

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:5990
ANSWERED ON:30.04.2015
COAL ALLOCATION
Choudhary Shri Ram Tahal

Will the Minister of COAL be pleased to state:

- (a) whether the Government has taken a note that the coal is being allocated in the name of small scale industries whereas the allottees are not functioning as small scale industries;
- (b) if so, the details of such cases involving the subsidiary of Coal India Limited and other public sector coal companies which came into notice of the Government during the last three years and the current year, company-wise; and
- (c) the action taken by the Government against such small industries?

Answer

MINISTER OF STATE (I/c) IN THE MINISTRY OF COAL, POWER AND NEW& RENEWABLE ENERGY (SHRI PIYUSH GOYAL)

(a) to (c): Under the New Coal Distribution Policy (NCDP)-2007, coal is supplied to the consumers by subsidiaries of Coal India Limited (CIL) under Fuel Supply Agreement (FSA). The units/consumers in small & medium sector whose requirement is less than 4200 tonnes per annum will take coal through State Nominated Agencies. The concerned State Governments and Central Government Department having administrative control over the agencies are responsible to ensure that the coal allotted for targeted consumer is distributed in a fair and transparent manner and appropriate action taken to prevent its misuse.

Coal is supplied by subsidiaries of CIL to the consumers under Fuel Supply Agreement. To ensure bonafide use of coal there is system of verifying the documents as per FSA by which consumer category is identified. FSA is terminated as per relevant clause in case of diversion or breach of end use of coal.