

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO. 1588
TO BE ANSWERED ON 27.11.2019**

Subsidy to Coal Industry

1588.SHRI FEROZE VARUN GANDHI:

Will the **MINISTER OF COAL** be pleased to state:

- (a) whether India has increased the subsidy it provides for coal industry in the past two years; and
- (b) if so, whether the Government has devised a plan of action on phasing out these subsidies gradually and decreasing India's dependence on coal fired electricity and the details thereof?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES (SHRI PRALHAD JOSHI)

(a) Ministry of Coal releases fund to coal companies under the scheme "Conservation and Safety and Infrastructure Development in Coal Mines" as payment against collection of cess (excise duty) on coal and coke for conservation and development related work including infrastructure development. This cess, a specific purpose levy under the Coal Mines (Conservation and Development) Act, 1975, has now been subsumed under Goods and Services Tax. Releases under the scheme are classified as "subsidies" in the budget of the Ministry for technical reasons. Fund release to coal industry under the central sector scheme of "Conservation and Safety and Infrastructure Development in Coal Mines" was Rs. 182.40 Crore in FY 2018-19 in comparison to Rs. 499.50 Crore in FY 2017-18. Further, there is a budget provision of 135 Crore in FY 2019-20 under this scheme.

(b): Not applicable in view of point (a).
