

Coal India to hire 4,500 fresh graduates from IITs and NITs in next three years

KOLKATA: Coal India BSE 1.48 % is on a recruitment binge. The state-run miner has decided to hire 4,500 fresh graduates from IITs and NITs to the management cadre in the next three years beginning next month. It will also recruit an additional 40,000 workmen at the same time.

"We will recruit management officials from campuses — mostly from IITs and NITs. Requirement for the year is about 1,000 and 3,500 over the next three years," said R Mohan Das, the director-personal at Coal India.

"Workmen would be technical people and would be diploma holders, mining sardars, overseers, electrical workers, fittings experts, dumper operators and other equipment operators. They are directly recruited by the subsidiary companies. It is estimated that the subsidiaries would require around 40,000 people in the next three years," he said.

It is estimated that around 45,000 workmen will retire during this period. Around 15,000 have been retiring every year for the past couple of years and the trend is expected to continue for three more years.

Those retiring are mostly legacy workmen whom the state-run company inherited when coal production was nationalised in 1975. The lowest age of workmen inducted into the company during that period was 18 years.

By 2017-18, all these employees will have attained at least 42 years of service and will retire. The total number of employees is around 3.2 lakh of which around 19,000 are officers.

Retirement of a large number of workmen will result in the share of salary and wages in cost of production to decline to 35-40% from 50% now.

Considering a reasonable rate of inflation, total cost of coal production, as a result, is also expected to fall by at least 10% and per-person productivity per shift is expected to fall by at least 10% and per-person productivity per shift is expected to rise to at least 9 tonne from 4.5 tonne now.

At present, the single largest component in the cost of production of coal at Coal India is wages and salaries. It was about 43-44% some time back, but has increased to 50% after the recent increase in wages.

CILBSE 1.48 % inherited seven lakh workforce during nationalisation. At the time of nationalisation, all and sundry were inducted into the company.

They were mostly coal filers and coal cutters with no formal education. In fact, anyone who had his or her name registered with the private miners before nationalisation became CIL employee even without any qualification or age certificate.

"Following retirement of a large chunk of workmen, CIL will strive for greater mechanisation and increased outsourcing of coal production. This is expected to increase productivity massively," a CIL director told ET.