

# Towards greater commitment

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■ Which are the areas that are being focused at vis-à-vis production and distribution of coal?

As far as distribution policies are concerned, Fuel

Supply Agreements (FSA) have come to replace the earlier system of linkages. This new distribution policy means that there will now be a greater degree of commitment on the part of both the supplier to supply and the consumer to receive a definite quantity of coal.

■ Highlight the logistics involved in the movement of coal

Coal has to be transported by either rail or sea or by a combination of both, as this is a more energy-efficient means of transportation. Indian coal has high ash content in the range of 40-50%. This means that almost half of the material being transported as 'coal' is useless ash matter. A Supreme Court ruling now says that coal which is to be transported over long distances, must have ash content of 34% or less.

■ Your comments on power generation

There will eventually come a time when all coal being produced in India will be benefited, particularly through washing. In this context, KCT is identifying foreign companies who can provide the best technology to set up and operate coal washeries. We hope to form strategic partnerships with well-known foreign parties within the next month or so, so that we can move ahead on this front. Our immediate goal is to set up and operate coal washery plants, but our long term goal is to explore all other aspects of clean coal technology.

Despite the advent of newer technologies like nuclear power, a decrease in cost of solar power etc., thermal (and particularly coal-based thermal) is going to continue to be the primary source of power generation for at least the next two decades. Given the pace at which energy demands are rising, according to estimates, domestic thermal coal production is required to double in the next seven years or so.

However, as the world goes 'green' and moves towards policies of greater environmental friendliness, we can expect to see clean coal technologies dictate the path of moving forward. Clean coal technologies come in different forms and are applied at different stages in the life-cycle of coal. Beneficiation can be done through washing at the production end, which removes unwanted matter and makes the coal burn more efficiently. It can also be done through improved combustion methods.

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