

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2031
ANSWERED ON:04.03.2003
ASH CONTENT IN INDIAN COAL .
BHASKAR RAO PATIL;NARESH KUMAR PUGLIA

Will the Minister of COAL be pleased to state:

- (a) whether the Coal India Limited is planning to bring down the average annual ash content of Indian Coal as reported in the `Statesman` dated February 3, 2003;
- (b) if so, the facts of the matter reported therein and reaction of the Government thereto;
- (c) the extent to which the users would be benefited by this highly improved quality coal;
- (d) whether the availability of high improved quality coal would have any impact on import of coal; and
- (e) if so, the details thereof?

Answer

THE MINISTER OF COAL (SHRI KARIYA MUNDA)

(a) & (b): The statement of Chairman, CIL published in `The Statesman`, dated the 3rd February, 2003, in fact pertains to use of non-coking coal of less than 34% ash in certain Thermal Power Plant to adhere to the stipulation of Ministry of Environment & Forest (MoEF).

The Government of India (vide notification of MoEF) has made it mandatory to use coal of ash content not exceeding 34% in any thermal power plant (TPP) located beyond 1000kms. from pithead or located in urban area or sensitive area or critically polluted area. To satisfy this stipulation, coal supply matrix for TPPs coming under purview of MoEF` s notification has been drawn up and is under operation. However, this is an interim arrangement. In the long run coal has to be beneficiated to meet the MoEF stipulation. Presently, six washeries are in operation in CIL for beneficiation of non-coking coal, namely - Dugda I (1.0 Mty capacity - a part is in operation on trial basis), Lodna (0.48 Mty capacity), Kargali (2.72 Mty capacity), Gidi (2.5 Mty capacity), Piparwar (6.5 Mty capacity) and Bina (4.5 Mty capacity). Coal India is not contemplating setting up of more non-coking coal washeries on its own because of fund constraints. Coal washeries are to be set up either through Built-Own-Operate (BOO) basis or by the consumers after entering into an agreement.

CIL has taken action to set up the following coal washeries under BOO scheme for supply of washed coal to thermal power stations:-

- (i) Kalinga, MCL (8.0 Mty capacity)
- (ii) Ananta Bharatpur, MCL (5.2 Mty capacity)
- (iii) Dipka, SECL (6.0 Mty capacity)

Formal agreement to set up the above washeries are yet to be signed and negotiations with the consumers are in progress.

In addition, the following measures are adopted by CIL at the pit level to reduce ash content of indigenous coal:

- Adherence to envisaged mining sequence during extraction of coal seams.
- Application of selective mining techniques including deployment of Surface Miners for removal of dirt bands .
- Picking of extraneous materials in Coal Handling Plants .
- Keeping O.B. benches sufficiently advanced from the coal benches etc.

(c): The following benefits will accrue to the power plants for using low ash coal of consistent quality :-

- (i) Saving in the transportation cost of coal.
- (ii) Reduction in primary crushing cost .

- (iii) Improvement in plant load factor.
- (iv) Improvement in thermal efficiency.
- (v) Reduction in operation & maintenance cost.
- (vi) Decrease in auxiliary fuel consumption.
- (vii) Reduced land and water requirement for ash disposal .
- (viii) Reduction in capital investment(for new plants).
- (ix) Reduction in emission of green house gases.

(d) & (e): Coal imports are under Open General Licence (OGL) Import of coal and coke is being resorted to by the consumers due to non-availability/inadequate availability of required quality and quantity indigenously, for blending with indigenous coal, cost considerations including commercial terms etc. With setting up of beneficiation plants, availability of good quality coal indigenously will improve and this is likely to reduce the import of non-coking coal. With the existing import duty, the import of non-coking coal is projected to decline to 3.30 million tones at the end of X plan(2006-07) from the current level (2001-02) of 9.57 million tones