

GOVERNMENT OF INDIA
MINISTRY OF COAL

LOK SABHA
UNSTARRED QUESTION NO. 4472
TO BE ANSWERED ON 20.08.2025

FIRST MILE CONNECTIVITY PROJECTS IN COAL TRANSPORTATION

4472 SHRI MANOJ TIWARI:
SHRI KHAGEN MURMU:
SMT. KAMLESH JANGDE:

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

- (a) the details of key advantages of First Mile Connectivity (FMC) projects in coal transportation;
- (b) the total number of FMC projects currently operational/under implementation;
- (c) the projected percentage of coal to be dispatched through the FMC route by the Financial Year 2029–30;
- (d) the total capital expenditure (CAPEX) envisaged for the completion of all FMC projects; and
- (e) the manner in which the FMC projects are likely to improve in the quality of coal delivered to the end users?

ANSWER

MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a) First Mile Connectivity (FMC) projects modernize coal evacuation by replacing traditional road transport from mines with mechanized systems such as conveyor belts, rapid loading systems, and integrated coal handling plants. Key advantages of FMC projects are:

- These projects significantly reduce air pollution and greenhouse gas emissions by eliminating diesel-based truck movement, while enclosed and dust-controlled systems improve environmental performance.
- They enable faster, high-capacity, and fully mechanized coal handling and loading, reducing bottlenecks and improving turnaround times.
- FMC systems preserve coal quality by minimizing manual handling and by limiting losses during transit.
- Operational and transportation costs are lowered through direct, energy efficient conveyance to rail sidings or loading points.
- Reduced road traffic enhances occupational safety, lowers accident risks and improves working conditions in mining areas.

(b) The Ministry of Coal has planned to set up 102 first-mile connectivity projects having 1092 MT capacity by FY2030 in a continuous manner. Presently, 44 FMC projects having capacity of 429.5 MTY are operational. The timelines of FMC Projects are as follows:

Financial Year	No. of Projects	Capacity (MTY)
FY 2025-26 (Remaining Period)	11	88
FY 2026-27	12	102
FY 2027-28	15	201
FY 2028-29	18	229
FY 2029-30	02	42
TOTAL	58	662

(c) By FY 2029–30, upon completion of the above-mentioned FMC projects, the projected coal dispatch through FMC is 1,092 MTPA — comprising 994 MTPA from CIL, 63.5 MTPA from NLCIL, and 34.5 MTPA from SCCL.

Based on the available projected production figures:

Company	Projected Dispatch via FMC (MTPA)	Projected Total Production (MTPA)	% Dispatch via FMC
CIL	994	1,042.8	95.3%
NLCIL	63.5	75.5	84.1%
SCCL	34.5	90	38.3%
Total	1,092	1,208.3	90.5%

By FY 2029–30, about 90% of the total projected coal output from these three PSUs is expected to be transported through FMC.

(d) The total capital expenditure envisaged for the FMC projects is about ₹31,367.66 crore. This investment covers mechanized coal handling plants, rapid loading systems, closed conveyor networks, integrated silos, railway sidings, and associated infrastructure to enable seamless mechanized coal evacuation.

(e) First Mile Connectivity (FMC) projects improve coal quality through closed conveyor systems and silos, reducing contamination from dust, stones, and moisture. Mechanized loading ensures uniform sizing, controlled dispatch, and minimal manual handling, preventing degradation and grade mixing. As a result, end users, especially power plants and industries—receive cleaner, more consistent coal, enhancing combustion efficiency and reducing emissions. FMC projects mark a key shift toward reliable and sustainable coal logistics.
