

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:159

ANSWERED ON:17.07.2014

SUPPLY OF INFERIOR QUALITY OF COAL

Gaddigoudar Shri Parvatagouda Chandanagouda;Singh Shri Rakesh

Will the Minister of COAL be pleased to state:

(a) whether the Coal India Limited supply standard quality of coal to all the thermal power plants in the country and if so, the details thereof;

(b) whether instances of supply of inferior quality of coal have been reported in power plants especially those situated in Madhya Pradesh and Karnataka; and

(c) if so: the details of such cases reported and the corrective measures taken by the Government to ensure supply of quality coal to thermal power plants?

Answer

MINISTER OF STATE (i/c) IN THE MINISTRY OF COAL, POWER AND NEW & RENEWABLE ENERGY (SHRIPIYUSHGOYAL)

(a)to(c) ; A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of Lok Sabha Starred Question No.159 for answer on 17.07.2014 asked by Shri Rakesh Singh and Shri P.C. Gaddigoudar

(a): The subsidiary coal companies of Coal India Limited (CIL) are supplying coal to all Thermal Power Plants (TPPs) in accordance with the provisions of Fuel Supply Agreement (FSA). In terms of FSA, third party sampling and analysis facilities at loading ends are provided to the power utilities for assessment of quality of coal at loading end jointly and thereby loading of proper quality coal to power companies is ensured. As per the provisions of FSA, the consumers are to make payment of coal bills in accordance with the quality of coal so determined at loading end for sampling and analysis by the third party in presence of the representative of the consumer. Besides, in accordance with the provisions of FSA, power plants are compensated for the Stone/Boulders of (+) 250 mm size segregated at the unloading end, after joint assessment.

(b): CIL and its subsidiary coal companies have received some complaints from power companies/TPPs and other consuming units in the country including the power plants in Madhya Pradesh and Karnataka regarding oversized coal and coal mixed with some stones/boulders, which altogether cannot be ruled out due to unique geo-mining conditions and/or factors present in Indian coal seams.

(c): The subsidiary coal companies of CIL put their best efforts to segregate and remove the foreign bodies present in the coal seams. In view of the complex nature of coal seams, some extraneous material can get mixed with the raw coal being supplied, for which provision for stone compensation is kept in the FSA.

Since coal is heterogeneous in nature, the inherent ash content in coal seams cannot be ruled out totally. However, to reduce ash content and remove impurities present in the coal, thereby improving the quality of coal, CIL and its subsidiaries are adopting new technologies such as Selective Mining, Surface Miners etc. For improving quality of coal, the corrective measures taken by CIL and its subsidiary coal companies are as follows:-

(i) Selective mining of bands of thickness more than 1 meter.

(ii) Appropriate positioning of overburden and coal benches to avoid contamination.

(iii) Scrapping/cleaning of coal benches before blasting.

(iv) Installation of metal detectors / magnetic separators over running conveyors before coal loading.

(v) Crushing arrangement is also provided for supply of sized coal for better consumers satisfaction.

(vi) All the major projects having high capacity coal handling plants dispatch sized and uniform quality of coal to suit the requirement of the consumers.

(vii) Bomb Calorimeters provided at all the area laboratories/ at all the major projects for regular quality assessment.

(viii) Participation of consumer representatives in joint sampling and / or third party sampling and analysis of coal, based on which consumers are provided with the facility of adjustment of payment against coal value.

(ix) Awareness programmes and imparting training to the personnel involved in production of coal regarding importance of coal quality and need to improve and maintain the same during mining operations.

(x) Shale picking, if any, at mine face, stocks, sidings and from the wagons.

(xi) Beneficiation of non-coking coal in washeries have been planned for `Build Operate & Maintain` (BOM) basis in addition to the existing capacity of non-coking coal.

Further a revised mechanism for third party sampling is being put in place by CIL to make it more transparen