

GOVERNMENT OF INDIA  
MINISTRY OF COAL

**LOK SABHA**  
**UNSTARRED QUESTION No. 384**  
**TO BE ANSWERED ON 27.11.2024**

**Employment Outsourcing in Mahanadi Coalfields Limited**

**384. SHRI PRADEEP PUROHIT:**

Will the Minister of COAL be pleased to state:

- (a) whether most excavation, safety, OB dumping and transportation work of Mahanadi Coalfields Limited (MCL) outsourced or assigned to private companies on temporary contracts. Is there a policy in place to ensure that local unemployed youth can secure jobs with these companies according to their qualifications and experience during these contract periods;
- (b) if so, whether there is any policy in place to ensure that local unemployed youth can secure jobs with these companies according to their qualifications and experiences during these contract periods and if so, the details thereof;
- (c) whether the Ministry is aware that when a contract ends, a new company often takes over and hires new workers for the same roles, leading to significant dissatisfaction among local unemployed youth;
- (d) if so, whether there is any existing policy or law to protect the interests of these local workers who are engaged in contracted or outsourced work and if so, the details thereof; and
- (e) whether the Ministry is considering introducing legislation to safeguard the interests of local workers involved in contracted or outsourced projects within MCL in case no such policy or law exists?

**ANSWER**

**MINISTER OF COAL AND MINES**  
**(SHRI G. KISHAN REDDY)**

(a): Yes sir, the mining activities such as coal production, Overburden (OB) removal and transportation of coal have been outsourced to private companies on temporary contracts. However, no safety work of Mahanadi Coalfields Limited (MCL) is outsourced or assigned to private companies on temporary contracts.

As MCL is operating in Odisha state, it is following the Guidelines issued by Government of Odisha for providing employment to local people in private companies as per their skill level, which is mentioned below:

I. Minimum 90% of total requirement from among local people in unskilled & semi-skilled category.

II. Minimum of 60% from among local people in skilled level.

III. Minimum of 30% from among local people in Supervisory Managerial level.

**(b):** Reply has already been furnished at (a) above.

**(c):** Whenever there is a change of contract, it is being ensured that, as far as possible, existing contract workmen who are working may be given preference in employment by the incoming contractor, subject to satisfactory performance of duties.

**(d):** For protecting the interests of the local people, the policy is already in existence as has been mentioned in reply to (a) above, and for protecting the interests of the local people in case of change in contractor the position is as stated in the reply to (c) above.

**(e):** In view of the mechanism mentioned above, there is no such proposal under consideration.

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