

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:3464
ANSWERED ON:19.03.2013
SUBSIDY TO COAL INDUSTRY
Chaudhary Shri Jayant

Will the Minister of COAL be pleased to state:

- (a): whether the Government provides subsidy to the coal industry;
- (b): if so, the details thereof and the reasons therefor along with the subsidy provided to coal industry during each of the last three years and the current year;
- (c): whether the Government proposes to review the system for providing subsidy to the coal industry;
- (d): if so, the details thereof and the reasons therefor; and
- (e): the total amount of subsidy that the Government proposes to grant to the coal industry during the 12th Five Year Plan?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

- (a): The Ministry of Coal releases fund to coal companies under two schemes as payment against collection of cess (excise duty) on coal and coke for conservation and development related work including infrastructure development. This cess is a specific purpose levy under the Coal Mines (Conservation and Development) Act, 1975. Releases under the schemes are classified as "subsidies" in the budget of the Ministry for technical reasons.
- (b) to (e): Does not arise in view of reply to (a) above.