

Odisha Mines Auction Unlikely in Nov'15

Bhubaneswar: Odisha, which has earlier decided to auction mineral blocks in Nov'15, may miss the deadline and the process may get delayed for one month or even more. The delay is being attributed to several reasons including delay in commissioning the DGPS (differential global positioning system) survey.

Earlier, the state has identified 12 blocks for auction, but according to some sources the list may come down to 10 which includes 4 iron ore, 4 lime stone and one Manganese and one Bauxite block.

“It is unlikely that the auction will start in November as the survey work is yet to be completed. The survey is being done by central agencies like Mineral Exploration Corporation (MECL), the Geological survey of India (GSI) in coordination with the IBM. But we are unsure whether they'll complete the survey by end of this month. So the whole process may be delayed for a month or more” said a senior official in the directorate of mines, Odisha.

To start the auction process the government of Odisha has already formed a committee headed by the development commissioner U.N.Behera. The state government has asked MECL, GSI to complete the survey by the end of this month.

The auction platform is set to be provided by central PSU MSTC Ltd. On the other hand, SBI Capital Markets Ltd (SBI Caps), a fully owned subsidiary of State Bank of India is the transaction adviser for conducting mineral auctions. The transaction adviser would assist the state government in fixing floor price for auctions.

But without the certification from the exploration agencies on the total deposit of minerals in the blocks how could floor prices be fixed ?