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Eminent citizens move SC for SIT probe into coal blocks allocation

Legal Correspondent A group of prominent citizens and Common Cause, a non-governmental organisation, moved the Supreme Court on Thursday seeking cancellation of the allocation of captive coal blocks from 1993 and a direction to order a probe by a special investigation team (SIT).

The petitioners are: Common Cause; T.S.R. Subramanian, former Cabinet Secretary; N. Gopalaswami, former Chief Election Commissioner; Ramaswamy R. Iyer, former Secretary, Government of India; Admiral (retd.) R.H. Tahiliani; Sushil Tripathi, former Secretary, Government of India; and Admiral (retd.) L. Ramdas, former Chief of Naval Staff.

The petitioners said: “The show-cause notices issued by the government (just as in the 2G case) to a few companies are a sham since they obfuscate the real issue that the allocation was per se illegal. The current CBI investigation only focuses on the misrepresentations made by a select few companies rather than the allocation process itself. This is not surprising since the CBI works as a department of the Central government, and here the Prime Minister Manmohan Singh was directly in charge of the Ministry of Coal for most of the time.”

Under these circumstances, the petitioners said they prayed for a thorough court-monitored investigation through a Special Investigation Team (SIT) to unearth the full magnitude of the coal scam, “which involves not only the Ministry of Coal but also the PMO (in charge of Ministry of Coal for the intermittent period from 2004 to 2009), the Ministry of Steel, the Ministry of Power and governments of various States where the coal blocks are located.”

“Bigger than 2G”

They said: “According to the conservative estimates made by the CAG, the allocation between 2004-10 caused a windfall gain of Rs. 1.86 lakh crore to private companies, making it a bigger scam than the 2G and there was also a related loss to the public exchequer. Various political and commercial vested interests joined forces to block competitive bidding (auction) of coal blocks. The blocks were allocated almost for free to the private players in the name of catering to the need of growing demand of coal in power, cement and steel industries.”

They said: “The allocation of scarce natural resources such as coal blocks for commercial exploitation for a song, below the market price, is breach of public trust and as per law propounded by this court in the 2G case, is illegal and liable to be cancelled.