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CIL to file IPO papers for two arms in Nov

OUR SPECIAL
CORRESPONDENT

Calcutta: Coal India is likely to float the final prospectus for the listing of each of its two wholly owned subsidiaries — Bharat Coking Coal (BCCL) and Central Mine Planning and Design Institute (CMPDIL) — by November.

“We have filed DRHP (draft red herring prospectus) for the two subsidiaries. In the next two months, we will be conducting roadshows. We expect an RHP filing by November, subject to government approvals. During the road shows, we will see the market appetite,” Coal India (CIL) chairman and managing director P.M. Prasad told shareholders at the company’s annual general meeting on Thursday.

Both the public issues will be an offer for sale by Coal India. In the case of BCCL, a total of 46.5 crore equity shares are on offer, while in the case of CMPDIL, 7.1 crore shares are on offer.

The chairman also said that around seven abandoned mines are expected to start production in FY26 and contribute around 9.5 million tonnes per annum (mtpa). The decision to reopen abandoned mines is to tap into the latent



P. M. Prasad

coal reserves in some of the closed and discontinued underground mines.

“Coal India has identified 32 such mines for re-operation-alisation through the MDO (mine developer and operator) route on a revenue-sharing basis. Of the tenders issued for 29 mines, a letter of intent was issued for 28 mines of 39.28 million tonnes per annum peak-rated capacity. Seven mines of 9.51 mtpa are expected to start production in FY26.

“The advantages of this initiative include conservation of resources, effective substitution of imported coal for non-regulated sectors with good quality coal locked up in these mines and provision of livelihood to the local communities where these mines are revived,” Prasad said.

Production ramp-up

In the first four months of the

current fiscal, Coal India has clocked a production of 229.8 mt, down 5.7 per cent from 244.3 mt a year ago.

Prasad, however, said that Coal India plans to ramp up production after the rains recede and try to reach close to its target production of 875 million tonnes for the fiscal year.

“Once within the next one and a half to two months, the rainy season is over, then we will be picking up the production. We are in constant touch with the power ministry and railways for providing more rakes in MCL and SECL,” Prasad said.

“For FY26, Coal India has been given a production target of 875 mt, and we are aiming to achieve the desired growth. Coal off-take target has been specified at 900 mt,” Prasad said.

Asset monetisation

Coal India has recorded earnings of ₹8,462 crore through various monetisation measures in FY25. Prasad said that this was through three asset types — award of three MDO projects accounted for a monetisation of ₹7,128 crore, while seven abandoned/discontinued mines were monetised at a value of ₹830 crore. One washery on build-own-operate amounted to ₹504 crore.

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Coal India arms likely to file IPO papers in Nov

Bharat Coking Coal Ltd. and Central Mine Planning and Design Institute Ltd., subsidiaries of Coal India Ltd., plan to file their respective red herring prospectuses with the Securities and Exchange Board of India in November for listing on the bourses, subject to government approvals, Coal India Chairman and Managing Director P.M. Prasad said Thursday.

Coal India wholly owns Bharat Coking Coal and Central Mine Planning and Design Institute. In May, both companies had filed their draft red herring prospectuses with SEBI. While Bharat Coking Coal is set to offer 465.7 million shares of face value INR 10 in an offer for sale, Central Mine aims to offer 71.4 million shares of face value INR 2. "The proposed listing is 10-25% of the total value of the subsidiaries." —*Informist*

