

First Mile Connectivity Projects in Coal Transportation

Posted On: 18 AUG 2025 2:40PM by PIB Delhi

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 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 with minimizing manual handling and limit 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.

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 is 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

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 using FMC.

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.

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.

This information was given by Union Minister of Coal and Mines Shri G. Kishan Reddy in a written reply in Rajya Sabha today.

Shuhaib T

(Release ID: 2157435)