

**GOVERNMENT OF INDIA  
COAL  
LOK SABHA**

UNSTARRED QUESTION NO:2345  
ANSWERED ON:15.12.2004  
SETTING UP OF COAL WASHERIES  
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**Will the Minister of COAL be pleased to state:**

- (a) whether the Government has decided to encourage setting up of coal washeries on Build-operate Lease Transfer (BOLT) basis;
- (b) if so, the details thereof;
- (c) whether the coal which is presently supplied to various consumers by CIL and its subsidiaries contain high percentage of ash; and
- (d) if so, to what extent the setting up of coal washeries would help consumers in getting coal with less percentage of ash contents?

**Answer**

MINISTER OF STATE FOR COAL (DR. DASARI NARAYANA RAO)

(a) & (b): The Government is encouraging washing of coal in the private sector washeries. These washeries are to be set up on Build-own-Operate (BOO) basis. The details of action taken by Coal India Limited to set up coal washeries on BOO basis are as under:

(i) Coal India Limited, through global bidding, has selected private entrepreneurs to set up non-coking coal washeries at various locations for supply of washed coal mainly to thermal power stations. Negotiations are presently in progress to finalise the agreement with private operator to set up a washery of 6 million tonnes per annum throughput capacity at Dipka, South Eastern Coalfields Limited for supply of washed coal to MSEB.

(ii). Coal India Ltd. had offered its consumers as well as private entrepreneurs to set up non-coking coal washeries for supply of washed non-coking coal mainly to thermal power stations. CIL has offered land and other infrastructure facilities to its consumers, as available, on lease/chargeable basis to set up washeries either by themselves or through private entrepreneurs under BOO scheme. Two washeries under such scheme have been set up in Korba coalfields on CIL's land and are in operation for supply of washed coal to the linked consumers. CIL has also allotted land to state power utility for setting up a washery under BOO scheme.

(iii) CIL has also initiated action as facilitator to set up non-coking coal washeries under BOO scheme and is overwhelmed with a large number of interest shown by the investors. However, this effort has not so far fructified since no tie up has taken place between the consumer and the investor/washery operator.

(c): All the coal supplied to the various consumers by the subsidiary companies of CIL do not contain high ash percentage. The ash percentage of non-coking coal supplied by the subsidiary companies of CIL to its consumers varies between 18% to 40% approximately (Gr. A to Gr. F).

(d): The coal washeries would help the consumers i.e. thermal power stations, cement plants, sponge iron plants etc. to get washed coal of required quality to the extent possible subject to techno economical viability of washing the coal. However, some thermal power stations are supplied washed coal with ash content ranging between 33 to 34%.