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FROM THE ECONOMIC TIMES

Coal India productivity up as retirees outnumber recruits

Coal India's employee strength has fallen by 57,000 since 2015 to 276,000 as of January 1. It expects manpower to contract by 97,000 from 2015 to 2024, when it is expected to produce 1 billion tonnes.

Debjoy Sengupta | ET Bureau | February 11, 2020, 08:57 IST

Kolkata: <u>Coal</u> India's costs are likely to fall as it will have 40,000 fewer employees in five years and will use better equipment, helping it face private competition. It is likely to recruit 2,000-3,000 people annually, while 8,000-10,000 retire every year.

A senior company executive said <u>Coal India</u> will recruit people for critical and statutory positions that fall vacant. It will also offer jobs to families of people who lose land for new mines and following expansion of existing ones. "Going by our estimates, recruitment from the next year onwards will not be more than 3,000 annually," the executive said.

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In 2017-18, wages constituted 55 per cent of the production cost. This has fallen to 49.5 per cent, with 23,000 fewer employees and highercapacity equipment at some mines.

"With further reduction in manpower and usage of higher capacity equipment, proportion of salaries and wages in the cost of one tonne of production will also reduce," the executive said. In contrast, salaries account for about 22 per cent of a mine contractor's cost. While a private mine contractor pays workmen Rs 15,000-25,000 a month, Coal India gives at least Rs 80,000 along with family health expenses, education, housing and other benefits.

This year, Coal India has ordered higher capacity equipment worth Rs 6,000 crore and plans to order another Rs 5,000 crore. It is acquiring higher capacity dumpers, shovels, dozers and draglines along with spares for the next 10 years.

It aims to produce 750 million tonnes in 2020-21, and 1 billion tonnes by 2023-24, two years earlier than the revised target.

In 2015, an employee produced 6.2 tonnes of coal in one shift of eight hours. It has increased to 8.51 tonnes in 2019 and is expected to rise further.

Dipka mine gets green clearance for another 30 years

The mine was submerged during the last monsoon when the Lilagar river, a tributary of Mahanadi, was in full spate in September.

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Jayashree Nandi

Hindustan Times, New Delhi

The Union environment ministry's Expert Appraisal Committee (EAC) has given the go-ahead for a 30-year environmental clearance extension for state-owned Coal India Limited's Dipka opencast coal mine in Chhattisgarh's Korba even as residents of the area have called for its closure citing environmental concerns. At an EAC meeting on January 24, the minutes of which have been published on the ministry's website, the panel has recommended continuance of the clearance for 30 years or the life of the mine--whichever is earlier.

The mine was submerged during the last monsoon when the Lilagar river, a tributary of Mahanadi, was in full spate in September. Local environmental activists like Bipasha Paul of Raipur-based Jan Abhivyakti, who visited the spot soon after the flooding, found that fly ash washed away from the mine polluted the river. A video of the flooding was shared widely on social media. Environmental expert, Shashank Shekhar, assistant professor, department of geology, Delhi University, had said having an opencast coal mine so close to a river was a recipe for such accidents and toxic pollution. Erik Solheim, a former executive director of the UN Environment Programme, had tweeted a video of the flooding saying "nature has its own plans."

The environmental clearance for the Dipka mine, with a capacity of 35 million tonnes per annum (MTPA) and spread over a mining lease area of 1999. 23 ha, was to expire on March 20. The project was granted clearance for expansion from 31 to 35 MTPA in a letter dated February 20, 2018. Its expansion was to be reviewed after a year. In a letter dated March 20, 2019, the expansion was allowed to continue for one more year subject to compliance of various provisions of the environmental clearance. HT has seen a copy of the letter. The minutes of EAC's meeting is silent on the impact of the mining operations on the Lilagar river. Villagers living near the mine wrote to the ministry on January 21, saying despite evidence that the mining activities had breached the floodplains of Lilagar river and endangered it, the mine was granted permits to expand. The letter in Hindi, seen by HT, also states that the mine has caused air and water pollution in violation of the conditions of the environmental clearance granted to it and hence should be shut down. EAC chairman Navin Chandra said he did not have details of the mine or the flooding and hence will be unable to comment on why the clearance for it has been recommended for 30 years. Kanchi Kohli, a researcher at the Centre for Policy Research, called it yet another case wherein the EAC has used an "extremely perfunctory approach" to award a 30-year extension to a coal mine that has severely violated environmental safeguards as per the government's own records. "The minutes [of the EAC meeting] does not record any mention of the flooding of the Lilagar river less than six months back, which had severely impacted the villages and farmlands downstream. Such decisions are likely to discourage environmental compliance as illegalities have no bearing on project approvals," said Kohli.

A Coal India Limited official, who spoke on condition of anonymity, said the Dipka mine started functioning again only two days after the flooding. "Its output now is about 1.10 lakh tonnes per day. A non-seasonal local river had flooded on September 29 but we immediately conducted dewatering and the mine became functional gradually."

CIL will exceed last year's output figures: Coal secy

DESPITE COAL PRODUCTION being hampered at Dipka mines due to prolonged rains, Coal India will exceed last year's production figures, a top coal ministry official said here on Tuesday. In 2018-19, Coal India produced 606.89 million tonne (MT), while dispatch was at 608.14 MT. "CoalIndia's production was nearly minus 8% till October. So in the last few months the coal production has caught up. Now it has just minus 3.5%. "And it will go on to be plus at the end of the year. It is going to be healthy percentage over last year's (figures)," secretary of coal ministry, Anil Kumar Jain told PTI on the sidelines of Energise 2020.

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Coal India may meet 35% public holding target by fiscal end

By: FE Bureau |

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Prior to this, in October 2019, the government sold 0.21% of its holding in CIL and raised Rs 230 crore through Bharat ETF scheme. This was preceded by raising Rs 2,247 crore by offloading a 1.7% stake through the CPSE ETF scheme.

Thanks to its public issues and stake sales through the ETF route, <u>Coal India</u> (<u>CIL</u>) is poised to meet its target of 35% public holding after imminent sale of an another 1.14% stake from the present government holding of 66.14%. A CIL official said the company will shortly make another tranche of offer to reach the proposed 35% public holding level for listed companies. Since April last year, the Centre has offloaded 4.82% stake in the company and has raised around Rs 5,700 crore. The last tranche of the offer was made last week through a CPSE exchange-traded fund, wherein the Centre sold 179.57 million shares and raised around Rs 3,300 crore. The shares were priced at Rs 177.9 per share, the official said.

Prior to this, in October 2019, the government sold 0.21% of its holding in CIL and raised Rs 230 crore through Bharat ETF scheme. This was preceded by raising Rs 2,247 crore by offloading a 1.7% stake through the CPSE ETF scheme. In the July 2019 FY20 Budget, the Centre proposed to raise the public holding level for listed companies from 25% to 35%, saying that higher float would curb market manipulation and promote equity culture. The Sebi is to make the necessary rules.