



Friday 05 October 2012
News updated at 10:02 AM IST

PIL seeking SIT probe in coal scam filed

New Delhi, Oct 4, 2012, DHNS:

Quash all allocations since 1993, petition urges Supreme Court

A fresh PIL was filed in the Supreme Court on Thursday by an NGO and a group of eminent citizens, including former Cabinet secretary T S R Subramanian and former CEC N Gopalaswamy, seeking court-monitored probe by special investigation team (SIT) into the coal block allocation scam.

The petition sought quashing of all allocation made by the Centre since 1993.

The PIL filed by advocate Prashant Bhushan on behalf of petitioners sought probe into the role of ministers, public servants, different departments of central government and state Governments concerned, in alleged corruption and bribery by beneficiary companies.

“Investigation by CBI at the instance of CVC is partial and does not cover the full magnitude of the coal scam...Considering the possibility of involvement of high public offices, including PMO, and the fact that CBI functions under the very same government it is supposed to investigate, a court-monitored investigation by an special investigation team is required to ensure proper investigation in the matter,” the petition contended.

Declaration of venture

The petition sought declaration of all the joint venture agreements between public sector undertakings holding coal blocks with private companies as void.

The petition urged the court to recover punitive damages from companies that made false claims or declarations in their applications for allocation of coal blocks.

NGO, Common Cause, and civil society members, including ex-Navy chief L Ramdas, contended that the allotment of coal blocks was non-transparent, unfair and in violation of rules and procedures.

Massive allocation

The petition highlighted, “how the central government went in for massive allocation of a scarce natural

resource as coal to a few select private companies at no cost in a completely arbitrary and non-transparent manner, causing a huge loss to the public exchequer running into lakhs of crores of rupees.

While the sword of the introduction of competitive bidding was kept hanging, captive coal blocks were allotted to companies/cronies at breakneck speed, many of whom were not even eligible or had no real need of coal, and most of whom had links with politicians or ministers.”

Acting on a PIL filed by advocate M L Sharma, the apex court had on September 14 already asked the Union government to explain how coal blocks came to be allocated to politicians or their relatives.

The court had directed the Coal Ministry to tell as to why it did not adopt its policy of competitive bidding contrary to its decision in 2004.

The court had told the government to reply within eight weeks as to what steps it proposed to take against those allottees who did not adhere to the terms of the allocation.