 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.

In addition, 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.



#### 10.2.14 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.

#### 10.2.15 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.

#### 10.2.16 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 their workers. Workers are educated to draw their salaries through 484 Number of Bank/ Extension Counters and they are also encouraged to practice thrift for the benefit of their families.

#### 10.2.17.1 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, invogue 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.

#### 10.2.17.2 Land Acquisition and R&R policy Neyveli Lignite Corporation Limited

Neyveli Lignite Corporation Limited (NLC) has been engaged in open - cast - mining of Lignite in Neyveli Area, for five decades mainly for producing electricity in its pit-head power stations. The land required for its projects are acquired from time to time in a phased

manner and also in contiguous stretches abutting the existing mines/power stations. The related Resettlement and Rehabilitation (R&R) Policy has also been formulated based on the experience over time.

In acceptance of its social responsibility, NLC had been offering jobs to the land affected to the extent possible, apart from resettling them in the well-developed Resettlement Centres (RCs). Further, a Corporate Resettlement and Rehabilitation Policy (RAP) has also been framed and is being implemented for the benefit of the various sections of the Project Affected Persons (PAPs) who have given lands from 01.07.1989 onwards. The Displaced persons are being resettled smoothly as per the provisions of the RAP in the NLC Resettlement Centres

The implementation of this 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

### 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 is now operating three lignite mines and three thermal power stations. The capacity of the various units as under:

Mine-I ... 10.5 MT/ annum.

Mine-IA... 3 MT / annum

Mine-II ... 10.5 MT/ annum.

Thermal Power Station-I (linked to Mine-I) ... 600 MW

Thermal Power Station-I Expansion (linked to Mine-I) ... 420 MW

Thermal Power Station-II (linked to Mine-II) ... 1470 MW

All the three 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 authorised capital of NLC is Rs 2000 crore and the paid up equity is Rs. 1677.71 Crs. The investment by Govt. of India as on 31.12.2009 is as under:

Equity (GOI portion) : 1569.64 Crore

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 2009-10 upto December

2009 and provisional for the period January,2010 to March 2010 are indicated below :

Product	Unit	BE 2009-10	April 09 to December 09		Provisional for the period January to March'2010
			Target	Actual	
Overburden	MM <sup>3</sup>	152.60	111.39	116.49	41.21
Lignite	MT	21.75	15.17	16.30	6.20
Power Gross	MU	16600	11876.00	13064.17	4400.00
Power Export	MU	13363	9802.00	10967.09	3542.00

### 10.3.3 Productivity

The productivity performance in 2008-09 and 2009-10 upto the end of December 2009 is furnished in the table below:

#### a. OUTPUT PER MANSHIFT (OMS)

Unit		2008-2009	2009-2010 (April 09 to December 2009)	
		Actual	Target	Actual
Mines	Tonne	10.16	8.10	10.45
Thermal	KwHr	15411	12391	17265

#### b. PLANT LOAD FACTOR

Unit	2008-09	2008-09 (April 09 to December 2009)	
		Target	Actual
T.P.S-I	68.06	70.58	74.66
T.P.S-IE	84.96	71.28	83.02
T.P.S-II	70.38	71.81	80.46

### 10.3.4 Financial Performance

NLC has been making profits since 1976-77. During 2008-09 the Corporation earned a pretax profit of Rs. 1,046.01 Crore. The Corporation has earned pretax profit of Rs. 1,293.43 Crore

(Provisional) during 2009-10 (upto December 2009). Reserves and surplus as on 31.03.2009 was Rs. 7,791.52 Crs.

NLC has paid 20 % dividend amounting to Rs. 335.54 Crore for the year 2008-09. The

sales turnover in 2008-09 was Rs. 3,354.91 Crore (including Rs. 529.80 crore of adjustment relating to previous year) against Rs. 2,981.65 Crore during 2007-08. The sales turnover during 2009-10 (upto December 09) was Rs. 3,017.58 Crore (Provisional) as against Rs. 2,059.44 Crore during the corresponding period of last year.

Product wise sales during 2009-10 (Up to December 2009) is as under:

Product	Sales (provl) (Rs. in crore)
Lignite	185.74
Power	2831.52
Other	0.32
<b>Total</b>	<b>3,017.58</b>



The Minister of State (Independent Charge) of Coal, Statistics and Programme Implementation, Shri Sriprakash Jaiswal being presented a dividend cheque by the CMD, Neyveli Lignite Corporation Ltd. (NLC), Shri A.R. Ansari, in New Delhi on October 13, 2009.

### 10.3.5 Manpower

The total manpower of NLC as on 31.12.2009 is indicated below:

Category	Technical	Non- Technical	Total
Executives	3,361	705	4,066
Non Executive	4,662	3,299	7,961
Workmen	833	5,566	6,399
<b>Total</b>	<b>8,856</b>	<b>9,570</b>	<b>18,426</b>

### 10.3.6 INDUSTRIAL RELATIONS

The industrial relations during the period of April to December 2009 was by and large smooth and cordial. The recognized unions of NLC resorted to strike between the night shift of 7th October 2009 and the second shift of 8th October 2009 on issues related to revision of Quarterly Plant Performance Reward and Productivity Linked Incentive schemes with effect from 01.01.2007. The issues were amicably settled through negotiations. 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 and superannuation gifts ;
- Free medical treatment to employees and their dependents ;
- Terminal payments including Provident

Fund on the date of retirement ;

- Post retirement medical benefit scheme ;
- Death Relief Scheme.

### 10.3.8 FUTURE PLANS

NLC in it's endeavor to become a leading lignite mining and power company has embarked on the following projects:

1. TPS at Neyveli in lieu of existing TPS-I
2. 250 MW thermal power project as Barsingsar Extension with 2.5 MTPA Hadla & Palana lignite mines.
3. 1600 MW thermal power plant with 13.5 MTPA capacity lignite mine at Jayamkondam.
4. 1000 MW TPS-III at Neyveli and linked 8.0 MTPA Mine-III at Neyveli.
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 and a joint Venture Talabira Mine project (20 MTPA) with Mahanadi Coalfields Ltd. & Hindalco Industries Ltd.
7. 1000 MW coal based thermal power plant in Madhya Pradesh as a joint venture project with linked Block 'B' Coal Mine.
8. A joint venture coal based 2000MW power project in western Uttar Pradesh by UP Power Corporation Ltd (UPPCL) and NLC.
9. 50 MW Wind Power Project.

## 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 Rs.500 crore. Power projects with capital investment of more than Rs. 500 crore now be approved by the State Govt. However, projects costing over and above Rs. 500 crore will be approved by Government of India.

### 10.4.2 Coal Production in SCCL

*(in million tones)*

Target (2009-10)	Actual Production (2009-10) upto January,2010
44.50	41.029

### 10.4.3 Productivity

In SCCL, the OMS during 2009-10 was 3.30 tonnes (Provl) and during corresponding period of 2008-09 was 3.10 tonnes.

### 10.4.4 Manpower

As on 31.12.2009, Employees on roll of SCCL are 69,489 including 2,464 female employees.

### 10.4.5 Industrial relations

The Industrial Relations Scenario in SCCL for the year 2008-09 (up to December,2009) recorded 2 [two] strikes. 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 the 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	2003-04	15	1,02,942	1,21,647
2	2004-05	14	91,818	57,499
3	2005-06	11	2,40,403	1,10,189
4	2006-07	03	5,587	9,872
5	2007-08	Nil	Nil	Nil
6	2008-09	04	23,065	19,072
7	2009-10 (Upto Dec 2009)	02	1,430	4,893

#### **10.4.6 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 worker's 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 Rs.46,824 per employee towards Welfare expenditure during 2008-09.