



## ALL INDIA ASSOCIATION OF COAL EXECUTIVES (AIACE)

(Regd. under The Trade Union Act 1926; Regd. No. 546 / 2016)

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Ref No. **AIACE/CENTRAL/2020 / 054**

**Dated 4.6.2020**

To

Sri Pralhad Joshi ji  
Honourable Minister of Coal & Parliamentary Affairs,  
Government of India  
New Delhi

Sub: Wider consultation on the separation of CMPDI from CIL and protection of interest of its employees and executives

Sir,

Coal executives and employees are apprehending that Govt. of India may separate CMPDI from Coal India Ltd. The move is probably intended to open the door for private coal companies to utilize its services.

Out of the 8 subsidiaries of CIL, 7 are coal producing companies while CMPDI is its Planning & Design arm acting like the brain of CIL. The restructuring of CIL was originally proposed by the T.L. Shankar Committee, which submitted its recommendations in 2007. We are not sure whether the proposal to split CIL into smaller entities will serve the purpose or not, but certainly it will create problems for survival of CMPDI.

The proposed move to separate CMPDI from CIL is aimed at clearing the deck for private consultancy companies that had been mushrooming in India after the coal sector was opened up in 1993. But even though about 42 billion tonne of coal reserves had been allotted to private players as captive mines, coal production from these private mines has barely reached 39.75 million tonne against the projected target of 100 million tonne.

The belief that private players will increase production by manifold has been proven wrong. The thinking that CMPDI will extend its services to private miners in an impartial mode by coming out of the clutches of CIL is not sustainable. Auctioning of coal blocks, based on bidding by private players, will always require need of engaging individual consultant by every private player. So, in this process CMPDI can never assist the private players. It can only assist the operating private miners of the coal blocks. In the present organizational set-up also, CMPDI is assisting in the similar way.

Although remaining an arm of CIL, it enjoys a privilege of being the sole advisor of government by channelizing its advice via Niti-Aayog. Its scope of work can be further enlarged by converting

it to an agency to act as the Coal Regulatory body for monitoring and controlling various activities of all coal miners.

In its unique role, CMPDI is patronized heavily by remaining under the umbrella of CIL and enjoying all the privileges of CIL by remaining its privileged subsidiary. Employees pay protection and social security accompanied by the stamp of being a PSU of repute, are the attractive features added to its existence in present form.

Having stated the above, while we cannot question the prerogative of government to go ahead with its thinking, we will certainly request for a wider discussion on this subject while arriving at a final decision.

We propose formation of High Power Committee of experts, drawn from various fields including representatives from employees and executives associations of CIL to examine this issue and suggest measures in the best of national interest as well as employee welfare. It is further added that employees' interest must not be overlooked while taking final decision on separation of CMPDI from CIL.

Thanking you,

Yours Sincerely



P.K.SINGH RATHOR  
Principal General Secretary

Cc:

Honourable Prime Minister, Govt of India, New Delhi.  
Honourable Finance Minister, Govt of India, New Delhi.  
Coal Secy., Govt. of India, New Delhi.  
Chairman, CIL, Kolkata.  
CMD/DF, BCCL, Dhanbad.