



## PUBLIC SECTOR UNDERTAKINGS



# PUBLIC SECTOR UNDERTAKINGS

## Coal India Limited

Coal India Limited (CIL) is an organized State owned coal mining corporate which was established into being in November 1975 with the Government taking over private coal mines. With a modest production of 79 MT at the year of its inception, CIL today is the single largest coal producer in the world.

CIL works within the framework of an overall vision to emerge as a global player in the primary energy sector by attaining environmentally socially sustainable growth through best practices from mine to market.

Coal India Limited, the holding Company with headquarters in Kolkata, is headed by a Chairman. He is assisted by four Functional Directors, namely, Director (Technical), Director (Personnel and Industrial Relations), Director (Finance) and Director (Marketing). Each Subsidiary Company of CIL 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. Another subsidiary company is Central Mine Planning & Design Institute Limited (CMPDIL). In addition, part-time or nominee Directors on the Board of CIL and its Subsidiary companies are appointed in accordance with the Articles of Association of the Company and Government guidelines prescribed in this regard from time to time.

## CIL's Strategic Relevance

- Produce around 84% of India's overall Coal production.
- In India where approximately 55% of primary commercial energy is coal dependent, CIL alone meets to the tune of 40% of primary commercial energy requirement.
- Commands nearly 74% of the Indian coal market.
- Feeds 98 out of 101 coal based thermal power plants in India.

- Accounts for 76% of total thermal power generating capacity of the utility sector.
- Supplies coal at prices discounted to international prices.
- Insulates Indian coal consumers against price volatility.
- Make the end user industry globally competitive.

## Milestones in 2015-16:

- In 2015-16, CIL for the first time crossed the threshold of Half-a-Billion tonne mark in coal production & off-take setting the stage for a high growth in the ensuing years.
- For the first time, coal inventory at coal fired power stations as on 31st March 2016 had coal stock with around more than 39 Million Tonnes accounting for 28 days stock. CIL had a coal stock of about 58 Mt at the end of March 2016.
- Not a single utility was in critical or supercritical condition for want of coal. There was a decline in coal import resulting in substantial Forex saving.
- Emphasis was given for improved customer friendliness. The drive to despatch (-) 100 mm sized coal to Power (U) is operational since 1st January 2016.
- Third Party Joint Sampling under the supervision of CIMFR, an autonomous Government body has been introduced since Jan 2016.
- For the first time CIL's Gross Sales have exceeds Rs. 100000.00 crore, etc.

## Transformational HR Initiatives in CIL

### ➤ Manpower

The total manpower of the Coal India Ltd. including its subsidiaries as on 31.12.2016 was 3,13,829. Company-wise status of manpower is as below:

Company	2015-16 (Upto 31.12.2015)	2016-17 (upto 31.12.2016)
ECL	66917	64801
BCCL	54250	51860
CCL	44274	42725
WCL	49371	47791
SECL	65556	62255
MCL	22541	22258
NCL	16236	15578
NEC	1913	1743
CMPDIL	3665	3562
DCC	444	391
CIL(HQ)	865	865
TOTAL	326032	313829

### ➤ People performance of CIL

Employees are the central theme of coal mining in India and the people processes in CIL encompass not only the concerns of the multiple stakeholders in the value chain of the Company's operations, but also those affected directly and indirectly by such operations. The multiple stakeholders include the company's own employees and their families, about 99,000 indirect workers, villagers around coal fields, auxiliary industries, Govt. & Non Govt. agencies operating in the coalfields etc. CIL with a larger social purpose is deeply committed to all the stakeholders and is in a constant endeavor to harmonize the varying needs of the stakeholders and that of the company, for sustainable growth, with its people-centric principles, policies and programmes. A snapshot which is given below

### ➤ Employee participation in management

In general, decisions affecting employees are being taken through bilateral forums represented by employees and management. Bilateral forums such as, housing committee, welfare committee,

canteen committee, etc. are in operation at all projects. Similarly, bipartite meetings, under the industrial relations system, are held periodically at unit level, area level and corporate level to resolve issues pertaining to employee's service conditions and welfare. Every subsidiary is having an apex bipartite committee (Joint Consultative Committee) headed by the Chairman-cum-Managing Director of the company. The Joint Consultative Committee looks at various strategic issues and issues related to quality of life of employees, in general. All these bipartite bodies are represented by employee representatives.

### ➤ Contract workers

The Company is a source of employment to the nearby villagers. There are about 99000 contract workers employed in mines through registered contractors for various outsourced works. The company ensures compliance of all legal and company norms, pertaining to the pay and welfare of the contract workers, by the contractor. Minimum wages for the contract workers in Coal India has been fixed which is higher than the minimum wages under the Payment of Minimum Wages Act. In addition to the above, the Company provides medical treatment at the Company's facility at free of cost to the contractor workers. All the contract workers are being subjected to medical examination, safety training and are also being provided with personal protective equipment. The Company has made sincere effort to cover all the contract workers under the Social Security Schemes (CMPF & CMPS). The payment of wages to the contract workers has been ensured through bank payment only to avoid any exploitation in this count.

For monitoring compliance of payment of wages and other benefits to the Contractors' workers under the Contract Labour (Regularisation & Amendment) Act, 1971, Coal India Ltd. has recently created and launched "Contract Labour Payment Management Portal". Comprehensive database (including bank account number and Aadhar number) of all the workers engaged by different contractors in CIL & its subsidiaries are uploaded on this portal. This portal provides access to all contractors' workers so that they may view their personal details including rate of wages and payment status as well and, if need be, register their grievance.

The system extends facility to all the citizens of the country to view a snap shot of the contract works in CIL & its subsidiaries, details of contractors, number of workers engaged, status of wages payment, etc.

### ➤ **Child Labour Forced Labour/Bonded Labour**

Engagement of child labour, forced labour or bonded labour, in any form, is prohibited in the company, either by itself or by any stakeholder in the value chain of the company's operation. This is strictly monitored through mandatory initial medical examination of all contract workers engaged in mines.

### ➤ **Freedom of Association**

Democratic values are ingrained in the management of human resource in the company. Employees are free to be part of any registered trade union, political parties and other Government / non-Government organizations. Branches of all central trade unions and local unions are operating in coalfields. Their representation is allowed in the bipartite bodies in the company under the norms of the Industrial Relations System

### **Non-Discrimination**

The Company follows principles of non-discrimination in employee management. There is no discrimination of the employees in the name of religion, caste, region, creed, gender, language, etc. All employees are given equal opportunity in service matters.

### **Organizational Culture Building initiatives**

#### ➤ **Project 'Agamant':**

A project, intended to extend a warm welcome to the new entrants in the company, was introduced in the month of September, 2015. The initiative include activities such as welcome by Boardlevel Executive, Welcome letter from the Chairman, CIL, providing welcome kit, managing comfort and induction of all new entrants in the company. Under the project, the new entrants are received at Indian Institute of Coal Management (IICM), Ranchi and are provided induction programme.

#### ➤ **Project 'Samman':**

Project Samman has been implemented for the retiring employees for honouring their long service and contribution to the company. The activities under the project include 'Thanks giving letter' from the Chairman, CIL, and farewell to retiring employees, settling terminal dues and presenting memento on the day of superannuation.

### ➤ **e- Empowerment of executives:**

CIL has introduced a scheme for providing laptop or device of similar in nature to all executives once in every 3 years w.e.f. 01.04.2015 at a cost up to Rs 70,000/- . This is considered as an important step facilitating digitalization of CIL.

### **Continuous Improvement and Knowledge Management initiatives**

#### ➤ **Employees Suggestion Scheme.**

An employee suggestion scheme has been formulated for sourcing the ideas of employees for improving the operational efficiency and process excellence. Under the scheme, organizational mechanism has been designed to receive suggestions, to evaluate them and implement them on merit. An on-line platform has already been created to operate and manage all suggestions and ideas received from the employees.

#### ➤ **In-Circles (IC)**

In-circles are small groups of employees and junior executives (maximum 12 in numbers) who are working together at a workplace will meet periodically, identify the operational and process problems/ improve merit areas, innovate solutions and implement them and thus bring improvements continuously. In-circle operates in the format of Quality Circles. A Standard Operating Practice (SOP) has also been developed for uniform functioning of the In-circles. Training on the tools and techniques of Quality Circle has been planned to give a momentum to the initiative. An initial training programme for Nodal Officers in subsidiaries has already been conducted for all subsidiaries on 16.10.2015 and 17.10.2015. The subsidiaries are in the process of forming In-circles at the workplace. An on-line facility has been created for registration of In-circles and to monitor their progress.

#### ➤ **Knowledge Mining Communities (KM Communities)**

Knowledge Mining Communities (KM Communities) have been encouraged as a platform for sharing of knowledge so that the tacit knowledge of the experienced executives are transferred to the younger executives in the company and in the process new knowledge and ideas are created.

An on-line platform has been created for registration of communities and to facilitate discussions and to monitor their progress. The knowledge created during the sharing process will be published in the Knowledge Management portal of the company for the benefit of all.

In the Knowledge Management portal of CIL, an on-line library has been created with resources of CMPDIL and other projects. The library will be enriched regularly for the benefit of all.

#### ➤ **Project 'Pravaah'**

CIL has started a project called 'Pravaah' to source ideas from newly joined executives for improving the organisational culture and people development process. Under the project 6 teams have been formed with executives from cross functional areas and supported by middle management level executives. The teams are meeting regularly and discussing on various business processes and coming out with ideas for improvement which are being implemented. The following groups are presently functioning effectively:

- i) Team for organisational culture,
  - ii) Team for knowledge management,
  - iii) Team for employees care and employee counselling
  - iv) Team for continuous improvement,
  - v) Team for celebrations,
- Team for communication.

#### **Performance Management initiative**

##### ➤ **Online Performance Management System(PMS) for Board level executives and GMs**

An annual Performance Management System for the Board Level executives and the General Managers have been made in online format Performance Approval Report (PAR).

The key features include goal setting at the beginning

of the year through a cascading process, mid-year feedback process and year end appraisal CIL has already implemented online PMS Performance Report for Individual Development of Executive (PRIDE) for all executives upto E7 grade. With the introduction of online PMS for E8 and the Board level Directors, all executives right from the Chairman, CIL to the E1 level executives are now covered under the online PMS.

#### **People Development initiative**

##### ➤ **Post-Retirement Medical Support**

CIL has added a post-retirement medical support to its 3.6 lakhs employees to provide critical health support to the employees and the spouse, post retirement. Subject to conditions, the scheme provides reimbursement of medical expenses for indoor and outdoor treatment for a maximum amount up to Rs 5 lakhs and Rs 25 lakhs, in ordinary cases, and enhanced support in case of critical diseases such as, Heart diseases, Cancer, Renal diseases and paralysis.

##### ➤ **Social security**

All employees are covered under the social security schemes of the company as below:

- **Gratuity:** Employees on their retirement receive Gratuity payment up to Rs.10 lakhs.
- **CMPF:** All employees are covered under the Coal Mines Provident Fund scheme which is a contributory fund with equal shares both by employee and the company.
- **Coal Mines Pension Scheme (CMPS):** The employees are covered under the pension scheme by which, on superannuation, they receive 25% of their basic pay as monthly pension. In the event of death of the employee, the spouse and children are eligible to receive pension.
- **Employee Compensation:** In the event of death/ disablement while on duty, the employees are eligible to receive monetary compensation under the Employee



Compensation Act. Apart from that, the company provides additional compensation of Rs. 5 lakh and Rs. 84,600 as Ex-gratia.

- **CPRMS:** All employees are covered under this post medical retirement scheme.
- **Life cover scheme:** In the event of death of an employee while in service, the dependents of the employee are entitled to receive an amount of Rs. 112800.00 under the life cover scheme.
- **Employment to dependent:** In the event of death/disablement of an employee, while in service, one of his dependent entitled for permanent employment in the company.

### Grievance Management

The company has a robust online stake holder grievance management system to deal with the grievances of the stakeholders i.e. employees, consumers, customers and other stakeholders. Under the policy, all grievances are being addressed within 10 days and the stakeholders are informed accordingly.

### Resettlement & Rehabilitation Policy of CIL

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, was further modified in 2004, 2008 and 2012. The revised R&R Policy of CIL-2012 provides multiple options to the land losers. It also bestows more flexibility to the Board of Subsidiary Companies to meet unique R&R problems to acquire land faster.

Some of the operational features of the R & R policy (2012) are as follows:-

- Land compensation to land oustees is paid as per the provisions of the relevant Act or State Government Notification.
- Employment is provided to land oustees against every two acre of land. All the land losers who are not eligible for employment are entitled to receive monetary compensation in lieu of employment at the rate of Rs.5 lakh for each acre of land on pro-rata basis.
- A one-time lump-sum payment of Rs.3 lakhs is paid in lieu of alternate house site. Monetary compensation is also provided for construction of work shed etc.

- Each affected family gets a subsistence allowance at the rate of 25 days Minimum Agriculture Wage per month for one year.
- Coal companies assist project affected people to establish non-farm self-employment. Contractors are encouraged to give jobs to the eligible on a preferential basis.
- As far as possible coal companies shift tribal community as a unit and provide facilities to meet the specific needs of the tribal community – thus allowing them to maintain their unique identity.
- Affected tribal families are given one time financial assistance of 500 days for loss of customary right.
- Affected tribal families settled out of the district are given 25% higher rehabilitation and resettlement site, a school, road with street light, pucca drain, pond, tube well for drinking water supply, community centre, place of worship, dispensary, grazing land for cattle and play ground.
- The community facilities are available to all the residents of the resettlement colonies, including PAPs and the host population.
- The approach for operation of community facilities is flexible and all efforts are made to involve the State and local self- Government/Panchayat. The planning of community facilities and their construction is undertaken in consultation with the affected community.

Ministry of Rural Development has notified 'The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act, 2013 which has come into effect from 1st January, 2014. As per order dated 28th August, 2015 of the Ministry of Rural Development the provisions of the RFCTLARR Act, 2013 relating to determination of compensation in accordance with the First Schedule, rehabilitation and resettlement in accordance with the Second Schedule and infrastructure amenities in accordance with the Third Schedule, which shall apply to CBA (A&D) Act, 1957, shall come into force with effect from 1st September, 2015. Ministry of Coal has directed CIL to modify its R & R Policy as per the provisions of RFCTLARR. The R & R policy of CIL is being revised to incorporate the provisions of RFCTLARR Act- 2013. The draft of revised R & R Policy of CIL has

been prepared by a committee under the Chairmanship of CMD, WCL which is under consideration.

### Care for Environment

One of the inherent impact of coal mining is degradation of the land and environment. Coal companies have been constantly addressing the impact of mining activities across environmental and social issues. Eco-friendly mining systems have been implemented in all the mining areas. To make environmental mitigation measures more transparent, coal companies have introduced state-of-the-art Satellite Surveillance to monitor land reclamation and restoration for all opencast projects. Coal India has made afforestation over an area of around 36,896 hectares through well structured Environment Management Plans and sustainable development activities. As a part of 'Clean & Green' programme, massive plantation has been taken up by CIL wherever land is available. CIL has planted over 92 million trees till 31st March, 2016.

### NLC India Limited (NLCIL)

NLC India Limited (NLCIL) 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. NLC India Limited has been conferred with the **"NAVRATNA"** status since April 2011.

NLC India Limited has mining capacity of 30.6 MTPA and power generating capacity, as on November 2016, is 4293.5 MW. All the Mines and the Power Stations of NLC India Limited have received **ISO Certification** for Quality Management System, Environmental Management System, and Occupational Health & Safety Management System.

#### ➤ Authorised Capital:

The authorized capital of NLC is Rs. 2000 Crore and paid up equity is Rs. 1677.71 Crore. The investment by Govt. of India as on 31.12.2016 is as under:

(Rs. In Crore)

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

#### ➤ Production Performance (NLCIL):

Overburden removal, lignite production, gross power generation and its export during the year 2016-17 up to the end of December, 2016 and provisional for the period January 2017 to March 2017 are indicated given in the table below:-

Product	Unit	BE 2016-17	Target (Apr-Dec., 2016)	Actual (Apr-December 2016)	Jan. 2017 – March 2017
Overburden	MM <sup>3</sup>	161.00	118.07	149.29	11.71
Lignite	MT	26.80	17.51	18.00	8.80
Power Gross	MU	21567.76	15537.22	15333.75	6234.01
Power Export	MU	18329.69	13191.49	12880.80	5448.89

#### ➤ Productivity:

The productivity performance in 2015-16 and 2016-17 (April-December, 2016) is furnished in the table below.

OMS by	Unit	2015-16 Actual	Target 2016-17 (Apr-Dec 16)	Actual 2016-17 (Apr-Dec 16)
Mines	Tonne	13.08	10.03	11.74
Thermal	KwHr	22889	18510	23496



### ➤ Plant Load Factor (PLF)

The PLF achieved by TPS-I, TPS-I Expansion, TPS-II and Barsingsar TPS during 2015-16 and 2016-17 up to December 2016) are as under:

PLF achieved by	2015-16	2016-17 (April 16 to December 2016)	
	Actual	Target	Actual
T.P.S-I	59.98	68.28	68.15
T.P.S-IE	88.59	76.70	88.69
T.P.S-II	81.96	71.79	83.73
T.P.S-II E	19.39	71.55	29.64

### Singareni Collieries Company Limited

The Singareni Collieries Company Limited is a State level enterprise of Government of Telangana and the Central Government, in which Government of Telangana and Government of India hold the equity capital in the ratio of 51:49, respectively. SCCL is contributing around 9.6 % of the total all India production.

### ➤ Coal Production:

(In million tonnes)

Target 2016-17	Target 2016-17 (April-December 2016)	Actual 2016-17 (April-December, 2016)
58.00	41.89 MT	42.43 MT

### ➤ Productivity (OMS):

Productivity target for the year 2016-17 is 4.75 Tonnes and 4.43 Tonnes productivity is achieved upto December 2016.

(In million tonnes)

Target 2016-17	Target 2016-17 (April-December 2016)	Actual 2016-17 (April December, 2016)
4.93	4.75	4.43

### Development activities in North Eastern Region

In the North Eastern Region, Coal India Limited has its mining activities mainly in Makum Coalfields of Assam. At present 4 (Nos) of mines are in operation, these are Tirap, Tikak, Ledo (OCP) and Tipong. Out of these Tirap, Tikak and Ledo (OCP) are opencast Mines while Tipong is an Underground mine.

In North Eastern Coalfields there are 5 (five) major outsourcing patches in the open cast Mines, these are Tirap (East), Tirap

(West), Tikak (East), Tikak (OCM) and Ledo (OCP). NEC's entire coal production of open cast mine is outsourced. Ledo (OCP) was started in the F.Y 2008-09. The coal production of Last 4 (Four) years has been shown in the following table I. Due to delay in tendering process, non-finalization of new contract and imposition of Sec 22 (3) of Mines Act in OC Mines the production came down to 6.05 Lakh tonnes, 6.63 Lakh tonnes, 7.79 Lakh tonnes and 4.86 Lakh tonnes during the period of the F.Y 2012-13 to 2015-16.

Table – I

(Figure in Lakh Tonnes)

Year	2012-13	2013-14	2014-15	2015-16	2016-17 Prov.
Coal Production of NEC	6.05	6.63	7.79	4.86	6.50

In the year 2016-17, it has been expected to achieve 6.50 Lakh tonnes. During this year 2016-17 out of 5 (five) patches, only 3 (three) patches had produced coal during the month of April'16 and May'16.

From June'16 to August'16, only 1(one) patch have produced coal, from September'16 to October'16, 2(Two) patches have produced coal, and during the month of November'16 3 (Three) patches have produced coal. During the month of December'16 4(Four) patches have produced coal at North Eastern Coal fields. This was due to non-finalization of out sourcing contract. As on date tender for only 1(one) patch of Opencast mine is yet to be finalized. Tender has already been opened and tender Committee recommendation is being scrutinized. The imposition of Sec.22(3) also affected the coal production at Tirap and Tikak opencast mine at NEC.

**PERFORMANCE OF NEC (Period from 01.04.2016 to 31.12.2016 )****Table – II**  
**(Actual Data)**

1.	Coal Production	Unit	Quantity
	I)Under Ground	Lakh Tonnes	0.021
	II) Open cast	"	2.525
	TOTAL	"	2.546
2.	Per Shift (O.M.S.)		
	I)Under Ground	Tonnes	0.010
	II Open cast	"	2.050
	III)Overall	"	1.060
3.	Coal Dispatch/Off take		
	I) Despatch	Lakh Tonnes	5.632
	II) Domestic Consumption	"	--
	III) Off take	"	5.632
4.	Pit-head coal stock as on 31.12.15	"	0.508
5.	No. of Mines	Working	04

**Performance of NEC (Period from 01.01.17 to 31.03.2017)-Provisional****(Provisional Data )**

1.	Coal Production	Unit	Quantity
	Under Ground	Lakh Tonnes	0.009
	Open cast	"	3.945
	TOTAL	"	3.954
2.	O.M.S.		
	Under Ground	Tonnes	0.035

	Open cast	"	9.476
	Overall	"	5.720
3.	Coal Dispatch/Off take		
	Despatch	Lakh Tonnes	2.868
	Domestic Consumption	"	--
	Off take	"	2.8638
4.	Pit-head coal stock as on 31.12.16	"	1.594
5.	No. of Mines	Working	04

**Financial Performance of NEC (Period from 01.4.2016 to 31.03.2017)****(Anticipated Data )**

1.	Coal Production	Unit	Quantity
	Under Ground	Lakh Tonnes	0.030
	Open cast	"	6.470
	TOTAL	"	6.500
2.	O.M.S.		
	Under Ground	Tonnes	0.021
	Open cast	"	3.919
	Overall	"	2.106
3.	Coal Dispatch/Off take		
	Despatch	Lakh Tonnes	8.500
	Domestic Consumption	"	-
	Off take	"	8.500
4.	Pit-head coal stock as on 31.03.2017	"	1.594
5.	No. of Mines	Working	04

### Performance of NEC during Last five years:

Though NEC was incurring heavy losses barring a few years in the past, it has started earning overall profitability however collieries are still incurring Losses since 2005-06. The profitability for the last five years has been shown in the table given below.

**Table**

**(Rupees in Lakh )**

<b>MINES</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
TIPONG(UG)	(-)5872.69	(-)6011.03	(-)5279.12	(-)6698.94	(-)6473.28
LEDO (UG)	(-)2191.70	(-)1688.24	(-)1464.79	(-)1446.81	-
BARGOLAI(UG)	(-)3201.22	(-)3493.09	(-)2934.05	(-)3033.63	(-)2819.03
JEYPORE(UG)	(-) 91.44	(-) 110.73	(-) 122.02	(-)100.68	(-)140.32
TIRAP (OC)	(+)11070.77	(+)6423.05	(+)10718.88	(+)10282.01	(-)131.73
TIKAK (OC)	(+)15149.79	(+)5947.83	(+) 1.78	(+)5075.65	(+)1443.27
LEDO OCP	(+) 6343.88	(+)4831.36	(+)2306.24	(-)1160.10	(+)2149.18
Service unit	-	(+)674.09	(+) 31.20	-	-
<b>TOTAL NEC</b>	<b>(+)21207.39</b>	<b>(+)6573.23</b>	<b>(+)3258.12</b>	<b>(+)2917.51</b>	<b>(-)5971.91</b>

### NEC'S PRODUCTION PROGRAMME

In NEC, at present there are altogether four (4) Nos existing working mines. Out of 4 mines, 3 Nos are opencast mines and 1 No is underground mine. During the Financial year 2016-17, it is anticipated to produce 6.50 Lakh tonnes of coal.

NEC has identified 6 (Six) Nos. of New Projects, which are at various-stages of construction due to clearances awaited from MoEF and other statutory bodies.