Mahanadi Coalfields IPO: RHP filed, pure OFS of 66.18 crore shares opens 19 November

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16 November 2026: Coal India Limited (CIL) informed stock exchanges on **Saturday, 14 November** that the **Red Herring Prospectus (RHP) dated 13 November 2026** of its wholly owned subsidiary **Mahanadi Coalfields Limited (MCL)** has been filed with the RoC, SEBI, BSE and NSE. The IPO is a pure **offer for sale (OFS)** of **66,18,36,300 equity shares** (face value Rs 2 each), about **10% of CIL's holding**. The issue opens on **19 November** and closes on **23 November**; anchor bidding is on 18 November, with allotment around 25 November and listing expected on 27 November.

Key facts (per CIL's exchange filing and RHP details)

- **Structure:** 100% OFS - no fresh issue; MCL receives nothing, and all proceeds (net of expenses and taxes) go to the selling promoter, CIL.
- **Size:** 66.18 crore shares; market estimates put the issue near Rs 9,500 crore (price band yet to be announced).
- **Company:** MCL is among India's largest coal producers - its main areas are the Talcher and IB Valley coalfields in Odisha.
- **Timeline:** opens 19 November, closes 23 November 2026; anchor book 18 November; allotment 25 November; listing 27 November (tentative).

- **Process:** draft papers (DRHP) were filed in September 2026; the RHP brings the launch closer.

Context

- **Disinvestment policy:** subsidiary listing as a route in the government's CPSE disinvestment pipeline - pure value unlocking.
- **Coal sector:** direct investor exposure to the sector amid coal's continuing role in energy security.
- **Exam lens:** OFS vs fresh issue, RHP/DRHP, SEBI's role, anchor investors - core capital-market concepts.

Quiz: Test your knowledge

▶ Q1: Consider about the MCL IPO: 1. It is entirely an offer for sale 2. It includes a fresh issue component 3. All sale proceeds go to Coal India. Which are correct?
▶ Q2: In an IPO process, what is a Red Herring Prospectus (RHP)?

Frequently Asked Questions (FAQ)

In short: MCL's RHP was filed on 13 November (CIL informed exchanges on 14 November); the IPO runs 19-23 November - a pure OFS of 66.18 crore shares, about 10% of CIL's stake, with proceeds going to CIL.

Question: When does the MCL IPO open?

The issue opens on 19 November 2026 and closes on 23 November; anchor bidding is on 18 November, with allotment around 25 November and listing expected on 27 November.

Question: How much money will MCL get from the IPO?

Nothing - it is a 100% offer for sale, so all proceeds net of expenses and taxes go to the selling promoter, Coal India Limited.

Question: What is the difference between an OFS and a fresh issue?

In an OFS, existing shareholders sell their shares and receive the proceeds; in a fresh issue, the company issues new shares and receives the money.

Sources:

- https://www.ndtvprofit.com/markets/mahanadi-coalfields-ipo-coal-india-arm-files-rhp-for-public-issue-12325042 (quotes Coal India's 14 November exchange filing)
- https://www.livemint.com/market/ipo/mahanadi-coalfields-ipo-coal-india-subsidiary-files-rhp-latest-gmp-at-rs-12-5-check-key-dates-size-valuation-more-11794640652111.html (dates and share details; the Rs 9,500 crore figure is a market estimate)