

Coal India to fully switch over to own e-auction platform from Jan 1

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Coal India Ltd plans to completely shift its e-auction mode of sales to an online portal developed in-house from Jan 1, a move expected to improve internal synergies and increase efficiency, officials associated with the plan told Informist.

The new online auction portal, developed by the company's subsidiary Central Mine Planning & Design Institute Ltd and National Informatics Centre, will handle the entire coal auction mechanism. While test runs were first completed in June this year, the platform underwent some technical modifications and tailoring for the buyers, which was completed four months ago.

"From June to November, we have already handled 29 auctions involving 419 loading points and auctioned 11.9 mln tn of coal sold by Coal India subsidiaries," a senior official at Central Mine Planning & Design Institute said.



In the first half of the current financial year ending March, Coal India auctioned a total of 32 mln tn of coal, and aims to put another 60 mln tn under the hammer in Oct-Mar. The world's largest coal miner has already asked all its subsidiaries to route 60% of the coal meant for e-auctions through the in-house auction portal, and completely switch to this portal from Jan 1, officials

said.

"This will help improve synergies as the entire coal handling mechanism in the auctions will be done by all Coal India subsidiaries and thus improve coordination," a second official at Central Mine Planning & Design Institute said.

Earlier, all e-auction sales were handled by state-owned MSTC Ltd, and Mjunction Services Ltd - a joint venture of Steel Authority of India Ltd and Tata Steel Ltd. The former would auction 60% of the total volume, and Mjunction handled the rest.

From the start of the new year, both these companies will effectively cease to auction any more coal from Coal India.

"Our charges mechanism and pricing is also different from what was the norm for MSTC and Mjunction; we will be charging on a pro-rata basis instead of charging in a single instance," said the first official from Central Mine Planning & Design Institute, which is headed towards listing on bourses.