



खनिज समाचार

**KHANIJ SAMACHAR**

**Vol. 3, No-3**

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# खनिज समाचार

## KHANIJ SAMACHAR



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GLOBAL	Change in %				52-Week	
	Price	Weekly	Monthly	Yearly	High	Low
Metals (\$/tonne)						
Aluminium	1858	-0.1	0.6	-14.6	2603	1775
Copper	6191	1.2	5.2	-9.0	7324	5810
Iron Ore	81	11.5	14.9	12.3	81	58
Lead	2063	-2.5	5.5	-18.6	2645	1867
Zinc	2702	-3.1	6.8	-22.0	3619	2285
Tin	21097	0.5	5.8	-1.5	22049	18400
Nickel	12492	-0.8	12.4	-4.7	15749	10437

## 'Aluminium sector must slash costs, raise output'

BHUBANESWAR, Jan 31 (PTI)

THE Indian aluminium industry must slash production costs and raise output to tackle the global downturn, Union Mines Secretary Anil Mukim said on Thursday. "While the demand is on the rise, the continuous downturn in international aluminium market and increasing cost of production are matters of concern," Mukim said at opening of the International Conference on Aluminium (INCAL) 2019 here.

Stressing that the focus should be on reduction of cost, Mukim said since power constitutes 40 per cent of the production cost, cutting down on energy consumption is the key to make the aluminium sector competitive.

State-of-the-art technology in smelting and improved operational practices in pot management are some of the other areas that need the attention of aluminium producers, he said.

### Mines Secy for increase in sustainable domestic consumption of aluminium

NEW DELHI, Jan 31 (PTI)

MINES Secretary Anil G Mukim on Thursday called for augmenting domestic consumption of aluminium in a sustainable manner and promote the alloy as a metal of choice for the future, according to a statement. While inaugurating the International Conference on Aluminium Mines Secretary Anil G Mukim praised the Indian aluminium industry for showcasing country's strength in front of a global audience. "Anil Mukim urged the stakeholders to work towards increasing the domestic consumption of aluminium in a sustainable manner," Aluminium Association of India (AAI) said in a statement.

AAI Chairman Tapan Kumar Chand further said, "At the national level, we are committed to take steps to increase domestic consumption as there is tremendous scope and at the state level, project mineral-rich Odisha as the Aluminium Capital of India".

Ajay Dixit, CEO, Aluminium and Power, Vedanta Limited, said that India could evolve as the nation of choice for the global aluminium industry.

Noting that India produces around 3.4 million tonne of aluminium and consumes about 3.6

million tonne, he said the demand in the country is likely to get doubled in five years.

Referring to refining of bauxite to produce alumina, the mines secretary said, "We need to increase the capacity of production of alumina in the country to meet the growing demand."

Stating that one tonne of production of alumina leads to output of 1.5 tonne of red mud, he said there is need to convert this waste into wealth. Red mud contains 25 per cent to 30 per cent of iron.

"Therefore, the aluminium industry needs to work on research and development to develop appropriate technology for extracting iron from the red mud and on a commercial scale," he said. In order to boost bauxite reserve, steps should be taken for using low-grade bauxite as well as developing technology to extract alumina from Partially Laterite Khondalite (PLK), which are now being taken out as overburdens and used for mine filing, Mukim said.



# Domestic gold demand dips 1.40% to 760.4 tonnes in '18

MUMBAI, Jan 31 (PTI)

HIGHER prices and some Government measures among other negatives pulled down domestic gold demand by a marginal 1.40 per cent to 760.4 tonnes in 2018, while global consumption inched up 4 per cent, according to the annual report from the World Gold Council. The Council attributed the marginal decline in domestic demand to fewer auspicious wedding days, higher price volatility and various transparency measures implemented by Government.

In 2017, the country consumed 771.2 tonne gold, which declined to 760.4 tonne in 2018, the WGC said in its annual report Thursday.

On the other hand, the council said global demand rose 4 per cent to 4,345.1 tonne in 2018 mainly driven by the central banks in the second half of the year. In 2017, global consumption had stood at 4,159.9 tonne.

Various central banks bought 74 per cent more gold, adding 651.5 tonne more to their official gold reserves in 2018, compared



to 374.8 tonne in 2017, the report said. Given the forthcoming elections and a likely increase in spending, the council expects the demand to be in the range of 750-850 tonne in the country in 2019, WGC India Managing Director Somasundaram PR told PTI.

Domestic jewellery demand was down by 1 per cent to 598 tonne from 601.9 tonne in 2017. In value terms, jewellery demand rose 5 per cent to Rs 16.66 lakh crore from Rs 15.84 lakh crore in 2017, he said.

Total investment demand was down by 4 per cent at 162.4 tonne

compared to 169.3 tonne in 2017. In value terms, this rose 2 per cent to Rs 45,250 crore from Rs 44,560 crore, he added.

"With increase in income one would expect the demand to grow. However, the various transparency measures, including GST, impacted the demand. However, these measures are helping industry to gradually convert to organised sector," Somasundaram said.

The increase in organised sector gems and jewellery sales has resulted in a decline of the grey market to 90-95 tonne in 2018 from 115 tonne in 2017, he added.



## Vedanta dips after Anglo American stake buy

Shares of the Anil Agarwal-led miner Vedanta closed at their lowest in nearly two and a half years on Friday, hit by concerns over an investment in African miner Anglo American. Vedanta said on Thursday its foreign subsidiary Cairn India Holdings had paid \$200 million to buy a stake in Anglo American from its parent Vulcan Investments as part of its "cash management activities".



Shares of Vedanta closed 17.8% lower at Rs 162, its lowest since September 2016. About 98.6 million shares — nearly 10 times the 30-day average — changed hands, making it the most heavily traded stock on the NSE. Analysts said they were sceptical of the merits of the investment and questioned the potential returns, which depend on Anglo American's stock price.

"While there is some downside protection for Vedanta in specific scenarios (not clarified by the management), returns are not guaranteed," Morgan Stanley said. In September last year, Agarwal's decision to take the London-listed miner private was seen by some as a prelude to a potentially broader deal with bigger miner Anglo American. REUTERS

BUSINESS LINE DATE : 6 /2/2019 P.N.12

## Domestic stainless steel makers allege abuse of India-ASEAN free trade rules

OUR BUREAU

New Delhi, February 5

Provisions of the India-ASEAN free trade agreement (FTA) are being misused to dump Chinese company products into India according to the domestic stainless steel manufacturing industry.

The Indian Stainless-Steel Development Association (ISSDA) claims Indonesian imports of stainless steel into India has increased by nine times. This is on the back of "widespread misdeclaration by exporters from the ASEAN countries such as In-

donesia, Malaysia, Singapore, Thailand and Vietnam to avail preferential tariff under the FTA," it said in a statement.

KK Pahuja, President, ISSDA, said, "Chinese investments in Indonesia are backed by government subsidies provided to expand in overseas markets. They are also subsidised generously by the Indonesian government to attract more investments. Since there is hardly any domestic demand growth in Indonesia, the surplus capacity is being dumped in a growing market like India at an alarm-

ing rate." The ISSDA requested the Centre to impose Anti Dumping Duty or Countervailing Duty on stainless steel flat products from Indonesia, to counter Chinese imports, which are now being routed through the ASEAN FTA route, the statement said.

Pahuja added, "The menace needs to be nipped in the bud. It must be mandated by the government to clear consignments, with provisional duty by taking bank guarantees, to safeguard government revenue."

## MCX-Aluminium is range-bound with bullish bias



**GURUMURTHY K**  
BL Research Bureau

The Aluminium futures contract on the MCX was volatile in the past week. The contract fell to a low of ₹131.3 per kg initially but reversed sharply higher to make a high of ₹136.25 on Friday. It has come off slightly from the high and is currently trading at ₹135 per kg. Though the weekly candle looks indecisive, the daily chart remains bullish.

The 21-day moving average at ₹132 is providing strong support. Resistance is at ₹137 — the 100-week moving average. The contract has been broadly range-bound between ₹132 and ₹137 over the last couple of days.

However, the bias remains positive. As long as the contract trades above ₹132, there is a strong likelihood of it rallying towards ₹140 in the coming days. A further break above ₹141 will then increase the likelihood of the contract extending its upmove towards ₹145.

The bullish outlook will get negated only if the contract breaks below the 21-day moving average decisively. In such a scenario, the contract can fall to ₹129 and ₹128.

Traders can hold the long positions taken on dips last week at ₹133 and ₹132. Retain the stop-loss at ₹129 for the target of ₹140. Revise the stop-loss higher to ₹135 as soon as the contract moves up to ₹138.

### Global trend

The Aluminum (three-month forward) contract on the LME has been facing strong resistance around \$1,925 per tonne. It made a high of \$1,924 on Thursday last week and has come off sharply to the current levels of \$1,883 per tonne.

A dip to \$1,850 looks likely in the near term. A break below \$1,850 will increase the likelihood of the contract extending its fall towards \$1,820 and \$1,800. The outlook will turn positive only if the contract breaks above \$1,925 decisively. The next targets are \$1,940 and \$1,960.

## Corrective fall likely in MCX-Zinc



**GURUMURTHY K**  
BL Research Bureau

The Zinc futures contract on the MCX rallied in the past week breaking above the key resistance level of ₹193.5 per kg in line with expectations. The contract surged over 6 per cent intra-week to test the key resistance level of ₹203, as expected. The contract made a high of ₹202.7 on Monday and has come off slightly from there. It is currently trading at ₹200 per kg.

The key resistance at ₹203 is holding as of now. Since the contract has risen sharply in a very short span of time, a corrective fall is more likely in the coming days. As long as the contract trades below ₹203, a pull-back move to ₹195 and ₹193 is possible in the coming days. However, the broader view will continue to remain bullish. The indicators on the charts are also positive. The 21-DMA has crossed over the 55-day moving average. It is now on the verge of crossing over the 100-DMA. This is a positive signal indicating that the downside could be limited.

As such an eventual break above ₹203 will see the MCX-Zinc futures contract rallying towards ₹215 over the medium term.

Traders with a medium-term perspective can go long on dips at ₹195 and ₹193. Stop-loss can be placed at ₹183 for the target of ₹212. Revise the stop-loss higher to ₹202 as soon as the contract moves up to ₹208.

### Global trend

The Zinc (three-month forward) contract on the LME breached the key resistance level of \$2,730 per tonne in the past week. This level of \$2,730 will now act as a good support. Next resistance is at \$2,860 which is likely to be tested in the near term. A strong break above \$2,860 will then pave the way for the next targets of \$2,900 and \$2,940.



# खाणींमध्ये महिलांना काम करण्याची समान संधी!

किमान ३ महिलांना एका शिफ्टमध्ये नियुक्त केले जाईल

लोकमत न्यूज नेटवर्क

नवी दिल्ली : खाण कायदा १९५२ च्या कलम ८३ (१) अंतर्गत केंद्र सरकारने महिलांना जमिनीवरील आणि जमिनीखालील खाणींमध्ये काही अटींवर काम करण्याची परवानगी दिली आहे. खाण मालक महिलांना सकाळी ६ ते संध्याकाळी ७ दरम्यान तांत्रिक, निरीक्षण आणि व्यवस्थापन काम देऊ शकतो जिथे सतत उपस्थित राहण्याची आवश्यकता नसेल.

महिलांच्या लेखी परवानगीनंतरच त्यांची नियुक्ती केली जाईल. अशा प्रकारे नियुक्ती करण्यात आलेल्या महिलांना पुरेशा सुविधा आणि संरक्षण

व आरोग्य सुविधा पुरवल्या जातील. मुख्य खाण निरीक्षकाद्वारे वेळोवेळी जारी मार्गदर्शक तत्वांच्या आधारे मानक संचलन प्रक्रिया लक्षात घेऊन महिलांची नियुक्ती केली जाणार आहे. येथेही किमान ३ महिलांना एका पाळीत (शिफ्ट) नियुक्त केले जाईल.

यापूर्वी खाणीत महिलांना संध्याकाळनंतर काम करायला बंदी होती. विविध महिला कामगार गटांनी खाणीत महिलांना रोजगाराच्या समान संधी देण्याची मागणी वेळोवेळी केली होती. विविध मंत्रालयांशी सल्ला मसलत करून श्रम आणि रोजगार मंत्रालयाने काही अटींवर महिलांना काम करायची परवानगी दिली.

**COMPANY SAYS** it may not be able to meet its sale guidance for this fiscal; co's consolidated EBITDA surges 17% to ₹4,501 cr

# Overseas Buyouts Drag Down JSW Steel's Q3 Net Profit

Our Bureau

**Mumbai:** JSW Steel reported a decline in its net profit for the quarter ending December 31, 2018, owing to the acquisition of overseas assets as well as higher input costs that drove overall expenses up.

Net consolidated profit suffered a decline of 9.6% year-on-year at ₹1,603 crore even as standalone net profit reported a growth of 68% as the company's acquisition of Acero Junction in the United States as well as Aferpi in Italy led to a surge in interest cost by 26.5%. Cost of inputs also went up by 19.8%, affecting net profit.

On the operational front, consolidated EBITDA reported a surge of 17% at ₹4,501 crore implying a margin of 22.2%. Revenue from operations increased by 11.2% at ₹20,318 crore.

Even as the third quarter enjoyed high domestic steel prices, softening of the prices starting late December have been a cause of worry for steelmakers. However, Seshagiri Rao, joint MD and group CFO of JSW Steel said that the prices have bottomed out and will remain buoyant for at least the next six months.

"We don't see prices falling further because of two reasons; firstly, internationally we are already seeing an uptick of \$40 per tonne across ge-

## Consolidated December Quarter Performance

	Dec FY19 qtr (₹ cr)	YoY chg (%)
Sales Volumes (MT)	3.6	-10
Revenues	20,318	11
Operating EBITDA	4,501	17
Net Profit	1,603	-10

## FOREIGN ACQUISITIONS

**Acquisition of Acero Junction in the United States as well as Aferpi in Italy led to a surge in interest cost by 26.5%**

ographies and secondly a surge in input prices will also drive selling price up," Rao said.

However, Rao also said that the company is unlikely to meet its sale guidance for the current financial year at 16 MT, by 2 to 3%.

The company's net debt at the end of the quarter stood at ₹46,000 crore and its consolidated net debt to EBITDA ratio has come down to 2.32x from 2.35x at the end of the last quarter.

Five iron ore mines with the com-

pany are expected to become operational by March, producing a total output of 4.5 MT.

## ON IBC ASSETS

The National Company Law Appellate Tribunal (NCLAT) on Monday upheld JSW Steel's revised offer for Bhushan Power and Steel, disposing of Tata Steel's plea against its bid.

Without disclosing further details as the bid is yet to receive the letter of intent from the Committee of Creditors (CoC) as well as the NCLT's nod, Rao said that the company has "made arrangements for the funding of the asset in case it is awarded to it".

Replying to queries on the sidelines of the earnings conference, Rao also said that their involvement in Essar Steel will only be conditional upon the Ruias approaching them if they get the asset.



## अब खदानों में भी काम कर सकेंगी महिलाएं

वो भी दिन और रात : सरकार

नवभारत समाचार सेवा दिल्ली. महिलाओं को समाज की मुख्य धारा से जोड़ने के लिए केंद्र सरकार ने एक नया कदम उठाया है. दरअसल भारत सरकार ने ये ऐलान किया है कि अब से महिलाएं भूमिगत खदानों में भी काम कर सकेंगी, साथ ही उन्हें रात में खुली खदानों में भी काम करने की अनुमति रहेगी. सोमवार को श्रम मंत्रालय ने इस संदर्भ में नए नियम जारी किए



है, मंत्रालय के मुताबिक इससे महिलाओं को रोजगार मिलने में आसानी होगी. बता दें की खान अधिनियम 1952 के तहत अब तक जमीन के अंदर खदानों में महिलाओं को काम करने पर पाबंदी थी. हालांकि इन्हें खुली खदानों में काम करने की अनुमति थी लेकिन वो भी सिर्फ दिन के समय में. श्रम मंत्रालय की ओर से जारी बयान के मुताबिक नए नियम के तहत महिलाओं को शाम 7 बजे से सुबह 6 बजे तक खुली मैदानों में काम करने की छूट दे दी गई है.

### खान कानून, 1952 की धारा 46 के प्रावधानों में संशोधन

■ इसके लिए सरकार ने खान कानून, 1952 की धारा 46 के प्रावधानों में संशोधन किया है.

■ मंत्रालय के बयान में कहा गया है की अब से खदान मालिक महिलाओं को जमीन के ऊपर फैली खानों में शाम 7 बजे से सुबह 6 बजे तक नियुक्त कर सकते हैं.

■ भूमिगत खदानों में भी उनकी नियुक्ति रात में की जा सकती है जहां निरंतर उपस्थिति की आवश्यकता नहीं होती है. तकनीकी, पर्यवेक्षी व प्रबंधकीय कामों में रात में भूमिगत खानों में भी काम कर सकती है.

# Steel import curb on way

JAYANTAROY CHOWDHURY

**New Delhi:** The government will consider a minimum import price for select steel items, including flat products and stainless steel, besides stricter quality control of all steel imports.

A cabal of top steel makers on Wednesday met steel ministry officials to press their demand for duty protection and quality check on cheap, sub-standard steel which they say is making its way into the country.

Officials said the government was inclined to give them the protection partly because "their case is strong" and partly because in an "election year, Indian industry

should not only be protected but seen as being protected".

They said a committee to fix a minimum import price is being set up. This follows several rounds of hectic lobbying by local majors, including Tata Steel, the Jindals and SAIL.

Local industry claimed the duty walls were not working as a global industry beset by over-capacity was dumping the produce at extremely low prices and were finding new ways to circumvent tariffs.

The minimum import prices, if allowed by the cabinet, will replace the temporary safeguard duties which were set last year, though the basic customs duty will remain, said the officials.

However, the move is like-

### TOUGH STAND

- Minimum steel import price under consideration
- Quality control to check poor quality import
- Industry lobbying for action against imports
- Safeguard duties to go. Basic customs duty stays



ly to raise the hackles of another powerful industrial lobby, that of auto makers who use cheaper imported steel. Car makers and component manufacturers have also been lobbying the finance and the industry ministries for relief

from the higher duties on imported metal sheets.

In a pre-budget memo to the government, the Automotive Component Manufacturers Association of India has said "steel and aluminium alloys attract basic customs duty of 15 per cent and 10 per cent respectively. The sector, largely dominated by MSMEs, is facing a huge challenge in the availability of raw materials at the right price.

"A reduction in customs duty on all alloy steel and secondary aluminium alloy items, including scrap is strongly recommended."

Steel makers are facing a double whammy of cheap imports flooding the market at a time prices are falling.

The industry is expected to

post weak numbers for the third quarter — JSW consolidated net profit was lower by 10 per cent, while SAIL is expected to suffer a small loss.

Most steel majors blame China, Japan and South Korea for dumping alloys and flat steel products, while Jindal has accused Indonesia.

"Imports from Indonesia alone have increased nine-times in the past one year. There is an urgent need for government intervention," Jindal Stainless Steel MD Abhyuday Jindal said in a statement sent on WhatsApp.

Minimum import price and quality control came on the picture following a defeat last November in a dispute with Japan at the WTO on safeguard duties.

## Key resistance ahead for MCX-Nickel



**GURUMURTHY K**  
BL Research Bureau

The Nickel futures contract on the MCX has risen in the past week as expected, breaking above the key resistance level of ₹873 per kg. The contract surged about 9 per cent intra-week and made a high of ₹951.3 on Tuesday. Though the contract fell from the high, it has reversed higher again from around ₹921 and is currently trading at ₹949 per kg.

A key resistance is near ₹956. Inability to breach this hurdle can drag the contract lower to ₹920 again. A break below ₹920 will then increase the likelihood of the contract extending its downmove towards ₹900 thereafter. A range-bound move between ₹900 and ₹956 can be seen for some time in such a scenario.

On the other hand, if the MCX-Nickel futures contract manages to breach above ₹956 decisively, the current uptrend can extend towards ₹1,000 in the coming weeks.

Since the contract has risen sharply in a short span of time, the possibility remains high of the resistance at ₹956 capping the upside in the coming days. As such, the MCX-Nickel futures can trade subdued and remain range-bound for some time before the current uptrend resumes.

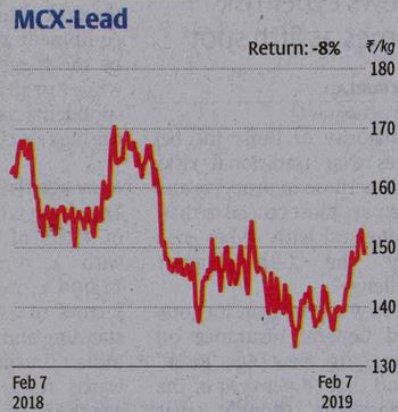
### Global trend

The uptrend in the Nickel (three-month forward) contract on the LME made a high of \$13,275 per tonne in the past week and has come off slightly from there. It is currently trading at \$13,275 per tonne.

The key resistance level of \$13,285 is holding well as of now. As long as the contract trades below this hurdle, a test of the next support at \$12,850 is possible in the near term. A break below \$12,850 will then increase the likelihood of the contract extending its corrective fall towards \$12,500.

A strong break and a decisive close above \$13,285 is needed for the uptrend to gain fresh momentum. The next target if \$13,800.

## MCX-Lead reverses lower from a key hurdle



**GURUMURTHY K**

BL Research Bureau

It was a volatile week for the Lead futures contract on the MCX. The contract surged breaking above the 200-day moving average resistance and made a high of ₹153.5 on Monday. However, the contract has come off sharply giving back almost all the gain and is currently trading at ₹149 per kg.

The key resistance in the ₹151-152 region is holding well as of now. As long as the contract trades below this resistance zone, there is a strong likelihood of it falling towards ₹147 in the near term. A break below ₹147 will then increase the possibility of the downmove extending towards ₹145 or ₹143 thereafter.

The contract will have to rise past ₹152 decisively to bring back the positive sentiment. In such a scenario, the downside pressure will ease, and the contract can then target ₹155 and ₹157 levels.

Traders can stay out of the market for some time.

### Global trend

The Lead (three-month forward) contract on the LME has come off after making a high of \$2,136.5 per tonne on Tuesday. The 200-DMA at \$2,125 has capped the upside and has triggered the fall. The contract is currently trading at \$2,090 per tonne.

Immediate support is at \$2,070 which can be tested in the near term. If the contract manages to bounce from this support, an upmove to revisit \$2,100 and \$2,125 is possible again. The contract will gain fresh momentum if it breaks above \$2,125 decisively. Such a break will then increase the likelihood of the contract rallying towards \$2,170 and \$2,200 thereafter.

On the other hand, the LME-Lead contract will come under more pressure if it breaks below the immediate support level of \$2,070. In such a scenario, a fall to \$2,025 or even \$2,000 cannot be ruled out.



## वाळू चोरी प्रकरणी ७ कोटी दंडाची नोटीस

लोकमत न्यूज नेटवर्क

**चाळीसगाव (जळगाव) :** तालुक्यातील हिंगोणे गावालगत असलेल्या तितूर नदीपात्रातून अवैध वाळू उपसाप्रकरणी चाळीसगाव येथील भाजपाचे माजी नगरसेवक प्रभाकर पांडुरंग चौधरी यांना ६ कोटी ८८ लाख ४४ हजार ४२० रुपयांची दंडात्मक रक्कम वसूल का करण्यात येवू नये, अशा आशयाची नोटीस

तहसीलदार कैलास देवरे यांनी बजावली आहे. तहसीलदारांच्या या नोटीसीनंतर गेल्या सात दिवसांपासून वाळू उपसाविरोधात सुरू असलेले हिंगोणे ग्रामस्थांचे उपोषणही सुटले.

२२ जानेवारी रोजी पहाटे ३ वाजता हिंगोणे गावालगत असलेल्या तितूर नदीपात्रात चौधरी व त्यांच्या दोन साथीदारांना वाळू उपसा करताना ग्रामस्थांनी पकडले व प्रशासनाच्या ताब्यात दिले होते. या प्रकरणी

तिघाविरुद्ध वाळूचोरीचा गुन्हा दाखल होऊन चौधरी यांना अटक करण्यात आली होती परंतु त्यांना तत्काळ जामीन मिळाला होता. या सोबतच तक्रारी केल्या तरी प्रशासनाकडून दुर्लक्ष होत असल्याने ग्रामस्थ १ रोजी तितूर नदीपात्राजवळ उपोषणास बसले होते. सात दिवस उलटले तरी ग्रामस्थ आपल्या मागण्यांवर ठाम होते. अखेर प्रशासनाने चौधरी यांना दंडात्मक कारवाईची नोटीस काढली.

THE ECONOMIC TIMES  
DATE : 8 /2/2019 P.N.11

THE HITAVADA DATE : 8 /2/2019 P.N.10

## Gems, jewellery exports decline 8.5% in Apr-Dec

■ Business Bureau

GEMS and jewellery exports declined 8.5 per cent to USD 22.41 billion in April-December this fiscal, mainly on account of slowdown in demand in major developed markets.

According to data from the Gems and Jewellery Export Promotion Council (GJEPC), exports stood at USD 24.5 billion in the April-December period of 2017-18. The labour-intensive sector contributes about 15 per cent to the country's overall exports. The decline in shipments is mainly due to negative growth in the export of silver jewellery, gold medallions and coins, along



with a rise in the return of consignments.

As per the data, silver jewellery exports during the period dipped 81.37 per cent to USD 579 million.

Similarly, outbound shipments of gold medallions and coins contracted 84.7 per cent during the nine months of 2018-19.

Shipments of rough diamonds also reported a negative growth of 13 per cent.

But, exports of cut and polished diamonds grew about 4 per cent to USD 17.9 billion during the period under review. Gold jewellery shipments increased to USD 8.77 billion during the period from USD 6.83 billion in April-December 2017-18.

## Gems, Jewellery Exports Dip 8.5% in Apr-Dec 2018

Press Trust of India

**New Delhi:** Gems and jewellery exports declined 8.5% to \$22.41 billion in April-December this fiscal, mainly on account of slowdown in demand in major developed markets. According to data from the Gems and Jewellery Export Promotion Council (GJEPC), exports stood at \$24.5 billion in the April-December period of 2017-18.

The labour-intensive sector contributes about 15% to the country's overall exports.

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# Tata Steel Posts 84% Rise in Q3 Profit on Higher Volumes, Better Prices

**CONSOLIDATED** revenues including Bhushan Steel up 41%

**Our Bureau**

**Kolkata:** Tata Steel on Friday posted an 83.5% jump in standalone net profit for the third quarter, helped by better local prices and higher volumes.

The company posted a profit of ₹2,456 crore for the quarter through December on a turnover of ₹17,174 crore, which went up 10.1% from a year earlier, it said.

The total India turnover, which includes revenue from Bhushan Steel that it acquired last year through a court-conducted auction and renamed Tata Steel BSL, rose 41% from a year earlier to ₹22,063 crore.

Standalone EBITDA (earnings before interest, tax, depreciation and amortisation) was ₹4,872 crore, while the EBITDA margin was 28.4%. Tata Steel BSL reported an EBITDA of ₹1,008 crore with a 20.6% margin.

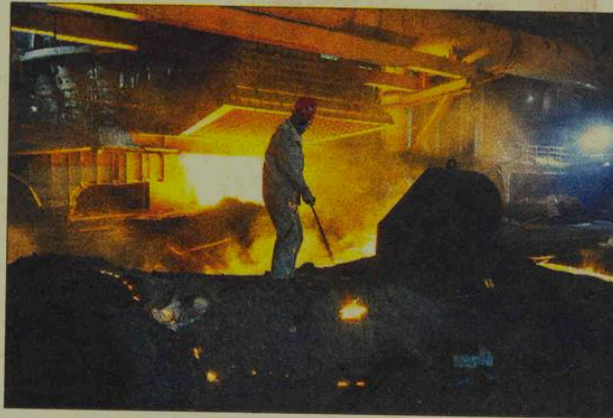
Ahead of the results announcement, Tata Steel shares closed 3.7% lower at 469.55 on the BSE, where the benchmark Sensex ended 1.15% down.

"We were able to maintain our overall realisations and increase our volumes significantly in India despite a sharp drop in international steel prices," chief executive TV Narendran said.

Tata Steel is committed to growing its India footprint while focusing on operational performance, market presence and strong customer relationship, he added.

Tata Steel's consolidated net profit, which accounts also for the performance of subsidiaries in India and abroad, rose 53% to ₹1,753 crore in the past quarter. Consolidated revenue went up 23% to ₹41,220 crore, while EBITDA improved 26.7% to ₹7,225 crore.

While the India steel produc-



## PARING DEBT

During the quarter, Tata Steel gross debt went down by ₹9,083 crore including deleveraging of over ₹6,000 crore

tion, including of Tata Steel BSL, increased 34% to 4.38 million tonnes in the third quarter, deliveries grew 18% year on year to 3.89 mt. Consolidated steel production rose 11% year on year to 7.23 mt and deliveries by 7% to 6.99 mt.

Tata Steel's gross debt shrank by ₹9,083 crore in the quarter, including deleveraging of over ₹6,000 crore, chief financial officer Koushik Chatterjee said.

"We have repaid ₹3,000 crore from Tata Steel BSL since the acquisition as part of the overall deleveraging. The proceeds from divestment of stake in the Southeast Asia business and from the sale of residual stake in TRL Krosaki will be used for further deleveraging," he added.

The sale of a 70% stake in SE Asia entities for \$327 million in cash is set to reduce the consolidated debt by \$500 million by the first quarter of fiscal 2020, when the transaction is expected to close.

Tata Steel also monetised ₹305 crore from the sale of its 26.62% stake in TRL Krosaki. The acquisition of Usha Martin's steel business, carried out through Tata Sponge, is likely to close in the ongoing quarter, its statement said.

Tata Steel has refinanced the short-term finance taken for the acquisition of Bhushan Steel with long-term loans of ₹15,500 crore, Chatterjee said.

At present, 56% of the company's steel production of 33 mt is based out of India.

By 2025, when Tata Steel hopes to produce 32 mt of steel annually, almost all of it will be based out of India, as part of a reshaping of Tata Steel, the company said in a presentation to analysts. Tata Steel said it is working with thyssenkrupp AG to secure regulatory approvals for a proposed equally owned joint venture in Europe for which the European Commission Phase II merger control review is currently underway.



# Tata Steel Q3 profit jumps over 54 pc to Rs 1,753 cr

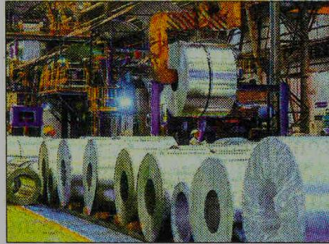
NEW DELHI, Feb 8 (PTI)

TATA Steel on Friday reported a 54.33 per cent jump in consolidated net profit to Rs 1,753.07 crore during the quarter ended on December 31, 2019, helped by higher income.

The company had posted a net profit of Rs 1,135.92-crore for the same quarter a year ago, according to a regulatory filing.

Total income on consolidated basis jumped to Rs 41,431.37 crore during October-December 2018, from Rs 33,672.48 crore in the year-ago quarter, the company said. Its total expenses during the said quarter were at Rs 38,362.03 crore as against Rs 30,552.03 crore in the corresponding period of the previous fiscal.

In a statement, Tata Steel CEO and Managing Director T V Narendran said, "Tata Steel is committed to growing its India footprint while focusing on benchmark operational per-



formance, superior market presence, strong customer relationships and sustainability."

Despite a sharp drop in international steel prices, the company was able to maintain overall realizations and increased volumes significantly in India, he said.

The integration of Tata Steel BSL continues and the company's 5 MTPA expansion at Tata Steel Kalinganagar is also making good progress.

"We are also looking forward to enhancing our long products and downstream capability through the acquisition of the 1 MTPA steel business of Usha

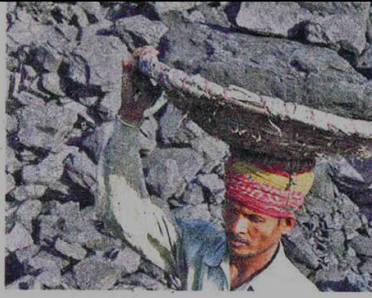
Martin," Narendran said.

He further said that the phase II review of the Tata Steel Europe-ThyssenKrupp JV is ongoing and "we are closely working with the European Commission to facilitate the same."

Koushik Chatterjee, Executive Director and CFO of Tata Steel said: "The short-term finance taken for Tata Steel BSL acquisition has been refinanced with long-term loans of Rs 15,500 crore."

During the quarter under review, he said, Tata Steel Group generated operating cash flows of Rs 4,150 crore and the liquidity position of the group remains strong at Rs 19,320 crore, including Rs 8,549 crores of cash and cash equivalents.

On a standalone basis, Tata Steel reported a sharp 83.5 jump in net profit to Rs 2,456.09 crore in the third quarter of FY2019 from Rs 1,338.09 crore in the year ago quarter, the company further said in a statement.



## 2 दिवसीय 'मिनकान' सम्मेलन आज से

व्यापार प्रतिनिधि

नागपुर. खनिज संपदा पर आधारित दो दिवसीय सम्मेलन 'मिनकान' का आयोजन 9 और 10 फरवरी को होटल सेंटर प्वाइंट में किया जा रहा है. उद्योग एवं माइनिंग विभाग, एमएसएमसी ने वेद के सहयोग से इसका आयोजन किया है, जिसमें देशभर के जानकार शामिल होंगे. सम्मेलन में मुख्यमंत्री देवेंद्र फडणवीस, केंद्रीय परिवहन मंत्री नितिन गडकरी, उद्योग मंत्री सुभाष देसाई, पालकमंत्री चंद्रशेखर बावणकुले, वित्त मंत्री सुधीर मुनगंटीवार, एमएसएमसी के अध्यक्ष आशीष जैसवाल उपस्थित रहेंगे. कार्यक्रम सुबह 10 बजे आरंभ होगा.

विदर्भ में खनिज की प्रचुरता को देखते हुए यह प्रयास किया जा रहा है कि इस क्षेत्र में खनिज आधारित उद्योग स्थापित हो ताकि खनिज का प्रोसेसिंग, उत्पाद यही पर बनाया जा सके. इससे जहां निवेश बढ़ेगा, वहीं रोजगार बढ़ाने में भी मदद मिलेगी. दो दिनों में कई विषयों पर सम्मेलन का आयोजन किया जाएगा, जिसमें अलग-अलग क्षेत्र के जानकार विचार रखेंगे. रेती की बढ़ती जरूरतों को देखते हुए एम-सैंड की बात काफी हो रही है, इस पर भी गंभीरता से विचार-विमर्श किया जाएगा कि कैसे खनिज के वेस्ट से एम-सैंड बनाया जा सकता है. यह पर्यावरण की दृष्टि से भी काफी अनुकूल है.

## Iron ore soars to 5-year high as Vale crisis deepens

BLOOMBERG

February 8

Iron ore futures surged more than 5 per cent to hit the highest level since 2014 on concerns that the increasingly severe crisis at top producer Vale SA will curtail global supplies, tightening the seaborne market and offsetting the impact of a slowdown in China, the largest importer.

Vale invoked *force majeure* earlier this week after a judge forced it to suspend some operations at its Brucutu mine in Brazil — a move it said would result in an annual production loss of 30 million tonnes. That's on top of an earlier reduction of 40 mt following a deadly dam burst. In addition, Vale's licence to operate a dam at Brucutu was revoked by a state regulator.

Iron ore has been supercharged since late January

after the Brazil dam-burst, which killed at least 150 people and rattled the mining industry.

As the crisis has intensified, banks have raised their price forecasts, with Citigroup Inc boosting its 2019 estimate 40 per cent to \$88 a tonne and raising the possibility that the disruption to Vale's operations will worsen and could last for years.

Futures advanced 5.8 per cent to \$94 a tonne in Singapore, the highest since August 2014. So far this week, prices are 8.9 per cent higher after surging 14 per cent last week.

Goldman Sachs Group Inc warned that there would be "significant disruption" to Brazilian supplies in the near term, and prices are expected to be elevated and volatile as production elsewhere cannot be adjusted quickly enough to offset shortages.



## Tata Steel profit climbs 54% on higher output

Production rises on Bhushan Steel buy

SPECIAL CORRESPONDENT  
MUMBAI

Tata Steel reported a 54% surge in its December quarter net profit to ₹1,753 crore on increase in steel production following the acquisition of Bhushan Steel.

The rise in profit came on a 23% increase in revenue to ₹41,220 crore and 27% growth in adjusted EBITDA to ₹7,225 crore.



T. V. Narendran

### India footprint

"Tata Steel is committed to growing its India footprint while focusing on benchmark operational performance, superior market presence, strong customer relationships and sustainability," said T. V. Narendran, CEO and managing director, Tata Steel, commenting on

the results.

"Despite a sharp drop in international steel prices, we were able to maintain our overall realisations and increase our volumes significantly in India. The integration of Tata Steel BSL continues and our five MTPA expansion at Tata Steel Kalinganagar is also making good progress."

## जहां खनिज, वहीं उससे संबंधित उद्योग लगाए जाएंगे : देसाई

■ खनिज उद्योगों को ■ प्रदेश के खान पट्टों मिलेगी सस्ती बिजली का हुआ डिजिटाइजेशन

भास्कर संवाददाता। नागपुर, राज्य के उद्योग मंत्री सुभाष देसाई ने कहा कि जहां खनिज संपदा है, वहीं पर उससे संबंधित उद्योग लगाए जाएंगे। खनिज से संबंधित उद्योगों का क्लस्टर खड़ा करने पर जोर दिया गया। वे उद्योग व खनिकर्म विभाग, एमएसएमसी और वेद के संयुक्त तत्वावधान में शहर के एक होटल में आयोजित दो दिवसीय मिनकों कौनक्लेव के उद्घाटन अवसर पर बोल रहे थे। मंच पर प्रमुखता से केंद्रीय मंत्री नितीन गडकरी, पालकमंत्री चंद्रशेखर बावनकुले, खनिकर्म महामंडल के अध्यक्ष आशीष जयस्वाल, सांसद कृपाल तुमाने, उद्योग विभाग के अतिरिक्त मुख्यसचिव सतीश गवई, प्रबंध संचालक एस. राममूर्ति, सुधीर पालीवाल उपस्थित थे।

### सस्ती बिजली दी जाएगी

श्री देसाई ने कहा कि वन व खनिज संपदा के मामले में विदर्भ समृद्ध है। खनिज उद्योग में काफी अवसर हैं।



इससे राज्य को बड़े पैमाने पर राजस्व मिलता है। खनिज से राजस्व में और वृद्धि हो सकती है। पर्यावरण को बगैर नुकसान पहुंचे उद्योग बढ़ने चाहिए। उद्योगों को सस्ते दर पर बिजली दी जाएगी। जहां खनिज संपदा है, वहीं पर उससे संबंधित व आधारित उद्योग लगाए जाएंगे। इस तरह का क्लस्टर खड़ा करने पर जोर दिया जा रहा

है। क्लस्टर को भी सस्ते दर पर बिजली दी जाएगी। महाराष्ट्र औद्योगिक विकास महामंडल उद्योगों को पूरा सहयोग देगा। रोजगार की चुनौती से निपटने में खनिज उद्योग अहम भूमिका निभा सकते हैं। खनिज उद्योगों को अन्य सुविधाएं भी उपलब्ध कराई जा रही हैं। राज्य में सभी खानपट्टों का डिजिटाइजेशन हो चुका है।

### विदर्भ में काफी स्कोप

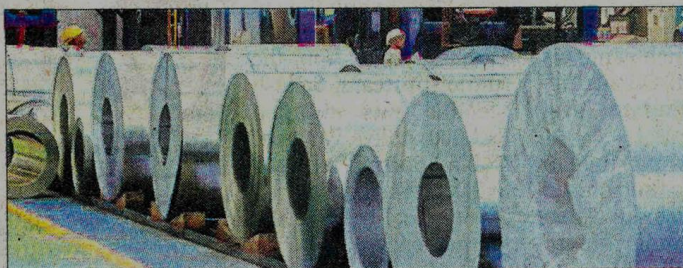
केंद्रीय मंत्री गडकरी ने कहा कि खनिज उद्योगों से रोजगार मिलेंगे। इसके लिए विदर्भ में काफी स्कोप है। इन उद्योगों के लिए विशेष नीति बनाने व सुविधाएं देने पर जोर है। विदर्भ में मैंगनीज बड़ी मात्रा में है और मैंगनीज आधारित उद्योग बढ़ाने के काफी अवसर हैं। विदर्भ के कोयले को उसकी गुणवत्ता के हिसाब से दाम मिलना चाहिए। पालकमंत्री बावनकुले ने कहा कि विदर्भ खनिज समृद्ध प्रदेश है। पलाय एश क्लस्टर का निर्माण नागपुर व चंद्रपुर में हो रहा है। खनिज से संबंधित उद्योगों को सस्ती बिजली उपलब्ध कराई जाएगी। खनिकर्म महामंडल के अध्यक्ष आशीष जयस्वाल ने कहा कि वन, खनिज व पर्यटन विदर्भ की पहचान है। इसे बढ़ाने की पुरजोर कोशिश हो रही है। अतिरिक्त मुख्य सचिव सतीश गवई व देवेन्द्र पारेख ने भी विचार रखे। संचालन रीना सिन्हा, अतुल ताजपुरिया व आभार शिवकुमार राव ने माना।

# Steel companies plan price hike

■ Business Bureau

STEEL prices may go up as major players are planning upward price revision, industry sources said. JSW Steel has already hiked the prices by Rs 750 a tonne.

"Hot Rolled Coil (HRC) was hovering in the range of Rs 42,000 to 44,000 till end of January. The hike made last week was in line with international prices. The rates have gone up in the international market," a company source said. Another steel company JSPL will also hike the prices "if others will do", a company official who did not wish to be quoted said. "In last 10 days, prices of steel have gone up to USD 70 a tonne in the international market due to increasing prices of iron



ore. If there will be a revision it will be an upward revision," an Essar Steel official said.

In a statement, SAIL Chairman A K Chaudhary while pointing at the current volatility in steel prices said, "Despite various factors including cheap imports, the prices are expected to improve in coming days considering the high input costs". E-mail queries

sent to Tata Steel and RINL remained unanswered till the time of filing of the story.

Steel Authority of India Ltd (SAIL), Rashtriya Ispat Nigam Ltd (RINL), JSW Steel, Jindal Steel and Power Ltd (JSPL) and Tata Steel Ltd (TSL) are six primary steel players in the country, which together control about 60 per cent market.



# खनिज उद्योगांचे क्लस्टर उभारणार

**सुभाष देसाई : 'मिनकॉन कॉनक्लेव्ह' चे आयोजन**

लोकात न्यूज नेटवर्क

नागपूर : राज्यात खनिज उद्योग क्षेत्रात वाढीच्या विपुल संधी उपलब्ध आहेत. खनिज क्षेत्रातील उद्योगांच्या क्लस्टर उभारणीवर भर देण्यात येणार असून, खनिजसंपदा असलेल्या ठिकाणी आधारित प्रक्रिया व मूल्यसंवर्धन उद्योग उभारण्यात येणार आहेत. यासाठी महाराष्ट्र औद्योगिक विकास महामंडळ भरीव सहकार्य करणार असल्याचे प्रतिपादन उद्योगमंत्री सुभाष देसाई यांनी केले.

उद्योग आणि खनिकर्म विभाग (एमएसएमसी), विदर्भ इकोनामिक डेव्हलपमेंट कॉन्सिलच्या (वेद) सहकार्याने हॉटेल सेंट्रल पोईंट येथे दोन दिवसीय 'मिनकॉन कॉनक्लेव्ह'चे आयोजन करण्यात आले. व्यासपीठावर केंद्रीय भूपृष्ठ वाहतूक मंत्री नितीन गडकरी, पालकमंत्री चंद्रशेखर बावनकुळे, महाराष्ट्र राज्य खनिकर्म महामंडळाचे अध्यक्ष आशिष जयस्वाल, खासदार कृपाल तुमाने, उद्योग विभागाचे अतिरिक्त मुख्य सचिव सतीश गवई, व्यवस्थापकीय संचालक एस. राममूर्ती, देवेंद्र पारेख, सुधीर पालीवाल, राहुल उपगन्नावार उपस्थित होते.

यावेळी 'एमएसएमसी' आणि खनिज क्षेत्रातील विविध उद्योग समूहांमध्ये सामंजस्य करार करण्यात आले. महासंड आणि खनिज क्षेत्रातील



'मिनकॉन कॉनक्लेव्ह'च्या उद्घाटनप्रसंगी मार्गदर्शन करताना उद्योगमंत्री सुभाष देसाई, व्यासपीठावर केंद्रीय मंत्री नितीन गडकरी, पालकमंत्री चंद्रशेखर बावनकुळे, आशिष जयस्वाल, खासदार कृपाल तुमाने, सतीश गवई, एस. राममूर्ती, देवेंद्र पारेख, सुधीर पालीवाल, राहुल उपगन्नावार, प्रदीप माहेश्वरी.

## खनिज उद्योगांना स्वस्त वीज : चंद्रशेखर बावनकुळे

सौरऊर्जा निर्मितीच्या क्षेत्रातही क्रांतिकारक बदल होत आहे. फ्लाय अॅशसंदर्भात स्वतंत्र धोरण असून, फ्लाय अॅश क्लस्टरची उभारणी नागपूर व चंद्रपूर येथे होत आहे. खनिज क्षेत्रातील उद्योगांसाठीही वीजदरात सवलत देण्यात येणार आहे. खनिज क्षेत्रातील उद्योगांसाठी एक्सप्रेस फ्रीडरद्वारे मुबलक वीज उपलब्ध करून देण्यात येईल.

उद्योग संधी यासंदर्भातील ध्वनिचित्रफितीचे प्रकाशन मान्यवरांच्या हस्ते करण्यात आले.

सुभाष देसाई म्हणाले, विदर्भात खनिजउद्योग क्षेत्रात विपुल संधी असून, परिषदेच्या आयोजनामुळे या क्षेत्रातील संधीसंदर्भात विचारमंथन होईल. महत्वाच्या खनिजातून मिळणाऱ्या महसुलात वाढ होण्याची आवश्यकता आहे. उद्योगांना वीजदरात आणि खनिज क्षेत्रातील उद्योगांच्या क्लस्टरलाही वीजदरात सवलत

देण्यात येणार आहे.

आशिष जयस्वाल म्हणाले, वने, पर्यटन आणि खनिजसंपदा ही विदर्भाची बलस्थाने असून, खनिज क्षेत्रातील उद्योगांच्या वाढीसाठी प्रयत्न करण्यात येत आहेत. खनिज क्षेत्रातील प्रक्रिया उद्योग व मूल्यवर्धित उद्योग विदर्भातच निर्माण करण्यावर भर देण्यात येत आहे. खनिजाच्या रॉयल्टीतून मिळणाऱ्या निधीतून काही भाग संबंधित जिल्ह्याच्या विकासासाठी वापरण्याचे धोरण आहे.

## बंद कोळसा खाणी सुरू करण्यावर भर : गडकरी

गौण खनिज आणि मुख्य खनिजांपासून महसूल प्राप्त होतो. विदर्भात मॅंगनिजवर आधारित उद्योग वाढीस मोठी संधी आहे. विदर्भातील बंद पडलेल्या कोळसा खाणी सुरू करून, तेथे कोळशापासून युरिया तसेच मिथेनॉल अशी इतर उत्पादने निर्मिती करण्याचे उद्योग उभारणीवर भर देण्याची आवश्यकता आहे. मिथेनॉलवर चालणाऱ्या ट्रक आणि बसेस आगामी काळात सुरू करण्यात येणार आहेत. बायोडिझेलवर विमानांचे उड्डाण यशस्वी करण्यात येत आहे. बांबूपासून इंधननिर्मितीचे प्रयोगही यशस्वी होत आहेत. विदर्भ हे आगामी काळात जैवइंधनाचे हब म्हणून विकसित होऊ शकते.

याप्रसंगी सतीश गवई व देवेंद्र पारेख यांनी अर्थव्यवस्थेला आणि उद्योगक्षेत्राला चालना देणे गरजेचे असल्याचे सांगितले. खनिज क्षेत्रातील उद्योगांसाठी सकारात्मक पात्रे उचलण्यात येत आहेत. या क्षेत्रातील उद्योगात आता प्रक्रिया उद्योग आणि मूल्यसंवर्धन उद्योगांची वाढ होणे गरजेचे आहे. संचालन रीना सिन्हा, अतुल ताजपुरिया यांनी तर शिवकुमार राव यांनी आभार मानले.



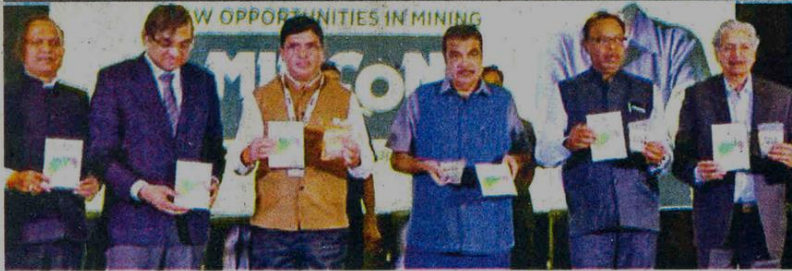
# खनिज आधारित उद्योगों के लिए भी बनें पालिसी

## सभी खदानों का डिजिटाइजेशन

व्यापार प्रतिनिधि

नागपुर. केंद्रीय सड़क परिवहन मंत्री नितिन गडकरी ने कहा कि एगो व आईटी उद्योगों की तरह खनिज पर निर्भर उद्योगों के लिए भी पालिसी बनाई जानी चाहिए. इस क्षेत्र में बड़े पैमाने पर रोजगार पैदा हो सकते हैं. उन्होंने कहा कि ईमानदारी से प्रयास किए जाएं तो विदर्भ में केवल मैंगनीज पर आधारित उद्योगों से 5000-6000 करोड़ का निवेश आ सकता है. वे उद्योग व खनिकर्म विभाग, एमएसएमसी व विदर्भ इकोनामिक डेवलपमेंट कौन्सिल की ओर से होटल सेंटर पाइंट में आयोजित 2 दिवसीय मिनकॉन कानक्लेव के उद्घाटन अवसर पर संबोधित कर रहे थे.

## मिनकॉन कानक्लेव का उद्घाटन



इस अवसर पर राज्य के उद्योग मंत्री सुभाष देसाई, पालकमंत्री चंद्रशेखर बावनकुले, महाराष्ट्र राज्य खनिकर्म महामंडल (एमएसएमसी) के अध्यक्ष आशीष जयस्वाल, सांसद कृपाल तुमाने, उद्योग विभाग के अतिरिक्त मुख्य सचिव सतीश गवई, प्रबंध संचालक एस. राममूर्ति, देवेंद्र पारेख, सुधीर पालीवाल, शिवकुमार राव उपस्थित थे. गडकरी ने कहा कि मॉयल से हमने सावनेर, खापा में एक्सपांशन करने को भी कहा है. हालांकि इसके विपरीत यहां पाया जाने वाला कोयला लो ग्रेड का है, जिसके उद्योगों से ज्यादा दाम लिए जा रहे हैं. उन्होंने कहा कि विदर्भ में वेकोलि की कई खदानें बंद पड़ी हैं. कंपनी के लिए इसे चलाना लाभदायक सौदा नहीं होगा. माइनिंग कारपोरेशन और निजी कंपनियों को आगे आकर इनमें उत्पादन शुरू करने की पहल करनी चाहिए.

■ देसाई ने कहा कि राज्य सरकार खनिज आधारित उद्योगों के क्लस्टर बनाने पर जोर दे रही है. जिन स्थानों पर खनिज पाया जाता है, वहीं उन पर आधारित प्रक्रिया उद्योग व मूल्यसंवर्धन उद्योग लगाए जा रहे हैं.

■ इसमें एमआईडीसी का सहयोग मिला है. खनिज उत्पादन से सरकार को राजस्व प्राप्त होता है. खनिज आधारित उद्योग लगे तो राजस्व में भी इजाफा होगा.

■ वनसंपदा को नुकसान पहुंचाए बिना खनिज उत्खनन की तकनीक उपलब्ध है. कोयला आधारित उद्योगों को बढ़ावा देने का भी प्रयास किया जा रहा है.

■ अन्य उद्योगों की तरह खनिज क्षेत्र के उद्योगों के क्लस्टर को भी बिजली दरों में राहत दी जाएगी. उन्होंने बताया कि राज्य की सभी खदान पट्टियों का डिजिटाइजेशन किया गया है और ऐसा करने वाला महाराष्ट्र देश का एकमात्र राज्य है.

■ उन्होंने कहा कि इन खदानों से निकलने वाले कोयले से यूरिया और मिथेनाल बनाने के उद्योग स्थापित किए जा सकते हैं. यूरिया के लिए लो ग्रेड का ही कोयला चाहिए. सरकार मिथेनाल पर टुक और बस चलाने पर जोर दे रही है. उन्होंने कहा कि खनिज उद्योगों को विस्तार के साथ-साथ पर्यावरण संरक्षण का भी विचार करना चाहिए. राज्य में वनीकरण के क्षेत्र में अच्छा काम किया गया. इससे राज्य के वन क्षेत्र में भी इजाफा हुआ.

## ₹4.40 में मिलेगी बिजली

■ ऊर्जा मंत्री चंद्रशेखर बावनकुले ने कहा कि विदर्भ के खनिज क्षेत्र में उद्योग शुरू करने की काफी संभावनाएं हैं. राज्य में बिजली की मांग दिनोंदिन बढ़ रही है. यह इस बात का संकेत है कि राज्य में उद्योग बढ़ रहे हैं. सौर ऊर्जा के क्षेत्र में भी क्रांतिकारी बदलाव हो रहे हैं.

■ फ्लायएश के लिए स्वतंत्र नीति बनाई गई. नागपुर और चंद्रपुर में इस पर आधारित क्लस्टर शुरू किए जा रहे हैं. खनिज उद्योगों को बढ़ावा देने के लिए 4.40 रु. में बिजली देने का उन्होंने आश्वासन दिया. इन उद्योगों को एक्सप्रेस फीडर द्वारा सस्ती बिजली दी जाएगी.

## मिल रही सुविधाएं और छूट

■ एमएसएमसी के अध्यक्ष आशीष जयस्वाल ने कहा कि वन, पर्यटन और खनिज संपदा विदर्भ की ताकत है. खनिज आधारित उद्योगों को बढ़ावा देने के लिए ईमानदारी के साथ प्रयास किए जा रहे हैं. इन उद्योगों को अब ज्यादा सुविधाएं और छूट प्रदान की जा रही हैं. कोयला और खनिज आधारित उद्योगों में निवेश बढ़ाने पर हमारा फोकस है. खनिजों की रायल्टी से मिलने वाली निधि का कुछ भाग संबंधित जिले के विकास हेतु इस्तेमाल करने की नीति कारगर साबित हुई है. सतीश गवई ने बताया कि उत्खनन के साथ हमें पर्यावरण का भी ध्यान रखना होगा. देवेंद्र पारेख ने कहा कि देश में खनिजों के विपुल भंडारों को देखते हुए इस क्षेत्र में उद्योग शुरू करने की काफी संभावनाएं हैं. कानक्लेव में इन्हीं मुद्दों पर विचार किया जाएगा. इस अवसर पर एमएसएमसी और खनिज आधारित विभिन्न उद्योग समूहों के बीच सामंजस्य करार भी किए गए.

## आज CM का संबोधन

कार्यक्रम के दूसरे दिन 10 फरवरी को मुख्यमंत्री देवेंद्र फडणवीस संबोधित करेंगे. वे खनन और खनिज उद्योग में अवसर विषय पर मार्गदर्शन करेंगे. इस दौरान वे उद्योजकों से भी चर्चा करेंगे.



## In a first in 67 years, women to work in underground mines

Koride.Mahesh  
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**Hyderabad:** Indian women are all set to shatter a glass ceiling in a place where they least expect it — under their feet. With the Centre allowing women in underground mines, one of India's biggest coal mining companies, the publicly owned Singareni Collieries Company Limited (SCCL), will become among the first to open such mines to women.

It was in 1952 that the central government had banned women in underground mines. Sixty-seven years on, on February 4, the central government amended the act and allowed women in underground mines. It also gave women the option of working night shifts.

SCCL officials say women candidates will be allowed to

### BREAKING NEW GROUND

- Singareni Collieries Company Limited to be the first to open underground mining to women
- Women miners can work in night shifts
- Recruitment to begin soon and selected candidates will undergo rigorous training
- At present, SCCL has 1,362 women employees working as clerks, hospital staff and sweepers

apply for jobs like general mazdoor, pump operator, conveyor operator, coal cutter, fitter, helper and 52 other designations both in underground and open-cast mines.

➤ ITI trained candidates, P 5

## Paucity of ITI-trained candidates may hit selection

Koride.Mahesh  
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**Hyderabad:** The Singareni Collieries Company Limited (SCCL) will allow women to work in underground mines. Officials told TOI that recruitment will begin in a couple of months and selected candidates will have to undergo rigorous training.

"SCCL is expected to release 12 to 13 notifications to fill about 1,000 vacancies, including mining jobs like technicians, electrical fitters, chemists and engineers. The jobs will be open to all, including women," SCCL director (personnel, administration and welfare) S Chandrasekhar told TOI. "We are expecting detailed guidelines from the Centre and the joint bipartite committee for the coal industry on the safety and facilities that need to be given to women workers."

Officials also say they are worried about availability of women candidates for certain posts like fitter and operator for which a candidate needs to have an Industrial Training Institute (ITI) certificate. "Not many women candidates are joining ITI or institutes for mining courses," a general manager of the company said.

SCCL has 56,282 employees. Of these, 1,362 are women, who have been working as clerks, in hospitals and as sweepers. The company has 29 underground mines and 19 open-cast mines with 47,000 field workers.

Officials add that since the mid-1990s, hardly any women have been recruited on the rolls in the company, owned jointly by the state and central governments. Those who have been recruited are contractual workers, mostly in the canteen and as sweepers and some non-executive posts.



## U.S. Steel wins tax breaks from one of America's poorest cities

Indiana's investment of \$10 million in tax credits, along with \$2 million in worker training grants, comes with the condition that U.S. Steel retains at least 3,875 jobs at Gary Works

REUTERS  
GARY, INDIANA

United States Steel Corporation founded Gary, Indiana in 1906 – naming it after co-founder Elbert Henry Gary – and the city's fortunes have been closely tied to the company ever since.

When the firm started losing business to cheap Asian imports in the 1970s, waves of layoffs followed as Gary became a haven of blight, crime and lost population.

Last year, the city harboured hopes for a revival after President Donald Trump imposed tariffs on steel imports and the company planned a \$750 million investment to modernise Gary Works, its largest North American plant.

But it's now clear those hopes will not translate into

new steel jobs, even after the city and state offered the firm a \$47 million tax break package.

### Losses, not gains

The whole point of the investment is to make the plant more efficient, so the incentives will help finance a project that city and company officials concede could ultimately result in job losses, not gains.

Gary's dimmed hopes for a tariff-driven renaissance underscore how the policy has so far provided a windfall for U.S. steel firms, but only a marginal benefit to workers and struggling steel towns.

Gary Works once employed more than 25,000 people, but now supports only about 4,000 in a city that has seen its population plummet

from 1,75,000 in 1970 to 77,000 today.

Steel industry employment nationwide increased by 1,000 jobs to 83,400 between March, when tariffs were imposed, and November, according to the latest available data from the U.S. Bureau of Labour Statistics.

In a statement to Reuters, Mr. Trump's Commerce Department called the 1.2% increase a "welcome change from decades of decline and layoffs" and said "many more" jobs would be created as planned industry investments and expansions are completed, without specifying how many. "Improving efficiency is important and was one of the goals of the tariffs," a department spokesman said of the Gary investment. "We are glad to see the

American industry is making investments that will protect their long-term viability and ensure a strong domestic supply." The state of Indiana's investment of \$10 million in tax credits, along with \$2 million in worker training grants, comes with the condition that U.S. Steel retains at least 3,875 jobs at Gary Works. But a state spokesperson declined comment on whether the company could still collect part of the incentives if the number of jobs falls below that threshold.

The city would get no guarantees of job retention for its bigger and longer-term commitment of property tax breaks, a benefit estimated at \$35 million over 25 years. The details of both deals are still being finalized, officials said. U.S. Steel Vice President

Douglas Matthews acknowledged the modernisation would cut costs and reliance on manual labour. Productivity improvements would likely result in a "decreasing headcount over time," he said.

But without the investment, "then the business is at risk, and then you put all the jobs at risk," Mr. Matthews said in an interview.

U.S. Steel declined to comment about why it needed tax breaks to make its investment viable and declined to provide details about its negotiations with the city.

U.S. Steel's 2018 profits shot up to \$1.12 billion, from \$387 million the previous year. The tariff-driven windfall has allowed the company to spend \$300 million buying back its own stock.

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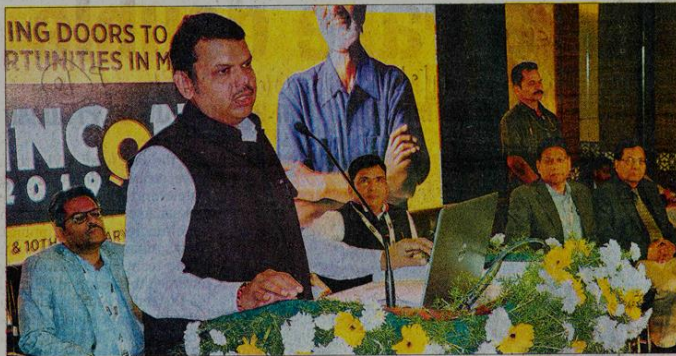
## State Govt to introduce new Mining Policy: CM

### Business Bureau

"MAHARASHTRA is very rich in mineral resources in spite of that exploration has not kept pace with the growth in demand. Exploration activity therefore must pick up rapid pace for this industry to flourish. It is need of the hour to encourage investment in exploration and set-up mineral processing units that offer value addition. For this there is need to introduce a new Mining Policy for minor and major minerals with focused dynamic approach," said Chief Minister of Maharashtra Devendra Fadnis.

He was speaking on the concluding day of MINCON-2019 conclave on the 'Opportunities in Mining and Minerals Industry.' It was organised by Government of Maharashtra through its Industries and Mining Department and Maharashtra State Mining Corporation Limited (MSMC) in association with Vidarbha Economic Development Council (VED) on Sunday.

Shivkumar Rao, Vice-President, VED, S Ramamoorthy, Managing Director of MSMC, Ashish Jaiswal, Chairman of MSMC, Devendra



Chief Minister Devendra Fadnis addressing the gathering. Also seen are Shivkumar Rao, Ashish Jaiswal, Devendra Parekh and Sudhir Paliwal. (Pic by Satish Raut)

Parekh, President VED and Sudhir Paliwal, Expert Member of Maharashtra State Fly-Ash Council and Director of MAHAGENCO Ash Management Services Limited were present on the dais at the inaugural session.

Fadnis lauded the efforts of MSMC and VED in organising the MINCON 2019 conclave. Government has tried to work on

several aspects but mining has not been dealt aggressively enough. However, with Ashish Jaiswal as Chairman of MSMC, it would make headway within six months. There have been various hurdles and challenges especially in mineral processing due to the high power cost affecting the competitiveness of the mining sector in the State. "Mining took

place but processing lagged behind," he said.

"Now the Government is addressing the power cost which is now comparable to other states of the country. A new base has been created. Still there is a need for drafting a new Mining Policy," he pointed out. He gave the responsibility of drafting the new policy to MSMC and VED with

respect to the framework, incentives and global competitiveness. GoM would give all the concessions to make it successful by giving the new Mining Policy a boost.

"Maharashtra is backward even with regard to the minerals foundation and although auctions are coming through but the response is not enough. So far we have done sand mining but it is highly detrimental on the environment. Sustainable practices are vital as we cannot afford to endanger the environment leading to climate change," he said.

GoM would focus on the new Mining Policy in June and would like to give financial backing and accept the policy to ensure it is at par with the adjoining states like Chhattisgarh, Odisha, Madhya Pradesh and Telangana, Fadnis added.

Ashish Jaiswal, Chairman, MSMC spoke on mineral exploration and forests which have taken a back-seat so far, but should be made a priority. MSMC has given a very good proposal for M-Sand mining which would improve the image of the Government of Maharashtra as it would help generate employment and bring more revenue to

the region. M-Sand or manufactured sand costs less and can help stop the issue of illegal mining of sand from the river beds.

On the occasion, 'Expression of Interest' was signed between MAHAGENCO and MSMC in the presence of the Chief Minister, Fadnis. The document was signed by Rajiv Burde, Executive Director of MAHAGENCO and S. Ramamoorthy, Managing Director of MSMC.

The expression of interest is to make available quality limestone from the mines of MSMC to MAHAGENCO. All power plants of MAHAGENCO will be equipped with Flue Gas Desulphurisation (FGD) system as per Government norms to neutralise gases which causes acid rain, global warming and harm the environment. For this process, large quantities of limestone are required.

The MoC for the proceedings were Rina Sinha, Ex-VP and Executive Member and Atul Tajpuria, Joint Secretary of VED. The vote of thanks was proposed by Ashish Jaiswal.

Also present were Rahul Uppanlawar, Secretary General of VED and others.



मुख्यमंत्री देवेंद्र फडणवीस : मिनकॉन परिषद

# खाण उद्योगांसाठी नवीन धोरण

लोकमत न्यूज नेटवर्क

नागपूर : विदर्भात खनिज संपदा विपुल प्रमाणात आहेत. पण गेल्या काही वर्षात खाण क्षेत्रात आणि मुख्यत्वे प्रोसेसिंग उद्योगात प्रकषण काम झाले नाही. वाढीव वीज दरामुळे खनिजांवर प्रोसेसिंग करणे कठीण होते. आता विजेचे दर कमी झाले आहेत. मिनरल प्रोसेसिंग झोन आणि नवीन खाण धोरणाचा फायदा या क्षेत्रातील उद्योगांना होणार असल्याचे प्रतिपादन मुख्यमंत्री देवेंद्र फडणवीस यांनी केले.



'मिनकॉन' परिषदेत उद्योजकांना मार्गदर्शन करताना मुख्यमंत्री देवेंद्र फडणवीस, व्यासपीठावर महाराष्ट्र राज्य खनिकर्म महामंडळाचे अध्यक्ष आशिष जयस्वाल, व्यवस्थापकीय संचालक एस. राममूर्ती, देवेंद्र पारेख आणि सुधीर पालीवाल.

उद्योग आणि खनिकर्म विभाग (एमएसएमसी) आणि विदर्भ इकोनामिक डेव्हलपमेंट कोन्सिल (वेद) यांच्या सहकार्याने हॉटेल सेंटर पॉइंट येथे आयोजित दोन दिवसीय 'मिनकॉन कॉन्क्लेव्ह'च्या दुसऱ्या दिवशी मुख्य अतिथी म्हणून मुख्यमंत्री बोलत होते.

व्यासपीठावर महाराष्ट्र राज्य खनिकर्म महामंडळाचे अध्यक्ष आशिष जयस्वाल, व्यवस्थापकीय संचालक एस. राममूर्ती, वेदचे अध्यक्ष देवेंद्र पारेख आणि सुधीर पालीवाल उपस्थित होते.

## पर्यावरणाचे जतन व संवर्धन महत्वाचे

◆ मुख्यमंत्री म्हणाले, परिषदेनंतर उद्योग आणि खनिकर्म विभाग (एमएसएमसी) आणि विदर्भ इकोनामिक डेव्हलपमेंट कोन्सिल (वेद) यांनी संयुक्तीत्या खाण धोरणाचा मसुदा तयार करावा. जूनमध्ये नवीन धोरण तयार करू. त्याचा फायदा खनिजाचे उत्खनन आणि त्यावर आधारित उद्योगांना होणार आहे. खनिज उत्खननाबरोबरच पर्यावरणाचे जतन व संवर्धनाचा विचारही करणे गरजेचे आहे. खनिज क्षेत्रातील उद्योगांसाठी सकारात्मक पावले उचलण्यात येत आहेत. गेल्या १० ते १२ वर्षात 'एमएसएमसी'च्या अपारदर्शक कारभारामुळे या विभागाकडे दुर्लक्ष करण्यात आले. पण आता जयस्वाल अध्यक्ष झाल्यामुळे खनिज उद्योगांना चालना मिळणार आहे. खनिजांचा लिलाव सुरू केला असून १२ हजार कोटींचा लिलाव करण्यात येणार आहे. उद्योजकांचा प्रतिसाद मिळत आहे. नागपूर आणि

भंडारा येथून मॅग्निज आणि तांब्याकरिता प्रस्ताव येत आहेत. या भागातील खनिज प्रोसेसिंगसाठी बाहेर न जाता त्याच क्षेत्रात प्रोसेसिंग उद्योग सुरू करण्यावर शासनाचा भर आहे. त्यामुळे शासनाच्या महसुलात भर पडणार असल्याचे त्यांनी सांगितले.

◆ फडणवीस म्हणाले, देशात इन्फ्रास्ट्रक्चर रची कामे सुरू आहेत. त्यापैकी ५० टक्के कामे महाराष्ट्रात सुरू आहेत. रेलीचा मोठा प्रश्न निर्माण झाला आहे. त्याकरिता दीर्घकालीन धोरण तयार करण्याची गरज आहे. महासँड हा त्यावर पर्याय आहे. आयोजकांनी परिषदेच्या दोन दिवसांचे सार द्यावे. त्यावर विचार करून नवीन खाण धोरण तयार झाल्यास खनिज क्षेत्रातील उद्योगांना गती मिळेल.

◆ आशिष जयस्वाल म्हणाले, खनिज क्षेत्रातील उद्योगांच्या वाढीसाठी जाणीवपूर्वक प्रयत्न करण्यात येत आहेत. या क्षेत्रातील उद्योगांना आता अधिक सुविधा व सवलती उपलब्ध

करून देण्यात येत आहेत. खनिज क्षेत्रातील प्रक्रिया उद्योग व मूल्यवर्धित उद्योग विदर्भातच निर्माण करण्यावर भर देण्यात येत आहे. खनिजाच्या रॉयल्टीतून मिळणाऱ्या निधीतून काही भाग संबंधित जिल्ह्याच्या विकासासाठी वापरण्याचे धोरण त्या जिल्ह्यांसाठी उपयुक्त ठरत आहे. विदर्भाच्या जिल्ह्यातील खनिज बाहेर जाऊ नये. त्याच जिल्ह्यात खाण प्रोसेसिंग युनिट उभे करण्याचे 'एमएसएमसी'चे धोरण आहे. विदर्भात खाणआधारित उद्योग सुरू झाल्यास हजारो कुटुंबीयांना रोजगार मिळेल.

◆ देवेंद्र पारेख म्हणाले, महाराष्ट्र राज्याने केंद्राला ६५० कोटींचा महसूल दिला आहे. खनिज उद्योगांना चालना दिल्यास उत्खनन व उद्योगाला गती मिळेल आणि आयात कमी होईल.

◆ संचालन रीना सिन्हा यांनी तर वेदचे शिवकुमार राव यांनी आभार मानले.



# राज्य में बनेगी खनिज नीति

## रोजगार के अनेक अवसर : मुख्यमंत्री

व्यापार प्रतिनिधि नागपुर. खनन और खनिज क्षेत्र के उद्योगों को प्रोत्साहित करने के साथ ही इस सेक्टर में उपलब्ध रोजगार के अवसर और निवेश को बढ़ावा देने के लिए राज्य सरकार नई खनिज नीति बनाएगी. खनन और खनिज उद्योगों के लिए



आयोजित मिनकोंन कानक्लेव के दूसरे दिन मुख्यमंत्री देवेंद्र फडणवीस ने यह बात कही. सम्मेलन के पहले दिन उद्घाटन अवसर पर केंद्रीय सड़क परिवहन मंत्री नितिन गडकरी ने राज्य में आईटी और कृषि उद्योग की तरह खनिज आधारित उद्योगों के लिए भी नीति बनाने की बात कही थी. कार्यक्रम का आयोजन उद्योग और खनिकर्म विभाग, महाराष्ट्र राज्य खनिकर्म महामंडल और वेद की ओर से किया गया. इस अवसर पर एमएसएमसी के अध्यक्ष आशीष जायसवाल, प्रबंध संचालक एस. राममूर्ति, देवेंद्र पारेख, सुधीर पालीवाल व अन्य अतिथि उपस्थित थे. मुख्यमंत्री ने एमएसएमसी, वेद और इस क्षेत्र से जुड़ी संस्थाओं को राज्य की नई खनिज व खदान काम नीति का मसौदा तैयार कर जून से पहले पेश करने को कहा. इसमें मिनकोंन परिषद में निकाले गए निष्कर्षों

को भी शामिल किया जाए. खनिज आधारित उद्योगों को प्रोत्साहित करने के लिए सरकार सभी संभव सहयोग करेगी. उन्होंने कहा कि खनिजों के मामले में विदर्भ संपन्न है. गौण खनिज और मुख्य खनिजों से सरकार को राजस्व प्राप्त होता है. खनिज आधारित उद्योगों को बिजली दरों में छूट दी गई है. उन्होंने कहा कि राज्य में खनिज उद्योग के लिए काफी संभावनाओं को देखते हुए इन पर आधारित क्लस्टर शुरू करने और खनिज मिलने वाले स्थानों पर ही उन पर आधारित उद्योग व मूल्य संवर्धन उद्योग शुरू करने पर जोर दिया जाएगा. उन्होंने बताया कि अहेरी और जिवती में सीमेंट उद्योग, गडचिरोली में स्टील प्रकल्प, भंडारा में मैंगनीज प्रकल्प जैसे विभिन्न खनिज आधारित उद्योग विदर्भ में प्रस्तावित है.

### एम-सैंड माइनिंग का प्रस्ताव

- एमएसएमसी के अध्यक्ष आशीष जायसवाल ने कहा कि वन, पर्यटन और खनिज संपदा विदर्भ की पहचान है. खनिज आधारित उद्योगों को बढ़ावा देने के लिए ईमानदारी के साथ प्रयास किए जा रहे हैं. खनिजों की खोज और जंगल जैसे मसलों को पहले ज्यादा महत्व नहीं दिया जाता था लेकिन अब इन्हें प्राथमिकता दी जाएगी. एमएसएमसी ने एम-सैंड माइनिंग का प्रस्ताव रखा है.
- इससे रोजगार के अवसर बढ़ेंगे, लोगों की जीवनस्तर सुधरेगा और क्षेत्र का विकास होगा. देवेंद्र पारेख ने कहा कि देश में खनिजों के विपुल भंडारों को देखते हुए इस क्षेत्र में उद्योग शुरू करने की काफी संभावनाएं हैं. आईबीएम के चीफ मिनरल इकोनामिस्ट डा. पी.के. जैन ने कहा कि खनिजों के कई प्रकारों की अब तक खोज नहीं हो पाई है, इसके लिए काफी काम करने की जरूरत है.
- खनन सलाहकार एच.आर. कलीहारी ने कहा कि कई खनिज जंगल क्षेत्र में होने से क्लीयरेंस मिलना काफी कठिन हो जाता है. खोज के लिए नियमों में कुछ ढील दी जानी चाहिए. मायल के कार्यकारी निदेशक पी.वी.वी पटनाईक ने कहा कि बिजली की स्थिति में सुधार से खनन और खनन उद्योग में भी सुधार आएगा.
- खनन सलाहकार प्रदीप माहेश्वरी ने कहा कि पर्यावरण संबंधी मसलों के कारण एक बड़ा एरिया छूट गया. विदर्भ में 82-85 प्रश खनिज होने के बावजूद स्टील अन्य राज्यों से मंगाना पड़ता है. तकनीकी स्तर में आईबीएम के अभय अग्रवाल, वेकोलि के दिवाकर गोखले, मंदार चित्रे, सुधीर पालीवार, संजय निकम ने संबोधित किया.



**EARNINGS REVIEW** Short-term outlook for the company looks positive

# Sector Headwinds to Continue for Tata Steel

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**ET Intelligence Group:** Tata Steel's December 2018 quarter earnings failed to surprise analysts. However, the short-term outlook is favourable given a sharp rise in iron ore prices, extension on import duties by Europe and a jump in domestic steel prices.

In the December quarter, consolidated EBITDA (earnings before interest tax and depreciation) fell 25% sequentially to Rs 6,734 crore as the domestic realizations and volumes dropped across verticals due to slack demand from the auto and consumer segments and increased imports. Sales volume dropped by 5.8% over the preceding quarter resulting in

5.3% fall in revenue to Rs 41,220 crore.

EBIDTA for the Indian business, the recently acquired Bhushan Steel, Europe and South East Asia fell by 24%, 19%, 15% and 91% in that order. The European business was impacted due to shutdown of Port Talbot blast furnace as a part of maintenance programme and other operational issues according to the management. The South East Asian business was impacted due to sluggish demand in Singapore and Thailand.

Amid slow demand, reduction in debt was a positive news. Gross debt reduced by 8% sequentially to Rs 1.1 lakh crore as the company paid back Rs 6,200 crore. The debt may fall to nearly Rs 92,000 crore by the end of the next fiscal once the European and



South East Asian businesses are divested.

Several other factors work in favour of Tata Steel. International iron ore prices (a major raw material) have rallied over 20% in the past two weeks to more than \$92 per tonne due to the shutdown of the largest mine in the world by Brazil based Vale after a ma-

ajor accident. This price surge is a negative for most steel producers, but not for Tata Steel. Thanks to the captive ore mines, Tata Steel India has an advantage over its peers. A 2% steel price hike taken earlier this month in the domestic market will further aid margins. Also, an extension of customs duty of 25% on steel by Europe is a positive for Tata Steel Europe.

These positive factors may offer support to the stock price. Which has fallen 18% in the past three months. But, in the medium term, global slowdown and trade barriers will continue to weigh on the sector. At the Friday's closing stock price of Rs 468.7 on the NSE, the company's enterprise value was six times the FY20 expected EBITDA.

**BUSINESS LINE** DATE : 11 /2/2019 P.N.11

# Lead prices rise on supply shortfall

Chinese slowdown, higher-than-expected supply shortage move prices up

PARVATHA VARDHINIC

Lead prices that had cooled off over the past year have started slowly inching up again.

Until early 2018, international lead prices on the London Metal Exchange had showed an increasing trend, moving from a multi-year low of \$1,600 per tonne in early 2016, to \$2,500 a tonne by October 2017, and to \$27,00 a tonne in early 2018.

However, prices declined after that, touching a low of \$1,885 a tonne in end-November 2018. Prices are slowly heating up again and are now hovering at \$2,000-2,100 a tonne.

In India, MCX spot prices have mirrored international trends in the above periods. Domestic lead prices stand at about ₹150 a kg now, moving up from the low of ₹135 a kg from end-November last year.

**What's driving prices?**

A major reason for the decline in prices for most of 2018 was the slowdown in economic growth in China.

China is the biggest consumer of lead, accounting for about 40 per cent of the global usage. China's focus on infrastructure projects had pushed

up the demand for industrial metals including lead in 2016 and 2017.

Besides, the growing popularity of e-bikes and e-trikes in China that use lead-acid batteries also triggered huge demand for lead in that geography.

However, the trade dispute with the US, a drive to cut the country's high debt and weak domestic demand slowed economic growth in China last year.

For the full year 2018, the economy expanded 6.6 per cent, the slowest since 1990.

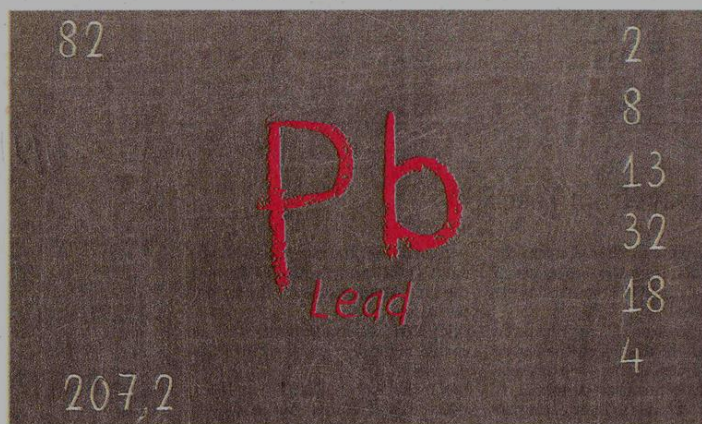
But despite the Chinese slowdown, higher-than-expected supply shortage is probably moving up lead prices now.

Latest available data from the International Lead and Zinc Study Group (ILZSG) indicate that global demand for refined lead metal exceeded supply by 95,000 tonnes during the first 11 months of 2018.

Besides, ILZSG further estimates that demand for refined lead metal will exceed supply by 1.23 lakh tonnes in 2018.

This represents a change to the previous prediction — in April 2018 — of only a 17,000-tonne deficit in the global lead market.

Initially, lead-mine produc-



ISTOCK.COM/MICHAALLOOTWIJK

tion was predicted to rise 4.2 per cent in 2018 (over 2017) to 4.90 million tonnes. But mine production until November 2018 has come in only at 4.195 million tonnes, a fall of 2 per cent over the same period in 2017.

This was mainly due to lower output in China, Kazakhstan, Peru, South Africa, Sweden and the US. Consequently, growth in refined lead metal output, too, dropped.

World refined lead metal output was expected to rise 3.8 per cent to 11.88 million tonnes in 2018 (over 2017). But until November, the output stood at

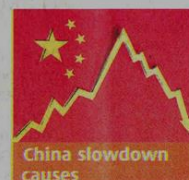
10.67 million tonnes, less than 1 per cent higher than 2017.

**Outlook**

Going by the outlook for the full year 2019 put out by ILZSG in October 2018, supply of refined lead metal is expected to be adequate. Global demand for refined lead metal is forecast at 11.79 million tonnes in 2019. Although usage in Europe and the US is expected to move up 1.8-2.5 per cent, a 1.3 per cent fall in usage in China is anticipated in 2019. As against this, world refined lead metal production is expected at 11.84 million tonnes in 2019.

According to ILZSG, production in 2019 will benefit from higher output in Europe and the US where output is forecast to grow 3.9 per cent and 2.4 per cent, respectively. Refined lead supply in Australia, China, India and South Korea is also expected to increase.

However, the tight supply conditions that have come to light since the release of this forecast could continue to push up prices. Besides, though a fall in usage is expected in China, further stimulus measures to give a leg-up to economic growth could heat up demand for lead from China, too.



- Trade dispute with US
- Drive to cut country's high debt
- Weak domestic demand

**In demand**

Latest available data from the International Lead and Zinc Study Group indicate that global demand for refined lead metal exceeded supply by 95,000 tonnes during the first 11 months of 2018



# Gold may consolidate before a fresh rally

A range-bound move between \$1,295 and \$1,325 is possible before a rally to \$1,360-1,370

GURUMURTHY K

Gold prices fell over a per cent intra-week but managed to recover most of the loss towards the end of last week.

Silver, on the other hand, tumbled 1.6 per cent intra-week before recouping most of the loss.

The global spot silver prices made a low of \$15.65 per ounce and reversed from there to close the week 0.54 per cent lower at \$15.82 per ounce.

A sharp bounce in the US dollar index kept the bullion prices under pressure in the initial part of the week.

However, fresh concerns on the US-China trade war helped bullion gain safe-haven status and the prices recover.

On the domestic front, the losses on gold and silver prices were wider as the rupee recovered sharply against the US

dollar last week. The rupee made a low of 71.84 on Monday and then reversed, recovering the loss to close the week at 71.31 against the dollar.

As a result, the gold and silver futures contract on the Multi Commodity Exchange (MCX) fell more than the global prices.

The MCX-Gold futures contract was down 0.5 per cent for the week and closed at ₹33,242 per 10 gm.

The MCX-Silver contract tumbled the most by 1.2 per cent and closed at ₹40,105 per kg.

## Dollar strengthens

The US dollar index surged 1.1 per cent last week to close at 96.64.

The immediate support is in between 96.50 and 96.40.

As long as the US dollar index trades above this support zone, there is a strong likelihood of it extending its rally towards 97.3 and 97.5 in the coming days.

This may restrict the upside in gold.

But at the same time, any fresh concerns relating to the US-China trade war could help



GETTY IMAGES/ISTOCKPHOTO

gold gain in spite of a strong dollar.

## Gold outlook

The global spot gold (\$1,316 per ounce) bouncing from its low of \$1,302.85 is a positive. This indicates that the yellow metal is getting fresh buyers around the psychological level of \$1,300.

The key support is in the \$1,300-1,295 region, which is likely to limit the downside. The outlook will turn negative only if gold breaks below \$1,295, which looks less probable at the moment. As long as gold remains above \$1,295, an up-move to revisit \$1,325 is likely in the coming days. The

inability to breach \$1,325 can keep the yellow metal in a sideways range between \$1,295 and \$1,325 for some time. An eventual break above \$1,325 will then pave the way for the next targets of \$1,360 and \$1,370.

On the domestic front, the MCX-Gold (₹33,242 per 10 gm) came off sharply from its high of ₹33,750. The resistance at ₹33,735 seems to be holding well as of now. A near-term dip to test the support at ₹32,775 looks possible. However, a break below this support is less likely. A bounce back from ₹32,775 may have the potential to break the resistance at ₹33,735. Such a break will then increase the likelihood of the

contract targeting ₹34,600 thereafter.

## Silver outlook

The global spot silver (\$15.82) is holding above its \$15.60-15.55 region. As long as silver sustains above this support zone, an up-move to \$16.2 and \$16.3 is possible in the coming days. Broadly, silver can remain range-bound between \$15.55 and \$16.3 for some time. A breakout on either side of \$15.55 or \$16.3 will then determine the direction of the next move. The bias remains positive and the possibility is high of silver breaching \$16.3 and targeting \$16.8 and \$17 in the coming weeks.

The MCX-Silver (₹40,105 per kg) futures contract has been range-bound between ₹39,665 and ₹40,785 per kg over the past couple of weeks. A breakout on either side of this range will decide the next move.

A strong break below ₹39,665 can drag the MCX-Silver contract lower to ₹39,300 and ₹39,000. On the other hand, if the contract manages to break the range above ₹40,785, a fresh rally to ₹41,500 is possible.



## MCX Gold

**Supports:**  
₹32,775/32,000  
**Resistances:**  
₹33,735/34,600

## MCX Silver

**Supports:**  
₹39,665/39,300  
**Resistances:**  
₹40,785/41,500



# New gold policy likely to encourage 'bullion banking': WGC India

KR SRIVATS

New Delhi, February 10

The World Gold Council (WGC) sees gold becoming a strong 'financial asset' in India once the Centre rolls out its proposed comprehensive gold policy this year, a top official said.

According to the new policy, banks will be allowed to do 'Bullion Banking' (take risk in bullion) and new infrastructure such as spot exchanges would be a reality, ushering in transparency and thereby benefiting consumers and small jewellers in particular, PR Somasundaram, Managing Director-India, WGC, told *Business-Line* here.

Bullion banking will enable consumers to do bullion-related transactions with banks with ease. Spot exchange will solve for liquidity in the market.

"This upcoming gold policy, which we expect to get unveiled by the government very soon, will have a positive impact on our exports"



**"This upcoming gold policy, which we expect to get unveiled by the government very soon, will have a positive impact on our exports"**

PR SOMASUNDARAM  
Managing Director-India, WGC

will have positive impact on our exports. It will not have any immediate impact on demand, but will improve sentiment," said Somasundaram.

It may be recalled that a draft policy for promotion of gold as

a financial asset has already been circulated to relevant Ministries for comments, and a proposal to set up a gold exchange is under consideration by the government.

"Our belief is that after the NITI Aayog report, the work for new comprehensive gold policy is in the last lap. It should be a reality very soon," Somasundaram said.

Somasundaram also highlighted that the upcoming gold policy is not just driven by India's needs. "We are looking at a policy not just for Indian market. We are looking at a policy for an international gold market with 25 per cent of demand coming from India," he said.

## Demand outlook

Meanwhile, the WGC has upped its gold consumption forecast for the Indian market for calendar year 2019 to 750-850 tonnes from the 700-800 tonnes pro-

jected earlier. This demand forecast is also higher than last year's average demand of about 760.4 tonnes. India's gold demand has averaged about 838 tonnes in the last decade.

"We see consumption will be slightly up at 750-850 tonnes this year than earlier anticipated. This is because GST is in a sense largely settled, market share of organised players are going up, and the government has taken initiatives to improve economy in rural areas, which will lead to higher savings in gold — more money in hands of rural people," he said.

Annual Gold demand gained 4 per cent in 2018, on highest central bank buying in 50 years. Gold demand had reached 4,345 tonnes, up from 4,160 tonnes in 2017 and in line with the five-year average of 4,347.5 tonnes. A multi-decade high in central bank buying (651.5 tonnes) drove growth.

THE ECONOMIC TIMES  
DATE : 11 /2/2019 P.N.10

## High Debt at Holding Co of Vedanta Group

►► From ET Market Page 1

Moreover, merely considering consolidated EBIDTA will be misleading as the only source of income for the holding companies is the dividend paid by the Indian entity. It has been paying high dividends -- nearly Rs 50 per share in less than three years. Its dividend payout ratio was 72% and 65% in FY17 and FY18, respectively, according to Capitaline.

Besides, there is also a leakage in the dividend process due to dividend distribution tax and dividends to minority shareholders. For instance, Hindustan Zinc is the group's most cash surplus company but a dividend of Rs 10 given by the company reduces to under Rs 2.5 by the time it reaches Vedanta Resources.

In a recent related party transaction, Cairn India's (Vedanta's subsidiary) cash was used to purchase shares of Anglo American. The transaction was worth \$540 million but escaped the requirement for shareholders' approval under the new Companies Act since it was done through an overseas subsidiary of Vedanta -- Cairn Mauritius. The sharp fall in Vedanta's stock price over the past year reflects concerns that the management's decisions on capital allocation in future may compromise minority shareholders' interest.

## Resistance caps the upside in MCX-Aluminium

### MCX Aluminium



GURUMURTHY K

BL Research Bureau

The Aluminium futures contract on the MCX surged over 3 per cent intraweek but failed to sustain higher. The contract made a high of ₹138.85 per kg on last Tuesday and has come off sharply from there giving back all the gains made during the week. It is currently trading at ₹133 per kg, down about a per cent for the week.

The 100-week moving average resistance at ₹137 is continuing to cap the upside. This resistance has been restricting the MCX-Aluminium contract over the last three weeks from a strong rally. A near-term support is at ₹131 which is likely to be tested in the coming days. If the contract manages to bounce from this support, an upmove to ₹135 and ₹137 is possible. In such a scenario, the contract can remain range-bound between ₹131 and ₹137 for some time. A break-out on either side of this range will then determine the direction of the next move. Traders can stay out of the market until a clear trend emerges.

A break below ₹131 will drag the contract lower to ₹129 and ₹127. On the other hand, if the MCX-Aluminium futures contract breaks decisively above ₹137, it can test ₹140 initially. A further break above ₹140 will then increase the likelihood of the contract extending its upmove towards ₹143 and ₹145 thereafter.

### Global trend

The Aluminum (three-month forward) contract on the London Metal Exchange has come off after making a high of \$1,936 per tonne last Wednesday. The resistance around \$1,920 seems to be holding well. As long as the contract trades below this resistance, a fall to \$1,830 and \$1,800 breaking below \$1,860 is possible.

On the other hand, if the contract manages to sustain above \$1,860, a range-bound move between \$1,860 and \$1,920 can be seen for some time.



# Steel exports slump 25%

JAYANTA ROY CHOWDHURY

**New Delhi:** India's iron and steel exports to its top 20 destinations fell 25 per cent in the April-November period of 2018, forcing the government to consider negotiating for duty concessions in its trade talks with other nations..

India sold 8 million tonnes of iron and steel to its top 20 export destinations between April and November compared with 10.7 million tonnes (mt) a year ago. In contrast, imports of various grades of steel increased nearly 8 per cent between April and December 2018 compared with a year earlier, government data showed.

Till now, Indian steel exports have been a rising graph — 7.6 mt in 2015-16, 14 mt in 2016-17 and 15.9 mt in 2017-18.

"We are now net steel importers, despite being the world's second largest steel maker," said top officials.

In terms of value of steel exported, India earned \$6.52 billion in the April-November period against \$7.36 billion in the same period a year ago.

Sales to the US, EU nations (Italy, Bel-

## SHIPMENT STATUS

### Steel exports in million tonnes

2015-16: 7.6 mt

2016-17: 14 mt

2017-18: 15.9 mt

■ *India sold 8mt to its top 20 destinations between April and Nov against 10.7mt a year ago. It earned \$6.52bn against \$7.36bn a year ago*

gium, Poland and Spain) as well as Asean nations (Vietnam, Indonesia and the Philippines) fell drastically.

India had in the past cut its duties on steel imports in free trade pacts signed with Japan, Korea and the Asean countries, which resulted in a surge in imports from these countries and China.

However, top officials said India would try to get duty concessions in future negotiations.

"We have virtually no policy on steel

exports. Indian manufacturers export when they find prices abroad are higher than at home. If you want to be a sustained and serious player you have to earmark a percentage of your production for the export market. This can happen when we seek duty cuts in key markets," said officials.

India will seek steel duty cuts in its trade negotiations with Peru. However, the bigger markets for steel are Nepal, Italy, Belgium, UAE, Spain, the US and Vietnam.

With the European Union and the US building tariff walls and restricting steel imports, India has to either make these two major partners keep their markets open or find new markets.

However, the problem for India is that it has been calling for tariff walls to protect its own home market from dumping by rivals.

The Indian government is mulling a minimum import price on select steel products, including flats and stainless steel, besides introducing stricter quality control norms across all steel imports.

COST EFFICIENCIES HELP COUNTERBALANCE IMPACT OF INPUT COST INFLATION

# Hindalco Q3 Net Surges 43%, High Domestic Demand Positive for Co

Company prepaid loans worth ₹1,575 crore in October last year

Vatsala Gaur and Jwalit Vyas

**Mumbai:** Alumina sales boosted the December-quarter net profit expansion at Hindalco Industries, although declining global prices of non-ferrous metals in 2019 and a softening trend in alumina might cap immediate gains at the Aditya Birla Group metals company.

Alumina contributed 43% to the EBITDA at Hindalco Industries along with Utkal Alumina as net profit for the standalone domestic business climbed 47% to Rs 713 crore. EBITDA rose 3.5% at Rs 1,926 crore in a quarter marked by rising input costs, mainly for coal and furnace oil. Net revenue stood at Rs 11,938 crore, an increase of 8%.

Cost efficiencies helped counterbalance the impact of input cost inflation.

"The cost of production for the business was flat compared with Q2, in spite of the LME going down by almost \$100... which allowed us to maintain profitability," Satish Pai, managing director at Hindalco, told ET.

Hindalco sources raw material from Utkal and hence the rise in alumina prices does not impact Hindalco's overall performance. While EBITDA from aluminium was down 46%, the alumina business more than trebled.

Earnings could be tepid in the immediate future. Alumina prices, which averaged \$450 per tonne, are down to an average of \$384, similar



to levels seen a year ago. Average aluminium prices for the December quarter were at \$1968 per tonne and are now trading at \$1874 per tonne. Average copper prices in the year are \$6021 per tonne against \$6172 in the December quarter.

The company prepaid loans worth Rs 1,575 crore in October last year, and the net debt now stands at Rs 17,000 crore, with a net debt to EBITDA ratio of 2.36. Interest expense was lower by 12% at Rs 477 crore, mainly due to re-pricing of long-term project loans and loan repayments, a company statement said.

The acquisition of Aleris by Hindalco's US subsidiary Novelis will close in July, post which the company will start integration with Aleris.

Pai said that even with the "domestic demand story" looking positive due to improving demand for copper and aluminium, the local industry faces challenges in the

shape of rising scrap imports from the US and finished metal shipments from China. Total aluminium imports rose 20%.

Another worry for the company is the availability of coal. "The supply has been tight, with power demand rising, which is why coal prices haven't come down," Pai said.

Novelis, the US based aluminium converter and a Hindalco subsidiary, reported a steady quarter with a 3% jump in revenues and 6% jump in EBITDA, thanks to better product mix and higher shipments. EBITDA for the quarter was \$322 million, or about Rs 2,250 crore.

On Tuesday, Hindalco's stock closed marginally lower at Rs 198.4 apiece. The stock is already down 10% since the beginning of the year, reflecting the fall in the commodity prices. The stock is trading at 5.2 times EV by EBITDA, which appears rich given the soft commodity prices.



## Key supports can provide base for MCX-Zinc

### MCX Zinc



GURUMURTHY K

BL Research Bureau

The Zinc futures contract on the Multi Commodity Exchange of India (MCX) witnessed a sharp corrective fall in the past week as expected. The resistance at ₹203 has held well. The contract made a high of ₹203.35 on February 5 and has come off sharply from there. It has tumbled over 7 per cent from the recent high and is currently trading at ₹188 per kg.

A cluster of key supports are in the band between ₹187 and ₹185 which may halt the corrective fall. An upward reversal from this support zone will see the contract trending higher towards ₹190 and ₹195. A further rally above ₹195 will then increase the likelihood of the contract revisiting the resistance level of ₹203.

On the other hand, if the MCX-Zinc futures contract breaks decisively below ₹185, the downside pressure will increase. In such a scenario, the possibility of the contract tumbling towards ₹175 and ₹170 cannot be ruled out.

Such a fall will keep the broader ₹165-205 sideways range intact. The contract has been trading in the broad sideways range since June 2018.

Medium-term traders who have taken long positions at ₹195 and ₹193 can hold them. Retain the stop-loss at ₹183 for the target of ₹212. Revise the stop-loss higher to ₹202 as soon as the contract moves up to ₹208.

### Global trend

The Zinc (three-month forward) contract on the LME has failed to get strong follow through buyers above \$2,800. The contract made a high of \$2,810 on February 5 and has come off sharply from there. It has tumbled about 6 per cent from this high and is currently trading at \$2,644.

Resistance is in the \$2,660-2,675 region. As long as the contract trades below this resistance, there is a strong likelihood of it extending its down-move towards \$2,600 and \$2,570.

## Hindalco profit up 47% on better realisation

### OUR BUREAU

Mumbai, February 12

Hindalco Industries, an Aditya Birla Group company, said on Tuesday its third-quarter net profit (including Utkal Alumina) was up 47 per cent at ₹713 crore (₹484 crore) on the back of better realisation.

Revenue from operations rose 8 per cent at ₹11,938 crore (₹11,044 crore).

The company had pre-paid long term loans of ₹1,575 crore last October and reduced interest cost by 12 per cent. As of December-end, the gross debt was at ₹22,700 crore and net debt was ₹16,200 crore after considering reserves of ₹6,500 crore.

Ebitda during the quarter was up 4 per cent at ₹1,926

crore (₹1,861 crore) despite the cost and imports going up significantly.

Satish Pai, Managing Director, Hindalco Industries, said the market share of domestic aluminium producers has shrunk to 40 per cent from 45 per cent while that of imports has jumped to 60 per cent from 55 per cent in the last eight months of this fiscal.

Imports from China alone have risen 64 per cent to 2.88 lakh tonnes (1.75 lt) after the US closed its doors on cheap shipments from there, he added. Moreover, he said, scrap imports from the US jumped 142 per cent in the last eight months to 1.54 lt after China levied a punitive duty on such imports.

# Villagers demand resumption of mining at Surjagarh

Shishir.Arya@timesgroup.com

**Nagpur:** In a visible change, the local residents around Surjagarh are now demanding resumption of mining in Surjagarh area of Gadchiroli district.

Mining operations were suspended in last week of January following violence after a road accident involving truck of Lloyds Metals and Energy Ltd (LMEL) that runs the iron ore mine. Maoists are also opposed to the project and have frequently attacked the operations, often destroying machinery and vehicles and sometimes even killing the staff.

Last week around 200 persons living in the villages around the LMEL mine, had gathered at Gadchiroli district headquarters for three days demanding that the mining operations be resumed. The mines are operational for an average of less than a week in a given month. Around 500 persons including women are engaged by the company when operations run, for a basic wage of Rs300 a day. Sources said much larger number of locals turn up for getting work.

Last month four persons were killed as a truck belonging to the company collided with a ST bus travelling a route close to the mine. Angered villagers burned down 15 vehicles of the company and the work is stopped since.

LMEL, which was granted the mining licence in 2007, has often suspended operations mainly due to Maoists' threat. The operations are carried out under police protection which depends on availability of force. During entire 2018, mining was done

## IN A NUTSHELL

➤ Surjagarh is rich in iron ore deposits

➤ LMEL is the only company having licence to mine here

➤ Operations take place at negligible level due to Maoist presence

➤ Mining takes place whenever police protection is available

➤ Last year work was carried out for only 48 days

for only 48 days.

The district collector Shekar Singh confirmed that some workers had held protests demanding the mining be resumed but he could not give numbers. He said resumption was not in the hands of district administration as LMEL was a private company.

Sources said with tendu leaf plucking business, the main stay for the district's rural population, coming down this year, the mining work is much needed for the villagers. Villagers living as far away as 20 kms from the mine reach there looking for work, they said.

On Monday evening a meeting was held at the district collectorate. It is learnt the company has expressed willingness to work 15 days in a month, if it is provided enough security. Otherwise it may even close down the operations permanently.

As a large number of locals turn up to seek work at the mine, it indicates they are not deterred by the Maoists' opposition to the project. The locals hire vehicles in groups to reach towards the mines.



# JSW Steel gets LoI to buy Bhushan Power and Steel

SURESH P IYENGAR

Mumbai, February 12

JSW Steel has received a Letter of Intent (LoI) from the Insolvency Resolution Professional (IRP) of Bhushan Power and Steel, declaring it the highest bidder for the stressed asset.

The letter was sent late on Tuesday, said a source close to the development.

JSW Steel has to review the approved resolution plan sent along with the letter before accepting the offer. The development takes JSW Steel closer to acquiring Bhushan Power, provided there is no arbitrary insertion of clauses by the IRP or the stressed company's Committee of Creditors (CoC), he added.

Once JSW Steel accepts the LoI, the IRP, in consultation with the CoC, will place the



JSW's acquisition of Bhushan Power is likely to be completed by early April BLOOMBERG

resolution plan before the NCLT for final approval. The entire process is expected to be completed by the first week of April, the source said.

Last week, the NCLAT had upheld JSW Steel's bid and turned down Tata Steel's objections to the selection process.

Tata Steel had initially pipped JSW Steel to emerge as the highest bidder for

Bhushan Power, which had defaulted on loans worth ₹47,700 crore. However, Liberty House of the UK submitted a better offer after the bidding deadline.

Tata Steel moved the NCLAT against the IRP considering a bid that was submitted after the deadline.

Meanwhile, JSW Steel revised its offer from ₹9,500 crore to ₹19,300 crore, and that offer was approved by the CoC with 97 per cent vote.

While directing the IRP to send the JSW Steel bid for approval, the appellate authority had said the NCLT should ensure that there is no discrimination between financial and operational creditors.

The case has been in the insolvency courts for the past eight months.

## Cement demand expected to grow in long-term

■ Business Bureau

THE average cement demand is expected to grow 1.2 times of the GDP growth rate in the country over the long term, according to UltraTech Cement. The growth of industry will be primarily driven by the Government-led spending on big infrastructure projects and low cost housing, besides uptick in rural housing.

India is the second largest producer of cement in the world after



China, with an installed capacity of 472 mtpa. The domestic industry has sustained cement consumption growth of seven per cent in last 17 years.

"Industry reached historical GDP multiple in FY'18 post slowdown in the last three-four years.

Long-term average cement demand growth is expected to be 1.2 times of GDP growth rate," the Aditya Birla group firm said in its investor presentation.

UltraTech, with an installed capacity of 105 mtpa (million tonne per annum), expects "demand momentum to maintain with improved focus on infrastructure, low cost housing and uptick in rural housing."

The Reserve Bank of India had last week projected an econom-

ic growth rate of 7.4 per cent for 2019-20 as against 7.2 per cent in the current fiscal. The industry would "witness new capacity addition at the rate of 15-17 mtpa," said UltraTech adding that the current capacity additions are backed by old limestone mining leases. Although India is among the leading producers of cement in the world, its per capita cement consumption is at 210 kg, which is lowest among the developing countries, it said.



THE TIMES OF INDIA DATE : 14 /2/2019 P.N.6

## Govt denies mining activity by China near Arunachal

TIMES NEWS NETWORK

**New Delhi:** India on Wednesday denied in Parliament that China was carrying out any mining activity near the border with Arunachal Pradesh. The denial follows reports that China had begun large-scale mining on its side of the border with Arunachal where a huge repository of gold, silver and other precious minerals had apparently been found.

"No such activity has been carried out by China inside the territory of the Indian state of Arunachal Pradesh," said MoS (MEA) VK Singh in reply to a question in Lok Sabha. "The government keeps a constant watch on all developments having a bearing on India's security and takes all necessary measures to safeguard it," he added. A Hong Kong-based newspaper had suggested last year that the mining operations in Lhunze county were a part of China's attempts to take over Arunachal Pradesh. The report had claimed "people familiar with the project say the mines are

part of an ambitious plan by Beijing to reclaim South Tibet". The report appeared shortly after the first Sino-Indian informal summit in the form of the Modi-Xi meeting.

India's denial follows an angry exchange of words between the two countries over PM Narendra Modi's visit to the state which China claims as its own.

India had dismissed China's objections to the visit saying Arunachal is "an integral and inalienable part of India". "Indian leaders visit Arunachal Pradesh from time to time, as they visit other parts of India. This consistent position has been conveyed to the Chinese side on several occasions," said the MEA spokesperson.

The Chinese foreign ministry had earlier said in a statement that China's position on the China-India boundary question was consistent and clear-cut and that the Chinese government had "never recognised the so-called 'Arunachal Pradesh' and is firmly opposed to the Indian leader's visit to the East Section of the China-India boundary".

## MCX-Nickel is in a corrective fall



GURUMURTHY K

BL Research Bureau

The uptrend in the Nickel futures contract on the MCX that has been in place since the beginning of this year has come to a halt. The contract has fallen sharply in the past week. The resistance at around ₹956 per kg is limiting the upside. The contract made a high of ₹956.4 on February 6 and has reversed sharply lower from there. It has plummeted over 9 per cent from the high breaking below the psychological support level at ₹900. The contract is currently trading at ₹869 per kg.

The corrective fall is likely to remain in place in the coming days. There is a strong likelihood of the contract extending its fall towards ₹839—the 100-DMA support level. Whether the contract reverses higher from ₹839 or not will decide the direction of the next move. A bounce from ₹839 will see the contract revisiting ₹900 levels. But a break below ₹839 will increase the likelihood of the fall extending towards ₹810 and ₹800.

The bias continues to remain positive and the 100-DMA support is likely to provide a base for the corrective fall and trigger an upward reversal.

### Trading strategy

Traders with high risk appetite can go long on dips at ₹835. Stop-loss can be placed at ₹815 for the target of ₹885. Revise the stop-loss higher to ₹845 as soon as the contract moves up to ₹855.

### Global trend

The Nickel (three-month forward) contract on the LME has come off sharply after making a high of \$13,350 on February 6. The contract has tumbled 7 per cent from this high and is currently trading at \$12,410 per tonne. Key resistance at around \$13,300 has held well and has triggered a reversal.

The near-term view remains negative. The LME-Nickel contract can fall to \$12,000 or even \$11,950 in the coming days.



## Downtrend in MCX-Lead likely to continue

### MCX Lead



### GURUMURTHY K

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The lead futures contract on the MCX tumbled, breaking below the key support level of ₹147 per kg in the past week. The contract fell sharply by about 4 per cent intraweek and made a low of ₹142.25 on Wednesday. But, it has bounced up slightly from there and is currently trading at ₹144 per kg.

A key resistance is at ₹146 which can be tested if the contract continues to trade above ₹142. But a break above ₹146 looks less likely as fresh sellers are likely to emerge at higher levels. A pull-back once again from ₹146 will trigger a fall to ₹142 and ₹140-139 band over the short term.

The region between ₹140 and ₹139 is a strong support which may halt the current down-move. A strong bounce from this support zone will signal the beginning of a fresh leg of upmove from a medium-term perspective.

Medium-term traders can wait for a dip and go long at ₹141. Stop-loss can be placed at ₹137 for the target of ₹151. Revise the stop-loss higher to ₹142 as soon as the contract moves up to ₹144.

### Global Trend

The lead (three-month forward) contract on the LME fell sharply in the past week, breaking below the key support level of \$2,070. The contract has declined about 3 per cent in the past week to \$2,020 from \$2,080.

The near-term view remains negative. A fall to test the next support in the \$1,990-1,980 region is likely in the near term. Whether the contract manages to bounce from this support or not will decide the next move.

A bounce from \$1,990-1,980 can trigger a relief rally toward \$2,070. But a strong break below \$1,980 will see the downtrend extending towards \$1,950 and \$1,925.