



खनिज समाचार

**KHANIJ SAMACHAR**

**Vol. 4, No-4**

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# खनिज समाचार

# KHANIJ SAMACHAR



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VOL. 4, NO-4 , 16<sup>th</sup> – 29<sup>th</sup> FEBRUARY , 2020

BUSINESS LINE DATE : 17/2/2020 P.N.10

GLOBAL	Change in %			
	Price	Weekly	Monthly	Yearly
Metals (\$/tonne)				
Aluminium	1696	-0.1	-4.8	-6.8
Copper	5751	1.8	-8.3	-6.3
Iron Ore	80	4.7	-10.2	-5.4
Lead	1896	4.1	-1.8	-6.8
Zinc	2135	-0.3	-10.4	-17.5
Tin	16510	2.1	-5.1	-21.2
Nickel	12932	1.9	-6.2	6.7

BUSINESS LINE DATE : 24/2/2020 P.N.9

GLOBAL	Change in %			
	Price	Weekly	Monthly	Yearly
Metals (\$/tonne)				
Aluminium	1689	-0.4	-6.9	-10.4
Copper	5746	-0.1	-6.2	-10.1
Iron Ore	84	3.9	-6.8	-0.9
Lead	1871	-1.3	-4.5	-9.1
Zinc	2096	-1.8	-15.4	-22.5
Tin	16627	0.7	-5.1	-22.7
Nickel	12445	-3.8	-8.4	-2.6

# Gold imports dip 9 pc during Apr-Jan

■ Business Bureau

GOLD imports, which have a bearing on the country's current account deficit (CAD), fell about 9 per cent to USD 24.64 billion (about Rs 1.74 lakh crore) during April-January period of the current financial year, according to Commerce Ministry data.

Imports of the yellow metal stood at USD 27 billion in the corresponding period of 2018-19. The decline in gold imports has helped in narrowing the country's trade deficit to USD 133.27 billion during April-January period of the current fiscal as against USD 163.27 billion a year ago.

Gold imports have been recording a negative growth since July last year. However, it recorded a positive growth in October and November last year, only to contract by about 4 per cent in December and 31.5 per cent in January this year.

India is the largest importer of



gold, which mainly caters to the demand of jewellery industry.

In volume terms, the country imports 800-900 tonnes of gold annually. To mitigate the negative impact of gold imports on trade deficit and CAD, the Government increased the import duty on the metal to 12.5 per cent from 10 per cent.

Industry experts claim that businesses in the sector are shifting their manufacturing bases to neighbouring countries due to the high duty. Gems and jewellery exporters had asked for a reduction in import duty to 4 per cent.

Gems and jewellery exports

declined 1.45 per cent to USD 25.11 billion in April-January this fiscal. The gold imports dipped about 3 per cent in value terms to USD 32.8 billion in 2018-19.

The CAD narrowed to 0.9 per cent of gross domestic product (GDP) or USD 6.3 billion in July-September 2019 from 2.9 per cent of GDP or USD 19 billion in the corresponding period last year, according to the Reserve Bank's data. Imports of rough diamonds contracted 15.54 per cent to about USD 11 billion during April-January 2019-20, according to the data of the Gem and Jewellery Export Promotion Council.



# सोने का आयात 9 प्रतिशत घटा

एजेंसियां

दिल्ली. देश में सोने का आयात चालू वित्त वर्ष में अप्रैल-जनवरी के दौरान करीब 9 प्रतिशत घटकर 24.64 अरब डॉलर (1.74 लाख करोड़ रुपये) रहा. वाणिज्य मंत्रालय के आंकड़े के अनुसार इससे पूर्व वित्त वर्ष 2018-19 की इसी अवधि में मूल्यवान धातु का



**24.64** अरब डॉलर पर आया

आयात 27 अरब डॉलर था. सोने के आयात में कमी से देश का व्यापार घाटा कम होकर अप्रैल-जनवरी अवधि में 133.27 अरब डॉलर रहा, जबकि एक साल पहले इसी अवधि में यह 163.27 अरब डॉलर था. पीली धातु के आयात में पिछले साल जुलाई से ही गिरावट दर्ज की जा रही है. पिछले साल अक्टूबर और नवंबर में इसमें सकारात्मक वृद्धि हुई. वहीं दिसंबर में करीब 4 प्रतिशत और इस साल जनवरी में 31.5 प्रतिशत की गिरावट आयी. भारत सोने का सबसे बड़ा आयातक है. मुख्य रूप से आभूषण उद्योग की मांग को पूरा करने के लिये इसका आयात किया जाता है. मात्रा के हिसाब से देश में सालाना 800 से 900 टन सोने का आयात होता है. सोने के आयात का व्यापार घाटा और चालू खाते के घाटे पर नकारात्मक प्रभाव को कम करने के लिये सरकार ने धातु पर आयात शुल्क 10 प्रतिशत से बढ़ाकर 12.5 प्रतिशत कर दिया है. इस क्षेत्र में काम कर रही इकाइयां उच्च शुल्क के कारण अपना विनिर्माण आधार पड़ोसी देश में स्थापित कर रहे हैं. रतल एवं आभूषण निर्यात चालू वित्त वर्ष में अप्रैल-जनवरी के दौरान 1.45 प्रतिशत घटकर 25.11 अरब डॉलर रहा.

BUSINESS LINE DATE : 17 /2/2020 P.N.10

## Lead prices to remain benign this year

Output to go up by 3.9%; supply will exceed demand, leaving a surplus of 55,000 tonnes

PARVATHA VARDHINI C

In 2020, both mine output and refined metal supply are anticipated to rise over 2019 levels, even as demand is likely to remain soft.

Lead prices that hovered around \$2,200 a tonne in mid-October 2019 have cooled to around \$1,500 a tonne now.

Until early 2018, international lead prices on the London Metal Exchange had showed an increasing trend, moving from a multi-year low of \$1,600 per tonne in early 2016 to \$2,500 a tonne by October 2017, and to \$2,700 a tonne in early 2018. However, prices declined after that, touching a low of \$1,885 a tonne in end-November 2018. Thereafter, prices were volatile for a year, hovering between \$1,800 and \$2,200 a tonne, before cooling to the current levels.

In India, MCX spot prices have more or less mirrored international trends. Domestic lead prices stand at about ₹150 a kg now, lower than ₹160 a kg around a few months ago.

In comparison with 2018, both production and usage of lead were lower in 2019. However, lead prices rose in 2019 due to higher demand than supply that year.

The latest available data from the International Lead and Zinc Study Group (ILZSG) indicate that the global metal production came down by 0.7 per cent in the first 10 months of 2019 compared with the same period in 2018. While there was a rise in metal production in India, Korea and Mexico, the overall global output declined mainly as a result of lower output in Argentina, Canada, Kazakhstan and Australia where technical issues at Nyrstar's Port Pirie smelter resulted in a significant reduction in output. For the same 10-month period, refined global lead metal usage fell by 0.5 per cent.

Though production and demand were down, prices moved northward in 2019 as global usage of refined lead metal exceeded the metal production.

For the first 10 months of 2019, usage surpassed production by



ISTOCK.COM/NORDROEN

81,000 tonnes. Stocks to the tune of 38,000 tonnes were liquidated to meet the higher demand.

### Why prices cooled

Post October 2019, prices began to correct as demand weakened.

In May, ILZSG estimated that global demand will rise by 1.2 per cent in 2019 to 11.87 million tonnes. By October, it was forecast to fall by 0.5 per cent to 11.81 million tonnes (actual 2019 figures awaited).

This drop is predominantly due to a slowdown in China (about 40 per cent of the global usage).

For 2019, Chinese usage is fore-

cast to drop by 1.1 per cent, influenced by a decline in automotive production and increased use of lithium-ion batteries in motor-cycles, e-bikes and uninterruptible power supply (UPS) back-up systems. Other global economies suffered a slowdown too.

Initially, usage of lead metal in the US was expected to grow by 1.1 per cent and in Europe by 1.8 per cent. But towards the end of 2019, lead usage was forecast to decrease by 0.7 per cent in Europe and the US. Weak automotive sales in Germany, France, Italy, Spain and the UK were to blame.

The general sluggishness in demand due to the economic slowdown across the globe has pulled down the prices so far in 2020 as well.

### 2020 outlook

Lead prices could continue to be range-bound in 2020, and sharp spikes look unlikely. This is because, both mine output as well as refined metal supply are anticipated to rise over 2019 levels, even as demand is likely to remain soft.

Lead mine output is projected to increase by 3.9 per cent to 4.94 million tonnes this year.

An increase in mine production in Australia and India, apart from new capacities that come on stream in Canada, Kazakhstan and Mexico, is expected.

In Europe, lead mine output is projected to move up by 2.2 per cent in 2020. As far as lead supply goes, a 1.7 per cent rise to 11.96 million tonnes is anticipated in 2020 in refined metal supply.

The ILZSG estimates that supply will be more than adequate to meet demand, leaving a surplus of 55,000 tonnes in 2020.

Hence, lead prices may remain benign this year.



London Metal Exchange

Metal mantra

- Price drop in 2019 was due to slowdown in China
- Mine production expected to go up in Australia, India, Europe
- Metal supply of 11.96 mt anticipated in 2020, up nearly 2%



# Gold to notch up further gains

Outlook for silver uncertain as it continues to consolidate

AKHIL NALLAMUTHU

MCX ICOMDEX composite index, the benchmark of the Multi Commodity Exchange (MCX), went up marginally last week.

The upmove was led by a rally in the price of gold whose weight in the index is nearly 23 per cent.

It closed at 10,043 compared with the previous week's close of 9,977. Crude oil, which has the highest weight (30 per cent), also contributed as it gained marginally. In the upcoming week, the index might continue to gain, backed by a potential uptick in gold price.

Also, a possible recovery in crude price can push the index upward.

## MCX-Crude (₹3,737)

Crude oil price went up marginally and the March futures contract at the MCX registered a positive weekly close, after posting loss in the preceding few weeks.

There are indications of a recovery as the daily relative strength index (RSI) and the moving average convergence divergence (MACD) indicator are showing an uptick. However, the contract faces a hurdle at ₹3,785.

Traders can buy the contract with a stop-loss at ₹3,600 if it moves above ₹3,785. The nearest resistance can be spotted at ₹4,000 which can be the near-term target. Above that level, ₹4,075 can act as a resistance.

## MCX-Gold (₹40,979)

After consolidating for most part of the week, gold price rallied last Friday. The April futures contract bounced from the 21-day moving average sup-

port at ₹40,525. The price action in the daily chart hints at a further rally, which is corroborated by the RSI, which also indicates bulls gaining strength. The RSI remains above the mid-point level of 50. Hence, traders can initiate fresh long positions on declines. The stop-loss can be at ₹39,900. The immediate resistance is at ₹41,300.

Above that level, the contract can rally to ₹42,000.

## MCX-Silver (₹46,227)

Silver continued to

consolidate, and as a result, the March futures contract of the metal has been moving in a sideways trend between two key levels at ₹45,400 and ₹47,250. Until either of these levels are breached, the next leg of the trend cannot be confirmed.

Traders can execute a range trading strategy until the contract moves out of the above-mentioned price band. The resistance above ₹47,250 is at ₹48,100, whereas the support below ₹45,400 is at ₹44,615.

## MCX-Copper (₹433.9)

The recovery in copper was capped by a resistance at ₹436. During the past week, the February futures contract was sluggish. The 21-day moving average lies at ₹436, making it a substantial resistance; un-

less the contract breaks out of that level, the bearish trend will remain intact.

Since the major trend is bearish and the contract is trading near a resistance, traders can initiate fresh short positions with the stop-loss at ₹446. On the downside, supports are spotted at ₹426 and ₹421, which can be the potential near-term targets.

## NCDEX-Soyabean (₹3,940)

The March futures contract of soyabean at the National Commodities and Derivatives Exchange (NCDEX) declined last week and breached a key support band between ₹3,970 and ₹4,000.

This also confirms a fresh low in the daily chart, opening the door for further weakness. The MACD in the daily chart is exhibiting a good downward momentum. Thus, traders can short the contract with a stop-loss at ₹4,100. Potential near-term target can be at ₹3,775.



### MCX Gold

Supports:  
₹40,525/40,000  
Resistances:  
₹41,300/42,000

### MCX Silver

Supports:  
₹45,400/44,615  
Resistances:  
₹47,250/48,100



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# Coal India on a slippery slope

The stock tests a support band between ₹171 and ₹180; trend-reversal can take it to ₹200

YOGANAND D

Here are the answers to readers' queries on the performance of their stock holdings.

I bought Coal India at ₹292. The stock is in a downtrend. Shall I hold or book loss and exit?

Krishna Mohan

**Coal India (₹174.7):** The stock of Coal India is in a downtrend across all time-frames — short, medium and long term.

In June 2019, the stock encountered a key resistance at ₹270 and resumed its long-term downtrend. Since then, it has been in a medium-term downtrend.

A significant resistance at around ₹215 capped the stock's upside in early November last year and again in early January this year; thereafter the stock continued to trend downwards.

Also, the short-term trend has been down since early January this year. The stock recorded a new low at ₹171 on February 1, and trades just above this level. It currently tests a vital support in the band between ₹171 and ₹180.

A decisive break below ₹171 can drag the stock down to ₹160 and then to ₹150 in the short-to-medium term. On the other hand, an upward reversal from the current support zone can take the stock higher to ₹200.

A strong break above this level is needed to alter the short-term downtrend and take the stock higher to ₹210 and then to ₹220 levels. To alter the medium-term downtrend, the stock needs to emphatically break above a key resistance level of ₹235.

Such a break-out can push the stock northwards to ₹250 and then to ₹270 in the long run. You can stay invested and average the stock on a decisive rally



AFP

above ₹200 with a long-term stop-loss at ₹170. Consider exiting either at ₹250 or ₹270 levels.

**What are the prospects of Mahanagar Gas?**

Pradeep Kabra

**Mahanagar Gas (₹1,160):** A significant support at around ₹750 provided base for the stock

of Mahanagar Gas in July 2019. The stock subsequently resumed its uptrend, and has been in an intermediate-term uptrend since then.

Medium- as well as short-term trends are also up for the stock. Nevertheless, the stock encountered a key resistance at ₹1,245 levels early February this year and started to move side-

ways with a downward bias. Both the daily and the weekly relative strength indices are displaying negative divergence, indicating that a potential trend-reversal is on the cards.

The stock now hovers above a support at ₹1,150 levels. A decisive plunge below this base can drag the stock down to ₹1,100.

A further fall below ₹1,100 will mar the short-term uptrend and pull the stock lower to ₹1,000.

The subsequent supports are at ₹950 and ₹900. The intermediate-term uptrend will be altered if the stock slumps below ₹900. In that case, the stock can decline to ₹840 and then to ₹750 levels over the long term.

Conversely, if the stock breaks above ₹1,250 levels, it would appear resumption of the uptrend and push the stock higher to ₹1,300 and then to ₹1,350 levels.

Consider buying the stock at lower levels with a stop-loss at ₹950.

Send your queries to  
techtrail@thehindu.co.in



### Quickly

- Short-term trend is up
- Key support at ₹1,150
- Key resistance at ₹1,250



# Taxing times for commodities market

Finance Bill 2020 proposes tax on sale of index futures and on sale of option in goods

AKHIL NALLAMUTHU

In Budget 2020-21, the demand for abolition of financial transaction taxes — the Commodities Transaction Tax (CTT) in commodities market and the Securities Transaction Tax (STT) in securities market — went unaddressed.

While the STT has been in effect since 2004, the CTT was first proposed in 2008-09 at a rate of 0.017 per cent for transactions in non-agricultural commodity derivatives. But it was not implemented in view of stiff opposition from stakeholders who cited that the commodities market in India was in a nascent stage. However, it was reintroduced in the Finance Act, 2013, and became effective on July 1, 2013. Agricultural commodities continue to be exempted and so are the transactions carried out at the International Financial Centre (IFC).

## Trading volumes

Trading volume at the Multi Commodity Exchange (MCX) significantly dropped after the CTT was introduced. Data show that traded value of derivatives slumped from ₹148.9-lakh crore in 2012 to ₹51.3-lakh crore in 2017.

But an uptick in traded value can be seen in the past couple of years. In 2019, traded value at the MCX stood at ₹79.1-lakh crore.

"CTT is the biggest cost for the commodity trader today. While trading volume fell significantly

because of the introduction of CTT, the market seems to have adjusted to it. In the last one year, trading volumes have picked up because of the volatility in the market," says Nithin Kamath, CEO and co-founder of Zerodha, a discount brokerage.

## Existing mechanism

For a transaction in futures contract of a commodity, the seller of the contract will pay

CTT on the price at which the contract is being traded. For instance, a seller of gold futures contract will pay 0.01 per cent of the total traded value.

If the contract is traded at ₹40,000, the traded value will be ₹40 lakh (lot size of gold derivatives is 1 kg and price quoted is per 10

grams). Here, the seller's liability will be ₹400.

Similarly, a seller of an option contract (where the underlying is the futures contract) will pay CTT, but 0.05 per cent on the option premium. Assuming that a call options contract of gold with strike-price as 42,000 is traded at ₹150, the traded value will be ₹15,000. Here, the seller's liability will be ₹7.5.

If the above option is exercised, the buyer, too, will be liable to pay a CTT of 0.0001 per cent of the

value based on the settlement price, ie, the closing price of the futures contract on the day when the option expires.

Suppose the settlement price is ₹45,000, the value will be ₹45 lakh. Here, the option buyer's liability will be ₹4.5.

Moreover, on exercising, the option contract will devolve into a futures contract where the option buyer will have futures long position and the option seller will have futures short position.

This futures contract will attract CTT as well, payable by the seller. The charge will be 0.01 per cent of the value based on the settlement price. Suppose the settlement price is ₹45,000, the value will be ₹45 lakh. Here, the seller's liability will be ₹450.

## Recent inclusions

In the Finance Bill 2020, in addition to the existing transaction types and rates, it was proposed to levy CTT on sale of in-

dex futures and on sale of options in goods (where the underlying is the actual commodity), effective from April 1, 2020. Since only the underlying varies in comparison to the existing derivatives contracts, the computation of CTT will be on the same lines.

An exception can be energy commodities, as their derivatives are cash-settled. Thus, it can be taxed at 0.125 per cent on the difference between the settlement price and the strike price, as per the new proposal.

## Participants' perspective

The inclusion of derivative contracts on indices and option in goods provides more choice for participants. The futures on indices enable participants to take exposure on the overall commodity market, and it can be highly liquid.

On the other hand, comparing option in goods and option in commodity futures, the latter can be a better choice, especially for commodities that are less liquid. When the holder of in-the-money option is unable to liquidate on the expiry day, the option in commodity futures will devolve into futures contract.

But in the case of option in goods, this can result in compulsory delivery which leads to huge cash outflow, whereas futures position can be held with far lesser margin.

SEBI is mulling raising margin requirements for commodity futures. If margins go up, the case for options will get stronger.

One, for lesser initial margin and two, lower outflow as CTT.

"Increase in margin requirements for futures contract along with CTT can move businesses to options contract," says Kamath.

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## CTT in a nutshell

Taxable commodities transaction	Rate (%)	Taxable value	Payable by
Sale of commodity futures	0.01	Price at which commodity derivative is traded	Seller
Sale of commodity index futures	0.01	Price at which commodity derivative is traded	Seller
Sale of option in commodity (where the underlying is the futures contract)	0.05	Option premium	Seller
Sale of option in goods (where the underlying is the commodity itself)	0.05	Option premium	Seller
Sale of option in commodity futures when it is exercised	0.0001	Settlement price	Buyer
Sale of option in goods when it is exercised resulting in actual delivery of goods	0.0001	Settlement price	Buyer
Sale of option in goods when it is exercised resulting in settlement otherwise than by actual delivery	0.125	Difference between settlement price and strike price	Buyer

Source: Finance Bill 2020

TAX

## Burden

- Futures contract seller pays CTT at 0.01% of contract value
- Options contract seller pays CTT at 0.05% of premium
- CTT on sale of options in goods on the anvil



# Why mine auction policy needs a relook

High premiums for auction of iron ore mining leases raise product prices. There is also a chance of market dominance by a few players



ASHOK KUMAR BAL

**T**he auctioning of mining leases in Odisha has begun and is almost half way through. The current auction of mining leases marks the end of the existing regime and the beginning of a new, anxiety-laden era.

The Mines and Minerals (Development and Regulation) Act was amended in 2015, extending the life of leases of both merchant and end-users. The mining leases of merchant miners, expiring on March 31, 2020, are to be re-allotted through auction, for which the Government of Odisha has invited bids through the tendering process. The government's initiatives and advance actions are commendable, as they are aimed at ensuring continuity of operation and avoiding disruptions. Odisha is a major mineral-producing State, accounting for more than 50 per cent of the iron ore production in India.

As of now, auctioning of 10 out of 19 working mines has been completed. The offers have been invited through a two-stage process. In the first stage, the technically-qualified bidders are required to quote their initial price offer. The price offer, a bidding parameter, is the percentage of revenue to be shared with the government. The revenue for the purpose of sharing is the value of the mineral dispatched, an amount equal to the product of the mineral dispatched in a month and its sale price as published by Indian Bureau of Mines.

The technically qualified bidders are ranked on the basis of the descending initial price offer submitted. The highest offer is set as the floor price for the second round of bidding. The highest bidder in second round of

bidding will be declared as the preferred bidder.

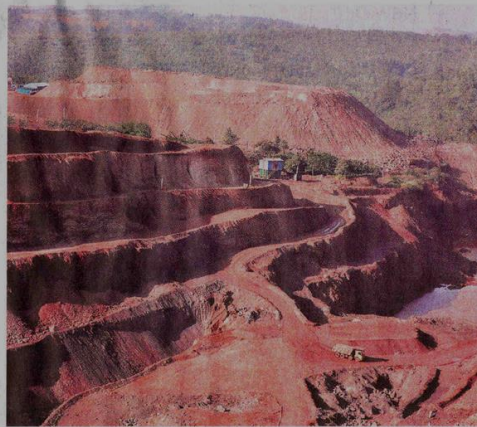
It is significant to note that the 10 mining leases auctioned so far have fetched a revenue sharing premium of 95.2 per cent, 98.05 per cent, 107.55 per cent, 118.05 per cent, 132 per cent, 135 per cent, 110 per cent, 90.90 per cent, 92.7 per cent, 141.25 per cent, respectively. It is also important to note that out of these, six major mining leases account for 91 per cent of the value of the total estimated reserves and 92 per cent of the volume of the total reserves. With these concluded auctions, there is a significant increase in the share of iron ore production by the end-user steel-makers, and consequently, a sharp fall in the share of merchant miners.

## Mine classification

Such exorbitant winning premiums are a matter of concern. The categorisation of mines is a prime cause for such an outcome. The government classifies the mines into two categories — captive and non-captive/open. While some mines are reserved for the captive use of end-users, certain others are earmarked to be in the open category.

While for a mine reserved for the end use, only end-users can bid for their own requirement, the open category blocks can be bid by both captive as well as merchant miners. The exclusivity available in the case of iron ore blocks reserved for end-users is not available to merchant/standalone miners. This has led to the absence of a level playing field in the competitive bidding space, and has put merchant miners in a distinct disadvantageous position.

It may be worthwhile to mention that the concept of captive use, prevalent in India, is globally not practised. The concept and history of captive use was followed during the early days of independence, when steel-makers needed assurance of resource supply by way of allotment of mines for end-use, at a time when the idea of min-



**Favourable outcome** The biggest gainer in the deal appears to be the government

ing as an independent industry was nascent and not attractive. This concept has limited relevance today, when the idea of resource comfort to an industry is certainly not limited to the allotment of a captive resource base. However, the legacy still continues.

## High premium and costs

The revenue share (premium) that a bidder must pay the government is a cost to him. In addition to this, the bidder must also pay royalty and other statutory dues, such as the contribution to the district mineral fund etc, which accounts for about 17 per cent of the sales revenue. Over and above this, the bidder has to pay a GST of 18 per cent. The bids so far have fetched a premium of 95.2 per cent-141.25 per cent. This clearly shows that for every ₹100 a bidder earns, the cost incurred is much more than revenue — in some cases as high as 190 per cent of revenue — and this doesn't include wages, salaries or cost of operations, leave alone the profit margin. If these are taken into account, the cost will be significantly more than the revenue.

This raises a fundamental question: how will a winning bidder sustain himself? The exorbitant bidding premiums clearly defy any logic and economics. A merchant miner cannot bid premium more than 50 per cent (approximately) to sustain himself. The present auction policy enables and encourages a captive miner to bid a premium much higher than merchant miner, because it is possible for an end-user to absorb the high cost of revenue share in his product price, with the availability of a stream of value-added activities — which are absent in the case of merchant miners. The privilege, possibility and flexibility of accommodating and absorbing the high revenue share as a cost is available only to a captive player.

This also brings forth the important dimension of product pricing of steel-makers in India. In a free market scenario, prices can be increased to absorb the cost and pass expenses on to the consumer. In such a situation, the doctrine of "robbing Peter to pay Paul" works in favour of the captive users, because whatever amount they pay as cost towards revenue

sharing is ultimately recovered from the consumer.

## Unfair dominance

Classification is the culprit here. But this rigid classification seems to be going away. Today, captive users can sell 25 per cent of iron ore products from their mines in the open market. Earlier, end-users were required to use the minerals extracted from their mines solely and exclusively for self-consumption. Going ahead, the policy may also relax the present cap of 25 per cent.

The distinction between both the categories is getting diluted and becoming irrelevant in changed times. This has given rise to a very disturbing situation, where the space of standalone miners is increasingly occupied by the captive miners. Among the auctioned mines so far, excepting one case, all other mines which were earlier operated by merchant miners now will be owned and operated by the end-users. This may not auger well for the mining industry and the market.

The biggest gainer appears to be the government. The government seems to relish the idea that it will get maximum revenue from successful auctioning at very high premiums. The question is at what cost, and whose cost? Policy is vulnerable to throw up a situation where maximum public revenue may not be compatible with public good. Even the idea of maximum revenue is questionable, because it is dependent upon a single parameter i.e. the price at which goods are sold, which in this case is the IBM-declared price.

The design and role of market forces, when the number of winning bidders are limited and the sector is heading for a polarised framework with few players dominating the scene, will play a significant role in the coming years in influencing and determining so-called market price. Time will reveal what happens next.

The writer is CEO, Essel Mining & Industries Ltd, and has previously served in the IRS. Views are personal

Scan & Share



# Rare Good News from a Rare Metal

Reserves of lithium, critical for EV batteries, found in Mandya near Bengaluru

Raghu.Krishnan@timesgroup.com

**Bengaluru:** Good omen for electric vehicles?

Reserves of lithium, a rare metal critical to build batteries for electric vehicles, has been discovered in Mandya, 100 km from Bengaluru. A find that should boost local manufacturing of EV batteries.

Researchers at the Atomic Minerals Directorate, a unit of India's Atomic Energy Commission, have estimated lithium reserves of 14,100 tonnes in a small patch of land surveyed in the Southern Karnataka district, according to a paper to be published in the forthcoming

issue of journal Current Science.

"The present data provides a total estimation of available Li<sub>2</sub>O as about 30,300 tonnes over an area of 0.5 km x 5 km, which works out as about 14,100 tonnes of lithium metal," said N Muni-

chandraiah, Emeritus Professor at the Indian Institute of Science and an expert on battery technologies

But, to put this in perspective, the lithium find is small compared to many major producers. As the professor puts

it: "If one compares with 8.6 million tonnes in Chile, 2.8 million tonnes in Australia, 1.7 million tonnes in Argentina or 60,000 tonnes in Portugal, 14,100 tonnes is not that large."

Lead author of the paper, PV Thirupathi, did not respond to mails seeking comment.

India currently imports all its lithium needs. Its imports of lithium batteries tripled to \$1.2 billion in fiscal year 2019 from \$384 million in FY17.

## Powering Ahead

Lithium is the most critical element for EV batteries

India's imports of lithium batteries rose to **\$1.2 b** in FY19 from **\$384 m** in FY17

There is no estimate of India's lithium reserves



**14,100 tonnes** find in Karnataka is much smaller compared to reserves in countries such as Chile 8.6 mt, Australia (2.8 mt) and Argentina (1.7 mt)



# JSW Steel Gets Immunity from BPSL Probe

NCLAT safeguard for new owner of Bhushan Power & Steel from ED bid to attach assets

Karunjit.Singh@timesgroup.com

**New Delhi:** The National Company Law Appellate Tribunal (NCLAT) has allowed JSW Steel to acquire Bhushan Power and Steel for Rs 19,700 crore under the insolvency law, providing immunity to the new owners from ongoing criminal proceedings against the erstwhile promoters of the company.

The tribunal also held that the assets of Bhushan Power and Steel Ltd (BPSL) can't be attached by any investigative agency.

"We hold that the assets of the corporate

debtor of which JSW Steel is a resolution applicant are immune from attachment by the Directorate of Enforcement under Section 32(A) of the IBC (Insolvency and bankruptcy code)," said a two-member bench led by justice SJ Mukhopadhyaya, clearing the stalled resolution plan.

The Enforcement Directorate (ED) had on October 10 last year attached the assets of BPSL in Odisha worth Rs 4,025 crore, stalling the implementation of JSW Steel's Rs 19,700 crore resolution approved the month before.

**JSW ENERGY  
TO BUY GMR'  
ODISHA  
POWER PLANT  
▶▶ PAGE 7**

## Finmin Advisory to Banks Body



The finance ministry has asked Indian

Banks Association not to refer companies with loans less than ₹200 crore to NCLT, reports Saloni Shukla.

BUSINESS LINE DATE : 18 /2/2020 P.N.1

# NCLAT approves JSW Steel's ₹19,700-crore proposal to acquire Bhushan Power and Steel

Will ED move the apex court against the immunity given to JSW Steel?

**SURESH PIYENGAR**

Mumbai, February 17

The National Company Law Appellate Tribunal has approved the ₹19,700-crore resolution plan of JSW Steel to takeover the bankrupt Bhushan Power and Steel. The approval comes with the immunity sought by the new owner against investigations being carried out against the erstwhile promoters of Bhushan Power and Steel.

This comes after the government recently amended Section 32A of the Insolvency and Bankruptcy Code, providing im-

munity to the bidders and the insolvent company's assets from investigation. However, the Enforcement Directorate had argued that the amended Act will not have retrospective effect and cannot be applied in JSW Steel's case.

After its bid was approved by NCLT, Sajjan Jindal-promoted JSW Steel had moved NCLAT, seeking immunity from the ongoing criminal investigation against BPSL promoters.

While providing the immunity to JSW Steel, Justices SJ Mukhopadhyaya, Chairperson and Bansi Lal Bhat, on Monday, said that the order passed by the NCLAT will not come in the way of the ED or the Serious Fraud Investigation Office or the Central Bureau of Investigation proceeding with the investigation

or taking any action in accordance with the law against erstwhile promoters, officers and others of the 'corporate debtor'.

However, it has to be seen whether the investigating agencies — the ED, the SFIO and the CBI — which had earlier questioned the authority of NCLAT to provide such an immunity, will move the Supreme Court against the verdict. It is also not clear when JSW Steel will deposit the bid money to close the deal.

## ED drags in the mining link

Last July, state-run lender Punjab National Bank declared loan exposure of ₹3,805 crore to bankrupt BPSL as fraudulent and filed a case in the ED against the company's promoters. Following this, the ED had not only

attached the properties under insolvency but also dragged JSW Steel into the investigation as it had tie-up with BPSL in a mining venture.

JSW Steel dismissed the contention on the mining joint venture stating that the mining was allotted by the Government to a consortium of four companies and the allotment has since been cancelled.

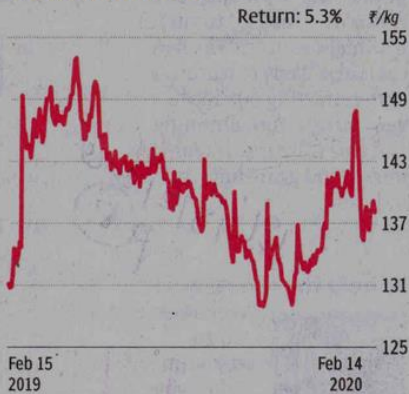
Last month, NCLAT had reserved its judgment on JSW Steel's purchase of the insolvent BPSL. In October, the appellate tribunal had ordered a freeze on payment, as per the resolution plan.

BPSL was one of the 12 large corporate accounts identified by the RBI in June 2017 for resolution under the Insolvency and Bankruptcy Code.



## MCX-Aluminium hovers near a resistance

### MCX Aluminium



AKHIL NALLAMUTHU

BL Research Bureau

The spot price of Aluminium on the MCX, which rallied from ₹130 since the beginning of December, faced a hurdle and softened towards the end of January after registering a high of ₹149.65. The price declined to ₹135 in the first week of February and has been consolidating since then.

Like the spot price, the February mini futures contract of Aluminium, ie, Alumi on the MCX fell in the last week of January. The contract then bounced from the low of ₹134.7 and is currently trading near a hurdle at ₹139. This coincides with the 21-DMA, making it a significant resistance.

The daily RSI is largely flat and is hovering at around the mid-point level of 50. On the other hand, the MACD indicator on the daily chart is in the bear zone. But it has been flattening, as the price started to consolidate.

On the back of resistance at ₹139, if the contract declines, the immediate support is at ₹136. Below that level, it can retest the prior low at ₹134.7. But if the contract attracts buying interest and breaks out of the resistance at ₹139, it can advance to ₹142 in the near term. If it breaches that level, it can possibly rally to ₹148.

On the global front, the price of the three-month rolling forward contract of Aluminium on the London Metal Exchange is facing resistance at \$1,750, which coincides with the 21-day moving average. Until the price remains below this level, the contract might continue to face selling pressure. On the downside, supports are at \$1,700 and \$1,685.

### Trading strategy

The contract has been inching up since the beginning of this month. However, it is currently facing resistance at ₹139 and the overall trend remains bearish. Moreover, the price on the LME too is facing resistance. So, traders can sell the current month contract with stop-loss at ₹143.

### BUSINESS LINE

DATE : 18 /2/2020 P.N.8

## Tata Steel's UK biz buyer acquires Zion, Adhunik too

Reeba Zachariah

@timesgroup.com

**Mumbai:** India-born British businessman **Sanjeev Gupta**, who made headlines in 2016 for buying Tata Steel's UK units,

has acquired the bankrupt Adhunik Metaliks and Zion Steel for Rs 425 crore (\$60 million). He is the second global steel tycoon to debut in India, one of the world's vibrant metal markets, after L N Mittal.

Tuesday's announcement comes after the National Company Law Appellate Tribunal (NCLAT) told Gupta to make a payment by February 14 if he wants to proceed with the acquisition of Adhunik and Zion. Though Gupta had put in a bid for Adhunik and Zion in 2018, the process got delayed because of litigation. The NCLAT had ordered liquidation of the two companies. But after an appeal from Gupta, the liquidation order was stayed. Adhunik and Zion had a debt of over Rs 5,000 crore.

"It has been a challenging journey to get us to this stage," said Gupta, who is chairman of Liberty Steel Group. He added, "It is great to be investing in the country where my family began in the steel industry a generation ago." Liberty, which Gupta launched 27 years ago while studying at Cambridge University, is the eighth largest steelmaker in the world outside of China with operations in 200 locations in 10 countries.

Gupta's immediate plan is to revive Adhunik and Zion by introducing his 'green steel' model in their operations. The model is based on using renewable power to fire furnaces that recycle scrap and use the finished steel to make value-added products.

# Vedanta May Sell ₹2K-cr Rupee Bonds to LIC

Metal co could offer 1.25 times security to insurer with rates in the range of 8.50-9%

Salkat.Das1@timesgroup.com

**Mumbai:** Vedanta is set to tap Life Insurance Corporation of India and raise up to ₹2,000 crore as the metal giant is looking to sell its 10-year rupee bonds. The company is said to be selling its maiden long-term papers in the local debt market, where the largest insurer is likely to subscribe the whole sum, dealers said.

"The issuer will likely offer 1.25 times security to LIC against such a proposed investment," one of the market participants with the direct knowledge of the matter told ET.

This means, for an investment of ₹2,000 crore the value of tangible or intangible security to be provided

would be ₹2,500 crore.

The company will use the proceeds to fund both capital expenditure and refinancing needs. The bonds known as non-convertible redeemable debentures will open for subscriptions next Monday on the exchange-driven electronic bidding platform. The proposed bond sale could well set a benchmark for other large corporates reaching out to the largest insurer.

The debt papers would offer rates in the range of 8.50-9%, dealers said.

Vedanta and LIC of India did not respond to ET's emails sent at a short notice.

CRISIL has given the company AA rating with stable outlook.

"The ratings continue to reflect



strong resilience in business risk profile, driven by Vedanta's diversified presence across commodities, cost-efficient operations in domestic zinc and oil & gas (O&G) businesses, and its large scale of operations," the local rating company sa-

id in a note on January 10.

"These credit strengths are partially offset by the high, albeit reducing, leverage, coupled with large capital expenditure (capex) plans, and susceptibility of its businesses to volatile commodity prices and regulatory risks."

Vedanta is the flagship operating of Vedanta Group — one of the world's largest diversified natural resource groups. Its business is spread across iron ore, copper, aluminium, oil & gas and power generation. Vedanta's aluminium & power business signed an agreement to deploy GE's Digital Smelter solutions at its largest smelter in India at Jharsuguda in Odisha, ET reported on February 17.



# Open acreage coal mining will create level-playing field for investors

The Centre can delimit blocks and allow bidders to decide on size, kind of mines

## ANALYSIS

PRATIM RANJAN BOSE

Guwahati, February 20

Opening the coal sector to private and foreign participation, a landmark reform initiated by the Narendra Modi government, marked the end of coal nationalisation and dubious captive mining era.

In future, blocks will be awarded without any end-use restrictions.

However, this may not trigger a rush for investments in the coal sector.

This is partly because, India was too late in opening the sector and, thereby, missed the era of coal rush that ended last decade.

During that period, ground conditions for mining became more challenging in India, due to environmental and land acquisition-related concerns, impacting the potential return on investment.

To add to the problems, the government is in the mood to auction the same blocks that were once created for captive use. This might help speed up the process.

But on the flip side, these blocks are too small to attract global miners which have access to modern technology.

A better option would be to delimit the blocks and introduce open acreage system, as in the oil and gas sector, allowing bidders to decide on the size and kind of mines.

For long-term gains, the government should insist on introducing modern practices, which are clearly lacking in the coal sector.

### Much-needed reforms

India's socialist legacy had a telling impact on the coal sector. Nearly 45 years since nationalisation in 1975, the coal

industry is no match to China that denationalised the sector in 1978.

In 1980, China (381 million tonnes) was producing three times more coal than India (127 mt).

According to Global energy statistical yearbook, China produced 4.5 times more coal than India in 2018. With China restricting production in recent years, this number has come down substantially in recent years as the country restricted production.

The performance of India's coal sector will look paler, given the vast availability of opencast reserves closer (within 300 m) to the surface, which are easier to mine.

Nearly 94 per cent of Coal India's (CIL) production, which was 83 per cent of the national output of 730 mt (2018-19), came from opencast mines. China, on the other hand, produces 86 per cent coal from deep underground reserves, the US 40 per cent and Australia 20 per cent.

India has 25 per cent underground reserves, which were neglected for want of technology. More than half CIL's production comes from small contractor-operated mines that thrive on compromised technology and labour-cost arbitrage.

Given that coal reserves are concentrated in heavily forested zones compared with China or Australia, the disproportionate focus on low-cost opencast mining has sharper implications for the environment. Roughly 3,000 hectares of land is plundered annually, at the current level of production.

From better mining practices to workers' rights, none of the promises of nationalisation was fulfilled.

Two-thirds of the combined



Nearly 94% of Coal India's production, which was 83% of the national output of 730 mt (2018-19), came from opencast mines REUTERS

production of the state sector (including CIL and Singareni Collieries), come from approximately 39,000 contractual workers earning peanuts.

The benefits of nationalisation go to three lakh unionised regular employees.

### Costly delay

With coal mining being opened up now, the new entrants have to compete with the state sector, which follow too many wrong practices.

Globally, the rush for setting up coal power plants is over. The fast-changing technologies in the renewables sector are impacting the price dynamics of energy commodities. This is, in turn, having an impact on the return on investment in a coal mine.

Environmental concerns are on the rise. Lopsided focus on opencast mining and concentration of majority reserves in four States add to the risk.

Any mass movement akin to the flare up on land issues in the last decade can upset the industry.

### Land availability, a concern

The biggest concern is land. For a country where two-thirds of the population is dependent on land and the population-density is 10 times that of the US and 2.5 times

that of China, the share of arable land (to total land) is three times higher than in the US or China.

The pressure on land will become more intense in the days to come, as population increases. Net-net, land acquisition would be costlier and more difficult.

Land acquisition became exorbitantly costly in India following the introduction of the new Act in 2013.

According to CIL's internal assessment, its new projects are not viable at the current prices. But it is managing, thanks to the availability of legacy assets. New entrants will not have this advantage.

### Change of strategy

While opening up the sector is the right step, a change in strategy is required to create a level-playing field for investors, failing which India will be willy-nilly at the mercy of a similar group of companies that are mining on behalf of the state sector.

Open acreage is a right tool to give investors the freedom to innovate. Currently, a set of laws require miners to acquire surface area.

With the right policy environment, foreign investors may be encouraged to go for underground mining as part of long-term sustainability of the industry.



## MCX-Zinc likely to fall further



**AKHIL NALLAMUTHU**

BL Research Bureau

The February mini MCX zinc futures contract, which was moving sideways for the past one week, broke below the support of ₹166.4 on Wednesday. A daily close below that level can invite more bears dragging the contract lower. Notably, the contract price continues to remain well below the 21- and 50-day moving averages, indicating considerable selling pressure.

Though the prevailing trend is bearish, there are some indications that calls for caution. For instance, the Moving Average Convergence Divergence (MACD) indicator on the daily chart is exhibiting a loss of momentum in the downtrend. Though the daily Relative Strength Index (RSI) is below the mid-point bearish zone level of 50, it is hovering in the oversold levels as well.

If the contract closes below the support level of ₹166.4, it is likely to decline to ₹162 in the coming days. A break below that level might drag the contract to ₹158. On the other hand, if the contract manages to turn the tide in its favour, the immediate hurdle will be at ₹170. Above that level, resistance is seen at ₹174.6.

On the global front, the three-month rolling forward contract of Zinc on the London Metal Exchange (LME) is seen struggling to break out of the resistance at \$2,200. Currently trading at \$2,128, it is trading near the multi-year low of \$2,117. The metal will be subject to considerable selling pressure until the price stays below \$2,200. This level is coincided by 21-day moving average, making the resistance significant.

### Trading strategy

The overall trend is bearish and MCX Zinc futures has broken below a support and is heading lower. Moreover, the trend on the LME is bearish. As there is a possibility of the MCX contract declining further, traders can initiate fresh short positions with stop-loss at ₹171.

## Gold climbs to 7-year high as virus woes boost demand

**REUTERS**

February 20

Gold prices rose to their highest level in seven years on Thursday as investors sought safe haven assets after a rise in the number of new coronavirus cases in South Korea added to worries over the global economic impact of the outbreak.

Spot gold was up 0.4 per cent at \$1,617.52 per ounce by 1227 GMT, its highest since February 2013. The US gold futures rose 0.6 per cent to \$1,620.50.

"As long as the coronavirus problem is in the headlines, gold prices will be very well supported at current levels, if the situation deteriorates prices can even go higher," said SP Angel analyst

Sergey Raevskiy. Holdings of the world's largest gold-backed exchange-traded fund, SPDR Gold Trust, rose 0.2 per cent to 931.60 tonnes on Wednesday, their highest since November 2016.

On the technical front, "\$1,600 an ounce is a good support (for gold), while resistance lay at \$1,613-\$1,615," said Afshin Nabavi, senior vice president at precious metals trader MKS SA.

Elsewhere, palladium fell 0.8 per cent to \$2,691.85 an ounce, having touched a record high of \$2,841.54 in the previous session on supply deficit concerns.

Silver was steady at \$18.40, while platinum slipped 0.7 per cent to \$998.50.



## India's 1st pvt gold mine to take off in 2021

**Hyderabad:** India's first private gold mine is expected to take off in the last quarter of 2021 if land acquisition for it is completed in the next six months at Jonnagiri in Kurnool district, Andhra Pradesh. After negotiating with farmers and completing exploratory mining, Geomysore Services India Pvt Ltd is in the process of acquiring 350 acres of land.

Geomysore has acquired mining lease for 1,500 acres in Jonnagiri. "Once the land acquisition is completed, we will take 10 more months to set up the processing plant. Then we will start production," said Jade Devenish, MD, Geomysore Services India Pvt Ltd.

— U Sudhakar Reddy

THE HITAVADA DATE : 22 /2/2020 P.N.9

THE HITAVADA DATE : 22 /2/2020 P.N.1

## Coal supply by CIL to power sector declines 7 per cent

NEW DELHI, Feb 21 (PTI)

STATE-OWNED CIL's coal supply to the power sector registered a decline of 6.8 per cent to 377.86 million tonnes (MT) in the April-January period of the ongoing fiscal.

The commodity despatch by Coal India (CIL) to the power sector in the year-ago period was 405.61 MT, according to official data. However, the coal despatch by CIL to the power sector in January registered an increase of 2.9 per cent to 43.20 MT, over 42 MT in the corresponding month of the previous fiscal, it said.

The supply of dry-fuel by Singareni Collieries Company Limited (SCCL), a state-owned coal miner, in the April-January period also registered a decline of 2.6 per cent to 44.03 MT, over 45.22 MT in the year-ago period. Stating rain as the 'enemy of the

coal sector', a Government official had earlier blamed extended monsoon for the loss of coal output for a few months (from July) in the current fiscal.

CIL saw its production decline by 3.9 per cent to 451.52 MT in April-January period, over 469.65 MT in the year-ago period. The state-owned firm had earlier said that it will produce 750 MT of coal in the next financial year.

The firm will further produce 1 billion tonnes of coal by FY2024, Coal Minister Pralhad Joshi had said. The public sector undertaking has been given a target of producing 660 million tonnes of coal amounting to 82 per cent of the country's coal output. Joshi had said that with the demand for power rising steeply, there is enough opportunity for both Government and private sectors to produce coal without adversely impacting each other.



## 3,000 tonnes of gold reserves found in UP's Sonbhadra

■ The value of this amount of gold could be around Rs 12 lakh crore

SONBHADRA, Feb 21 (IANS)

AN estimated 3,000 tonnes of gold reserves have been found in Uttar Pradesh's Sonbhadra district, the Department of Geology and Mining confirmed on Friday.

According to current prices, the value of this amount of gold could be around Rs 12 lakh crore. Sonbhadra is counted among the most backward districts of the country.

The area of the hill where the gold was found is said to be 108 hectares. An order for its auction has also been issued through e-tendering.

A seven-member team was constituted for geo-tagging of mineral sites, and their report will be submitted to the Department of Mining, Lucknow by February 22.

Sonbhadra District Mining Officer K K Rai told IANS that a team of Department of Geology and Mining and Geological Survey of India (GSI) is engaged in this task.

He said that work on the site started after 2005 and the report has just been received. It is estimated to hold about 3,000 tonnes of gold.

The GSI is conducting an aerial survey of the quarry area for which two helicopters have been deployed. Rai said it is being assessed how much land comes under the Revenue Department and under the Forest Department so that the process of permission from the forest department for mining can begin.

The State Government has also expedited the process of leasing these mines. For the mining, the process of geo-tagging has been started before the auction process. E-tendering will be done as soon as the demarcation work is completed.



# एकाच यंत्रणेतून मिळणार गौण खनिजासाठीचा 'बारकोड'

प्रक्रियेला वेग : राज्यभरात दोन महिन्यात अंमलबजावणी

प्रवीण देसाई ।  
लोकमत न्यूज नेटवर्क

कोल्हापूर : गौणखनिजाच्या परवाना पाससाठी असणारे बारकोड आता राज्यभरात एकाच यंत्रणेतून मिळणार आहेत. यासाठी राज्य शासनाने पुरवठादार निश्चित करून निविदा काढली आहे. येत्या दोन महिन्यांत याची अंमलबजावणी होणार आहे. त्या पार्श्वभूमीवर महसूल विभागाकडून या प्रक्रियेला गती आली आहे.

सध्या जिल्हास्तरावर खनिकर्म विभागाकडून गौणखनिजाच्या पाससाठी बारकोड तयार करण्यात आले आहेत. यामध्ये कोल्हापूर जिल्ह्यात सर्वच गौणखनिजांसाठी बारकोड केले आहेत.

तर इतर काही जिल्ह्यांत वाळूसोठी, तर काही जिल्ह्यांत

## 'ड्रोन'द्वारे खाणींची मोजणी

◆ खनिजांच्या प्रत्येक खाणीची मोजणी आता 'ड्रोन'द्वारे महिन्यातून एकदा होणार आहे. त्यामुळे खनिकर्म विभागाच्या परवानगीनुसार उत्खनन झाले आहे का, याची योग्य माहिती मिळेल. शिवाय महसूलवाढीस मदत होईल.

मुरुमासाठी स्वतंत्र बारकोड आहेत. परवानगी पासवर ११ अंकी बारकोड असतो.

एखाद्याला २०० किंवा ३०० ब्रासच्या उत्खननाची परवानगी दिली असेल तर त्यावर परवानगीची मुदत, गट क्रमांक, मुदत कुणाला दिली? याची माहिती द्यायची. ती माहिती व्हॅंडरकडून सॉफ्टवेअरमध्ये भरून लॉक केली जाते.

यामध्ये संबंधितांचे मोबाईल क्रमांक समाविष्ट केल्याने गौणखनिज भरून बाहेर पडलेल्या गाडीची इत्यभूत माहिती मिळते. ही जिल्हा पातळीवरील प्रक्रिया आता

राज्यभरात आता एकाच पद्धतीने राबविली जाणार आहे.

या नवीन यंत्रणेमुळे राज्यासाठी एकच व्हॅंडर (पुरवठादार) असणार आहे. त्याच्याकडून बारकोडसाठी प्रत्येक जिल्ह्याकरिता 'एनआयसी'च्या धर्तीवर कार्यालय सुरू करण्यात येईल. त्या ठिकाणी तांत्रिक सल्लागार नेमून त्यांच्या माध्यमातून या प्रक्रियेवर नियंत्रण राहील.

तसेच त्यांच्याकडून बारकोडचाही पुरवठा केला जाईल. यासाठी पुरवठादार निश्चित करून निविदा काढली आहे. येत्या दोन महिन्यांत याची अंमलबजावणी होणार आहे.

# उत्तर प्रदेशात ३००० टन सोन्याचा खनिज साठा आढळल्याचा दावा

नवी दिल्ली : उत्तर प्रदेशातील सोनभद्र जिल्ह्यात जमिनीत सोन्याच्या विशाल जवळपास ३००० टनांचा खनिज साठा आढळल्याचा दावा भूशास्त्र आणि खाण विभागाने केला आहे, असे वृत्तवाहिनींनी म्हटले आहे. देशात आतापर्यंत सापडलेला हा सगळ्यात सोन्याचा साठा असल्याचे म्हटले जात आहे. सध्याच्या सोन्याचा दरांचा विचार केला असता हा साठा १२ लाख कोटींहून अधिक रुपयांचा घरात आहे.



अमेरिकेकडे जगात सोन्याचा सर्वाधिक साठा आहे. सोनभद्र येथे सापडलेल्या सोन्याच्या खनिजसाठ्यामुळे भारताचा अमेरिकेनंतर दुसरा क्रमांक लागू शकतो. इतका मुबलक साठा जवळ असल्याने पुढील काही वर्षे भारताला सोने आयात करण्याची गरज भासणार नाही. यामुळे भारताचे सोनेखरेदीसाठी खर्ची पडणारे परकीय

चलनही मोठ्या प्रमाणात वाचू शकणार आहे. सोन्याचा साठा वाढल्याने देशाच्या अर्थव्यवस्थेसाठीही ही आनंदाची बातमी ठरणार आहे, असे वृत्तवाहिनीने म्हटले आहे.

भारतीय भूवैज्ञानिक सर्वेक्षण विभागाने १५ वर्षांपूर्वी २००५ सालीच सोनभद्र येथील खाणींमध्ये ३००० टन सोन्याचा खनिज साठा सापडू शकेल, असा अहवाल दिला होता. त्यानंतरच त्या ठिकाणी खननाचे काम सुरू होते, असे वृत्तवाहिनीने म्हटले आहे.

# India gold prices hit all-time high

REUTERS

Bengaluru/Mumbai, February 21

Rising prices dented demand for physical gold in most Asian hubs this week, while the coronavirus outbreak dragged China's premiums to their lowest since July 2016.

Benchmark spot gold prices have risen over 3 per cent so far this week, having risen to a seven-year high at 1,643.89 an ounce.

In India, prices soared to a record high, tracking gains in the overseas prices and in response to a weak rupee.

## Gold futures

Gold futures hit an all-time high of ₹42,509 for 10 grams on Friday. Futures have risen nearly 9 per cent so far in 2020 after rising nearly a quarter in 2019.

"Demand is negligible. Retail buyers and even jewellers are not interested in buying at the current level," said Harshad Ajmera, the proprietor of JJ Gold House, a wholesaler in Kolkata.

Dealers were offering a discount of up to \$7 an ounce over official domestic prices this week, up from \$3 last week. The domestic price includes a 12.5 per cent import tax and 3 per cent sales tax.

In neighbouring Bangladesh, the country's jewellers' association increased

prices for all types of gold, the second hike since January, citing uncertainty over the coronavirus epidemic.

The new rates, with the best quality gold priced at 61,528 taka (\$728) per Bhor, or 11.664 grams, came into effect from Wednesday.

In China, gold was sold at anywhere between flat versus the benchmark to a premium of \$1 an ounce, compared the \$1 premium last week.

"China and Hong Kong are quiet. Price effect is minor, major effect is the virus," said Ronald Leung, chief dealer, Lee Cheong Gold Dealers in Hong Kong.

There have been more than 75,000 confirmed

coronavirus cases so far in mainland China, with 399 new deaths reported on Friday.

"The (Chinese) jewellery industry will be back to work next week, so demand has been weak this week as well," said Samson Li, Hong Kong-based precious metals analyst at Refinitiv GFMS.

In Hong Kong, premiums narrowed to \$0.30-\$0.40 an ounce, versus the \$0.30-\$0.50 charged last week.

In Singapore, premiums of \$0.50-\$0.60 were charged, the same as last week.



# 3,000 tonne gold reserve at UP's Sonbhadra district: GSI

Binay.Singh@timesgroup.com

**S**onbhadra, east UP's mineral-rich district, is sitting on a gold reserve of approximately 3,000 tonnes, which could go up to 5,200 tonnes, according to the Geological Survey of India (GSI).

Even 3,000 tonnes — worth over ₹12 lakh crore — is five times India's current gold reserve of 618.2 tonnes. GSI released the estimate after exploring for gold deposits in the area for nearly 20 years.

UP's geology and mining department has sent a team to the district for mapping and geo-tagging of the area. According to a state government note, there are two big gold blocks in Sonbhadra. The 'proven' reserve of gold

## 5X INDIA'S RESERVES

- **3k tonne gold 5 times** India's present reserves of **618 tonnes**
- **Worth over ₹12 lakh crore**
- **Will make India No. 2 in the world**, behind only the US, which has the largest gold holding of 8,134 tonnes

in Sona Pahadi block is 2,943 tonnes, while the 'probable' is 5,200 tonnes. Another 646 kg gold reserve can be found at Hardi block.

If these estimates hold true, India's gold reserve would make it second behind the US. According to World Gold Council data, the US has the largest gold holding with 8,133.5 tonnes, followed by Germany with 3,366 tonnes and IMF

with 2,814 tonnes. Italy (2,451.8 tonnes) and France (2,436 tonnes) round off the top five.

"After the completion of mapping, we will submit the report to the directorate for further action, like auctioning of gold blocks for mining," Sonbhadra's district mining officer KK Rai, who a member of the team doing the mapping job, told TOI on Friday.

Besides the gold reserves, the GSI team has also found ores of other metal and minerals, including Andalusite, aluminium nesosilicate mineral (95.02 tonnes) in Pulwar and Salaidih blocks, Potash (9.46 tonnes) in Patwadhi block and iron (14.97 tonnes) in Bharhari block.

► **'Power capital', P 5**

## 'Power capital' Sonbhadra is among most backward dists

Binay.Singh@timesgroup.com

**A** team of the Geological Survey of India (GSI) has come up with encouraging estimates of gold reserves in Sonbhadra district. Sillimanite, an aluminosilicate mineral (9.8 tonnes) have also been explored in Chhipiya block of the district.

The team constituted by Uttar Pradesh's geology and mining directorate for mapping and geo-tagging work comprised joint director Jay Prakash, Dr Vijay Kumar Maurya, KK Rai, Ram Pravesh Singh, SN Patel, Daud Ansari and Santosh Kumar Pal.

District mining officer

Sanjay Gupta



The survey site in Sonbhadra where geology & mining department has sent a team for mapping and geo-tagging of the goldmine area

Rai said that the team was working since February 17 and was now about to finish its assigned job.

Sonbhadra district magistrate S Rajalingam said that the GSI and directorate

of geology and mining had sought permission for the survey of the area. "The team would submit the report to the directorate for further action," he added.

Sonbhadra, which shares boarder with four states, is a picture of dichotomy. While on hand Uttar Pradesh's far east district is also considered power capital of India, with seven plants, on the other it is counted among most backward districts of the country and among 33 UP districts which receives grant under the Backward Regions Grant Fund Programme (BRGFP).

It also has the state's highest tribal population.



# सोने पोहोचले ४३ हजारांवर! १० दिवसांत २१०० रुपयांची वाढ

## लग्नसराईचा परिणाम। चांदीतही किलोमागे तीन हजारांची तेजी

विजयकुमार सैतवाल  
लोकमत न्यूज नेटवर्क

**जळगाव :** भारतीय रुपयात सातत्याने होत असलेल्या घसरणीसह मुंबई शेअर बाजार तसेच विदेशातीलही शेअर बाजार सतत गडगडत असल्यामुळे सोने-चांदीमध्ये गुंतवणूक वाढू लागली आहे. त्यामुळे १० दिवसांत सोन्याच्या भावात तब्बल दोन हजार १०० रुपयांनी तर चांदीमध्ये तीन हजारांची वाढ होऊन सोन्याचे भाव आणखी एका नवीन उच्चांकावर पोहोचले आहेत. शनिवारी सोने प्रथमच ४३ हजार रुपये प्रती तोळ्यावर पोहोचले.

१२ फेब्रुवारीला सोने ४० हजार ९०० रुपयांवर होते. त्यानंतर १३ फेब्रुवारीला ४१ हजारांवर पोहोचले. त्यात वाढ होत होऊन १९ फेब्रुवारीला ४१ हजार ७५० रुपयांवर भाव गेले. २० फेब्रुवारीला ४२ हजार रुपये भाव झाल्यानंतर २१ फेब्रुवारीला पुन्हा ८०० रुपयांनी वाढ होऊन ते ४२ हजार ८०० रुपयांवर पोहोचले व शनिवारी ४३ हजारांचा टप्पा सोन्याने गाठला. अमेरिकन डॉलरच्या तुलनेत भारतीय रुपयात होत असलेली घसरण व लग्नसराईमुळे मागणी वाढल्याने भाव वाढत आहेत. ते आणखी वाढण्याची शक्यता आहे.



### चांदीचेही भाव सतत वाढतेच



चांदीचेही भाव सतत वाढतच आहेत. १३ फेब्रुवारीला ४६ हजार रुपये प्रती किलो असलेल्या चांदीचे भाव १५ फेब्रुवारीला ४७ हजार रुपयांवर पोहोचले. १८ ला ४७ हजार ५००, गुरुवारी ४८ हजार रुपये व शुक्रवारी ४९ हजार रुपये प्रती किलोवर चांदी पोहोचली. शनिवारी चांदी ४९ हजार रुपयांवर स्थिर राहिली.

### दीड महिन्यांत तीन नवे उच्चांक

सोन्याच्या भावाचा विचार केला तर या मौल्यवान धातूने दीड महिन्यात तीन नवीन उच्चांक गाठले आहेत. ७ जानेवारीला सोने ४१ हजार ४०० रुपयांवर पोहोचले होते. त्यानंतर २० फेब्रुवारीला ४२ हजार रुपये व आता २२ फेब्रुवारीला ४३ हजार रुपये प्रती तोळ्या, असे उच्चांकाचे भाव सोने गाठत आहे.

रुपयातील घसरणीसह शेअर बाजारातही घसरण होत असल्याने सोने-चांदीच्या गुंतवणुकीकडे कल वाढत आहे. त्यामुळे या धातूचे भाव सातत्याने वाढत आहे.  
- अजयकुमार ललवाणी, अध्यक्ष, जळगाव शहर सराफ असोसिएशन.

## हॉलमार्किंगच्या त्रुटींविरुद्ध कोर्टात जाणार

### फतेचंद रांका यांची माहिती

लोकमत न्यूज नेटवर्क

**कोल्हापूर :** सोन्याची शुद्धता तपासणीचा हॉलमार्किंग कायदा हवाच; पण कायद्यातील काही जाचक त्रुटी व्यापाऱ्यांना नाहक अडचणीच्या आहेत. त्या दूर करण्यासाठी 'बंद'सारखी आंदोलने नव्हेत; तर कायदेशीर मार्गाने लढाई लढणार आहेत. त्यासाठी १५ दिवसांत उच्च न्यायालयात याचिका दाखल करणार आहेत, असे प्रतिपादन महाराष्ट्र राज्य

सराफ व सुवर्णकार फेडरेशनचे अध्यक्ष अॅड. फतेचंद रांका यांनी केले.

कोल्हापूर जिल्हा सराफ व सुवर्णकार संघाच्या वतीने 'हॉलमार्किंग कायदे' या विषयावर शनिवारी सराफ व सुवर्णकारांचा मेळावा झाला. अॅड. रांका म्हणाले, केंद्र सरकारने जानेवारी २०२१ पासून हॉलमार्किंग कायदा सक्तीचा केलेला आहे. तो जनतेच्या फायद्याचा आहे. सराफ, सुवर्णकारांचा या कायद्याला विरोध नाही; पण कायद्यातील जाचक तरतुदींना विरोध आहे. सध्या महाराष्ट्रात २३, २४ कॅरेटचे उच्च प्रतीचे सोन्याचे दागिने

विकले जात असताना येथे बंदीचे कारण नाही; पण उत्तर प्रदेशात कमी कॅरेटचे दागिने विकले जातात, तेथे बंदी योग्य आहे.

सोन्याचे नमुने घेताना त्याच्या शुद्धतेबाबत हॉलमार्क सेंटर तपासणी करणार; मग नंतर त्या शुद्धतेत फरक पडल्यास जबाबदार हॉलमार्क सेंटरवर कारवाई हवी, असे सांगून रांका म्हणाले, व्यापाऱ्यांच्या उलाढालीवर हॉलमार्किंग सेंटरला शुल्क द्यावे लागते. मग उद्या हॉलमार्कमध्ये फरक पडला तर व्यापाऱ्याचा परवाना रद्द करणे, पाचपट दंड करणे, आदी जाचक अटी आहेत. त्याविरुद्ध हायकोर्टात जाणार आहेत.



# 3,000 टन नहीं, सिर्फ 160 किलो सोना मौजूद सोनभद्र में GSI का दावा

एजेंसियां

**सोनभद्र.** उत्तर प्रदेश का सोनभद्र इन दिनों सोने को लेकर चर्चा में है. जियोलाॅजिकल सर्वे ऑफ इंडिया (जीएसआई) ने खदान में 3000 हजार टन नहीं, बल्कि सिर्फ 160 किलो सोना होने का दावा किया है. जीएसआई के निदेशक डॉ. जीएस तिवारी ने बताया कि सोनभद्र की खदान में 3000 टन सोना होने की बात जीएसआई नहीं मानता. सोनभद्र में 52806. 25 टन स्वर्ण अयस्क होने की बात कही गई है न कि शुद्ध सोना. सोनभद्र में मिले स्वर्ण अयस्क से प्रति टन सिर्फ 3. 03 ग्राम ही सोना निकलेगा.



## सर्वे अभी जारी है

पूरे खदान से 160 किलो सोना ही निकलेगा. तिवारी ने कहा कि सोनभद्र में सोने की तलाश अभी जारी है. जीएसआई का सर्वे अभी चल रहा है. वहां पर और सोना मिलने की संभावना से अभी इनकार नहीं किया जा सकता. लेकिन अभी जो अयस्क मिला है, उससे 160 किलो ही सोना निकलेगा. उन्होंने बताया कि जीएसआई द्वारा इस जांच की यूएनएफसी मानक की जी-3 स्तर की रिपोर्ट भूतत्व खनिक कर्म निदेशालय को भेजी गई है.

■ भारत में सबसे ज्यादा सोना कर्नाटक की हुत्ती खदान से निकाला जाता है.

■ इस लिहाज से भारत में कर्नाटक सोने का सबसे बड़ा उत्पादक राज्य है.

■ इसके बाद आंध्र प्रदेश, दूसरा सबसे बड़ा सोना उत्पादक राज्य है.

■ इनके अलावा झारखंड, केरल और मध्य प्रदेश में भी सोना की छोटी-बड़ी खदानें हैं.

## DM से मांगी रिपोर्ट, यूरेनियम का भी पता लगाया जा रहा है

तिवारी ने बताया कि इस संबंध में सोनभद्र के जिलाधिकारी से भूमि संबंधी रिपोर्ट प्राप्त की जा रही है, उसके बाद क्षेत्र को भू-राजस्व मानचित्र पर अंकित कर खनन के लिए उपयुक्त क्षेत्र की आवश्यक औपचारिकता पूरी करते हुए नीलामी की कार्यवाही की जाएगी. सोनभद्र जिले की सोन और हरदी पहाड़ी में अधिकारियों ने सोना मिलने की पुष्टि की है. इसके अलावा क्षेत्र की पहाड़ियों में एंडालुसाइट, पोटाश, लौह अयस्क आदि खनिज संपदा होने की बात भी चर्चा में है. क्षेत्र के आसपास की पहाड़ियों में लगातार 15 दिनों से हेलीकॉप्टर से सर्वे किया जा रहा है. बताया जा रहा है कि हवाई सर्वे के माध्यम से यूरेनियम का भी पता लगाया जा रहा है. इसकी मौजूदगी की भी प्रबल संभावना जताई जा रही है.

# सोनभद्र की खदानों में 3350 टन नहीं सिर्फ 160 किग्रा सोना: जीएसआई

## ■ जीएसआई ने मीडिया की खबरों का खंडन किया

एजेंसी | फोटोकारा/सोनभद्र

उत्तर प्रदेश में सोनभद्र जिले के सोना पहाड़ी और हर्दी क्षेत्र में प्रति टन अयस्क में 3.03 ग्राम ही सोना है। यह जानकारी शनिवार को भूतत्व एवं खनिजकर्म विभाग के सचिव एवं निदेशक डॉ रोशन जैकब ने दी है। जैकब ने बताया कि भारतीय भूवैज्ञानिक सर्वेक्षण (जीएसआई) उत्तर क्षेत्र ने सोना पहाड़ी क्षेत्र में 52806.25 टन अयस्क का आकलन किया है। इसमें सोने की मात्रा 3.03 ग्राम प्रति टन है। जीएसआई ने मीडिया की उन खबरों का खंडन किया है, जिसमें दावा किया गया है कि

सोन पहाड़ी और हर्दी क्षेत्र में 3350 टन सोना मौजूद है। जीएसआई का इस खबर से कोई लेना-देना नहीं है। जीएसआई ने कहा है कि इस क्षेत्र में सोने की मात्रा का पता लगाने के लिए 20 साल पहले 1998-99 और 1999-2000 में खोज अभियान चलाया गया था और इसकी रिपोर्ट उत्तर प्रदेश के भूतत्व एवं खनिजकर्म विभाग को दी गई थी।

सोनभद्र के जिला खनन अधिकारी केके राय ने शुक्रवार को कहा था कि जिले के सोन पहाड़ी और हर्दी इलाके में सोने का भंडार पाया गया था।

प्रभात	668-0	449-7
दादर	466-6	570-2
प्रभात नाईट	-	-
कल्याण	244-0	330-6
राजधानी	-	-
कुबेर	-	-
मेन कुबेर	-	-

# No discovery of 3k tonne gold, says GSI

TIMES NEWS NETWORK

**Kolkata/Lucknow:** The Geological Survey of India (GSI) has said there has been no discovery of gold deposits of around 3,000 tonne in Sonbhadra district of UP, as claimed by a district mining official.

"GSI has not estimated such kind of vast resource of gold deposits in Sonbhadra district. Such data has not



Son Pahadi and Hardi. According to him, the deposits in Son Pahadi was estimated to be around 2,943.26 tonne, while that at Hardi block was 646.16 kg.

Sridhar said in its report after exploration in the district, the GSI has estimated a probable category resource of 52,806.25 tonne of ore with 3.03 gm per tonne gold (average grade) for a strike length of 170m in Sub-Block-H, Son Pahadi of Sonbhadra district of Uttar Pradesh.

The total gold which can be extracted from the total resource of 52806.25 tonne of ore is approximately 160kg and not 3350 tonne, as mentioned in news reports, the GSI clarified in a statement. The GSI DGM is likely to hold a press conference in Lucknow on Monday to clarify the issue.

## SONBHADRA GOLD RESERVES

been given by us," GSI director general M Sridhar said on Saturday in Kolkata.

Sridhar added exploration for gold carried out in Sonbhadra region between 1998 and 2000 had not been encouraging and it had been communicated to the DGM in UP. Sonbhadra district mining officer K K Rai had on Friday created a sensation when he claimed huge gold deposits had been found in



# Gold prices touch all time high of Rs 43,300 per 10 gm in city

■ Business Bureau

IT SEEMS that gold prices are defying the force of gravity and skyrocketing to new highs. On Monday, the gold prices rose by about Rs 900 to hit all time high of Rs 43,300 per 10 grams in the city. Similarly, silver was quoted at Rs 49,000 per kg. The main reason for the steep rise in prices is the insecurity felt by people due to the outbreak of coronavirus from China. This was revealed by Rajesh Khandelwal, Director of Jewellers, Dharampeth while speaking to *The Hitavada* on Monday.

Khandelwal said that there are various other reasons also for the steep rise in gold prices. Economic slowdown, disruption in supplies of vital components and spare parts from China to other countries can hurt manufacturing activities in those countries, devaluation of rupee against the US dollar, limited supply of



gold from mining etc. The cost of recovering gold from mining activity has escalated to Rs 40,000 per 10 grams to Rs 42,000 per 10 grams. In this manner, the gold prices are adjusting to meet the cost of mining. "A combination of these factors has resulted in rise of gold prices, he added.

Further, he said that globally people are looking at gold as a safe asset to invest in due to which the demand for gold has gone up. Accordingly, the prices of gold are flying high and making new

highs from the past few months. With no immediate solution to the coronavirus problem, it is expected that the gold prices would cross the Rs 45,000 per 10 grams mark with this week or by next month. Higher gold prices would hurt demand by 2 per cent to 5 per cent in the city. Most jewellers in the city are under wait and watch mode and studying the affects of high prices on consumer sentiments.

Kishore Sheth, Director of Batukbhai and Sons Jewellers,

Dharampeth said that the rise in gold prices internationally is due to spread of the coronavirus to more than 27 countries. There is a feeling of world-wide insecurity among the investors and they are taking out money from the share market and investing in gold as a safe haven. He feels that the affects of the coronavirus will be long term more than six months. With this, traders are anticipating that prices of gold may cross the Rs 50,000 per 10 gram mark over next six months.

In the city, it is being witnessed that the percentage of customers selling gold has shot up. Many people are taking advantage of the situation and looking at it as a good opportunity to offload gold while the prices are high. Even with such high prices of gold there are people who are buying gold. Especially those people who are having marriage in their homes are buying but at much lower quantities, he added.



## Govt seeks Japanese investment in fast-growing Indian steel market

NEW DELHI, Feb 24 (PTI)

UNION Steel Minister Dharmendra Pradhan on Monday urged Japanese investors to invest in India's steel sector, saying the country offers a fast-growing market and steel consumption will more than double in the coming years.

Pradhan also assured investors that India will provide necessary support to facilitate them in setting up businesses.

He was speaking at a 'Workshop on Enabling Procedures for Increase of Steel Usage for the Growth of Economy' event organised by jointly ministry of steel, industry body CII and Ministry of Economy, Trade and Industry, Japan.

"We are here to discuss topics such as increase of steel usage in India, market in India, economic growth. We (India) aim to become a USD 5 trillion economy by 2024-25. India would spend about Rs 100 lakh crore on infrastructure. All this will result in increased use of steel," he said while addressing the participants.



Indian steel sector is a fast-growing steel market, he said adding that besides setting up 300 steel making capacity by 2030, the country is also aiming to increase its per capita steel consumption to 160 kg from about 70 kg at present.

By 2022, he said, Government's ambitious housing scheme Pradhan Mantri Awas Yojana will be completed. Steel in huge quantity will be required to build the houses under the scheme.

"We (India) also aim to set up new gas pipeline of 14,000-km in next 3 years. Our aim is to provide piped water to every household. So there are lot of areas where steel finds application," he said.

Railways, highways, roadways and bridges are another key focus area of the Government where steel will be required in huge quantity, Pradhan said. "All these areas will require different grades of steel and Japan which is a master in technology can explore business opportunities in our steel sector," he said while assuring them full Government support in setting up businesses in India.

### LIKELY STIMULUS BY CHINA, GLOBAL LIQUIDITY TO HELP CO: AMBIT

## Some Positives for Tata Steel, JSW Steel

Ambit Capital has initiated coverage on Tata Steel and JSW Steel with 'buy' ratings citing expected stimulus by China, credit impulse and continued global liquidity. The brokerage said there could be demand destruction in the near-term on account of Coronavirus but it expects a 'supportive environment' for metals from the second-half of 2021. Shares of Tata Steel dropped 6.4%, while JSW Steel slumped 8.1% on Monday as worries about Coronavirus spreading weighed on sentiment. "As an early cycle metal, steel stands to benefit the most from Chinese infrastructure spend. Global cyclical recovery and restocking should provide added support," said Ambit.

#### Tata Steel

CMP: ₹415.35

Ambit's Target Price: ₹550 Expected Returns (%): 32%

"Tata Steel, with significant operating and financial leverage, could significantly improve RoE (return on equity) on cyclical recovery in global pricing and improved Indian supply/demand," Ambit said. The brokerage said steel maker's net debt will remain high and Europe will remain fragile but its Indian operations would make up for these vulnerabilities. The stock is trading at 0.6 times FY20 price to book - the lower-end of its 10-year range.

#### JSW Steel

CMP: ₹258.80

Ambit's Target Price: ₹350 Expected Returns (%): 35%

The brokerage said despite higher iron ore costs post Odisha auctions, the company's consolidated operating profit would grow from ₹130bn in FY20E to ₹215bn by FY22E (29% CAGR) led by volume growth and margin expansion. "Commissioning of 5MT Dolvi expansion in 1HFY21E should again coincide with cyclical recovery by mid-FY21," the brokerage said. "Higher volumes, better mix should drive earnings growth through the cycle."







## सोना @43400

■ अब तक का रिकॉर्ड स्तर, 45000 रु.  
प्रति 10 ग्राम तक जाने की संभावना

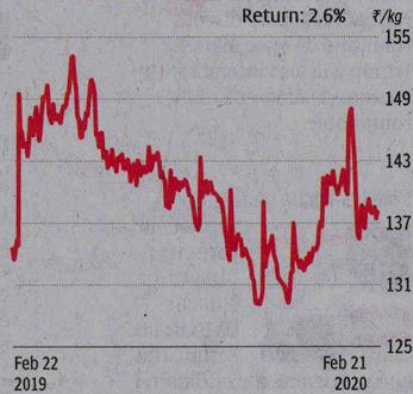
व्यापार प्रतिनिधि | नागपुर. वैश्विक कीमतों में तेजी के बीच नागपुर के सराफा बाजार में सोना 43,400 रुपए प्रति 10 ग्राम के स्तर पर पहुंच गया है। शहर में सोने का यह अब तक का सबसे उच्चतम स्तर पर है। पंद्रह कारोबारी दिनों में सोने के दाम में 2850 रुपए प्रति 10 ग्राम की बढ़त दर्ज की जा चुकी है। सराफा व्यापारियों के अनुसार सोने के दाम आनेवाले कुछ दिनों में 45000 रुपए

के स्तर को छू सकते हैं। सोने के साथ ही चांदी में भी अच्छा खासा उछाल देखा जा रहा है। चांदी का दाम सोमवार को 50000 रुपए प्रति किलो के स्तर पर पहुंच गया है। हालांकि चांदी का यह उच्चतम स्तर नहीं है। इससे पहले भी चांदी 60000 रुपए प्रति किलो से ऊपर बिक चुकी है। शादी-ब्याह के लिए सोने की खरीदी खासी बढ़ जाती है। आगे दाम बढ़ने की संभावना को देखते हुए शादी-ब्याह

के लिए लोग अभी से खरीदी करने में जुट गए हैं। वहीं दूसरी ओर अंतरराष्ट्रीय बाजार में सेंसेक्स लगातार गोता खा रहा है, जिससे निवेशकों का रुझान सोने की ओर बढ़ा है। शेयर बाजार के विशेषज्ञों का कहना है कि अभी सोने-चांदी के दाम में बढ़त का सिलसिला जारी रहेगा, लेकिन अमेरिकी चुनाव के दौरान इसमें भारी गिरावट आने की भी संभावना है।

## MCX-Aluminium consolidates with bearish bias

### MCX Aluminium



AKHIL NALLAMUTHU

BL Research Bureau

The March Aluminium mini futures contract — Alumini — on the MCX seems to be extending its two-week sideways trend. The boundaries of the range are ₹136.8 and ₹139.4.

Notably, the price ruling below 21- and 50-DMAs indicates a bearish bias. The daily RSI is flat but lies below the mid-point level of 50. Besides, the Moving Average Convergence Divergence (MACD) on the daily chart is also flat within the bearish zone. Though these factors show a bearish inclination and the major trend of the metal is bearish, the contract should break below the support at ₹136.8 to confirm further decline in price.

As long as the contract trades below ₹140 it will have bearish bias. So, going forward, if the contract faces fresh downward pressure and breaks below the lower boundary of the range at ₹136.8, it can be dragged to ₹133.8. A break below that level will confirm a lower low on the daily chart which can intensify the sell-off. In such a scenario, it might decline to ₹131.7. On the other hand, if the contract breaks out of the resistance at ₹140, it can advance to ₹143 in the near term. If it breaches that level, it can possibly rally to ₹146.

On the global front, the price of the three-month rolling forward contract of Aluminium on the London Metal Exchange (LME) has been sluggish in the past week. But the overall trend remains bearish and the price ruling below the 21-day moving average indicates a weak outlook. As long as the price remains below \$1,750, the contract can continue to face selling pressure.

### Trading strategy

The contract rules below the important level of ₹140 and the overall trend remains bearish. However, a break below ₹136.8 should be a prerequisite to short the contract. So, traders can sell the March MCX-Alumini below ₹136.8 with stop-loss at ₹143.

THE INDIAN EXPRESS DATE : 25 /2/2020 P.N.13

## Gold jumps ₹953/10g

New Delhi: Gold prices on Monday soared Rs 953 to Rs 44,472 per 10 gram in the national capital on weaker rupee and rise in global prices, according to HDFC Securities.

The yellow metal had closed at Rs 43,519 per 10 gram in the last trading session. Silver prices also rose by Rs 586 to Rs 49,990 per kg from Rs 49,404 per kg.

Meanwhile, in the international market, gold soared as much as 2.8 per cent on Monday to its highest level

in seven years. Spot gold was up 1.9 per cent at \$1,674.40 per ounce by 12:26 p.m. EST (1726 GMT). The session high, \$1,688.66, was its highest since January 2013. US gold futures jumped 1.7 per cent to \$1,676.80 an ounce.

The curve inversion between the 3-month and 10-year US Treasury bond yields deepened, in what economists view as a recession signal. The benchmark 10-year Treasury yield fell to its lowest since July 2016. **PTI & REUTERS**



# Gold soars more than 2.5% as coronavirus triggers flight to safety

REUTERS

February 24

Gold prices surged more than 2.5 per cent to over seven-year highs on Monday as the spread of coronavirus outside China and its potential impact on global economic growth spurred safe haven buying.

Spot gold was up 2.5 per cent at \$1,683.94 per ounce at 0953 GMT after hitting \$1,688.66, its highest level since January 2013. US gold futures were up 2.3 per cent at \$1,686.40.

Gold in euros hit an all-time peak of €1,560.39 per ounce, while gold priced in sterling rose to a record high of £1,308.20 an ounce.

Oil prices fell 4 per cent on Monday, as the rapid spread of the coronavirus in countries outside China added to investor concerns about the impact on demand.

Global shares also extended losses as worries about the impact of the virus grew, with the number of infections jumping in Iran, Italy and South Korea.

## 'An unstoppable force'

Brent crude was down \$2.37, to \$56.13 barrel by 1145 GMT. US crude futures fell by \$2.08, to \$51.30.

"The weekend's developments provided us with a stark reminder that the

coronavirus is 'currently an unstoppable force,' Tamas Varga, an analyst at oil brokerage PVM, said.

European shares tumbled more than 3 per cent after a sharp rise in new infections in South Korea, Italy and Iran exacerbated worries of a wider spread of the virus. The WHO said it is worried about the growing number of cases without any clear link to China.

"There seems to be a mix of short covering and a fear of missing out driving the gains (in gold), with \$1,660 well supported on any pullbacks," MKS PAMP said in a note. "Expect demand to remain firm

through \$1,660-\$1,650, while there's little top-side resistance on the way to \$1,700."

The US dollar also gained on increasing interest in safe haven assets. The benchmark US 10-year Treasury yield fell to its lowest level since July 2016.

## Bullish positions

Reflecting increased investor interest in bullion, speculators raised their bullish positions on COMEX gold and silver contracts in the week to February 18, data showed on Friday.

Mirroring gold's gains, silver rose 2 per cent to \$18.82 an ounce, having hit its highest since September at \$18.90.

# Is it time to sell gold and book profit?

## COMMENTARY

G CHANDRASHEKHAR

Mounting concerns over the Covid-19 (novel coronavirus), its spread beyond China, and the concomitant negative impact on global economic activity, have combined to propel gold to the stratosphere. The pandemic has already caused enormous — but as yet unquantified — damage to global trade with little clarity on how it will pan out in the weeks ahead.

On Friday, the yellow metal recorded a seven-year high of \$1,640 a troy ounce intraday. In the current uncertain conditions, gold seems to have truly regained its safe haven status with investment demand rebounding. The entire precious metals complex recorded gains last week with silver rallying to \$18.5/oz.

Interestingly, gold's stellar run was notwithstanding a strong dollar and firmer stock markets. In other words, the flight to safety is benefiting both dollar and gold. On the other hand, China announced a stimulus package. The Chinese authorities have



The flight to safety following the coronavirus outbreak is benefiting both dollar and gold ISTOCK.COM/VASABII

loosened the monetary policy to stem the ongoing slide in economic activity. It is likely this was a cue for the gold market to surge ahead.

Gold is benefiting from investment demand, as evidenced by continuous inflow in gold ETFs for 20 days in a row now. As conditions have turned ideal for speculative financial investors, large-scale 'long positions' have been created on the

bourses.

The irrational exuberance shown by the gold market is not sustainable, in the opinion of this writer. Surely, gold bulls have been waiting for an op-

portunity for the metal to rally, and Covid-19 has provided that. While it is reported that the virus is spreading to other countries such as South Korea, reports from China suggest a gradual but definite slowdown in new cases.

As soon as evidence that this pandemic has been largely contained is available, gold prices are sure to face a precipitous fall — as much as 10 per cent — to around \$1,500/oz. Less committed speculators are sure to exit the market in hordes in the event.

While sentiment — fear — has driven the yellow metal so far, sentiment alone cannot retain it there for long. Ground reality will hit sooner rather than

later. Consumption demand in two of the world's largest markets — China and India — is subdued because of record local prices. Available import data suggest a slowdown in inflows.

In China, because of Covid-19, many jewellers are closed. In India, there is palpable destruction of physical demand with prices breaching ₹41,500 per 10 g.

## Fickle nature

Given the fickle nature of gold's current rally, investors have to exercise extreme caution. It is important not to get carried away by the current euphoria, as it is likely to be short-lived. The opening of the market next week and the mood that permeates are critical. To err on the side of caution, it would make sense for investors to book profit and exit the market.

The current prices are attractive for scrap sale and large quantities are reported to be coming to the market. In other words, it is not the time to buy gold, but sell gold to take advantage of this rare opportunity.

*The writer is a policy commentator and commodities market specialist. Views are personal*

Scan &amp; Share





# Steel companies hike prices for the sixth time in a row

With imports hit by virus outbreak, domestic producers see higher demand

**SURESH P IYENGAR**

Mumbai, February 26

Contrary to the expectation of a fall in metal prices due to the coronavirus impact, steel companies have hiked hot-rolled coil prices for the sixth consecutive time, by ₹500-750 a tonne, to ₹39,200. The price hike will come into effect on March 1.

The coronavirus scare has completely shut cheap steel imports from China, Japan and Korea. Robust orders from infrastructure projects have boosted domestic demand. Moreover, some of the steel end-users are willing to pay any price to build sustainable inventory with domestic supply, as the uncertainty over imports is likely to remain for long.

Jayant Acharya, Director (Commercial and Marketing), JSW Steel, said that despite the present hike, steel prices in India are at discount to the landed cost of imports, and 8 per cent lower against March 2019 prices.

Moreover, he said, iron ore prices globally have firmed up to \$90 a tonne while cok-



The coronavirus scare has completely shut cheap steel imports from China, Japan and Korea

ing coal has moved up to \$160 a tonne from \$130 due to supply distribution.

## Wary of imports

In fact, pre-ordered steel shipments from abroad have already arrived and people are scared to place future orders due to the possibility of coronavirus contamination, Acharya added.

Steel prices in India fell freely last year. From ₹48,000 a tonne they fell to ₹34,000 last September, before moving up from October on the back of the economic stimulus given by the government to infrastructure and various other sectors. Prices were hiked twice in January to narrow the gap between lower domestic and import prices.

Even while steel companies were raising prices on buoyant domestic demand, cheap imports slowed down the pace of hike. In fact, some of

the domestic importers are now willing to adopt the cash-and-carry model for local supplies, said a senior steel company executive.

## Huge inventory in China

On the other hand, China has piled up a huge inventory as its demand from the infrastructure, automobile and white-goods sectors have come to a halt and export prospects have diminished, Acharya added.

The fall in exports from China has opened up India's export opportunity, especially to some of the South-East Asian countries, he said. Racing to meet the March-end deadline, some of the infrastructure projects in India have placed huge orders even while demand from the auto and white-goods sectors are showing signs of revival, he added.

In the auto sector, commercial vehicle demand still remains weak and may soon pick up as economic activity strengthens, he said.

On the possibility of coking coal imports from Australia by steel companies being hit by the virus attack, Acharya said: "Supplies are coming in as of now but we are keeping a close watch on it and the only concern is ferro alloy supplies."



# Who is behind surging gold prices?

While investment demand is mostly flat, speculators dealing in gold derivatives seem to be pushing up prices



LOKESHWARRI SK

## POINT BLANK

As news of the escalation of the COVID-19 epidemic hit global financial markets this week, investors predictably ran towards safe havens such as gold and the US dollar. The dollar index moved towards the 100 mark and gold tried to get closer to the \$1,700 level.

While the ongoing crisis has given a leg-up to the rally, the yellow metal has been on a dream-run since last calendar.

Factors such as protracted monetary easing and currency debasement by global central banks, extremely low to negative yield on bond prices and continued tensions caused by the ongoing anti-globalisation wave have pushed gold prices higher.

The coronavirus epidemic that has shaved off 0.1 percentage points from global growth in 2020 (according to the IMF), has only tilted the scales further in gold's favour. Following the 15 per cent gain in 2019, gold has gained another 9 per cent this calendar year.

The interesting point to note here is that the gold prices are not being driven by actual investment demand for physical gold. The investment demand has been stagnant over the past decade. While gold ETF holdings moved higher in 2019, the demand for gold bars and coins had declined sharply in that period. A major part of the price increase in gold could be driven by trading and speculative positions.

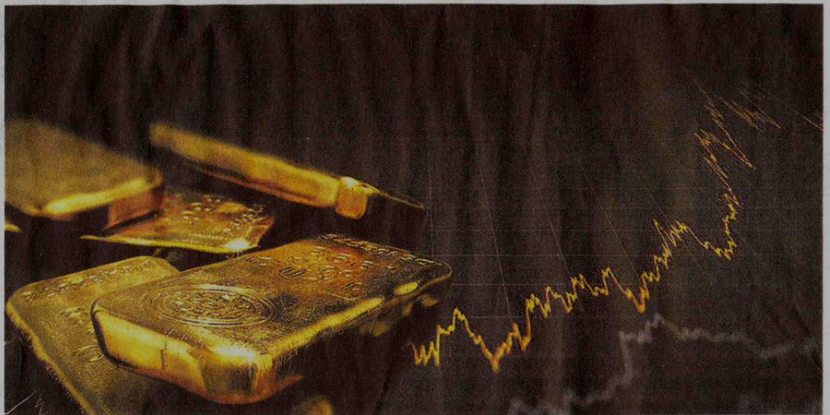
Along with headlines regarding soaring gold prices, inflows into gold ETFs have also been attracting attention. According to the World Gold Council (WGC), global gold ETFs and similar products added 61.7 tonnes to their holding in January 2020, taking the holdings of these investment vehicles to an all-time high of 2,947 tonnes. US funds hold nearly half of these ETFs with funds from the UK, Germany and Switzerland accounting for another 45 per cent.

Given the uncertainty over growth in these countries, investors could be trying to diversify some money into gold ETFs. If we consider the monthly inflows into these funds since 2018, inflows have spiked in months when there was negative news flow affecting global growth such as April 2018, December 2018, June and August 2019. Total additions to holding of gold ETFs in 2019 was 401.1 tonnes, the highest since 2016.

That said, it needs to be noted that the demand for physical gold bars and coins was down 25 and 8 per cent respectively in 2019 compared to 2018. Also, total investment demand for gold in 2019, at 1,271 tonnes, was unchanged from 2009, when similar amount was added by gold ETFs and gold coins and bars. There could have been a shift in investors preferring ETFs over physical gold bars and coins, probably due to heightened vigilance by anti-money laundering agencies. ETF demand has also picked up due to investors seeking to diversify their portfolios but investment demand for physical gold alone cannot be behind the recent rally.

### Trading positions surge

So, what is driving gold prices? To answer the question, we need to look at the trading in gold derivatives. The open interest that cap-



**Bankable** The yellow metal has stayed true to its safe haven status in most instances of global growth disruptions ISTOCK

tures all the derivative contracts not squared off by the end of the day gives a good idea of the trading interest in any security. The open interest in gold contracts traded on the Comex, Dubai, ICE, India, Istanbul, Moscow, SFE, TOCOM and LME is captured by the World Gold Council. This data shows that trading interest in gold was tepid in 2017 and 2018. But from January 2019, open interest began moving higher, from \$68.7 billion in December 2018 to \$141.8 billion in February 2020, the highest since January 2013.

It was around this time that interest in gold ETFs also began moving higher. A bulk of gold ETF purchase in 2019 was, in fact, done in the third quarter of 2019.

What changed in January 2019 that made traders move towards gold?

### Gold and global uncertainty

It was in January 2019 that the Federal Reserve paused its rate hikes. This coupled with ratcheting-up of the US-China trade war heightened concerns regarding global growth. This seems to have prompted the surge in speculative demand in

gold since the beginning of 2019.

The yellow metal has stayed true to its 'safe haven' status in most instances of global growth disruptions, if we consider the demand trend for gold over the last two decades. It may be recalled that global economic growth fell from 4.38 per cent in 2000 to 1.95 per cent in 2001, following the bursting of the dot-com bubble and the World Trade Centre bombing. Investment demand for gold spiked in 2001 to 357 tonnes, from 166 tonnes in 2000.

Similarly, during the global financial crisis in 2008, investment demand from physical coins and bars and gold ETFs, doubled to 1,184 tonnes compared to 2007.

The inverse relation between gold and interest rates is also fairly well established. The Federal Reserve decided to halt the rate hikes in January 2019 due to the threat of recession and began cutting rates in August 2019. Gold prices are up from \$1,282 to \$1,650 since the Fed began cutting rates last year.

The rally in gold prices from the October 2008 low of \$723 per ounce to \$1,825 per ounce in August 2011 also took place when the US had cut its interest rates close to zero fol-

lowing the sub-prime crisis.

It is widely believed that the negative bond yields in many developed economies such as Japan, France, Germany, Sweden and Switzerland are positive for gold since investors in search of yield are likely to move towards gold. Also, negative interest rates denote periods of economic stress, when the gold's safe haven properties are most needed.

### The implication

It is, therefore, obvious that the derivative prices of gold have moved higher in anticipation of increase in investment demand for gold following deteriorating global conditions. Given the logjam that global central bankers are currently in, unable to increase rates or do monetary tightening due to nebulous growth, the case for investing in gold is likely to remain strong over the next couple of years at least.

But if the investment demand for gold does not increase, mirroring the optimistic derivative prices, there could be sharp swings in prices in both directions. Investors in gold therefore need to stay alert for sudden bouts of volatility.

Scan & Share





## MCX-Nickel drops below range



**AKHIL NALLAMUTHU**

BL Research Bureau

The March futures contract of Nickel on the Multi Commodity Exchange of India (MCX), which has been oscillating in a range between ₹930 and ₹966 for the past one month, broke below the lower boundary of the range on Monday. This has opened the door for further weakness. Moreover, the trend prior to the consolidation has been bearish and with the fresh breakdown, the daily price action indicates bearish continuation.

The price remains below the 21-day moving average, maintaining the short-term outlook negative. The Moving Average Convergence Divergence (MACD) indicator on the daily chart too shows considerable downward momentum as it extends further into the bear zone. On the other hand, the daily Relative Strength Index (RSI) is hinting at loss of bearish momentum. But it remains in bearish territory.

As the contract has confirmed a breakdown and the overall trend is bearish, it will likely decline from the current levels. The price can be expected to drop to ₹900 in the near term. A break below that level can drag the contract to ₹872. But if the contract is able to reverse the trend, it will face a significant hurdle at ₹966. Above that level, the medium-term trend can turn bullish. The subsequent resistance is at ₹1,000.

On the global front, the price of the three-month rolling forward contract of Nickel on the London Metal Exchange (LME) is consolidating between \$12,500 and \$13,365. However, the major trend remains bearish and the daily RSI shows a fresh downtick. Support below \$12,500 is at \$12,000, while resistance above \$13,365 is at \$13,740.

### Trading strategy

The futures contract of Nickel on the MCX has confirmed a fresh break down indicating that the contract could weaken from current levels. Also, the major trend is bearish. Hence, traders can initiate fresh short positions on rallies with stop-loss at ₹950.

**THE HINDU**

DATE : 27 /2/2020 P.N.13

## India Cements surges, thanks to Damanis

SPECIAL CORRESPONDENT  
CHENNAI

India Cements Ltd. (ICL) shares rose 19.95% on the BSE on Wednesday, following the acquisition of its shares by investors Radhakrishnan Damani and his brother Gopikishan Damani.

The Damanis increased their stake in the company through open market deals in the BSE and NSE respectively.

In a regulatory filing, Mr. Gopikishan Damani said he had purchased 2.25 crore shares of ICL along with Mr. Radhakrishnan Damani and Shrikantadevi R. Damani and Derive Investments (partners – Mr. Gopikishan Damani and Mr. Radhakrishnan Damani).

Earlier, the Damanis had purchased 1.46 crore shares. With the current buy, their total stake in ICL rose to 11.98% from 4.71%.



## Seminar for Mining and Mineral Industry held

A TWO days National seminar on 'Recent practices and advancement in Mineral Industry' was organised at the Department of Mining Engineering, Visvesvaraya National Institute of Technology, recently. The seminar was organised under diamond jubilee celebrations of the Institute.

The inaugural function of the seminar was presided over by Chairman Board of Governor, VNIT, Vishram Jamdar.

Ajit Kumar Chowdhary, Director Technical (P&P), Western Coalfields Limited, Nagpur was the chief guest. P K Satpathy Director (Production), NMDC Ltd, Hyderabad, and Rakesh Tumane, Director (Finance), MOIL Limited were the guests of honour. Director of VNIT Prof P M Padole graced the occasion as patron.

Ajit Kumar Chowdhary highlighted various issues of coal industry with regards to steps taken for improving coal production and various eco-friendly activities.

The guests of honour painted the broad picture of iron and manganese industry.

Vishram Jamdarin, in his presidential address, emphasised the



Dignitaries releasing the proceeding volume with ISBN number, containing 63 technical papers during the inaugural function of the two-day national seminar.

need for more seminars and interactive programme to take up the future challenges of the Mineral industry.

Prof P M Padole Director, VNIT informed the gathering about developmental activities of the institute and the various events scheduled during ongoing Diamond Jubilee year.

More than 100 researchers, academicians and practicing Mining Professionals from various organisations like IIT, NIT, CIMFER, WCL, SECL, MOIL, HZL, SMS, NCL, SCCL and MCL participated in the seminar.

A proceeding volume with ISBN number, containing 63 tech-

nical papers was released during the inaugural function.

During the event, total 34 papers were presented in five different technical sessions.

During the function, Dr Rajendra Yerpude, Professor and Advisor introduced the chief guest and made supplementary remarks on signing of MoU between MOIL Ltd. and VNIT.

Head of the Department Dr I L Muthreja presented the Departmental report concerning academic and research activities.

The inaugural function was attended by Deans, HoDs, faculty of VNIT and officials from coal and mineral Industry.

## MCX-Zinc stays in the bear zone

### MCX Zinc



**AKHIL NALLAMUTHU**

BL Research Bureau

The March futures contract of Zinc Mini on the Multi Commodity Exchange (MCX) is in a substantial bear trend, as it continued to decline in the past week. The contract closed with a loss in the past five weeks, indicating a considerable bearish momentum. Moreover, the price lies well below the 21- and 50-DMAs. As there are no visible signs of reversal, the contract will most likely weaken in the coming days.

Corroborating the bearish outlook, the moving average convergence divergence (MACD) indicator on the daily chart has extended further into bear territory. On the other hand, though the daily relative strength index (RSI) is below the mid-point level of 50, it is also hovering around the over-sold levels. Both indicators are in the bearish zone.

On the back of the prevailing downtrend, the contract can be expected to decline further where the price might drop to ₹150. A break below that level might drag the contract to ₹144. But if the contract reverses trend and moves up, ₹159.7—the 23.6 per cent Fibonacci retracement level of the previous downswing—can act as a hindrance. Above that level, ₹164 can act as a resistance.

On the global front, the three-month rolling forward contract of Zinc on the London Metal Exchange (LME) tumbled in the past few trading sessions and registered new lows. On Tuesday, it marked the lowest price since July 2016 at \$2,026. The price action indicates further weakness and the nearest support is at the psychological level of \$2,000. The metal will be subject to considerable selling pressure as long as the price stays below \$2,100.

### Trading strategy

The metal continues to decline as the major trend remains bearish. The likelihood of an immediate recovery seems very low. Hence, traders can retain the bearish outlook and initiate fresh short positions on rallies with stop-loss at ₹162.

THE HITAVADA DATE : 29 /2/2020 P.N.10

## IBM to celebrate 73rd Foundation Day on March 1

### ■ Business Bureau

IN COMMEMORATION of its 73rd Foundation Day on March 1, Indian Bureau of Mines (IBM) would be invoking the pneuma of our country's Mining Strength and Mineral Wealth by celebrating this auspicious day as "Khanij Diwas". It was this day, i.e., March 1, 1948 on which Indian Bureau of Mines was established.

In remembrance of its Foundation Day which is celebrated as Khanij Diwas, a grand function will be organised at IBM Headquarters at Indira Bhavan on March 1 at 11.00 am. Indira Ravindran, Controller General I/c, IBM will preside over the function. Dr Vikas Mahatme, Member of Parliament (Rajya Sabha), has consented to be the Chief Guest and Dr Anupam Agnihotri, Director, JNARDDC, Nagpur, will grace the occasion

as guest of honour. P N Sharma, Chief Controller of Mines (I/c), IBM, will act as the Chairman of the Organising Committee.

To mark the occasion and as prelude to the Khanij Diwas celebrations, several welfare programmes have been organised. Among these were "Eye Check-up Camp" with the support of M/s Parakh Eye Care and "Blood Donation Camp" with the support of M/s GSK Foundation. Both these camps were organised at the premises of IBM Headquarters, Nagpur.

As extracted from the annals of history—pursuant to the deliberations of the Mineral Policy Conference that was held by the Department of Works, Mines and Power at New Delhi between 10 and 13 January 1947, it was decided that a National Mineral Policy should be formulated and pursued.



# ‘खनिज दिवस’ के रूप में स्थापना दिवस मनाएगा आईबीएम

व्यापार प्रतिनिधि | नागपुर।

भारतीय खान ब्यूरो 1 मार्च को अपना 73वां स्थापना दिवस खनिज दिवस के रूप में मनाकर देश की खनन शक्ति और खनिज संसाधनों के बेहतर उपयोग का आह्वान करेगा। 1 मार्च 1948 को भारतीय खान ब्यूरो की स्थापना की गई थी। भारतीय खान ब्यूरो के स्थापना दिवस की स्मृति में पूर्वाह्न 11 बजे भव्य समारोह खनिज दिवस

के रूप में भारतीय खान ब्यूरो (मुख्यालय), इंदिरा भवन सिविल लाइन्स में आयोजित किया जाएगा।

कार्यक्रम की अध्यक्षता प्रभारी महानियंत्रक भारतीय खान ब्यूरो इंदिरा रवीन्द्रन करेंगी। राज्यसभा सदस्य डॉ. विकास महात्मे मुख्य अतिथि होंगे, जेएनआरडीसी नागपुर के निदेशक डॉ. अनुपम अग्निहोत्री विशिष्ट अतिथि होंगे और पी. एन. शर्मा, प्रभारी मुख्य खनिज नियंत्रक

और आयोजन समिति के अध्यक्ष भी मंच की शोभा बढ़ाएंगे। इस अवसर को यादगार बनाने और खनिज दिवस के रूप में मनाने के लिए भारतीय खान ब्यूरो की ओर से बहुत सारे लाभकारी कार्यक्रम आयोजित किए गए हैं, इनमें नेत्र चिकित्सा शिविर (पारेख आई केयर की ओर से), रक्तदान शिविर (जीएसके फाउंडेशन की ओर से) यह दोनों शिविर भारतीय खान ब्यूरो परिसर में 28 फरवरी को आयोजित किए गए।

THE HITAVADA DATE : 29 /2/2020 P.N.9

## DGTR recommends anti-dumping duty on aluminium, zinc coated items from 3 nations

■ The Finance Ministry will take the final call to impose the duty. Countries carry out anti-dumping probe to determine whether their domestic industries have been hurt because of surge in cheap imports

NEW DELHI, Feb 28 (PTI)

THE Commerce Ministry's dumping probe arm DGTR has recommended anti-dumping duty on aluminium and zinc coated flat products from China, Vietnam and Korea to guard domestic players from cheap imports, according to a notification. It has recommended duty

in the range of USD 14.3-173.1 per tonne on the imports.

"Anti-dumping duty is recommended to be imposed on all imports of subject goods originating in or exported from these countries," the Directorate General of Trade Remedies (DGTR) said in a notification.

After completing the probe into the alleged dumping, the directorate concluded that aluminium and zinc coated flat products have been exported to India from these three countries below its normal value, which has resulted in dumping.

"The domestic industry has suffered material injury due to dumping," it added. JSW Steel Coated Products had filed an application before the DGTR for imposition of antidumping duty on the imports.

The directorate on the basis of sufficient evidence submitted by the applicant had initiated an investigation in April last year. The product offers resistance to corrosion, and is used in many applications and sectors including infrastructure projects, solar power projects, roofing, walling decking, cladding and framing, white goods and appliances, furniture and substrate for colour coated steel.

The Finance Ministry will take the final call to impose the duty. Countries carry out anti-dumping probe to determine whether their domestic industries have been hurt because of a surge in cheap imports.

As a counter measure, they impose duties under the multi-lateral regime of the World Trade Organisation.

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