

**GOVERNMENT OF INDIA  
MINISTRY OF COAL  
LOK SABHA  
UNSTARRED QUESTION NO.2902  
TO BE ANSWERED ON 11.03.2020**

**Coal Supply to Power Plants**

**2902. MS. S. JOTHIMANI:**

**Will the Minister of COAL be pleased to state:**

- (a) whether the Government has taken up serious measures to improve coal supplies to power plants after the hike in electricity prices at energy exchanges;
- (b) if so, the details thereof;
- (c) whether the Government has decided to use dedicated rail transportation for coal movements;
- (d) if so, the details thereof;
- (e) the details of measures being taken by the Government to improve the low fare-to-freight ratio with respect to the transportation of coal; and
- (f) the list of coal transportation projects implemented in Karur, Tamil Nadu?

**ANSWER**

**MINISTER OF COAL, MINES AND PARLIAMENTARY AFFAIRS**

**(SHRI PRALHAD JOSHI)**

**(a) & (b):** A number of steps have been taken by the Government to augment and monitor coal dispatches to the power houses. Some of the steps taken are as under:

- i. The power plants in close vicinity of coal fields have been advised to move coal through road mode.
- ii. The power plants have been advised to move coal through road-cum-rail mode by utilizing of Goods shed sidings of Railways.
- iii. Optimal utilization of the captive modes of transport like, MGR, Belts, Ropes to move coal to the concerned power plants.
- iv. Priority is given to supply of coal to Power plants through rail mode.
- v. Coal supplies to Power sector are monitored regularly by an Inter-Ministerial Sub Group, comprising representatives from the Ministries of Power, Coal, Railways and Shipping, the Central Electricity Authority (CEA), Coal India Limited (CIL) etc. This Sub Group has been meeting periodically in order to take various operational decisions for meeting any contingent situations relating to Power Sector including critical coal stock position for power plants.

- vi. A committee comprising of the Secretary (Coal), the Secretary (Power) and Member (Traffic), Railway Board, reviews the coal transportation and supply to power plants.

The coal stock at Thermal Power Plants has increased to 38.19 MT as on 05.03.2020 from 30.94 Million Tonnes (MT) on 31.03.2019.

**(c) & (d):** Adequate rail infrastructure is being created to facilitate rail transportation of coal. For example, movement of coal from eastern parts of the country to northern parts of the country would get greatly facilitated with completion of Eastern Dedicated Freight Corridor. Further, most of the coal carrying routes are under substantial augmentation alongwith induction of wagons required for transportation of coal.

**(e):** For improving coal loading as well as to improve low fare-to-freight ratio following measures have been taken:

1. Policy Guidelines on Merry go Round (MGR) System: With a view to facilitating transportation of coal from mines to power houses near pit heads, the Merry-go-round policy has been rationalized and issued on 23.03.2016, as a marketing strategy. The freight rates for MGR have been kept very competitive which is about 82% lower than the normal freight rate. Impact of this policy is very encouraging.
2. With effect from 15.01.2018, the Busy Season Charge and Development charge is not levied in Coal & Coke traffic. Further, the freight of all commodities including Coal & Coke has been rationalized w.e.f. 01.11.2018.

**(f):** There is no ongoing Newline/doubling project falling partly/fully in Karur of Tamil Nadu.

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