



खनिज समाचार

KHANIJ SAMACHAR

Vol. 2, No-4

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KHANIJ SAMACHAR



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INDIAN BUREAU OF MINES

VOL. 2, NO-4, 16th –28th FEBRUARY, 2018

THE BUSINESS LINE
DATE: 19/2/2018 P.N.8

Metals (\$/tonne)	Change in %			52-Week		
	Price	Weekly	Monthly	Yearly	High	Low
Aluminium	2218	4.6	1.7	17.7	2257	1847
Copper	7191	7.1	2.2	20.2	7216	5462
Iron Ore	75	1.2	0.7	-18.9	95	54
Lead	2616	3.1	2.9	15.7	2683	2030
Zinc	3599	5.5	4.3	26.2	3619	2434
Tin	21872	3.5	6.7	11.3	22104	18867
Nickel	13871	7.3	11.1	26.0	14150	8710

THE HITAVADA
DATE: 16/2/2018 P.N.11

Gold glitters on global cues, jewellers' buying

NEW DELHI, Feb 15 (PTI)

GOLD surged by Rs 350 to Rs 31,650 per ten gram at the bullion market on Thursday, tracking a firm trend overseas amid increased buying by local jewellers. Silver also spurted by Rs 720 to Rs 39,970 per kg backed by increased offtake by industrial units and coin makers.

Bullion traders attributed the rally in gold to a firm trend overseas as the dollar weakened, raising demand for the precious metal as a safe haven.

Globally, gold rose 0.27 per cent to USD 1,353.90 an ounce and silver by 0.48 per cent to USD 16.92 an ounce in Singapore.

Besides, persistent buying by local jewellers to meet the ongoing wedding season demand at domestic spot market, too fuelled the uptrend, they said.

In the National Capital, gold of 99.9 per cent and 99.5 per cent purity rallied by Rs 350 each to Rs 31,650 and Rs 31,500 per ten grams, respectively.

THE BUSINESS LINE
DATE: 16/2/2018 P.N.5

NMDC Q3 net up at ₹886 cr

OUR BUREAU

Hyderabad, February 15

NMDC Ltd posted an increase in net profit at ₹886.53 crore for the third quarter ended December 31, 2017 as against a profit of ₹595.16 crore for the corresponding quarter last year.

The iron ore mining major registered a total income of ₹2,469 crore for the quarter, which was lower than ₹2,498 crore the company had logged during the same period last year.

NMDC's turnover for the nine months ended December 2017 was up 30 per cent at ₹7,732 crore as against ₹5,958 crore in the corresponding period last year. Profit for the nine-months period was up 30 per cent at ₹2,700 crore (₹2,077 crore). Iron ore production for nine months was up 3 per cent at 24.23 mt (23.63 mt) while sales of iron ore was 1 per cent lower at 25.54 mt.

Telangana readies 3 limestone blocks for auction, to pursue steel plant

VRISHI KUMAR

Hyderabad, February 15

The Telangana Mining Department has readied three limestone blocks in Suryapet to offer them for auction.

KT Rama Rao, State Minister for Industries, IT, Mines and Geology, said, "The State government has managed to get three limestone blocks ready for auction in a record three months time. This is not an easy task given the challenges in the mining sector. These blocks have been identified in the Suryapet district of the State after a detailed exploration process."

Limestone is a major ingredient for cement manufacturing plants and for building materials. "This would not have been possible without the the Union Mines Ministry's support. We look forward to the support from the Centre to facilitate the process," he said while speaking on the potential of the mining sector in boosting Telangana, which is rich in mineral resources such as iron ore, coal, limestone, granite and other major and minor minerals.

Growth engine

The State is home for huge coal reserves in the southern part of the country and this is being efficiently utilised by Singareni Collieries Company Limited.



KT Rama Rao, State Minister for Industries, IT, Mines and Geology

"We recognise mineral wealth as a national resource and have identified mining sector as a growth engine. With the series of initiatives, the State has been ranked No.1 in the ease of doing business. The focus on the mining sector has yielded good results and we expect to close this financial year with revenues of ₹3,500 crore, up from ₹3,170 crore last fiscal," he said.. The State has received ₹1,328 crore from the District Mining Foundation pool for taking up welfare measures in

the areas where mining has been initiated. The Minister said that the State has been relentlessly pursuing the proposed Integrated Steel Plant at Khammam which was promised under the AP Reorganisation Act during the bifurcation of Andhra Pradesh. "Over the past three-and-a-half years, we have been in touch with the Steel Ministry and NMDC and efforts are on to see that the project becomes a reality. While it is a fact that the steel sector has been passing through tough times, the plant would augur well for the State's economy as also in providing jobs, when the sector looks up," he said.

"We are also considering some out-of-the-box solutions, including setting up of a railway line from the NMDC Bailadila mines to Khammam, so that it will become cost-effective. Towards this, we are engaged with NMDC and have enlisted the services of Rail Vikas Nigam Limited to explore a rail link for evacuation of ore for the proposed plant," he added.

AN ALL-CASH PROPOSAL

Tata Steel Offers Sweetest Deal for Bhushan Steel

Bidding War

BHUSHAN STEEL

Capacity: 5.6 MTPA

Promoter Neeraj Singhal

Tata Offer ₹35,200 cr upfront cash, 12.2% equity to lenders

JSW Offer ₹28,000 cr upfront cash, zero equity to lenders

Bhushan Employees offer ₹50 cr cash; ₹28,600 cr payable over 13 years; 98% equity to lenders

TATA STEEL INDIA

Capacity: 13 MTPA

Plants: Kalinganagar & Jamshedpur



SINGHAL WROTE TO LENDERS ON JAN 29 SEEKING RESTRUCTURING OF DEBT



Pips JSW by offering to pay ₹35,200 crore cash upfront & 12.2% equity to lenders

Arijit Barman & Sangita Mehta

Mumbai: Tata Steel trumped JSW with an aggressive all-cash bid for 5 million tonne Bhushan Steel and Power, one of the largest non-performing assets in the Indian banking system, said people with knowledge of the matter. It has offered an upfront cash payment of ₹35,200 crore and 12.2% equity to the lenders. JSW has offered an upfront cash payment of ₹28,000 crore and no equity, said the persons cited above.

A third bid came from Bhushan Steel employees who said they will pay ₹50 crore cash upfront and another ₹28,600 crore over 13 years while offering 98% equity to the lenders. The promoters of Bhushan owe ₹56,000

crore to financial creditors.

The bids were opened in a hotel in New Delhi on Friday at a meeting of Bhushan Steel's committee of creditors.

The Tata offer came as a relief to banks as lenders face the prospect of more substantial haircuts in bankruptcy proceedings at the National Company Law Tribunal (NCLT). That should allow banks to write back some of their provisions since they provided for bigger losses on the debt previously.

Separately, banking sources told ET that Tata Steel was the frontrunner for Bhushan Steel with a bid that translated into a 27% haircut for lenders. Tata has also offered to pay close to ₹1,200 crore to operational creditors, they said.

The resolution professional will now enter into a final round of negotiations with the top bidders to sort out any last-minute clarifications before reverting to the committee of creditors with a final decision. No dates have been fixed for that meeting as yet, said the sources.

'Budget positive for gold industry'

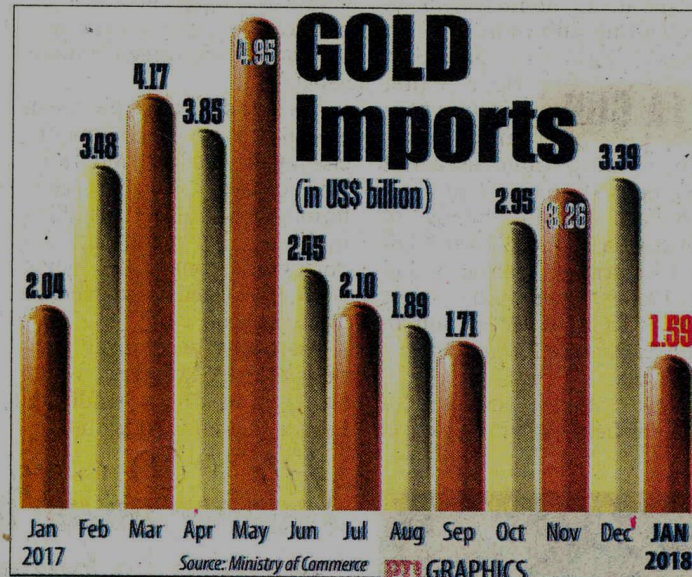
MUMBAI, Feb 16 (PTI)

THE policy announcements unveiled in the Budget are positive for the gold industry as they aim to make the market more efficient, transparent and trustworthy for all stakeholders, says a report. The Budget has increased the focus on agriculture and the rural sector, a move that is expected to boost farmer income and thereby jewellery sales. Plans to revamp the gold monetisation scheme and come out with a comprehensive policy on the precious metals is also expected to help the industry.

The World Gold Council in a report on Friday said it expects some more important developments in the short-term.

"For example, the Bureau of Indian Standards is working on regulatory guidelines to make hallmarking mandatory. This is expected to come into effect in 2018," the report said. This should ensure the integrity of the country's gold supply chain, protect consumers from under-carating and enhance the reputation of the jewellery industry, it added.

The bullion industry expects BIS to produce good delivery



standards for 1 kg bullion bars processed by local refineries, it said, as this could be an important step in creating standardised bars that can be accepted by local banks, commodity exchanges and the proposed gold exchanges.

"This can help make the gold industry more formal and boost employment and exports," it said.

However, WGC said, some policy measures, like a gold spot exchange, may take longer to

progress than others.

"Delivering structural reforms, the formation of a national gold spot exchange will entail a detailed process of engaging with banks and other market participants to design and build the right solution for the gold market," it added. The domestic gold market, it said, can be supported by the economic boost that the recent financial and fiscal reforms could deliver.

लोहखनिजाच्या बेपर्वा खाणींचे बेबंद घाव सोसणाऱ्या, ओरबाडल्या गेलेल्या गोंयकरांच्या जगात...



सुर्ले. गोव्याच्या सत्तरी तालुक्यातील एकेकाळचे निसर्गसंपन्न गाव. शेतीवर निर्भर. पाण्या-पावसाचे, माडापेडांचे आणि हिरव्यागार भातशेतीच्या खाचरांचे।

आता पिसुर्ल्यात यातले काहीही उरलेले नाही. या गावात आज आहे तो केवळ खोल-खोल गेलेला प्रचंड खंदक। गावात पाणी नाही. त्यामुळे शेती नाही. प्यायला रात्री केवळ दोन तास पाणी येते. त्यामुळे खाण कंपन्यांच्या ट्रॅक्टरवर गाव अवलंबून. पिसुर्ल्याचा हनुमंत परब आज डोक्याला हात लावून बसलाय. त्याचे पाच ट्रॅक्टर आहेत. त्यातील चार बंद आहेत. खाणी सुरू झाल्यामुळे त्याने या मोसमात ट्रॅक्टरांची डागडुजी केली. त्यावर पैसे खर्च केले आणि १५ मार्चपासून खाणी बंद होणार असल्याची बातमी आल्याने त्याच्या तोंडचे पाणीच पळालेय.

पिसुर्ले-होंडा या भागातील खाण-मालाची वाहतूक करणारे सुमारे ५०० ट्रॅक्टर आज बंद आहेत. गावची अर्थव्यवस्थाच कोसळली आहे. इतर काही ठिकाणी लोक खाणीचा नाद सोडून पूर्ववत शेतीकडे वळलेत, परंतु पिसुर्ले-सोनशी येथे एकही शेत-कुळागर शिल्लक नाही. शेतांमध्ये टाकाऊ माती गेली आहे. एकट्या पिसुर्ल्यात ८० एकर शेतजमीन होती. खाणी खोल गेल्या, तशा जमिनी निकामी होत गेल्या. जमिनीतून पाते उगवेना झाले, तसे लोकांनी ट्रॅक्टर घेतले. तोही व्यवसाय आता राहिलेला नाही. दोन वर्षांपूर्वीच्या बंदीत गंज चढलेले ट्रॅक्टर आज रस्त्याच्या कडेला पडून आहेत.

सुज आलेल्या तथाकथित विकासाने आदिवासी व कमकुवत वर्गाचे कधीच उच्चाटन झाले आहे. खाणपट्ट्यातील शेती आणि बागायतीला सुरुंग लागला आहे. लोकांनी ट्रॅक्टर घेतले आणि शेती सोडून दिली. उद्या कदाचित मासळीही आयात करावी लागेल, कारण नद्या प्रदूषित झाल्या आहेत आणि समुद्रातील मासळी उत्पादनही घटते आहे. खाण धंद्यामुळे बारची संख्या वाढली आहे आणि

राजू नायक

ग्रामीण माणूस मद्याच्या पूर्ण आहारी गेलाय.. १० ऑक्टोबर २०१२ रोजी पहिल्यांदा खाणी बंद पडल्यावर खाण कंपन्यांनी स्थानिकांना कामावरून काढून टाकले. ट्रॅकमालकांनी, मशिनरी ऑपरेटर्सनी तर आपल्या बिगर गोमंतकीय कामगारांना कधीच रस्त्यावर फेकले आहे. आता ना घर, ना शेती, ना खाणीतले काम अशा अवस्थेत ही माणसे उद्ध्वस्त झाली आहेत. हनुमंत सांगतो, सरकारने आम्हाला कधीच सत्य सांगितले नाही. पंचायती खाणचालकांच्या अंकित बनल्यात. सोनशी गाव गेले वर्षभर धूळ खाऊन जगतोय. तेथील परसात खाणकाम चालते. लोकांना पर्याय नसल्याने ट्रॅक्टर घ्यावे लागले. ज्यांच्यावर दबाव आहे, अशा माणसांवर घरे सोडून जाण्यावाचून दुसरा पर्याय नाही. काही लोक असे गेलेही. खाणीतून उडणारा मातीचा धुरळ खात जे मागे उरले त्यांना घरे द्यायला खाण कंपन्या तयार आहेत; पण त्या भरवशावर आज राहती घरे सोडली आणि खाणी बंद पडल्या तर भविष्यात काय?

पिसुर्ले हे महादेवाचे स्थान मानले जाते. तेथे स्वतंत्र लिंग आहे. डोंगरमाथ्यावर ते एकच पवित्र स्थान शिल्लक आहे. मागे एका खाण कंपनीने ते तोडण्यासाठी एक रिपर यंत्र आणले तर चालक साप चावून मरण पावला. कंपनीने त्यामुळे त्या स्थानाला हात लावलेला नाही; परंतु तो एक डोंगरवगळता इतर सगळी जमीन युद्धात हरलेल्या पराभूत मानसिकतेचे प्रतीक बनली आहे. माती ओरबडून काढून, पिंजून काढलेली बंजर जमीन. तेथे काही पिकणारी नाही.

लोक पिसाळलेले आहेत. खाणचालक राजधानीत बसतात. एकहीजण खाणपट्ट्यात रहात नाही. येथे वास्तव्य करतात ते गरीब शेतकरी. स्थानिक समाजाच्या डोक्यावर जणू आभाळच

भारत आणि चीन
या दोन्ही 'शेजारी
महासत्ता' भौतिक विकासाच्या
शर्यतीत निसर्गावर घातल्या
जाणाऱ्या घावांनी घायाळ आहेत.
दोन्हीकडे आ वासून असलेले
अक्राळविक्राळ प्रश्न आहेत
आणि उत्तरे शोधण्याची
तातडीची अपरिहार्यताही!
...याच शर्यतीतली ही दोन चित्रे!

कोसळून पडलेय. रवींद्र वेळीप हा आदिवासी तरुण सांगत होता, सर्वोच्च न्यायालयाने आदेश दिल्यामुळे दोन वर्षांपासून जिल्हा खनिज निधी स्थापन झाला. त्यात पैसे टाकणे खाण कंपन्यांना बंधनकारक आहे; परंतु त्या पैशांचाही वापर खाणीसाठी रस्ते व पूल बांधण्यासाठी करण्याचा सरकारचा इरादा आहे. मुळात हे पैसे लोकांचे आरोग्य, शिक्षण, उपजीविका यासाठी वापरणे आवश्यक आहे.

हनुमंत परब याच्या मनात नागवले गेल्याची भावना आहे. आमची जमीन, शेती होती, भरपूर पाणी होते. सोने पिकत होते. आम्हाला भिकेकंगाल बनवल्याची त्याचीच काय खाणपट्ट्यातील एकूणच समाजाची भावना बनली आहे. हताशपणे ते सरकार काय करतंय याची वाट पाहत आहेत.

समुद्रकिनाऱ्यांच्या सौंदर्याचा, हिरव्या समुद्राचे ओथंबलेला सुशेगात गोवा माध्यमांमधून, देखण्या फोटोमधून दिसतो, तो हा नव्हे! हा गोवा आहे गेली अनेक वर्षे चालू असलेल्या खाणकामाने ओरबाडला, नागवला गेलेला... - वाहणाऱ्या अवजड ट्रॅक्टरांचा धूर आणि धुरळ खाऊन आजारी झालेला... गावातली कुळागरे, घरे सोडून परागंदा झालेला... पिकती जमीन डोक्यादेखत वांझ होतांना पाहून भडभडून रडणारा... संतापलेला, धुमसता गोवा!

सर्वोच्च न्यायालयाने ७ फेब्रुवारी रोजी गोवा राज्यातील खाणी बेकायदा असल्याचे सांगून राज्य सरकारचे वाभाडे काढणारा निर्णय दिला तेव्हा राज्यकर्ते आणि खाणचालक सोडून एकाही खाण अभ्यासकाला आश्चर्य वाटले नाही. 'लोकमत'ने तर हे मत सतत नोंदविले आहे की, त्याच चुकार आणि भ्रष्ट खाणचालकांना खाणी मोफत देऊन टाकण्याचा निर्णय सर्वोच्च न्यायालयात एक मिनिटभरही टिकणार नाही. कारण केंद्र सरकारने अध्यादेश काढून कायद्यात केलेला बदल हा निव्वळ नफ्याच्या उद्देशाने नैसर्गिक संपत्तीच्या लुटीच्या दुसऱ्या लीज (दीर्घ मुदतीचा भाडेकरार) नूतनीकरणास विरोध करतो.

▶ पान २ वर

CONTD. ON PAGE 8

पान १ वरून

'दुसरा' गोवा

मे २०१४ मध्ये सत्तेवर आलेल्या मोदी सरकारने जानेवारी २०१५ मध्ये खाणी मोफत देता येणार नसल्याचा कायदा केला, तेव्हा तो कोळसा, लोहखनिज, बॉक्साइट व देशातील एकूण खाणींना लागू झाला. पोरुणीज काळपासून गोव्यात लोहखनिजाच्या खाणी त्याच त्या कंपन्यांना मोफत देण्यात येतात. त्या खाणींवर गेली ७० वर्षे कब्जा करून बसलेल्या कंपन्या खाणी आपल्याच मालकीच्या मानीत आल्या.

या धनदांड्यांच्या ओंजळीने पाणी पिणारी प्रसारमाध्यमे (या कंपन्यांची स्वतःची वृत्तपत्रे व वृत्तवाहिण्या) त्यांना विनासकोच खाणमालक संबोधतात. या कंपन्यांनी खाणी स्वतःच्या मालकीच्या असल्याचा निर्लज्ज दावा केलेला एक अर्जही गेली काही वर्षे सर्वोच्च न्यायालयात प्रलंबित आहे. राज्य सरकारने या दाव्याला हरकत घेण्याचे कारण नव्हतेच, कारण आपल्याला विनासायास राज्य करायला मिळते ते खाण कंपन्यांमुळेच असे भाजपा, काँग्रेस आणि इतर प्रादेशिक पक्षाही मानीत आले आहेत. त्याची कारणे अनेक - गोव्याचा अर्थसंकल्प आठ हजार कोटीचा, त्यातला २५ टक्के महसूल खाण कंपन्या मिळवून देतात. त्यांच्यामुळे खाणपट्ट्यात रोजगार होतो, हे खरेच! शिवाय वर्षाकाठी साधारणतः २५ हजार कोटी नफा कमावणाऱ्या या कंपन्या केंद्र व राज्य सरकारांना मिळून सहा हजार कोटी करही (मुखिलीने) भरतात! त्यांना नाममात्र निर्यात कर आहे.

- पण गोव्यात सरकार कोणत्याही पक्षाचे / आघाडीचे असो, जो तो खाण कंपन्यांच्या ताटाखालीच निमूट असतो, कारण इथल्या खाण कंपन्या राज्यातील राजकीय पक्षांचा निवडणूक खर्च एकहाती उभारतात! पर्यायाने खाणपट्ट्यात त्यांचे पर्यायी सरकारच चाललेले असते. गोव्याचा खाणपट्टा सत्तरी तालुक्यापासून दक्षिण गोव्याच्या सांगे तालुक्यापर्यंत पसरला आहे, तेथे खाणनाफ्यांचीच जुलमी-पाशवी राजवट चालते.

गोव्याच्या चिरफाळ्या

* गोव्यातील खाण व्यवसाय १९४० पासून चालत आला आहे. इथे मिळणाऱ्या लोहखनिजाची जपान ही पारंपरिक बाजारपेठ. लोहखनिजाची ६५ ग्रेड ही सर्वात मौल्यवान मानली जाते. गोव्यात ५८ ग्रेडचे लोहखनिज सर्वसाधारणपणे सापडते.

* चीनची लोखंडाची भूक वाढू लागली, तशी २००२ पासून चीनने ४० ग्रेडचाही माल खरेदी करण्याचा सपाटा लावल्यानंतर राज्यात खनिज उत्खननाला राक्षसी स्वरूप आले.

* २००२ ते २०१२ या काळात बेदरकार खाण व्यवसायाने उच्छाद मांडला. खाण कंपन्यांनी चोऱ्या केल्या. इतरांच्या लीजांवर डल्ला मारला, इतकेच नव्हे तर बेदरकारीने अफाट उत्खनन केले. अंडर इनव्हॉयसिंग दाखवून वारेमाप निर्यात

इथे कोणी जावे-यावे यावर खाणमाफियांचीच सत्ता चालते. सुनीता नारायण, बहार दत्त यांच्यासारख्या पत्रकारांना 'अडवून ठेवण्या'ची हिंमत या खाणपट्ट्यात केली गेलेली आहे. दुसऱ्या एका पत्रकारांच्या चमूला तर तीन तास ओलीस ठेवण्यात आले होते. हजारो ट्रक विंचोळ्या रस्त्यावरून बेदरकारपणे चालवून रस्त्यावर रक्तामासाचा घिखल निर्माण करणे हे येथे नेहमीचेच! अपघात घडला आणि चिडलेले स्थानिक नागरिक रस्त्यावर आलेच तर पणजीहून राज्यकर्ते त्यांना सोडविण्यासाठी धावून येतातच! इथली धरणे नाकाम बनली आहेत आणि अनेक नद्या शेवटचे आचके देत आहेत. हजारो लोकांना आपली घरेदारे सोडून शहरांमध्ये स्थलांतर करावे लागले आहे आणि शेकडो वर्षांपासून येथे वस्ती करणाऱ्या एका मानवसमूहाबरोबर त्यांची संस्कृती, लोकवेदही नष्ट झाला आहे.

शहा आयोगाने ऑक्टोबर २०१२ मध्ये गोव्याच्या खाण स्थितीवर अत्यंत विदारक आणि स्फोटक अहवाल दिल्यानंतर, पहिल्यांदाच गोव्याची ही भयान स्थिती देशासमोर आली. सर्वोच्च न्यायालयही हादरले. कारण त्यापूर्वी निदांत सुंदर किनारपट्टी आणि नारळाची बने, प्रफुल्लित हिरवा निसर्ग यांचेच सदाबहार गीत गाणारा गोवा लोकांना दिसत होतं.

- गोव्याचे हे चित्र खरे नव्हते.

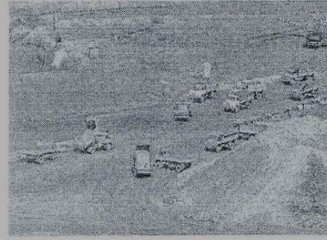
एकीकडे खनिज संपत्तीवर खाणवालाकांचा मोकाट डल्ला आणि दुसरीकडे स्वतःच्या

केली. या काळात राने-वने, कुळगरे, शेतीची झालेली नासाडी व ग्रामीण भागाची झालेली चिरफाड भयानक स्वरूपाची आहे.

* शहा आयोगाने हे गफले व गैरव्यवहार शोधून काढले व सर्वोच्च न्यायालयाने त्यावर ताशेरे ओढले. परंतु अजूनपर्यंत या चुकार व भ्रष्ट खाण कंपन्यांवर फौजदारी गुन्हे दाखल करण्याचे धैर्य ना काँग्रेसला झालेय ना परींकर सरकारला.

* कोणतीही सार्वजनिक मालमत्ता फुकटात देणे हे नैसर्गिक तत्वाचे उल्लंघन असताना नोव्हेंबर २०१४मध्ये त्याच कंपन्यांना पुन्हा लीजेस (८८ खाणी) फुकटात वाटण्यात आल्या.

* त्यासाठी सरकारने दुसऱ्यांदा लीजेसचे नूतनीकरण करण्याच्या नव्या कायद्यातील तरतुदीचाही भंग केला.



फायद्यासाठी लाचार राजकारण्यांनी त्यांना दिलेले मोकळे रान पाहता, सर्वोच्च न्यायालयाने या उल्लंघनाकडे दुर्लक्ष केले असते तर कायद्याचा, घटनेचा तो खेळखंडोबाच ठरला असता.

२०१४मध्येही त्याचा प्रत्यय आला. सरकारने स्टॅम्प ज्युटीसाठी घेतलेले ९०० कोटी म्हणजे खाणी पदरात पाडून घेण्याचा आपल्याला मिळालेला परवाना आहे, असा दावा करून खाण कंपन्या उच्च न्यायालयाच्या पणजी खंडपीठाकडे गेल्या होत्या. त्याच खाणींचा लिलाव केला तर राज्याच्या तिजोरीत एक लाख २० हजार कोटी जमा होतील, त्यामुळे स्टॅम्प ज्युटीची किरकोळ रक्कम आम्ही परत करण्यास तयार आहोत, असा युक्तिवाद सरकारी वकिलांना करता आला असता, पण तसे झाले नाही. कारण लाचार राज्य सरकारची बाजू येणे त्यांना क्रमप्राप्त होते. त्यामुळे उच्च न्यायालयाला खाण कंपन्यांना लीजेस प्राप्त करण्याचा अधिकार आहे, असे सांगितल्याशिवाय

तरणोपाय राहिला नाही. आता मुख्यमंत्री मनोहर पर्रींकरही उच्च न्यायालयाच्या निर्णयामुळेच खाणींचा लिलाव करण्यावर बंधने आली, असा साळसूद दावा करीत आहेत. परंतु त्याचबरोबर खाणींचा लिलाव पुकारण्यासाठी पावले उचलण्याची त्यांची अजूनही मानसिकता दिसत नाही. लिलाव केला तर बाहेरच्या कंपन्या येऊन राज्यात हैदोस घालतील, स्थानिकांची रोजीरोटी हिरावून घेतील, असा हेका त्यांनी चालविला आहे. इतरही पक्ष-काँग्रेसही त्यात सूर मिसळू लागले आहेत. स्थानिकांच्या हितरक्षणाच्या नावाखाली त्याच चुकार आणि भ्रष्ट, बेदरकार कंपन्यांना परत लीजेस बहाल करण्याचे कटकारस्थान शिजू लागले आहे.

वास्तविक खाण प्रश्न सोडवायचा असेल तर या विकासाच्या व्याख्येच्या मुळाशीच जावे लागेल. ओडिशातील नियामगिरी पर्वतरांगामधील आदिवासींनी खाणींना प्राणपणाने विरोध केला. आपले पवित्र डोंगरमाथे त्यांनी वाचविले. तेथे आमचे देव वस्ती करून आहेत, असे ते म्हणतात. खाण कंपन्या त्यांचे देव उद्ध्वस्त करायला पुढे सरसावल्या आहेत, त्या राक्षस आहेत असे समीकरण त्यांनी बनविले. त्यांना श्रीमतीची, ऐश्वर्याची आम्हिचे दाखवण्यात आली होती, परंतु हे आदिवासी बघले नाहीत. जे स्वप्न ओडिशातील आदिवासींनी पाहिले, ते पाहायला गोव्यातील आदिवासी-शेतकऱ्यांना जादा काळ लागला असला तरी तेसुद्धा आता शहाणे झाले आहेत, आणि त्यांनी मुठी आवळल्या आहेत.

सर्वोच्च न्यायालयाचा निर्णय फिरविण्यासाठी सर्व राजकीय पक्षांची युती झाली आहे. पण स्थानिक गोवेकरांना आपण सततच आपल्या पायाखाली दाबून ठेवू शकतो, असा भ्रम असेल, तर तो दूर व्हायला फार वेळ लागणार नाही.

सामान्य माणसांना 'गाळ' म्हणून हिणवले जाते. तळागाळाच्या दतवलीत दुष्ट प्रवृत्तींना बुडविण्याची, रुतविण्याचीही शक्ती असते.

लोकविरोधी धोरणे अशीच तळाखाली जावीत, असे साकडे आपल्या वनदेवतेला घालायला गोंयकरांनी कधीच सुरुवात केली आहे. त्यांची शपथ घेने- जी खाण हैदोसात नष्ट झाली, ती पुन्हा ताब्यात घेण्याचे स्वप्न त्यांना आता दिसते आहे...

(लेखक 'लोकमत'च्या गोवा आवृत्तीचे संपादक आहेत.)

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दोन पर्याय आणि एक प्रश्न

- गोव्यात खाणींच्या प्रश्नावर लोक 'विचार' करू लागले आहेत, ही अलीकडची चांगली गोष्ट!
- राज्याचे खनिज याच बेदरकार पद्धतीने लुटले गेले तर ते १० वर्षांत संपेल. भूगर्भातल्या या संपत्तीवर पुढच्या पिढ्यांची मालकी नाही काय? हे मौल्यवान लोहखनिज चुकार खाण कंपन्यांच्या घशात घालण्याऐवजी १० वर्षे उत्खनन बंद ठेवावे. पुढच्या पिढ्यांना त्याचा निर्णय करू दे - असा एक मतप्रवाह आहे.
- नॉर्वेप्रमाणे महामंडळ स्थापन करून राज्य सरकारने उत्खनन स्वतःच्या हातात घ्यावे, असे दुसरे मत आहे. खाण-व्यवसायातला वार्षिक एक लाख २५ हजार कोटींचा नफा मुदत ठेवीत रूपांतरित केल्यास जनतेच्या डोक्यावरचे करांचे प्रमाण बरेच घटेल.
- बेबंद उत्खनन अपरिहार्य ठरवणारे 'विकासाचे मॉडेल'च चुकीचे आहे, याहीबद्दल सर्वसामान्य नागरिकांच्याही मनात खात्री दाटू लागलेली गोव्यात दिसते.

Gold drifts lower; silver rebounds by Rs 370/kg

NEW DELHI, Feb 17 (PTI)

GOLD prices drifted lower by Rs 70 to Rs 31,750 per 10 grams at the bullion market here on Saturday owing to easing demand from local jewellers at prevailing levels amid a weak trend overseas.

However, silver rebounded by Rs 370 to Rs 39,750 per kilogram following increased offtake by industrial units and coin makers.

Bullion traders said slackness in demand from local jewellers and retailers at current levels along with a weak trend overseas, mainly weighed on gold prices.

Globally, gold fell 0.50 per cent

to USD 1,346.50 an ounce in New York yesterday.

In the National Capital, gold of 99.9 per cent and 99.5 per cent purity declined by Rs 70 to Rs 31,750 and Rs 31,600 per 10 grams, respectively. The precious metal had gained Rs 520 in the previous two days.

Sovereign, however, remained unaltered at Rs 24,800 per piece of eight grams.

On the other hand, silver ready recovered Rs 370

to Rs 39,750 and weekly-based delivery rose by Rs 25 to Rs 38,665 per kg. Silver coins also spurted by Rs 1,000 to Rs 75,000 for buying and Rs 76,000 for selling of 100 pieces.



Coal import rises by 12% in January

NEW DELHI, Feb 18 (PTI)

THE country's coal import increased by 12.4 per cent to 18.49 million tonnes (MT) in January, against 16.44 MT in the same month of the previous fiscal, according to m-junction, a leading name in the e-auction space.

On a month-on-month basis, however, there was a flat growth in non-coking coal, it said, adding the "net coal imports were up both on a yearly and monthly basis, thanks to the downtrend in January prices and the recent growth spurt in the Indian steel sector. The higher volume of coal and coke imports in January (about 12.5 per cent growth year-on-year) is mainly due to 1 MT increase

in both non-coking coal and met coal imports during the month under review," m-junction services -- an online procurement and sales platform floated jointly by state-run SAIL and steel behemoth Tata Steel -- said.

"Coal import in January 2018 stood at 18.49 MT (provisional), higher than 16.44 MT recorded for January 2017," it said.

Overall, coal and coke imports in April-January of 2017-18 stood at 179.5 MT, marginally lower than 180.8 MT recorded for the same period last year.

Commenting on the coal import trend, m-junction CEO Vinaya Varma said, "Although the coal stock position at thermal power plants has improved."

Essar Steel bidders caught in eligibility rule web

SAMBIT SAHA

Calcutta: Strategies deployed by ArcelorMittal and Nu Metal & Steel to extricate themselves from the legalese of the dreaded Section 29A of the Insolvency & Bankruptcy Code, 2016, will determine the future of Essar Steel's corporate resolution process that has rolled into a decisive phase.

As consultancy Grant Thornton and solicitor firm Cyril Amarchand Mangaldas scrutinise the eligibility of the bids before they are opened by the committee of creditors, arguments are being made from both sides of the aisle to establish the legal validity of one's bid while trashing the other.

The dreaded section

Section 29A (c) reads as follows: "A person shall not be eligible to submit a resolution plan, if such person, or any other person acting jointly or in concert with such person has an account or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 and at least a period of one year has lapsed

from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor."

However, there is an escape route: "Provided that the person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to non-performing asset accounts before submission of resolution plan," the section adds.

Spin against ArcelorMittal

It is being argued that the bid of the world's largest steelmaker may run into rough weather as it was the promoter of bankrupt Uttam Galva Steel Ltd when it submitted an expression of interest for Essar Steel.

Moreover, Lakshmi Niwas Mittal, who is the chairman and CEO of ArcelorMittal and also its largest shareholder, had a personal stake in KSS, whose Indian subsidiary is KSS Petron Pvt Ltd, a bankrupt company engaged in the oil and gas sector.

In order to adequately steer clear of Section 29A, Arcelor Mittal sold shares in Uttam Galva and KSS Petron days before the submission of the financial bid for Essar Steel and hoped by doing so the ineligibility criteria in the code would not apply to them.

PROBLEMS FOR MITTAL & REWANT RUIA

■ **The feared rule:** Section 29A of insolvency code bars entities associated with wilful defaulter from bidding, unless all overdue amounts are paid

■ **Mittal & Section 29A:** ArcelorMittal promoter of bankrupt Uttam Galva. Lakshmi Niwas Mittal (LNM) holds personal stake in KSS Petron, another bankrupt firm



■ Both stakes sold prior to bidding for Essar Steel. However, ArcelorMittal was Uttam Galva promoter at the time it went bankrupt. Besides, shareholder approval necessary to reclassify Arcelor as Uttam Galva non-promoter

■ **Rewant Ruia & Section 29A:** Rewant's Nu Metal in consortium with VTB Capital has bid for Essar Steel. Rewant son of Ravi Ruia, an Essar Steel promoter

However, ArcelorMittal was the promoter of Uttam Galva when the company became NPA and continued as the promoter of the company for the 12-month period. It did not pay the overdue amount in either case.

Moreover, it is being argued that reclassification from being a promoter to a non-promoter could take place only if Uttam Galva shareholders approve it through a general meeting. So far it has not taken place.

However, it has been pointed out that L.N. Mittal has never been classified as promoter of ArcelorMittal in the stock exchanges (London, Luxembourg etc) where it has been

listed. But whether it will help him in Indian circumstances remains to be seen.

ArcelorMittal's rebuttal

ArcelorMittal, which prides itself in being involved in 50 mergers and acquisitions in the last 25 years and turning around several under-performing assets across continents, junked the argument.

"As we have previously said, we do not believe there is any legal basis under which ArcelorMittal will not be considered eligible to participate in the resolution process. ArcelorMittal was never the promoter of Uttam Galva. We had no board rep-

resentation and no involvement in the management of the company even before selling our shareholding. ArcelorMittal is an internationally renowned, financially strong credit-worthy investor with an AA rating. We have invested successfully in many countries and developed a reputation for our ability to turn around distressed or under-performing assets. Section 29A was not designed to prevent reputed, financially strong businesses, with no prior involvement with the asset in question from participating," an ArcelorMittal spokesperson said.

Nu Metal headache

The presence of Rewant Ruia, son of Ravi Ruia — who is founder of Essar Steel along with his brother Shashi — in the consortium with VTB Capital, could muddle the water for Nu Metal.

If Rewant Ruia is held part of Essar's promoter group, Nu Metal had to pay the overdue amount to become eligible for the Essar bid. It did not.

To extricate itself from the pickle, Rewant Ruia was made a beneficiary of an offshore trust based in Mauritius, with no links to the management of any Ruia companies.

The trust is said to be not a promoter group of any Ruia company either. Moreover, it is being pointed

that the trust will hold minority stake (25 per cent) with no board representation or management control.

Nu Metal's logic

"Nu Metal is a fully eligible resolution applicant and has already submitted its plan for Essar Steel. Rewant Ruia holds an indirect minority interest in Nu Metal, but is neither its promoter, nor is he in management or control of Numetal. He will also not have any role in the management of Essar Steel. Accordingly his indirect minority interest is of no relevance as regards eligibility of Nu Metal," a spokesperson for the company said.

Legal battle afores

The Essar matter is likely to head to the court as the bidders are likely to challenge the eligibility of each another. The downside risk to it is the asset could head for liquidation if the corporate resolution process was not completed within the strict 270-day deadline mandated in IBC.

Given the tardy legal process in India, only a further amendment to relax the 270-day deadline could save Essar — which owes over Rs 75,000 crore to lenders and operational creditors — and its huge plant with annual capacity of 9.5 million tonnes from going bust.

Bullion Cues

Gold snaps two-week fall

The yellow metal can remain in a sideways range before the uptrend resumes

GURUMURTHY K

After falling sharply for two consecutive weeks, gold prices made a strong recovery last week. Spot gold prices surged over 3 per cent intra-week to touch a high of \$1,362 per ounce. However, it came off from this high and closed at \$1,347, up 2.3 per cent for the week. The dollar index — which was recovering earlier this month — made a sudden downward reversal last week. The index fell about 1.5 per cent from around 90.4 and closed the week at 89.1. Weak dollar helped gold snap its two-week fall and reverse sharply higher.

Silver, on the other hand, surged to a high of \$16.98 per ounce, but fell in the final trading day of the week giving up most of the gains made during the week. Silver has closed at \$16.64 per ounce, up 1.7 per cent for the week.

On the domestic front, the gold and silver futures contract on the Multi Commodity Exchange (MCX) surged in tandem and also outperformed the global spot prices. The MCX-Gold contract man-

aged to sustain above the psychological ₹30,000 mark and rose to ₹30,816 per 10 gm, up 2.7 per cent for the week. The Silver futures contract closed 2.9 per cent higher for the week at ₹38,665 per kg.

Weak dollar

The dollar index (89.1) has failed to sustain above 90 and has fallen sharply last week. Though the index has bounced from the low of 88.25 in the final trading session, the overall outlook remains weak. The level of 90 will act as a strong resistance and can cap the upside in the short term. While below 90, a fall to test 88 cannot be ruled out in the coming days. Such a fall will push gold prices further higher.

For the index, 88 is a crucial support. If the index manages to sustain above this level, a range-bound move between 88 and 90 can be seen for some time. But a strong break below 88, if seen, will increase the downside pressure. Such a break will increase the possibility of the index tumbling towards 85 over the medium term, which, in turn, will see

gold prices revisiting \$1,400 or even higher levels.

Outlook for gold

The strong recovery last week has not turned the outlook completely positive for gold (\$1,347 per ounce).

Though the broader uptrend remains intact, gold can consolidate in a sideways range for some time before the upmove resumes. Resistance is at \$1,370 which can be tested in the near term. Inability to breach this hurdle can drag gold lower towards \$1,330 or \$1,320 again. As long as gold remains below \$1,370, it can remain sideways and oscillate between \$1,300 and \$1,370.

Only a strong break above \$1,370 will bring back fresh bullishness and boost the momentum. Such a break can take the yellow metal higher towards \$1,390 and \$1,400 thereafter.

On the domestic front, MCX-Gold (₹30,816 per 10 gm) is inching higher to test the

second consecutive week. This leaves the short-term bias negative for the white metal. Immediate support is at \$16.5. A break below it will increase the downside pressure and drag the prices lower to \$16 or even \$15.75. On the other hand, if silver sustains above \$16.5, it can bounce to test \$17 again. A strong break above \$17 is needed for silver to gain strength and rally towards \$17.5 and \$17.75.

MCX-Silver (₹38,665 per 10 gm) contract hovers below a key resistance level of ₹39,000. A strong break above it can take it higher towards ₹39,700 or even ₹40,200. But inability to breach ₹39,000 and a downward reversal thereafter can take the contract lower to ₹38,000 or even ₹37,500.

Outlook for silver

Global spot silver (\$16.64) is facing strong resistance at \$17 and has come off, failing to break this hurdle for the



MCX Gold

Supports
₹30,000, ₹29,500
Resistances
₹31,100, ₹31,500

MCX Silver

Supports
₹38,200 / ₹37,750
Resistances
₹39,000 / ₹39,700

Tata Steel, JSW JV bid for Bhushan

RP, advisers to review resolution plans

PRESS TRUST OF INDIA
NEW DELHI

Debt-laden Bhushan Steel Ltd. said on Monday that Tata Steel, JSW Living Pvt Ltd., and a consortium of the company's own employees had submitted bids to take over its assets.

The company, in a filing to BSE, said that as part of the resolution process, "the resolution professional (RP) has received resolution plans from Tata Steel, JSW Living Private Ltd. and Employees of Bhushan Steel Ltd." JSW Living Pvt. Ltd. is a joint venture between JSW and Piramal Enterprises.

Shares soar

Bhushan Steel shares soared close to 20% to hit an upper circuit limit of ₹53.85 on BSE. Trading volume spurted more than 1.37 times on BSE with more than 27 lakh shares changing hands, exchange data showed.

The stock surged 19.91% to ₹53.90 on NSE as more than 1.37 crore shares were traded on the platform.

A broad summary of the resolution plans were presented by the RP to the committee of creditors (CoC) in their meeting held on February 16, 2018, Bhushan Steel said.

The company further said that the RP and its advisers would now review the plans so as to ensure that these were in conformity with the provisions of the Insolvency and Bankruptcy Code, 2016, and additional requirements as stipulated by the CoC in the process document. "Once the resolution plans are identified, another meeting of CoC will be convened to present the compliant plans for the consideration of the CoC," Bhushan Steel said.

When asked about Tata Steel's bid offer, its managing director and CEO T.V. Narendran said, "I would not comment on the numbers. Media report says we are the highest ... if media reports about other bids are right then probably we are the highest."

The company was interested in these assets right from the beginning because these are in the eastern region, he told reporters on the sidelines of an event organised by CII here.

Bhushan Steel, one of the 12 non-performing accounts referred by the Reserve Bank of India for National Company Law Tribunal (NCLT) proceedings, owes ₹44,478 crore to lenders.

Gold, silver up on global cues, jewellers' buying

NEW DELHI, Feb 19 (PTI)

GOLD edged higher by Rs 50 to Rs 31,800 per ten gram at the bullion market on Monday, supported by a firm trend overseas amid fresh buying by local jewellers. Silver also advanced by Rs 225 to Rs 39,975 per kg due to increased offtake by industrial units.

In the National Capital, gold of 99.9 and 99.5 per cent purity was up Rs 50 each at Rs 31,800 and Rs 31,650 per ten grams, respectively.

The precious metal had lost Rs 70 in Saturday's trade. Sovereign however remained unaltered at Rs 24,800 per piece of eight gram.

In sync with gold, silver ready too spurted by Rs 225 to Rs 39,975 per kg, while weekly-based delivery slipped by Rs 80 to Rs 38,585 per kg. Silver coins plunged by Rs 1,000 to Rs 74,000 for buying and Rs 75,000 for selling of 100 pieces.

Coal mining open for private sector

Till now the private sector was permitted to mine the fossil fuel only for captive use (coal mined could be utilised only in the industry for which the auction/allocation of the block was done, and not for other purposes. Surplus coal needed to be sold to Coal India at the notified price).

After nationalisation, the state-owned Coal India was the sole entity allowed to sell coal.

The auction - on an online transparent platform - will be an ascending forward auction whereby the bid parameter will be the price offer in Rs./tonne, which will be paid to the State Government on the actual production of coal. There shall be no restriction on the sale and/or utilisation of coal from the mine, a

statement said. "This reform is expected to bring efficiency into the coal sector by moving from an era of monopoly to competition. It will increase competitiveness and allow the use of best possible technology in the sector," it added. Coal India accounts for 84% of India's output.

The methodology okayed on Tuesday gives the highest priority to transparency, ease of doing business and ensures that natural resources are used for national development, the statement said.

Coal Minister Piyush Goyal said the move will bring efficiency and competition in coal production, attract investments, best-in-class technology, and help create more jobs in the sector.

Private outfits can mine coal with no end-use curbs

Cabinet plan approval for commercial mining gives companies pricing, marketing freedom

OUR BUREAU

New Delhi, February 20

The private sector will have a greater role in India's coal production after the Cabinet Committee on Economic Affairs approved a new methodology for auction of coal mines.

The government further opened up the coal sector, allowing for pricing and marketing freedom for production from mines offered under this mechanism.

"There will be no end-use restriction or price restriction for the coal that is mined from these blocks. The blocks will be awarded through a forward auction mechanism," Minister for Coal and Railways Piyush Goyal told *BusinessLine*.

The opening up of the coal sector for commercial mining was the next expected step after the government auctioned coal blocks with end-use and price restrictions a year or so after coming to power.

In September 2014, the Supreme Court had cancelled 204 coal mining leases allocated to the

public sector and private companies since 1993 under the provisions of Coal Mines (Nationalisation) Act, 1973.

The government was left with little option but to make enabling provisions in the Coal Mines (Special Provisions) Act, 2015 for allocation of mines by way of auction and allotment to state-owned companies for the sale of coal.

In March 2017, the government said 31 coal mines were allocated through e-auction and 51 by way of allotment.

An industry watcher said the auctions saw participation from Essar Power, Jindal Steel and Power, Jaiprakash Associates Ltd and GMR among others.

"For all the mines awarded till now, there was an end-use restriction that limited the utility of the coal. Companies were also restricted from passing through the higher cost of coal incurred due to competitive auctions."

For the mines that were auctioned, coal production never reached the levels that the government had estimated.

Eventually, companies started



Union Coal Minister Piyush Goyal (right) with Coal Secretary Susheel Kumar addressing a press conference in New Delhi on Tuesday PTI

relinquishing coal blocks. An official from a private power company that had won and then relinquished a coal block told *BusinessLine*, "The cost pass-through restriction made it impossible to sustain mining for coal."

A game-changer

Based on the feedback, the government seems to have taken corrective action, with the new rules ap-

proved by the Cabinet on Tuesday.

Calling the commercial coal mining rules a game-changer across multiple sectors, Kameswara Rao, Partner and Leader—Energy, Utilities and Mining, PwC, said: "Power generators can source commercial coal to improve margins and availability. Further, as merchant power prices fall, power utilities and manufacturing industry too benefits from lower energy costs."

देशातील कोळसा खाणी खासगी क्षेत्रासाठी खुल्या

केंद्र सरकारचा निर्णय : कोल इंडियाची मक्तेदारी संपली

लोकमत न्यूज नेटवर्क

नवी दिल्ली : कोळसा खाणी खासगी क्षेत्राला व्यावसायिक वापरासाठी खुल्या करण्याच्या निर्णयास केंद्र सरकारने मंगळवारी मंजुरी दिली. कोळसा खाणींचे राष्ट्रीयीकरण १९७३ साली करण्यात आले होते. त्यानंतर प्रथमच खाणी खासगी क्षेत्रासाठी खुल्या करण्यात येत आहेत. या निर्णयामुळे सरकारच्या कोल इंडिया या कंपनीची मक्तेदारी संपुष्टात येणार आहे. या निर्णयाकडे अत्यंत महत्वाची सुधारणा म्हणून पाहिले जात आहे.

अर्थ व्यवहारविषयक मंत्रिमंडळ समितीच्या बैठकीत हा निर्णय घेण्यात आला. कोळसा व रेल्वेमंत्री पीयूष गोयल यांनी बैठकीनंतर निर्णयाची माहिती पत्रकारांना दिली. त्यांनी सांगितले की, या निर्णयाने कोळसा क्षेत्र एकाधिकारशाहीकडून



कोळसा खाणी खासगी क्षेत्राला खुल्या करण्याचा निर्णय या क्षेत्राला अत्यंत उपयुक्त ठरणार आहे. १९७३ साली कोळसा खाणींचे राष्ट्रीयीकरण झाल्यापासूनच्या कोळसातील ही महत्वाची सुधारणा आहे. सूत्रांनी सांगितले की, भारतात ३०० अब्ज टन कोळसा साठे असल्याचे सांगितले जाते.

३०० अब्ज टन कोळसा साठे

कोळसा खाणी खासगी क्षेत्राला खुल्या करण्याचा निर्णय या क्षेत्राला अत्यंत उपयुक्त ठरणार आहे. १९७३ साली कोळसा खाणींचे राष्ट्रीयीकरण झाल्यापासूनच्या

स्पर्धात्मकतेकडे प्रवास करणार आहे. त्यामुळे या क्षेत्रात कार्यक्षमता वाढेल. या निर्णयाने स्पर्धात्मकता वाढेल, तसेच सर्वोत्तम तंत्रज्ञानही या क्षेत्रात येईल. मोठी गुंतवणूक मिळण्यास मदत होईल. त्यामुळे कोळसा असलेल्या भागात प्रत्यक्ष अप्रत्यक्षरीत्या रोजगार निर्मिती होईल. या भागाच्या आर्थिक विकासासाठी त्यामुळे चालना मिळेल.

आजपर्यंत कॅप्टिव्ह वीज निर्मितीसाठीच खासगी कंपन्यांना

कोळसा खाणी दिल्या जात होत्या. आता ई-लिलावाद्वारे देशातील खासगी व जागतिक कंपन्यांनाही खाणपट्टे दिले जातील. या कंपन्या कोळसा काढून विकू शकतील.

पंतप्रधान नरेंद्र मोदी यांच्या अध्यक्षतेखाली झालेल्या बैठकीत कोळसा खाणी (विशेष तरतूद) कायदा २०१५ आणि खाणी व खनिज (विकास व नियमन) कायदा १९५७ अंतर्गत कोळसा खाणी व खाणपट्टे लिलावाला मान्यता देण्यात आली.

THE HITAVADA

DATE: 21/2/2018 P.N.14

Govt clears opening coal mining to private firms

NEW DELHI, Feb 20 (PTI)

IN A major reform in the coal sector since its nationalisation in 1973, the Government on Tuesday allowed private companies to mine the fossil fuel for commercial use, ending the monopoly of State-owned Coal India Ltd (CIL).

The opening up of commercial coal mining for private sector is the most ambitious coal sector reform since the nationalisation of this sector, Coal and Railway Minister, Piyush Goyal, said while briefing the media on the decision taken in the Cabinet meeting. Currently, private sector is allowed coal mining for captive use only. The reform, Goyal said, is likely to bring efficiency into the coal sector by moving away from

the era of monopoly (of CIL) to competition and lower power tariffs. He said that the move will lead to higher investments and create lakhs of direct and indirect jobs. "It will increase competitiveness and allow the use of best possible technology into the sector. The higher investment will create direct and indirect employment in coal bearing areas especially in mining sector and will have an impact on economic development of these regions," the Minister said.

The CCEA has approved the methodology for auction of coal mines/blocks for sale of coal under the Coal Mines Act and the Mines and Minerals (Development and Regulation) Act, 1957, the coal Ministry said.

BIG PLANS Co to raise about \$900 million more via overseas borrowings to refinance high-cost debt, buy stressed assets

Tata Steel to Top Up Purse Abroad to Fund Buyouts

Saikat Das & Indulal PM

Mumbai: Tata Steel, one of India's top profitable steel producers, plans to raise up to \$800-900 million through overseas borrowings as it looks to replace expensive debt with cheaper ones besides mobilising resources for the acquisition of stressed companies in the country, two people familiar with the matter told ET.

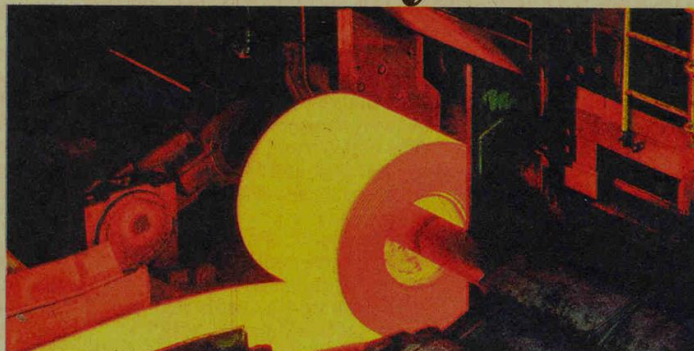
The fresh round of fund raising could be used for a combination of refinancing, capacity expansion and buying stressed assets, the sources said.

"Tata Steel officials are in advanced negotiations with at least half a dozen banks, though an official mandate is yet to be signed. However, the intent is to complete the capital-raising exercise before March 31," said one of the sources.

An email sent to Tata Steel seeking comments on the matter remained unanswered until the publication of this report.

A foreign bank loan is priced adding a spread over and above the benchmark LIBOR (London Interbank Offered Rate). The whole sum is normally raised from a group of foreign lenders. Overseas loans are seen gaining traction with many large companies opting for it.

Tata Steel is seen as a major contender to buy stressed assets, such as Bhushan Steel and Bhushan Power,



SHOPPING LIST



Cos is a major contender to buy stressed assets, such as Bhushan Steel & Bhushan Power

in the country. At the same time, it is expanding its business.

"Tata Steel is actually encouraged by the response from its earlier round of fund raising," said another source.

The issue would be different from the company's \$2.5 billion loan re-cast. Last month, ET reported that Tata Steel raised \$1.3 billion by selling dollar-denominated bonds to overseas investors, who rushed to grab the high-yielding securities. It

obtained oversubscription in excess of \$7 billion reflecting strong investment appetite for such papers. Tatas are refinancing around \$1.5 billion loans housed in its Singapore subsidiaries such as TS Global Holdings Pte and NatSteel Asia Pte.

Abja Investment Co Pte Ltd, a wholly owned subsidiary of Tata Steel, was the actual issuer of the bonds, rated as BB- by S&P, two notches lower than investment grade.

JSW Steel, another large steel company, is also planning to raise \$1.5 billion, or about ₹9,620 crore, through overseas syndicated loans as it looks to buy stressed assets in the industry, ET reported on February 15.

Tatas and JSW are some of the firms bidding aggressively for debt-laden assets, which lenders have put on block as the assets turned non-performing.

Coal-for-sale mining gets nod

OUR SPECIAL
CORRESPONDENT

New Delhi: The government on Tuesday allowed private players to commercially mine coal and sell it in the market without any restrictions on price and end-use, paving the way for the entry of giants such as BHP, Rio Tinto, Glencore, and AngloAmerican and ending the monopoly of public sector Coal India.

The reform is likely to bring efficiency into the sector by moving away from the monopoly of Coal India to competition and lower power tariffs, coal and railway minister Piyush Goyal told reporters after a cabinet meeting.

"It will increase competitiveness and allow the use of best possible technology into the sector. The higher investment will create direct and indirect employment in coal bearing areas especially in the mining sector and will have an impact on economic development of these regions," the minister said.

The revenue from the sale of coal blocks will go to the states, benefiting Bengal, Odisha, Jharkhand, Chhattis-



Coal minister Piyush Goyal in New Delhi on Tuesday, PTI

garh, and Madhya Pradesh, which are the major coal-bearing states. At present, the private sector is allowed to mine coal for captive use only.

The government move is a major reform in the coal sector since its nationalisation in 1973, as only Coal India has been allowed to sell coal. CIL has been the sole commercial miner for 41 years with a market share of 80 per cent.

When asked how the move would impact Coal India,

Goyal said competition would help the state-owned miner.

The decision was taken on Tuesday by the Cabinet Committee on Economic Affairs under Prime Minister Narendra Modi. The CCEA has approved the methodology for the auction of coal mines for the sale of coal under the Coal Mines (Special Provisions) Act, 2015 and the Mines and Minerals (Development and Regulation) Act, 1957, the coal ministry said in a statement.

Transparent auction

The auction will be conducted in a transparent manner, Goyal said without listing out the number of mines available for bidding. "We are in the process of identifying mines." It will be a forward auction and people will be encouraged to come through the e-bidding platform, he said.

Elaborating on the methodology, Goyal said the auction would be held online as forward bidding.

"There will be no end use and price restriction. It would be up to the players to bring down the prices in open market," he said. The minister said the revenue generated from the mining would go to the mine bearing states, and the Centre will not get any share.

"The auction will be an ascending forward auction whereby the bid parameter will be the price offer in Rs/tonne which will be paid to the state government on the actual production of coal. There shall be no restriction on the sale and/or utilisation of coal from the coal mine," the ministry statement said.

PINAK GHOSH

Calcutta: The decision of the government to open up coal-mining to the private sector is unlikely to be an immediate cause of concern for Coal India. The country's largest coal producer has long-term fuel supply agreements with thermal power generators.

The disclosure by Coal India to the bourses shows that of the total raw coal sales of 410.52 million tonnes between April and December, 81.26 per cent of the supply has been through assured fuel supply agreements (FSA). The remaining has been through electronic auction, where prices are market driven.

NTPC, for instance, has an annual requirement of around 170-180 million tonnes. While it is gradually developing its captive sources, a bulk of the requirement at present is sourced from Coal India based on supply pacts.

Then there is the challenge of matching coal supply at FSA rates, which are much lower than auction rates.

Coal India data show that the average realisation from coal sold through the fuel sup-

Largest miner sees no threat

PRICE POINTER

Rs/tonne	FSA	E-auction
April-June	1201	1586
July-Sept	1224	1614
Oct-Dec	1182	1998

Coal India's quarter wise average realisation in 2017-18

ply agreement route has been in the range of Rs 1,100-1,200 per tonne between April and December, much lower than e-auction prices, which are in the range of Rs 1,500-2,000 per tonne, in the same period.

The government has selected an ascending forward auction method where the bid parameter will be the per tonne price offer payable to the state government. If there is aggressive bidding for coal blocks, it could add to the cost. If market prices go up, Coal

India also stands to benefit from better e-auction rates.

"Coal mining is a capital intensive business with a long gestation period. There are challenges of acquiring land, obtaining environment and forest clearances, bringing in mining equipment and finding a buyer to sell coal. Any private sector miner would have to take into consideration all these factors," a source said.

While there is a benefit in the form of global mining giants bringing in advanced mining technologies, the viability of commercial coal mining would depend upon the nature and size of the coal blocks on offer.

"According to industry estimates, coal blocks will be commercially viable to private players only if they are offered in minimum blocks of 40-50 million tonnes," said Angel Broking. The topographical features and nature of coal seams would also be a key consideration.

Coal India officials said that they would be geared up to compete with the private sector. The miner has worked out a capital expenditure plan of Rs 9,500 crore in 2018-19.

Cross-current in coal mining course

A STAFF REPORTER

Calcutta: The Centre's move to open up coal mining to the private sector has evinced mixed response from the industry.

While coal consumers, mining firms and industry analysts have welcomed the decision, unions have opposed the move citing fear of handing over the mining of the natural resource to foreign firms.

"It is a welcome and coveted move by the Union government. Coal production is likely to increase in the coming years, transforming into a competitive market scenario. The key features of this step are allowing 100 per cent FDI in commercial mining and the export of coal," the Coal Consumers' Association of India said in a statement.

The industry body said the suc-

cess of the Centre's move to open up the sector and increase competition for Coal India would depend on factors such as the auction norms, size of mines and the reserve price for auctions.

From the consumer's perspective, the association said the benefits include better coal prices on account of competition, improvement in coal quality and logistics.

Vedanta group chairman and mining mogul Anil Agarwal also welcomed the decision, saying the move will usher in competition and bring in domestic and foreign investment to the sector.

"This is a path-breaking and bold reform by the government. Opening up the coal sector to private players will usher in much needed competition, increase domestic and foreign direct investment in the sector, drive

PROS & CONS

The benefits

- Opening up mining to private sector will fetch better coal prices on account of competition and improve coal quality and logistics

The worries

- Unions feel move will not benefit Coal India. Also, private players may not follow ethical practices related to mining, rehabilitation and environment

efficiencies as well as help in rectifying the irregularities in coal supplies and linkages," Agarwal said.

Among the evident benefits of this measure would be enhanced energy sufficiency and availability of power at a low cost for consumers, he said.

"The coking coal segment should receive some urgent attention to reduce import dependency. Hopefully, access to logistics and other infrastructure will be on an even-playing field," said Anjani Agrawal, partner and national leader — metals and mining, EY.

Union coal and railways minister Piyush Goyal has termed the opening up of coal mining to the private sector as the most ambitious coal reform since the nationalisation of the sector in 1973. The timeline, name and number of coal blocks on offer is expected to be disclosed soon.

The government has prescribed an ascending forward auction whereby the bid parameter will be the price offer in rupees per tonne payable to the state government on the actual production of coal. There is also no restriction on the sale and/or utilisation

of coal from the mine.

"The methodology will help in maximising the value and potential of coal," said Vanita Bhargava, partner, Khaitan and Co.

National trade unions, however, have opposed the government's decision to allow private firms to mine coal for commercial use.

Several unions, including the BJP-affiliated, Bhartiya Mazdoor Sangh, left-backed Citu and Congress supported INTUC have opposed the move. The union leaders said they were not included by the government in the discussions. They apprehend that the long-term impact of the move will not benefit Coal India and private players may not follow ethical practices relating to mining, rehabilitation of land losers and environment. They also fear that the workers may not be adequately remunerated.

Cut Diamond Imports Jump But There's no Clarity Why

Stones arriving from 'unspecified' nations

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New Delhi: Imports of cut or polished diamonds in the current financial year have surged about fourfold and no one quite knows why. The stones don't seem to be coming from the usual sources such as Dubai, Belgium and Hong Kong. According to commerce department data, most are from unspecified countries.

Officials and the trade told ET there didn't seem to be any easy explanation for such a spike.

Imports of cut diamonds that haven't been mounted rose 284% in April-November 2017 to ₹40,809 crore, or \$6.3 billion, from ₹10,672 crore in the year-earlier period. Gems and Jewellery Promotion Council chairman PS

In Apr-Nov 2017, cut diamond imports worth ₹32,028 cr were from unspecified sources

Pandya said total imports should not have been more than \$2 billion in the normal course. Of the total, cut diamond imports worth ₹32,028 crore, or 78%, are from unspecified sources. Interestingly, imports from unspecified sources had amounted to ₹18.2 crore in the year-earlier period but for all of FY17 stood at ₹519 crore. Imports from Hong Kong, the biggest source of polished diamonds, in the April-November period amounted to ₹3,848 crore, down 25% from the year-earlier period.

Imports may be categorised as being from unspecified sources when the country of origin is not mentioned on the bill of entry for some reason.

INDUSTRY was unable to hike prices amid rising input costs; investors would do well to stay with large pan-India players

Cement Cos' Margins may Remain as Flat as Demand

Rajesh.Naidu@timesgroup.com

ET Intelligence Group: Although cement demand has historically been better in the March quarter, large cement manufacturers with more than 15 million tonnes of capacity may not report any material rise in operating profit margins.

This is due to their inability to increase product prices in the first two months of the quarter. In the nine months to December 2017 quarter, their margins were 15-30% depending upon the reach and pricing power.

The demand strength from the real estate, individual home builders (IHB) and infrastructure segments plays crucial role in price trend. This time around, demand from the real estate and IHB segments has been weak thereby curtailing major increase in cement prices.

While demand from the infrastructure segment has been stable, it accounts for just over one-fifth of the total cement demand.

It may not significantly offset the slowdown in real estate, which forms nearly two-thirds of the total cement consumption. Within housing, rural

Sales Report

CEMENT VOLUME GROWTH IN THE DECEMBER 2017 QUARTER

Company	YoY Change %
UltraTech Cement	37.0
ACC	27.0
Ambuja Cements	16.0
Shree Cement	8.5
Dalmia Bharat	17.0
The Ramco Cements	14.4

SOURCE: Company, reports

RANGE-BOUND



The average all-India cement price has not moved up from levels of ₹285 per 50 kg bag

housing accounts for 30-35% of the demand, and the rest is owing to urban housing.

Besides weak demand, cement companies are facing higher input costs. In the second half of 2017, prices of petcoke, imported coal and diesel rose sharply. In January 2018, Coal India increased price of linkage coal, which would add to the cost of cement production.

Despite higher raw material costs, companies have been unable to raise prices on sequential basis, unlike in the past when there was a price increase during the March quarter.

Except in the eastern region, cement prices have been range-bound in rest of India. Low-cost housing is driving demand in the eastern region. The average all-India cement price has not moved up from the December quarter levels of ₹285 per 50 kg bag. In the eastern region, cement price is 3-10% above the all-India average.

Investors will be better off by enhancing their exposure to large pan-India companies such as UltraTech Cement, ACC, Ambuja Cements, Shree Cement, Dalmia Bharat and The Ramco Cement. These companies will be able to raise sales volumes once the demand picks up given their size and geographical reach.

SCCL unfazed by Centre's new policy

Proximity is to advantage of State-owned PSU

N. RAHUL
HYDERABAD

The management of Singareni Collieries Company Limited (SCCL) does not foresee a threat to its commercial activity owing to opening up of commercial coal mining to private companies as there were no coal blocks in SCCL area that were identified by Centre for allocation to private sector.

The private participation will only be limited to 220 blocks that were identified in coal rich States of Jharkhand, Chhattisgarh, Odisha and West Bengal, SCCL sources said.

The threat, however, may be from customers of SCCL who might want to procure quality coal at cheaper rates from other States. But, transportation charges to shift the coal all the way could be a deterrent to existing customers to migrate, much to the advantage of SCCL.

Power stations

Sources added that SCCL had about 3,000 customers but 80 to 85 % of its coal was purchased by eleven power



File photo of SCCL officials using the machinery for the transportation of coal from an open cast project in Peddapalli district. ■ BY ARRANGEMENT

stations at Ramagundam, Paloncha, Bhoopalpalli, Raichur, Kudgi, Parli, Muddanur, Kothagudem, Vijayawada and Jaipur in Adilabad. Some 4% to 5% coal produced by the State-owned PSU was purchased by cement companies while the rest was consumed by sundry units.

They also said private sec-

tor playing a dominant role in coal mining could take four to five years after the latest decision of the Central government to liberalise the activity as land acquisition, access to railways and environment approvals were a long drawn process.

Within this period, there was no question of competition with the private sector.

Client proximity was the strong point of SCCL being the only coal producing company in south India. The company harnessed its locational advantage to service a large market in and around its areas of operations.

High growth

It was not only thermal power plants and cement but steel, paper, textile, tobacco, ceramics, pharmaceuticals, distilleries and brick kilns that the company serviced.

As 90 % of coal output of the company was supplied to thermal power and cement plants, marketing of coal with emphasis on quality did not get the importance of the company in view of huge demand-supply gap.

The Centre's decision was announced at a time when SCCL had registered a 8.61 % increase in despatches as compared to last year, the sources said.

Against the targeted despatches of 51.30 million tonnes, by January end the collieries achieved 52.86 million tonnes (103%).

Goa new iron ore mining policy soon

Panaji, February 21

The Goa Legislative Assembly on Wednesday discussed the crisis in the state's iron ore mining sector with the government assuring legislators of a new mining policy to address it. Congress moved a calling attention motion on the floor of the House urging the government to file a review petition in the Supreme Court on its recent verdict which quashed 88 mining leases in the state. The apex court had suggested that the leases be auctioned. Transport Minister Sudin Dhavalikar said that the State government would consider all options before it to ensure that the mining industry sustains. Dhavalikar, who is the leader of the House in the absence of chief minister Manohar Parrikar, said the government will formulate a new mining policy. PTI

Conference on 'Devpt of Aluminium alloys for defence sector' from today

■ Staff Reporter

JAWAHARLAL Nehru Aluminium Research Development and Design Centre (JNARDDC) Nagpur, is organising a two-day national conference on "Development of Aluminium Alloys and Downstream products for Defence, Aerospace and other strategic applications" at its campus at Wadi on February 23 and 24.

Dr Tapan Kumar Chand, Chairman cum Managing Director, National Aluminium Company Limited (NALCO), will be the chief guest of the event. Viswanathan Ravindran, General Manager, Ordnance Factory Ambajhari (OFAj) and Lokesh Srivastava, COO TAL Manufacturing Solution Ltd, Nagpur will share the dais as guests of honour during the inaugural function. Dr Anupam Agnihotri, Director, JNARDDC will preside over the event.

NALCO, TAL Manufacturing Solutions Ltd, BALCO, JINDAL Aluminium Ltd, Ordnance Factory Katni, Minex Metallurgical Co Ltd, VEDANTA, DMRL, HINDALCO, Jiwanram Sheoduttrai Group, Kolkata, SMS India, ABSTC, Ordnance Factory Ambajhari, Aditya Aluminium, Century Extrusions Ltd., Ordnance Factory Ambarnath, ARAI, Siddhi Engineers, Sandeep Metal Craft, Nagpur, ARCI, Bhoruka Extrusions Pvt Ltd, National Centre for Aerospace Innovation and Research (NCAIR), IIT Gandhi Nagar, IIT Bhubaneswar, IIT Bombay, DMSRDE, HQMC, Air Force, Vidarbha Defence Industrial Hub, Nagpur, BrahMos Aerospace Pvt. Ltd., HAL, R&DE (E) Pune, NFTDC, VNIT and IDCO-IPICOL are participating in this two-day conference.

The event will be conducted by Dr S P Puttewar, Chairman organising committee and R N Chouhan, convenor.

Aluminium recyclers in doldrums as govt delays ₹5,000-crore refund

These units are dependent on imported scrap

SURESH P IVENGAR

Mumbai, February 23

The small and medium aluminium recycling units are facing a huge cash crunch due to accumulation of over ₹5,000 crore duty paid on raw material import.

The secondary aluminium producers are entirely dependent on imported scrap for producing auto parts, deox used in steel plants and utensils.

Kishore Rajpurohit, Executive Committee Member, Metal Recycling Association of India, told *BusinessLine* that the import value of scrap is artificially marked up by the Customs Department while re-assessing the consignment based on the benchmark London Metal Ex-

change price for primary aluminium metal.

"If the import value of a container with 20 tonnes of scrap is priced at \$1,100, the Customs values it at \$1,400 for levying the import duty of 2.5 per cent. The value addition on the scrap itself is not more than \$200," he said.

The Customs authorities are using the 'alert' published by the Directorate General of Valuation in 2016 to reassess the value of imports higher, he added.

On top of this, he said under the GST rule commodity importer are eligible for refund on certain expenses if they export value added products, but the aluminium recycling industry has not received any refund on their exports in last six months.

"We are also not getting an appointment with government officials to express our grievances

"We are also not getting an appointment with government officials to express our grievances as we represent small units. The government should address industry grievances faster rather than trying to find solution after their loan become NPA."

as we represent small units. The government should address industry grievances faster rather than trying to find solution after their loan become NPA," said Rajpurohit.

GST pain

Notwithstanding the raw material issue, the GST rate on both aluminium scrap and finished product has been fixed at 18 per cent. The industry has also urged the government to reduce the rate on raw material to



12 per cent. This will not lead to any revenue loss for the government as its income depends on the rate levied on the final product, said Rajpurohit.

So much for the government's 'Make in India' programme, duty-free import of aluminium alloys from ASEAN countries has increased significantly in last three years, while domestic manufacturers are made to pay 2.5 per cent import duty on aluminium scrap, the key raw material, said Rajpurohit.

Cut diamond imports dip 14.44%

MUMBAI, Feb 23 (PTI)

IMPORTS of cut and polished diamonds declined by 14.44 per cent to USD 1,527.43 million during the April to November period last year, against the year-ago period, the Gem and Jewellery Export Promotion Council (GJEPC) claimed on Friday.

It stood at USD 1,785.17 million during the April to November period in 2016.

The return consignments stood almost the same at USD 4,945 million for the period under review, compared with USD 4,978 million in the year-ago period, according by GJEPC.

GJEPC released a statement today in the wake of a media report recently which claimed the imports of cut diamonds that haven't been mounted rose 284 per cent in April-November 2017



to Rs 40,809 crore, or \$6.3 billion, from Rs 10,672 crore in the year-ago period. The jewellery association on Friday said the total USD 6.3-billion cut and polished diamonds imports included actual imports and return consignments, both terms officially used by the Customs Department.

While the former are actual

imports and are based on monetary transactions, return consignments comprise gems and jewellery (including diamonds) taken abroad for export or brand promotion and certification by international laboratories, which are returned with certificates and with no monetary transactions, it said.

SC raps Centre for failure to curb illegal mining

Govt Directed To Submit Plan To Stop It

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A MATTER OF CONCERN

New Delhi: Grappling with cases pertaining to illegal mining in at least six states, the Supreme Court on Friday pulled up the Centre for its failure to curb pilferage of natural resources worth of thousands of crores and directed it to submit a plan to stop it.

A bench of Justices Madan B Lokur and Deepak Gupta said it was a matter of "serious concern" and the government must frame a comprehensive policy and take effective steps to deal with the problem of illegal mining which is going on

across the country. "You have to catch people indulging in illegal mining. You have to enforce the law. Tell us what are you doing about it. Natural resources cannot be free for all and you must have a policy to stop illegal mining," the bench said.

The court has passed a slew of orders over the years to deal with the problem of illegal mining in Karnataka, Goa, Haryana, Uttar Pradesh, Rajasthan, Odisha, Goa and Madhya Pradesh. Incidents of illegal mining were also recently reported from

Bihar as SC's central empowered committee (CEC) found evidence of illegal stone mining in protected forests in western Bihar.

In August 2017, the court directed the mining companies in Odisha to pay compensation of about ₹17,576 crore for illegally extracting iron and manganese ore in the state since 2001. The court ruled that the companies would be liable to pay back 100 percent of the price of minerals mined by them in violation of law and rejected the plea of the Centre that only 30 percent value of the minerals be recovered from the companies. The Supreme Court's intervention in mining operations goes back to 1997 when it recommended that at least 20 percent of the profits be set aside as a permanent fund for development needs. In 2002, the SC said that the Aravalli

mountain range in Haryana and Rajasthan is forest land and no mining should be allowed there. The court had also banned mining in Karnataka in 2011 but later allowed extraction of ore.

Referring to illegal mining, the bench said the situation is worrisome and immediate intervention is required to preserve natural resources. "The illegal mining is happening right under your nose and there has to be some application of mind by the Centre to deal with it," the bench said.

Additional Solicitor General A N S Nadkarni, appearing for the Centre, contended that it was for the state governments to enforce law and stop illegal mining. But the bench directed the Centre to file affidavit whether it had any policy to handle the problem and granted 2 weeks' time to file it.

High-end products can boost alu units, says Nalco CMD

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Nagpur: The National Aluminium Company (Nalco) chairman cum Managing Director (CMD) **Tapan Kumar Chand** has said that to make the Indian aluminium industry viable and profitable there is need for switching to medium and high-end value-added products. Also, there is need to shift to produce defence products as this market is expected to increase by fourfolds by 2025.

Chand was in city for the inauguration of a two day national conference titled 'development of aluminium alloys and downstream products for defence, aerospace and other strategic applications' organized by the Jawaharlal Nehru Research Development and Design Centre (JNARDDC).

The Nalco CMD said that the aluminium industry had picked up well in last 2-3 years and seen a 20% rise in growth from 60-80% yet the industry needs to go a long way. Newer areas like aero-space, auto sector, railways are opening new doors for aluminium based products. "The high-speed T-20 trains will be using aluminium based alloys as basic material. This will help railways have light weight high speed trains. Aero-space industry is also growing le-



aps and bounds and would need high end value-added products," said Chand.

Chand is working for the aluminium industry not just as CMD Nalco but also as president of the Aluminium Association of India. The aluminium industry mainly comprising of Balco, Vedanata and Hindalco have a production capacity of 4.2 million tons (MT) but are producing only about 2.5MT. Aluminium industry is highly energy intensive as almost 30% of it the cost is due

to power. World over technology input cost is low due to use of cheap gas and hydro-power unlike India where it uses expensive coal.

Chand said that since the defence industry is expected to see a rise of fourfold by 2025 and automobile industry will grow by three-fourfold the aluminium industry can be back on tracks with huge consumption here. But the issue remains that such big industries manufacture huge amounts of aluminium and are averse to taking orders like that of Boeing which wants just 800 tons. "But producing this quality 800 ton than mass production should be the right way," he said.

Nalco is also setting up an Aluminium Park in 242 acres where all the components of aluminium industry will be produced.

Mittal hopeful of getting Essar Steel

JAYANTA ROY
CHOWDHURY

New Delhi: London-based steel czar L.N. Mittal on Friday met finance minister Arun Jaitley, days ahead of the opening of bids for beleaguered Essar Steel that has been put up for sale by the lenders.

Only two serious bids have emerged for the steel maker — ArcelorMittal and VTB-led Numetal Mauritius in which Essar Steel promoter Ravi Ruia's son Rewant has a minority stake.

Though analysts consider both the bids to have flaws, Mittal on Friday told newsmen that he "believed both the bids (were) being considered".

"We have put in a well-planned bid for Essar Steel. I think we can create value in Essar Steel," Mittal said.

A committee of Essar Steel lenders will meet soon to discuss the eligibility of the bids.

Analysts have said Arcelor-Mittal's bid could run into trouble as the group was invested in another defaulting firm that has been put up for a similar fire sale a few weeks ago.



UPBEAT: L.N. Mittal

A new bankruptcy code disallows firms which are promoters in other bankrupt companies from bidding in such sales.

However, Mittal officials pointed out that the Luxembourg-based steel giant had transferred its 29.1 per cent stake in Uttam Galva Steels Ltd to other founders, a move which could help it to technically meet legal norms.

Section 29A of the Insolvency and Bankruptcy Code (IBC), that was brought in through an ordinance, bars wilful defaulters, defaulting promoters and related persons from bidding under the insolvency process.

The bid submitted by Numetal has far more serious flaws. Besides Rewant Ruia and VTB, the consortium includes Tyazprom Export of Russia.

The problem with the bid is that Rewant Ruia could be considered a related party and VTB may be struck off the list.

"The rules given by the amended bankruptcy code are clear — related parties are not allowed to bid for a firm undergoing bankruptcy proceedings," said Sanjay Bhat-tacharya, former managing director of the SBI.

The amendments brought in the words "or in concert with" to define connected parties who may be linked to defaulting borrowers. It also made it clear that defaulters who are ineligible to bid are those who have "failed to make payments of all overdue amounts with interest and charges relating to non-performing asset before submission of resolution plan".

The change in the IBC was brought in specifically as Essar Group had announced its intention of bidding for Essar Steel.

'Competition via commercial mining of coal will enhance energy security'

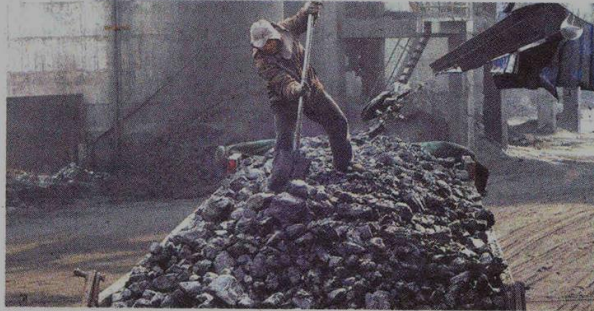
Success, however, depends on reserve price, auction norms, say industry insiders

INDRANI DUTTA
KOLKATA

The success of commercial mining will hinge on the size of mines being offered, their reserve price, and the norms pertaining to the auction of mines, but the ensuing competition would enhance India's energy security, according to industry insiders.

Opening up commercial coal mining for Indian and foreign companies in the private sector, the Cabinet Committee on Economic Affairs, on February 20, approved the methodology for auction of coal mines/blocks for sale of the commodity.

A key feature of the proposal is allowing 100% FDI in commercial mining as well as coal export. "Coal production is likely to increase in future, transforming into a competitive scenario," said Subhashri Chaudhuri, secretary general of the Coal Consumers Association of India. "This [new norms] would be



Size matters: Smaller mines will not attract the right firms or investment, says former CIL chairman Bhattacharyya. ■ REUTERS

a great opportunity to overseas companies in countries where coal mining is either on the wane or has been stopped completely, but there is a need to choose companies with superior technology and competence," according to former Coal India Ltd. chairman Partha S. Bhattacharyya.

'Not just revenue'

Mr. Bhattacharyya said proven mining experience and core competence should get

more weightage in bidder evaluation rather than mere revenue maximisation. Revenue maximisation should not be the only focus of the auction methodology.

Moreover, it was also important to offer larger coal blocks, say about 50 million tonnes of annual capacity, for about 25 to 30 years.

"Offering smaller mines will not attract either the right type of companies or adequate investment – it may rather defeat the very

purpose of this reform if a small mine of 2 to 5 million tonne capacity is to be offered," he said.

"We have seen the ill-effects in the first round of coal auctions, after the cancellation of the 204 coal mine blocks – most of the blocks auctioned have not been developed so far as the buying cost was too high to make the investment feasible", said Mr. Bhattacharyya, who was on one of the first Advisory Groups set up by the NDA government to suggest integrated development of power, coal and renewable energy. On the competition likely to be faced by CIL, Mr. Bhattacharyya, under whose charge CIL's listing took place in 2010, said that CIL was unlikely to suffer beyond facing a competitive pressure as its prices had always been at a discount to import prices and it did not utilise its position to raise prices.

Gold extends gains on higher demand

Price rises by ₹100 per 10 gm following persistent buying by local jewellers

PRESS TRUST OF INDIA
NEW DELHI

Gold prices rose by another ₹100 to ₹31,580 per 10 gram at the bullion market here on persistent buying by local jewellers despite negative global leads.

However, silver slumped below the ₹40,000-mark by plunging ₹1,075 to

₹39,475 per kg due to reduced offtake by industrial units and coin makers.

Marketmen said increased buying by local jewellers to meet growing demand for ornaments kept gold prices higher. A weak trend overseas, however, capped the gains.

Globally, gold fell by

0.24% to \$1,328.20 an ounce and silver by 0.57% to \$16.50 an ounce in New York. In Singapore, gold dropped 0.05% to Singapore \$1,753.45 an ounce while silver was flat at S\$ 21.81 an ounce.

In the national capital, gold of 99.9% and 99.5 per cent purity added another

₹100 each to ₹31,580 and ₹31,430 per 10 grams. The precious metal had gained ₹130 on Friday.

Sovereign price

Sovereign remained unaltered at ₹24,800 per piece of eight grams. Silver ready plunged by ₹1,075 to ₹39,475 per kg.

Jindal plans Namibia's second iron ore mine'

Will initially produce 1 million tonne

REUTERS
WINDHOEK

Plans to open Namibia's second iron ore mine are being pursued by an Indian-controlled company called Blake Trading, documents seen by Reuters show.

Forty-year lifespan

The group, which is majority owned by a subsidiary of Indian steel giant Jindal Steel and Power called Jindal Steel and Power Mauritius Ltd, expects the planned mine east of the capital Windhoek to have a potential lifespan of 40 years.

Mining is an important contributor to the South West African country's economy and added 11.1% to its



■ ATISH POMBURFEKAR

GDP during 2016, the Namibian Statistics Agency says.

Iron ore mining at the new facility will begin with the processing of one million tonne of ore per year, increasing to 10 million tonne thereafter, the documents show.

Diamond Houses Want Govt to Track Synthetic Diamonds Trade

Want a distinct code for artificial stones' to trace imports, say they may be mixed with real diamonds

Kirtika Suneja & Sugata Ghosh

New Delhi | Mumbai: Amid the hunt for Nirav Modi and Mehul Choksi, diamond houses in India have alerted the government about the urgency to track the trade of cheaper synthetic diamonds, which rogue jewellers may be freely mixing with real ones.

As diamond houses try to step out of the shadow of a sensational scam that has rocked many high-street banks, they have urged the commerce ministry to assign a distinct code for 'rough synthetic diamonds' — so that the industry can trace the quantum of artificial stones that are brought into the country, polished in the factories of Surat and sold in local and overseas markets.

Today, it's impossible to track this flow. In the absence of a separate Harmonised System (HS) Code — the international nomenclature to classify traded products — for 'rough synthetic diamonds,' neither the trade council nor the government has any clue about the magnitude of imported rough synthetic diamonds, which are currently clubbed with other synthetic and coloured stones.

In 2016, following repeated representations by the trade, the govern-



ment allotted an HS Code for 'polished synthetic diamonds' but no distinct HS Code was given for 'rough synthetic diamonds.'

Last week, in a communication to the commerce ministry, the Gem & Jewellery Export Promotion Council (GJEPC) said a separate HS Code for synthetic rough diamonds is essential. "HS Code would allow segregation of natural and synthetic pipelines, which can be monitored so that illicit mixing becomes virtually impossible," said

Prasad Agrawal, chairman of GJEPC. When contacted by ET, a ministry official said: "...a separate code will make it easier to maintain data and help in its enforcement. The issue is pending with the revenue department and we will follow up with them. Hopefully, this will happen soon."

"BUY FROM TRUSTED JEWELLERS"

According to Agrawal, "Synthetic production is estimated to be less than 2% of natural, mined dia-

monds. All reputed retailers have invested in their supply chain to ensure that they deliver natural diamonds if they promise the same. We would encourage consumers to buy from trusted jewellers who will sell diamonds with full disclosures on whether it is synthetic or natural."

Synthetic diamonds are 30% cheaper than natural diamonds, though they have the same properties and can confuse any unsuspecting buyer. Large investments are going into setting up synthetic diamond laboratories that replicate the high temperature and pressure that create natural diamonds in the dark bowels of the earth.

The synthetic diamond lobby does not want governments and the authorities to distinguish between their diamonds and traditional, real diamonds. In creating a market for synthetics, this lobby describes their diamonds in various ways — 'green,' 'man-made,' 'grown' and 'lab-grown' diamonds.

"All this can confuse buyers. Also, unscrupulous jewellers can short-change customers by keeping them in the dark... We are not against synthetic diamonds. We are against mixing, which gives the trade a bad name. The industry is already passing through a difficult time," said a trade veteran.

'Diamond dollar account' transactions of gems, jewellery sector may come under RBI scanner

Central bank likely to look into possible diversion or misuse of funds

K RAM KUMAR

Mumbai, February 25

In the wake of fraudulent buyers' credit transactions, aggregating a whopping ₹11,400 crore, coming to light at Punjab National Bank, the Reserve Bank of India is likely to scrutinise the credit facility provided by banks to the gems and jewellery sector via 'diamond dollar accounts'.

With the buyers' credit facility getting compromised in the case of PNB, bankers feel the central bank may now look into diamond dollar account (DDA) transactions for possible diversion or misuse of funds.

A senior public sector bank official said the issue that needs to be closely examined is whether the firms enjoying DDA facility in India and the overseas suppliers are related parties. Overseas suppliers can get buyers' credit from banks based in their country on the strength of letter of undertaking (LoU) provided by a bank in India to its importer customers.

Bankers allude to the possibility of buyers' credit getting channelled back to the promoters of Indian gem and jewellery firms.

DDAs are dollar denominated current accounts that can be opened with banks in India by firms and companies dealing in purchase / sale of rough or cut and polished diamonds / precious metal jewellery plain, *minakari* and / or studded with / without diamond and / or other stones.

To open DDAs, firms should have a track record of at least two years in import or export of diamonds / coloured gemstones / diamond and coloured gemstones studded jewellery / plain gold jewellery.

Further, these accounts can be opened by firms having an average annual turnover of ₹3 crore or above during preceding three licensing years. An exporter firm / company is permitted to open and maintain not more than 5 DDAs.

Permissible credits into DDA include amount of pre-shipment and post-shipment finance availed in dollars; realisation of export proceeds from shipments of rough, cut, polished diamonds and diamond studded jewellery; and realisation in dollars from local sale of rough, cut and polished diamonds.



Permissible debits to the DDA include payment for import / purchase of rough diamonds from overseas / local sources; payment for purchase of cut and polished diamonds, coloured gemstones and plain gold jewellery from local sources; payment for import / purchase of gold from overseas / nominated agencies and repayment of US Dollars loans availed from the bank; and transfer to rupee account of the

What are diamond dollar accounts

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exporter. In its first criminal complaint filed with the Central Bureau of Investigation (CBI) on January 29, PNB said two officials at its Brady House (Mumbai) branch issued some fraudulent letters of undertaking (LoU) for and on behalf of a set of partnership firms - Diamonds R US, Solar Exports, Stellar Diamonds - having Nirav Modi, Nishal Modi, Ami Nirav Modi, and Mehul Chinubhai Chokshi as partners.

These bank officials obtained the required request applications, documents and approval of the authorities thereto and did not make entries in the bank's system, thereby avoiding detection of the transactions.

They transmitted SWIFT in-

structions to the overseas branches of Indian banks for raising buyers' credit and funding PNB's Nostro accounts (in this case PNB's account with Hong Kong-based banks).

In its second criminal complaint filed with CBI on February 13, relating to unauthorised issuance of LoUs on behalf of Mehul Choksi promoted Gitanjali Group of companies, PNB said officials of the Brady House branch fraudulently issued LoUs without following the bank's prescribed procedures.

"Credits received under the buyers' credit in the bank's Nostro account/s were, however, utilised for payment of earlier raised buyers' credit in many cases," the bank said.

Gold falls as dollar recovers

But strong support in the \$1,310-\$1,300 zone can limit the downside

GURUMURTHY K

Gold remained weak and prices fell over a per cent in the past week. A recovery in the US dollar kept the yellow metal under pressure all through last week.

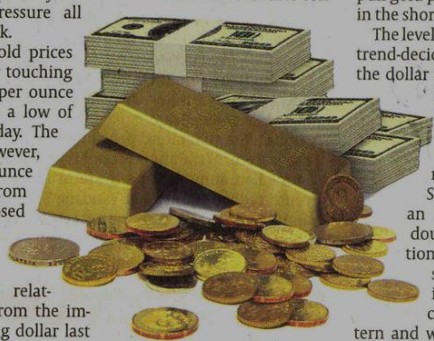
Global spot gold prices fell sharply after touching a high of \$1,351 per ounce and tumbled to a low of \$1,321 on Thursday. The yellow metal, however, managed to bounce slightly higher from this low and closed at \$1,328.8 per ounce.

Surprisingly, silver remained relatively insulated from the impact of the strong dollar last week. Global spot silver prices were stuck in a narrow range between \$16.39 and \$16.78 per ounce. They closed the week on a flat note at \$16.53 per ounce.

On the domestic front, a weak rupee helped in limiting the losses in the gold and silver futures contract on the Multi Commodity Exchange (MCX). The MCX-Gold futures

contract fell to a low of ₹30,387 per 10 gm on Thursday and bounced back from there to close the week at ₹30,509 per 10 gm.

The MCX-Silver futures con-



GETTY IMAGES/ISTOCKPHOTO

tract, on the other hand, touched a low of ₹38,087 per kg before closing the week at ₹38,403 per kg.

Dollar recovers

The US dollar index sustained above 89 and edged higher, breaching the key resistance level of 89.5 in the past week.

The region between 89.50 and 89.30 is a key support for the index in the near term.

As long as the index remains above this support zone, there is a strong likelihood of it rallying towards 90.50 in the coming days.

Such a rise in the index can pull gold prices further lower in the short term.

The level of 90.55 is a crucial trend-deciding resistance for the dollar index. If the index breaks and closes decisively above 90.55, it can gain bullish momentum.

Such a break will be an initial sign of a double bottom formation on the chart. A strong rise breaking above 91 will confirm this pattern and will take the index higher towards 92 in the coming weeks.

But inability to breach 90.55 and a pull-back thereafter can drag the index lower to 89 or even lower levels again.

As such, the price action in the dollar index around 90.55 will need a close watch in the coming days, which will be key in determining the next

leg of move for the yellow metal.

Gold outlook

The global spot gold (\$1,328.8 per ounce) has a cluster of resistances in between \$1,335 and \$1,340, which is likely to cap the upside in the near term. As long as prices remain below \$1,340, a fall to \$1,315 or even \$1,310 is possible in the coming days. The region between \$1,310 and \$1,300 is a strong support for gold. A fall breaking below \$1,300 is unlikely at the moment.

Gold is likely to reverse higher from the \$1,310-\$1,300 support zone. Such a reversal will have the potential to take the yellow metal higher towards \$1,340 and \$1,350 again. As indicated last week, gold can broadly remain in a sideways range between \$1,300 and \$1,370. Within this range, the bias will be bullish for it to breach \$1,370 and rally towards \$1,400 and \$1,450 levels over the medium and long term.

With regard to the immediate outlook for the MCX-Gold (₹30,509 per 10 gm), support is at ₹30,335 — the 21-day moving average. If the contract sustains above this support, a rally to ₹31,000 and ₹31,100 is

likely in the coming days. But if it breaks below ₹30,335, a fall to ₹30,000 can be seen in the near term. A further fall below ₹30,000 is less probable at the moment. However, if the contract declines below ₹30,000, the downmove can extend to ₹29,600.

Silver outlook

Global spot silver (\$16.53 per ounce) has been oscillating around \$16.5 per ounce over the last three weeks. This leaves the near-term outlook unclear. Support is at \$16.25 and resistance is at \$17. A breakout on either side of these levels will determine the next move. A fall below \$16.25 can drag silver lower to \$15.75. On the other hand, silver will gain momentum and rally towards \$17.5 and \$17.75 if it breaks above \$17 decisively.

MCX-Silver (₹38,403 per kg) futures contract has support at ₹38,000. As long as it sustains above this support, the possibility is high of it breaking above the resistance at ₹39,000. Such a break will see the contract rallying towards ₹40,000. On the other hand, the contract will come under pressure if it breaks below ₹38,000. In such a scenario, a fall to ₹37,450 is possible.



MCX Gold

Supports
₹30,335, ₹30,000
Resistances
₹31,100, ₹31,500

MCX Silver

Supports
₹38,000/₹37,450
Resistances
₹39,000/₹40,000

Steel tariffs' blow will hurt America most

While helping US metal makers, the move will hit the car and machinery industries

DAVID FICKLING

To a hammer, every problem looks like a nail. To US Commerce Secretary Wilbur Ross — who owes much of his personal wealth to buying US steel mills and selling them on — there's no manufacturing problem that can't be solved with metal tariffs.

President Donald Trump is considering actions to limit imports of steel and aluminium "in a very thoughtful and systematic way," Ross told CNBC on Thursday. Decisions on the curbs, which could include charges as high as 53 per cent on steel imports, are due in April.

To see why proposed tariffs on US steel imports would be such bad news for the coun-

try's manufacturing sector, consider how production has evolved in recent years. After collapsing during the 2008 financial crisis, output from America's mills never fully recovered — in line with developments in Europe and Japan.

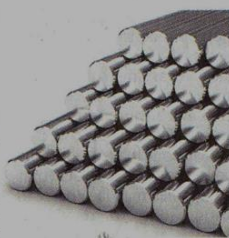
The natural response to reduced demand is to cut capacity. But almost uniquely among major steel producers, the US never did that.

Annual output capacity of 113.3 million tonnes (mt) in 2016 was a scant 100,000 tonnes less than it had been in 2007. The European Union trimmed about 14.1 million tonnes over the same period. As a result, while Europe's steel capacity utilisation has edged up in recent years, America's has languished at

the sub-80 per cent levels where making a profit becomes a struggle.

Look at the consumers

Ross has tended to put the blame for this on the global steel trade, in particular China, but as Gadfly (Bloomberg's fast commentary section) has argued previously, the US isn't a big user of steel from Asia's biggest economy, which barely makes it into the list of top 10 import sources. So why is America's heartland suffering? The answer comes from looking not at steel's producers, but its consumers. Analysts typically initially examine the trade in crude steel to work out which countries are importers and which are exporters — but that's a skewed way to look at the situation. After all, if Subaru Corp buys a tonne of steel from JFE Holdings Inc for



GETTY IMAGES/ISTOCKPHOTO

its Japanese factories and turns it into cars for sale in the US, the steel production and consumption is happening in Japan but the metal is ultimately being used on the far side of the Pacific.

Compare the World Steel Association's figures for crude steel production to its estimates of true steel demand, and a striking picture emerges:

Almost every major steel-making country produces more steel than it uses do-

mestically because they're manufacturing and exporting steel-intensive products in greater quantities than they're importing them.

The US is unique in showing the opposite pattern: Its trade deficit isn't in coils and bars, but in the vehicles, machinery and construction products that are made out of such crude materials. That helps explain why shares in Ford Motor Co, General Motors Co and Caterpillar Inc dipped last Friday after Ross outlined his tariff options, while those of Nucor Corp and US Steel Corp soared. In trying to help America's metal manufacturers, Ross risks dealing a blow to the far bigger car and machinery industries that depend on their raw materials. If Trump is going to address this issue in a thoughtful and systematic way, he'd do well to reflect on that fact. BLOOMBERG



Trade factor

The US' trade deficit isn't in coils and bars, but in the vehicles, machinery and construction products made out of such crude materials

Govt may allow only commercial mining of coal in future: Secretary

New Delhi: The government might in near future scrap the present system of allocating coal mines for captive use and instead only auction mines for commercial use to private as well as foreign companies with a view to boost domestic product and cut imports, a top official said.

The move, which would not just help attract foreign investment but also bring in efficiency and promote competition, follows government's decision of opening up the coal sector to commercial mining by private entities.

"We can also take a decision that in future only commercial mining will be done.... things are

evolving, we will see. One experience is there of end-use auctions. This will be another experience of commercial mining auctions. So we will see and compare whatever is better for the country in the longer term," Coal Secretary Susheel Kumar told PTI in an interview. PTI

Govt may allow only commercial mining of coal in future: Secy

NEW DELHI, Feb 25 (PTI)

THE Government may in near future scrap the present system of allocating coal mines for captive use and instead only auction mines for commercial use to private as well as foreign companies with a view to boost domestic product and cut imports, a top official said.

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tions. This will be another experience of commercial mining auctions. So we will see and compare whatever is better for the country in the longer term," Coal Secretary Susheel Kumar told PTI in an interview.

The Cabinet had last week approved auctioning of coal mines to any firm bidding the highest per tonne price. At present, private sector firms are only allowed to mine coal for use in cement, steel, power and aluminium plants. Coal India Ltd (CIL) is the sole commercial miner with 80 per cent market share.

Terming commercial mining a "full-fledged reform" in the coal sector, the secretary said the Government is evaluating whether it is advisable to go for

end-use restrictions. "There is an idea floated by few people which we are examining whether it is advisable to go for end-use restrictions because that is a half-hearted reform. It is not a full-fledged reform. Commercial mining is a full-fledged reform so that is something which we are evaluating and whatever is in the best interest of the country will be done," Kumar explained.

Stating that the country was slowly moving towards free market in the coal sector, the secretary said CIL ought to improve its efficiency else it "will not be in the market." On deadline for commercial mining auctions, the secretary said, "Our expectation is that we will complete the process of auction by March 2019."

'Competition via commercial mining of coal will enhance energy security'

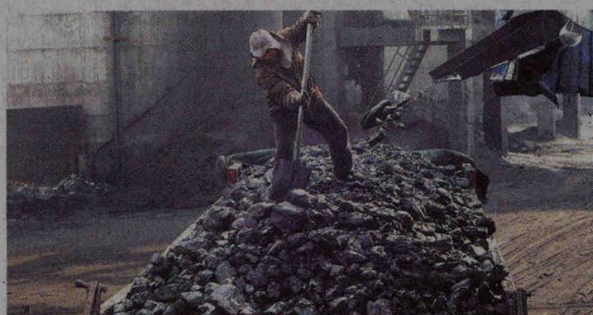
Success, however, depends on reserve price, auction norms, say industry insiders

INDRANI DUTTA
KOLKATA

The success of commercial mining will hinge on the size of mines being offered, their reserve price, and the norms pertaining to the auction of mines, but the ensuing competition would enhance India's energy security, according to industry insiders.

Opening up commercial coal mining for Indian and foreign companies in the private sector, the Cabinet Committee on Economic Affairs, on February 20, approved the methodology for auction of coal mines/blocks for sale of the commodity.

A key feature of the proposal is allowing 100% FDI in commercial mining as well as coal export. "Coal production is likely to increase in future, transforming into a competitive scenario," said Subhashri Chaudhuri, secretary general of the Coal Consumers Association of India. "This [new norms] would be



Size matters: Smaller mines will not attract the right firms or investment, says former CIL chairman Bhattacharyya. ■ REUTERS

a great opportunity to overseas companies in countries where coal mining is either on the wane or has been stopped completely, but there is a need to choose companies with superior technology and competence," according to former Coal India Ltd. chairman Partha S. Bhattacharyya.

'Not just revenue'

Mr. Bhattacharyya said proven mining experience and core competence should get

more weightage in bidder evaluation rather than mere revenue maximisation. Revenue maximisation should not be the only focus of the auction methodology.

Moreover, it was also important to offer larger coal blocks, say about 50 million tonnes of annual capacity, for about 25 to 30 years.

"Offering smaller mines will not attract either the right type of companies or adequate investment — it may rather defeat the very

purpose of this reform if a small mine of 2 to 5 million tonne capacity is to be offered," he said.

"We have seen the ill-effects in the first round of coal auctions, after the cancellation of the 204 coal mine blocks — most of the blocks auctioned have not been developed so far as the buying cost was too high to make the investment feasible", said Mr. Bhattacharyya, who was on one of the first Advisory Groups set up by the NDA government to suggest integrated development of power, coal and renewable energy. On the competition likely to be faced by CIL, Mr. Bhattacharyya, under whose charge CIL's listing took place in 2010, said that CIL was unlikely to suffer beyond facing a competitive pressure as its prices had always been at a discount to import prices and it did not utilise its position to raise prices.

Swachha Bharat Mission begins at IBM

■ Staff Reporter

UNDER Swachha Bharat Mission, Indian Bureau of Mines (IBM), Regional Office is organising one week Swachhata Awareness Week. It will conclude on March 1. It was inaugurated by Arun Prasad, Regional Controller of Mines at IBM Headquarters, Indira Bhavan, Civil Lines.

Arun Prasad is the Nodal officer for organising the said camp in Nagpur region. Target areas selected for the awareness camp are Mine area, village areas and slums.

The purpose of awareness towards 'Swachhata', one publicity vehicle shall be visiting five districts including Chandrapur, Yavatmal, Gondia, Bhandara and Nagpur and shall cover 11 villages locations as per the schedule enclosed with this note.

IBM officials present at the time of inauguration of the camp were



Regional Controller of Mines at IBM Headquarters, Arun Prasad inaugurating Swachha Bharat Mission.

Ashish Mishra, Senior Assistant Controller of Mines, S M Dorle,

Assistant Mines Engineer, Deepak Chinchkhede, Arun Chachane,

Snehankit Chatte, Raman Masram and other supporting staff.

NAVBHARAT (NAGPUR PLUS) DATE: 27/2/2018 P.N.7

IBM में स्वच्छता पर जागरूकता शिविर शुरू

व्यापार प्रतिनिधि

नागपुर. स्वच्छ भारत अभियान के अंतर्गत इंडियन ब्यूरो ऑफ माइन्स द्वारा 'स्वच्छ भारत स्वस्थ भारत' विषय के अंतर्गत 1 मार्च तक जागरूकता शिविर का आयोजन किया जा रहा है. मुख्यालय में क्षेत्रीय खान नियंत्रक अरुण प्रसाद के हाथों कार्यक्रम का उद्घाटन किया गया. उद्घाटन अवसर पर आईबीएम अधिकारी आशीष मिश्रा, एस.एम. डोरले, दीपक चिंचखेडे, अरुण चाचने, स्नेहंकित चट्टे, रमण मससाम और कर्मचारी उपस्थित थे. स्वच्छता का उद्देश्य रखकर आयोजित शिविर के नोडल आफिसर अरुण प्रसाद द्वारा आरेखित कार्यक्रमानुसार एक वाहन इस नोट में उल्लेखित समय सारिणीनुसार चंद्रपुर, यवतमाल, गोंदिया, भंडारा और नागपुर के 11 गावों को भेंट देगा. इन जिलों के 2 से 3 स्थानों को भेंट देकर



स्थानीय ग्रामीणों को एक स्वच्छता किट, झाड़ू, स्वच्छता कैप, स्वच्छता टी-शर्ट दी जाएगी. स्वच्छता के बारे में जागृति के लिए स्वच्छ भारत अभियान की घोषणा और संदेश देने वाले विज्ञापन और विज्ञापित वितरित की जाएगी. प्रहसन, नुक्कड़ नाटक, कचरा प्रबंधन पर वीडियो और वृत्तचित्र दिखाना तथा स्वच्छता और हाउस कीपिंग जैसी गतिविधियां भी शामिल रहेगी.

Ambuja, ACC put merger on hold

OUR SPECIAL
CORRESPONDENT

Mumbai: Ambuja Cement and ACC Ltd — the two LafargeHolcim units — have decided to shelve their much awaited merger for now.

In an announcement after the market hours, both the companies said they were not going ahead with the merger at this point of time because of some difficulties.

"On the basis of a comprehensive evaluation carried out by both the special committee

consolidate its Indian business and take on UltraTech Cement — the AV Birla group firm.

For the quarter ended December 31, 2017, Ambuja Cements held a little over 50 per cent in ACC, while an arm of Holcim-Holderind Investments had a stake of 4.48 per cent. On the other hand, Holderind Investments holds 63.56 per cent in Ambuja Cements.

While Ambuja Cements has a capacity of around 29.65 million tonnes, the combined capacity of the two is over 63 million tonnes.

UltraTech Cement has a grey cement capacity of 93 million tonnes. Late last year, the company had announced the setting up of a 3.5-million-tonne plant at Pali in Rajasthan for Rs 1850 crore.

Both ACC and Ambuja Cements said in the statement that with a view to maximising synergies and unlock additional value for their shareholders, their boards have approved an arrangement for mutual purchase and sale of materials and services. They will take shareholders' nod for the proposed arrangement.

Ahead of the announcement, shares of both the companies had ended with gains of one per cent.

During the quarter ended December 31, 2017, ACC posted a consolidated net profit of Rs 206 crore compared with Rs 91 crore in the year-ago period. This came on the back of higher sales at Rs 3,417 crore against Rs 2,625 crore in the year-ago period. The quarter was marked by a rise in the prices of imported coal and petcoke and limited availability of linkage with domestic coal which saw the company opting for costlier fuel.

For Ambuja Cements, the net profit for the quarter came in at Rs 338 crore against Rs 179 crore a year ago.

PAUSE BUTTON

What did ACC, Ambuja Cement say?

■ Put merger on hold

Why the decision?

■ Observers cite high regulatory cost as deterrent

What will duo do now?

■ Joint purchase and sale of materials and services. Will take shareholder approval

and the board of directors of the company, the board is of the opinion that there are at present certain constraints in implementing a merger. Consequently, the company is not pursuing a merger at this point of time, though it remains the ultimate goal," both the companies said in a similar announcement on Monday.

While they did not comment on what the constraints were, market circles said one of the reasons could have been higher regulatory costs such as stamp duties.

In May last year, the companies had announced they were considering a merger. The move was seen as an attempt by LafargeHolcim to

THE INDIAN EXPRESS

DATE: 27/2/2018 P.N.14

**BHUSHAN POWER &
STEEL RESOLUTION**

Liberty House moves NCLT after rejection of bid by CoC

ENSECONOMIC BUREAU
NEW DELHI, FEBRUARY 26

AFTER THE Committee of creditors (CoC) of Bhushan Power and Steel rejected Liberty House's bid as it was submitted after the February 8 deadline, the UK-based firm on Monday moved the National Company Law Tribunal (NCLT) seeking redress.

Arguing its case before the NCLT, the Liberty House's counsel said the resolution professional (RP) or the CoC should consider its resolution plan and not return it as unopened since "the more they get, the better (it is) for the financial creditors".

In September last year, Mahender Kumar Khandelwal had sought resolution plans from potential applicants after being appointed by the NCLT as Bhushan Power & Steel's RP. The company owes lenders over Rs 47,000 crore, as on March 31, 2017. However, the counsel representing the RP countered Liberty House's argument saying that despite repeated reminders by the RP, Liberty House did not submit all documents required to make it eligible for bidding. **FE**

Bhushan Power Bid: Liberty Makes a Case Before NCLT

Press Trust of India

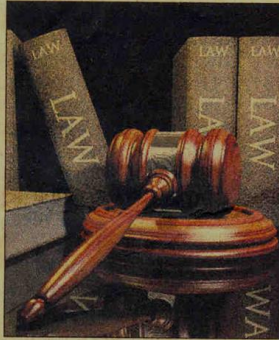
New Delhi: UK-based Liberty House, which saw its bid for acquiring Bhushan Power and Steel being rejected, said it has made a case before National Company Law Tribunal (NCLT) on Monday, and March 5 has been fixed as the next date of hearing.

"The Tribunal has heard us and heard the RP's counsel as well as Tatas' counsel who intervened. The Tribunal has deemed it fit that the respondents put their submissions on an affidavit, explaining conduct of the insolvency process. The parties will now be heard on the 5th (March)," Liberty House said in a statement.

"We are hopeful that our bona fide will stand out," the statement said. Liberty House also explained to the NCLT that it wants to do business in India as there is no better time than this, the company's spokesperson said.

The matter, the spokesperson said, is sub judice and "we have full faith in NCLT".

The company had earlier said that it was planning to move NCLT this week to direct creditors and resolution professional to consider its



offer. Terming itself as a "turnaround specialist", the company had said that it has more than two dozen turnaround success stories in the last three years and an "impeccable track record".

The Committee of Creditors had last week rejected the bid of Liberty House to acquire Bhushan Power and Steel, leaving Tata Steel and JSW Steel in the race for taking over the assets of the bankrupt firm, a source said.

COC in a meeting had rejected the bids of Liberty House because "it submitted the bids after the last date of submission, which was February 8", a source privy to the development had said earlier.

The bids of Tata Steel and JSW Steel were disclosed at

BID REJECTED

The Committee of Creditors had rejected Liberty House's bid to acquire Bhushan Power, leaving Tata Steel and JSW Steel in the race

the meeting and the detailed terms and conditions of the bids were shared with the lenders, the source had said.

Bhushan Power and Steel owes about ₹45,000 crore to its lenders. When contacted, resolution professional (RP) Mahender Kumar Khandelwal had declined to comment on the developments.

According to the source, while Tata Steel offered ₹17,000 crore to the lenders as upfront amount and ₹7,200 crore for operations of Bhushan, JSW made an offer of ₹11,000 crore to the lenders and ₹2,000 crore for the operations of the beleaguered power firm. The COC will now meet on March 6 to take the process forward, including declaration of the highest bidder.

IBM's 71st Foundation Day on March 1

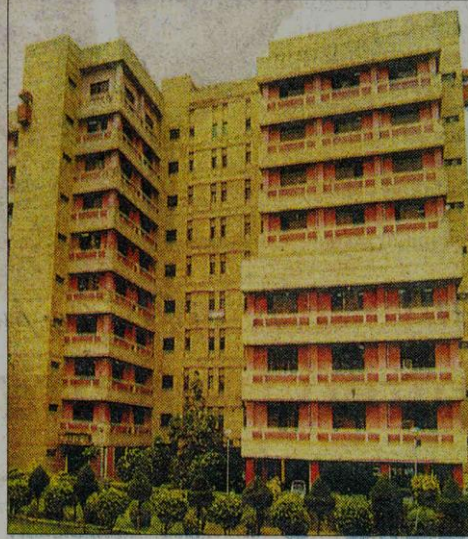
■ Staff Reporter

THE Indian Bureau of Mines (IBM) is celebrating its 71st Foundation Day on March 1 as 'Khanij Diwas'. A grand function will be organised at IBM headquarters at Indira Bhawan at 3 pm on Thursday.

Ranjan Sahai, Controller General, IBM will preside over the event. Rajiv Ranjan Mishra, Chairman cum Managing Director, WCL will share the dais as chief guest. M P Chaudhari,

CMD, MOIL will be the guest of honour of the event.

IBM's jurisdiction is in performing regulatory and development functions in respect of all minerals except fuel, atomic and minor minerals in the country. It is multi faceted role as regulator, facilitator, consultant, R&D centre, Advisor to the Government and as data bank on Mines and Minerals information has transformed IBM into a behemoth which is responsible for ensuring systematic and scientific mining, conservation of minerals and protection of environment.



The building of Indian Bureau of Mines.

DAINIK BHASKAR DATE: 28/2/2018 P.N.7

महाराष्ट्र में अवैध खनन के सबसे अधिक मामले

ब्यूरो | नई दिल्ली. पेट्रोल-डीजल की चोरी और मिलावट के मामले में देश में अव्वल रहने के बाद अवैध खनन की वारदातों में भी महाराष्ट्र पहले नंबर पर है। इसकी पुष्टि केन्द्र सरकार के आंकड़ों ने ही की है। पिछले पांच वर्षों में राज्य में अवैध खनन के लगभग 1.45 लाख मामले पकड़े गए हैं, लेकिन हैरानी इस बात की है कि

इनमें एफआईआर 800 से भी कम मामलों में दर्ज हुई है। खनन मंत्रालय के एक अधिकारी के अनुसार महाराष्ट्र, मध्यप्रदेश सहित देश के 17 राज्यों द्वारा मंत्रालय को पिछले पांच वर्षों के दौरान अवैध खनन के लगभग 4.36 लाख मामलों की जानकारी दी गई है। इनमें 1,44,785 मामले महाराष्ट्र के हैं।