

**GOVERNMENT OF INDIA
MINISTRY OF COAL
LOK SABHA
UNSTARRED QUESTION NO.1540
TO BE ANSWERED ON 27.12.2017**

Transportation of Coal

1540. SHRI MALYADRI SRIRAM:

Will the Minister of COAL be pleased to state:

- (a) whether PSU coal companies use the railways for transporting their coal;
- (b) if so, whether coal companies are now planning to switch over to road transport for operational ease;
- (c) whether costs would go up due to this switch over in mode of transport;
- (d) if so, the steps taken by the Government to ensure that costs of production of coal in public sector units do not go up; and
- (e) the other steps proposed by PSU coal companies to increase efficiencies across the board?

ANSWER

**MINISTER OF COAL IN THE MINISTRY OF COAL AND RAILWAYS
(SHRI PIYUSH GOYAL)**

(a) : Coal is sold on “FOR” (Free on rail/road) at railway sidings & road-sale points basis. Buyers use railways for transporting coal to the destinations.

(b) : There has been no switching over to other transport from railway system. However, in recent time to meet the spurt in coal demand, consumers located in the vicinity of mines (50-60 Kilometers) were requested to optimize their captive logistics capacity, including road transport, for supplementing coal movement.

(c): Since sale of coal is made on “FOR” basis at railway sidings & road-sale points and buyers arrange transportation, Coal companies have no information in this regard.

(d): Although the cost per tonne of coal will increase in FY 2017-18 over 2016-17 due to signing of 10th wage agreement of non-executive employees and proposed increase in executive salary as per 3rd RPC. Moreover, the following measures have been taken by CIL to bring down the operating cost :

- (i) E-reverse auction for finalization of contracts for explosives implemented.
- (ii) Adoption of mechanization in both underground and opencast mines.
- (iii) Converting unsafe, unviable underground mines into opencast mines.
- (iv) GPS/GPRS based vehicle tracking system, electronic surveillance by CCTV, RFID based boom barrier and reader & electronic weighbridges have been deployed at various subsidiaries for effecting monitoring.

(v) Higher size HEMM has been planned to be deployed in major opencast projects for maximum extraction of coal economically.

(e) : Coal companies have taken the following measures to improve the work efficiency of coal mines:

- 1) Benchmarking of mining operations/equipment
- 2) Optimizing size and capacity of the mine
- 3) Use of Man riding system in underground mines
- 4) Use of mechanised drilling and roof bolting machine
- 5) Replacement of tub transport system by belt conveyors in underground mines
- 6) Cutting down the idle time and breakdown time of machinery by better maintenance and timely procurement of spares
- 7) Correcting mismatch in excavation and transport equipment capacity, by action at corrective level
- 8) Simulator training of workers for new technology & machinery
- 9) Proper monitoring at every level
- 10) Inclusion of Surface Miner in coal production from Opencast Projects
- 11) Implementation of SILO loading in high capacity mines for efficient dispatch.

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