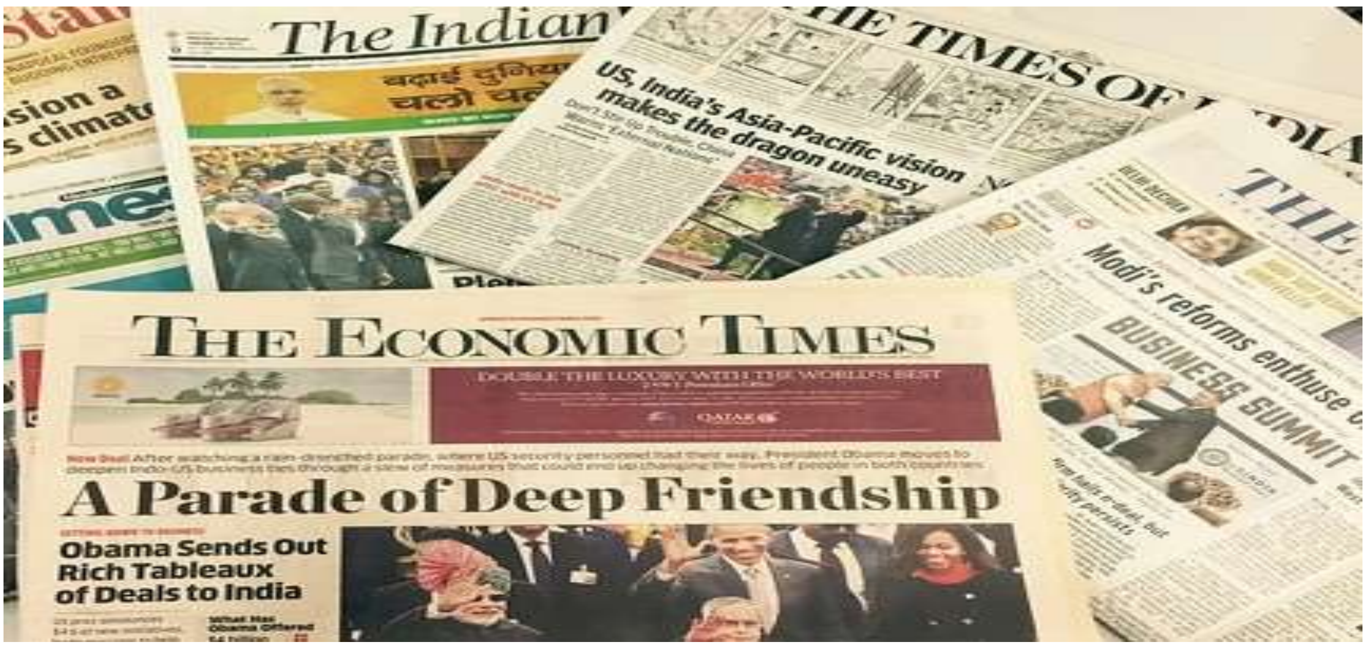
CLASSIFIED MINERAL NEWS



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FROM

CENTRAL LIBRARY

INDIAN BUREAU OF MINES

(16-30 APRIL 2017)

BUSINESS LINE DATE : 17/4/2017 P.N. 8

Raw Input

No concrete recovery for cement

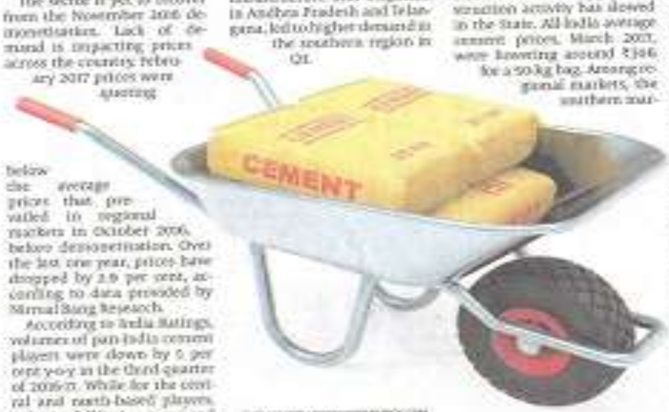
Demand revival delayed, mainly due to the demonetisation impact

MUTHUKUMAR K

Good times aren't setting in anytime soon for cement, going by the latest picture.

The sector is yet to recover from the November 2016 demonetisation. Lack of demand is impacting prices across the country. February 2017 prices were quoting below the average prices that prevailed in regional markets in October 2016, before demonetisation. Over the last one year, prices have dropped by 2.9 per cent, according to data provided by Nirmal Bang Research.

According to India Ratings, volumes of pan-India cement players were down by 5 per cent y-o-y in the third quarter of 2016-17. While for the central and north-based players, volumes fell by 3 per cent and 6 per cent respectively, they were, however, up 21 per cent for the southern region. Increased construction activity, spurred by investments into infrastructure and irrigation in Andhra Pradesh and Telangana, led to higher demand in the southern region in Q1.



Telangana and Andhra Pradesh are continuing to show signs of growth in demand, spurred by strong construction activity and pick-up in spends of government housing schemes. However, due to the political uncertainty in Tamil Nadu, as well as concerns over sand supply, construction activity has slowed in the State. All-India average cement prices, March 2017, were hovering around ₹306 for a 50-kg bag. Among regional markets, the southern market tops with an average price of ₹328, followed by eastern market at ₹318 and western market at ₹302 for a 50-kg bag. Prices of central and northern market were at ₹295 and ₹278 per 50-kg bag, respectively.

Cost savings

There has been some respite for manufacturers on the cost front. Petcoke prices softened in February and March. Cement manufacturers have increasingly been substituting coal with petcoke for production which, in turn, helped them save on costs.

Also, the Railways' discounts for long-term contracts, on assured freight volumes, could be leveraged to save further on costs. However, it remains to be seen if these cost savings will be passed on to the customers.

Delayed recovery

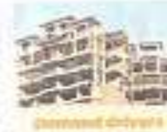
With demand recovery taking longer than usual in all the markets except in the south, many manufacturers have massively cut production in the past few months. During the months of December 2016, January-February 2017, production was down by 6.1 per cent, 13.5 per cent and 15.8 per cent, respectively, on a y-o-y basis. The per cent drop in the month of February was the highest in the last decade.

Latest figures indicate that industrial capacity utilisation touched a low of 60 per cent.

Rural housing (40 per cent), urban housing (25 per cent) and infrastructure (20 per cent) are major demand drivers for the industry. While the north and central markets were drastically impacted by the demonetisation and are yet to fully recover, the hope is that low-cost housing and investment into infrastructure, especially Roads and Railways, give a boost to demand.

Over the medium term, demand is expected to exceed supply with a slowdown in capacity addition. It will create the ground for better price appreciation in the future.

But for now, good times will take longer than the anticipated six months, in the wake of demonetisation. The southern market is relatively unaffected. However, onset of monsoon is likely to reduce construction activity in the region and keep prices lower.



Demand drivers

Rural housing, urban housing and infrastructure are major demand drivers for the cement industry

TIMES OF INDIA DATE: 17/4/2017 P.N. 1

Coal reforms result in lower power cost

Sanjay.Dutta
@timesgroup.com

New Delhi: Coal sector reforms initiated by the Narendra Modi government are beginning to pay. Initiatives to improve coal quality and efficiency in the supply chain have brought down the cost of power from coal-fired plants in spite of revisions in coal prices, central cess and railway freight in the last three years.

Decline in the cost of power has accrued mainly from power stations burning less coal to generate each unit of electricity on assured quality of domestic fuel. There is also import substitution worth ₹23,349 crore, which saves fuel costs.

Since cost of coal makes up 54%-60% of the price charged by power producers and is passed on to consumers, coal consumption has a bearing on tariffs and environmental dividend in terms of emissions.

Decline in the cost of power has accrued from power stations burning less coal to generate each unit of electricity

According to data, power stations are now burning 8% less coal than they used to three years ago for each unit of electricity. State-run NTPC, which accounts for 17% of all generation capacity and is the key supplier to states, reduced its coal consumption by 5.5% in 2016-17.

HITAVADA DATE: 18/4/2017 P.N. 1 & 7

City-based GSI scientists discover new coal deposit in MP's Sohagpur basin

Senior Geologist, GSI, Nagpur, Amit Soni (Right) receiving the National Geoscience Award 2016 at the hands of President of India Pranab Mukherjee. Union Minister Piyush Goyal and Secretary Mines, Arun Kumar look on.

- About 695 million tonne coal deposit found in 62 sq km area of Devanitola, Pachri and Bihar coal blocks in Madhya Pradesh
- Geologists honoured with National Geoscience Award 2016 for this discovery

By Kaushik Bhattacharya

A TEAM of Geological Survey of India (GSI) has discovered new coal deposits in Sohagpur Coal basin, in Madhya Pradesh which will increase the resource potential of the country.

Amit Soni, Senior Geologist, GSI, Nagpur and his team have identified 695 million tonne coal resource that is spread over an area of 62 sq km in Devanitola, Pachri and Bihar coal exploration blocks coming under Sohagpur Coal basin. This eventually has led to the discovery of potential areas with superior grade huge coal resources at considerably shallow depth.

Soni, sharing the success with 'The Hitavada', said, Sohagpur area is famous for coal mines in

(Contd on page 2)

City-based GSI scientists discover...

shallow depths that encouraged the team to conduct their investigation in the region. Significantly, out of the total resource of these blocks, around 660 million tonne (95 per cent) of coal resource is at considerably shallow depth (80 mt - 300 mt) category. Out of 660 million tonne of coal resources, more than 257 million tonne coal comes under superior grade.

These coal blocks will provide coal for power generation and for industrial use for long time in the region. The preliminary study was conducted way back in 2008 with the help of satellite images and sedimentary study, he added.

This approach has also encouraged further detailed work in adjacent areas and opened up future potential areas covered by Deccan trap further South and South-Western part of the coalfield. Beside industrial utility, it will contribute to the socio-economic development of the area and in nation's growth, Soni concluded.

Soni and his team thanked GSI Central Region (CR), especially N Kutumba Rao, Additional DG and HoD, GSI, CR, Nagpur, for his support.

GSI Central Region dominates National Geoscience Award

FOR this discovery, Amit Soni and his team won the prestigious National Geoscience Award 2016. The team including Manju S, Kailash Chandra Sahoo and Sayan Kahali won the team award for "Coal, Lignite and Coal Bed Methane Discovery and Exploration of Economic and/or strategic importance and application of innovative techniques".

President of India Pranab Mukherjee conferred the award to the team at Rashtrapati Bhavan in New Delhi. Minister of State (Independent Charge) of Power, Coal, New and Renewable Energy and Mines, Piyush Goyal graced the ceremony.

Secretary Mines, Arun Kumar; Secretary Department of Science and Technology, Prof. Ashutosh Sharma; Director General Geological Survey of India, M Raju; and senior officers of Ministry of Mines and other ministries and heads of geoscientific organisations also were present.

In last addition of National Geoscience Awards, 11 scientists from GSI Central Region bagged awards in different categories for their research. Dr Milind V Dhakate, Dr Gautam Saha, Dr R H Chavhan and Dr P T Ilamkar won the group

BUSINESS LINE DATE: 19/4/2017 P.N. 18

PICK OF THE WEEK

Short-term outlook is bearish for MCX-zinc

GURUMURTHY K

BL Research Bureau

Zinc, which was on a strong surge all through 2016, has been under pressure over the past couple of months.

With an whopping 60 per cent rally in 2016, zinc was a clear outperformer among the base metals last year.

Zinc futures contract on the Multi Commodity Exchange (MCX) skyrocketed 64 per cent from a low of ₹106 a kg to a high of ₹174 last year. But the contract failed to keep up the momentum as it stepped into 2017.

After making a high of ₹198.6 in February, the contract has been on a strong downtrend. It is currently trading at around ₹167.

On the global front, zinc prices on the London Metal Exchange (LME) made a high of $2.980 a tonne in February and has come-off from there to the current levels of $2,625 .

Outlook

On the charts, the short-term view is bearish for zinc prices. MCX-zinc has declined below the key 200-day moving average level of ₹170.

Also, there is a key resistance in the ₹173-₹175 region. As long as the contract trades below ₹175, it will remain under pressure.

The 38.2 per cent Fibonacci retracement level at ₹163 and the 55-week moving average at ₹160 are the key supports to watch which are likely to be tested in the coming days. If the contract manages to reverse higher from ₹160, it can rise to ₹170 or higher levels thereafter. In such a scenario, the contract may remain range bound between ₹160 and ₹175 for some time. But if the MCX-zinc futures contract declines decisively below ₹160, there is a strong likelihood of the downtrend extending to ₹150.

On the global front, if LME zinc prices manage to sustain above $2,600, an intermediate bounce to $2,700 is possible.

But a fall below $,2600 can drag it to $2,530 or $2,500. The level of $2,500 is a crucial support. A strong break below $2,500 will increase the danger of LME zinc prices tumbling to $2,430 or $2,400.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

BUSINESS LINE DATE: 19/4/2017 P.N. 20

NMDC, DMRL ink pact to tap tungsten assets

OUR BUREAU
Hyderabad, April 18

NMDC and Defence Metallurgical Research Laboratory (DMRL) on Tuesday signed an MoU to tap tungsten mineral assets in the country.

Tungsten (W) metal is of strategic importance because of its essential requirement in the manufacture of heavy alloy ammunition systems for the armed forces. Availability of tungsten in India is very limited and the mineral is not being mined as it is economically not viable.

The two PSUs will work together to prepare a Detailed Project Report for assessing the potential tungsten reserves in the country. The effort would also be to explore opportunities for acquisitions/sourcing tungsten minerals from abroad.

The agreement was signed at the NMDC corporate headquarters by PK Satpathy, Director (Production) of NMDC, and Samir V Kamat, Director on behalf of DMRL. Narendra Kumar Nanda, Director (Technical), NMDC, and SK Jha, Director (Production & Marketing), MIDHANI, were also present on the occasion.

China is the largest producer of tungsten producing more than 80 per cent of the world's production. At present, India's requirement of this strategic mineral is met through imports.

BUSINESS LINE DATE: 19/4/2017 P.N. 18

WEEKLY OUTLOOK

MCX-aluminium futures bounce from a key support

GURUMURTHY K
BL Research Bureau

The MCX-aluminium futures contract on the Multi Commodity Exchange (MCX) fell last week, breaking below the support at ₹124 a kg. However, the 21-week moving average at around ₹122 aided in halting the fall.

The contract made a low of ₹122.25 on Thursday and has reversed sharply higher from there on Monday. It is currently trading at around ₹124.

Immediate resistance is at ₹125. If the contract manages to surpass this hurdle, the downside pressure will ease. Such a break can take the futures contract higher to ₹128 initially. A further break above ₹128 will pave the way for a test of the crucial long-term resistance at ₹130.

On the other hand, if the contract fails to break above ₹125, it can remain range-bound between ₹122 and ₹125 for some time. A break below ₹122 can pull the contract lower to ₹121.5.

This level of ₹121.5 is a crucial support to watch. If the contract manages to reverse higher from this support, the downside pressure may ease once again. In such a scenario, the contract can rise to ₹125 and ₹126 again.

But the contract may come under pressure if it breaks below this support decisively. Such a break may trigger a fresh fall to ₹119 or ₹118.5 going forward.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

NAVBHARAT DATE: 20/4/2017 P.N. 5

NMDC और DMRL के बीच करार

ापार प्रतिनिधि

ागपुर. एनएमडीसी और इफेंस मैटर्जिकल रिसर्च बोरेटरी (डीएमआरएल) समझौता प्रस्ताव पर नएमडीसी के मुख्यालय हस्ताक्षर किए. निदेशक त्पादन पी.के. सत्पथी ने नएमडीसी की ओर से जबकि समीर कामत निदेशक ने डीएमआरएल की ओर से स्ताक्षर किए. नरेंद्रकुमार नंदा, एस.के. झा उपस्थित थे. इस करार के बाद दोनों ंपनियां मिलकर प्रोजेक्ट रिपोर्ट बनाएंगी, मूल्यांकन करेंगी. संभावित खनिज का ता भी लगाया जाएगा. टंगस्टन की उपलब्धता की खोज पूरे भारत में की जाएगी. ंगस्टन खनिज देश के विकास के लिए महत्वपूर्ण है. हेवी एलाय बनाने में इसका पयोग किया जाता है. हथियार बनाने वाली कंपनियों के लिए यह काफी जरूरी च्चा माल है. वर्तमान में चीन टंगस्टन का सबसे बड़ा उत्पादक है. आज भारत वल आयात पर ही निर्भर है.

HINDU DATE: 20/4/2017 P.N. 14

Coal India mines downgraded

'Recalibration of grading method to make power cheaper'

SPECIAL CORRESPONDENT
KOLKATA

Almost 41% of the samples collected from 386 mines of Coal India Ltd. have been downgraded after an analysis of 871 samples by the Coal Controller's Organisation.

"Recalibration of entire grading methodology is also going to help government in its mission to make cheap power available to common person," CIL said in a stock exchange filing on Tuesday.

The samples were from 'size-fractions and sidings' of 386 (of the 406) CIL mines. While 51.5% of the samples retained their grades, 40.7% were downgraded and 7.7 % were upgraded from the grade declared during 2016-17. "In most cases downgrading has been of one or two grades," CIL said, adding that as the coal was mainly sent to the power sector the sale realisation was based on the analysed grade. The impact on revenue could only be assessed after coal sampling and analysis over a reasonable period of time, CIL said.

The earlier practice entailed annual grade declaration by coal companies based on samples collected by them and analysed at accredited laboratories, with the CCO's approval obtained subsequently.

CIL said that independent grade certification will help it gain consumer confidence and avoid grade-slippages.

BUSINESS LINE DATE: 20/4/2017 P.N. 16

Mineral production up 3.3%

New Delhi, April 19

Mineral production of mining and quarrying sector was 3.3 per cent higher in February 2017 as compared to the corresponding period last year. An official statement from the Ministry of Mines said, "The total value of mineral production (excluding atomic & minor minerals) in the country during February 2017 was ₹22,395 crore." The contribution of coal was highest at ₹9,519 crore (43 per cent). Crude oil was second at ₹ 5084 crore, iron ore was at ₹2,763 crore. Next was natural gas (utilized), at ₹2,025 crore, lignite at ₹811 crore and limestone at ₹560 crore. These six minerals together contributed about 93 per cent of the total value of mineral production in February 2017. Gold production was 4 per cent lower and stood at 97 kg, Diamond production jumped 18.7 per cent at 4929 carat. OUR BUREAU

BUSINESS LINE DATE: 20/4/2017 P.N. 4

WEEKLY OUTLOOK

MCX-nickel under pressure

GURUMURTHY K

BL Research Bureau

The nickel futures contract on the Multi Commodity Exchange (MCX) has been in a downtrend since November 2016.

This trend has intensified in the past week. The bounce back move that had begun from the March low of ₹625.6 per kg was capped at ₹673.5 in the first week of April. Subsequently, the contract reversed lower sharply from this high and is currently trading at ₹610 per kg. The sharp 9 per cent fall in the past two weeks has dragged the contract well below its key ₹635-630 support zone, thereby adding to the downside pressure.

The psychological level of ₹600 is a key support to watch. If the contract manages to reverse higher from this level, an intermediate relief rally to ₹640 or ₹645 is possible in the near term.

Thus, a range bound move between ₹600 and ₹645 is possible. The region between ₹640 and ₹645 is a strong resistance zone which can cap the upside in the short term.

A couple of key trend-line resistances and the 21-day moving average are present in the ₹640-645 zone. As such an immediate break above ₹645 looks unlikely.

On the other hand, if the MCX-nickel futures contract declines below ₹600 decisively in the coming days, the selling pressure may intensify.

Such a break will increase the likelihood of the contract extending its downtrend to ₹550 or even lower thereafter.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

HITAVADA DATE: 20/4/2017 P.N. 11

Steel imports fall 36 pc to 7.4 MT in 2016-17

NEW DELHI, Apr 19 (PTI)

INDIA'S import of total finished steel fell 36 per cent to 7.4 million tonnes (MT) and exports jumped 102 per cent to 8.2 MT in 2016-17, according to an official data. In terms of production, too, the country did well, according to Joint Plant Committee's annual report on the sector for 2016-17.

Export of total finished steel rose 102.1 per cent in April-March 2016-17 to 8.244 MT as against 4 MT in same period of last year and dependence on import eased to 7.4 MT as compared to 11.7 MT in the preceding fiscal, it said. "During April-March 2016-17, crude steel production was 97.385 MT, a growth of 8.5 per cent, over the same period of last year," the report said.

The country recorded a crude steel output of 89.7 MT in 2015-16.

Consumption of steel also grew from 81.5 MT to 83.9 MT in 2016-17.

In March 2017, exports were up 363 per cent at 1.621 MT over the year-ago period while it rose 114 per cent as compared to the preceding month of February 2017 at 0.756 MT.

Imports in March, 2017 (0.8 MT) was down 19.7 per cent over March 2016 but was up 51.8 per cent over February 2017 at 0.491 MT, it added.

Overall, crude steel production in March 2017 (8.274 MT) was down by 0.5 per cent over March 2016 but was up 2 per cent over February 2017 at 8.084 MT, the data showed.

BUSINESS LIN DATE: 20/4/2017 P.N. 12

Nalco OFS: non-retail part oversubscribed

OUR BUREAU

New Delhi, April 19

The Centre's first stake sale of the fiscal in public sector National Aluminium received a hearty response, being subscribed 1.84 times by institutional investors. Data from the BSE revealed that on the first day of the offer-for-sale, 14.24 crore bids from non-retail investors were received for the 7.73 crore shares on offer. The Centre is selling 5 per cent of its stake or over 9.66 crore shares at a floor price of ₹67 in Nalco. It currently owns 74.58 per cent stake in the public sector unit. The two-day stake sale could fetch about ₹640 crore to the exchequer.

ECONOMIC TIMES DATE: 21/4/2017 P.N. 10

'Infra, Construction Thrust to Fuel Growth for Nalco'

ET Q&A

The National Aluminium Company (Nalco) hopes to gain from a rise in prices of aluminium and alumina, and China's move to cut capacity on environment concerns. In an interview with **Rakhi Mazumdar**, the company's chairman, **TK Chand**, said infrastructure, construction and the power sectors are the new segments that will fuel growth for the company. Edited excerpts:

What is your production target for this year?

We have targeted a 10% increase in the smelter output at 0.44 million tonnes in 2017-18, compared with 0.38 mt in 2016-17. It will amount to 96-97% of our smelter capacity of 0.46 mt. We are also looking at 100% capacity utilisation in bauxite mining at 6.82 mt and full capacity in alumina production of 2.1 mt.

How is Nalco placed vis-a-vis the global aluminium market?

The aluminium business is looking up globally. All variables in terms of volume and price seem to be in our favour. This is true not only for aluminium, but also for alumina. For the first time, in years, Nalco is also set to reap the benefits of an $80-90 per tonne spurt in alumina prices.

The Chinese have shut down smelters on environment concerns. How will it impact Nalco?

Price of aluminium has been on a steady rise from $1,700 per tonne in January to over $1,900 in April. The Chinese impact is likely to keep the market moving. Metal prices are expected to remain range-bound between $1,850 and $1,950 per tonne in the coming months. The combined impact of a spurt in volume and prices in alumina and aluminium will have strong impact on our financials.

Has alumina price hike helped?

Yes. Alumina is a strong armour for Nalco. We have seen prices which ha earlier remained stuck at $250-255 per tonne, firming up to $340-350 per tonne. Nalco is the lowest cost producer and one of the largest alumina producers globally.

What is the domestic demand scenario? Which are the newer segments that will fuel growth?

Aluminium demand is projected to grow at a robust 8-9% this year, a step ahead of GDP growth rate of 7.5%. Demand is strong from automobile and transport sectors, particularly from lighter and more fuel-efficient cars and high-speed trains. Major demand is also seen coming from the thrust on infrastructure, construction and power sectors. Aluminium is perceived as an environment-friendly metal and hence, will be in demand in future.

ECONOMIC TIMES DATE: 21/4/2017 P.N. 10

CO RAMPED UP production of zinc, lead to take advantage of higher zinc prices; experts give a sombre price outlook

Zinc Price Fall Means HZL Unlikely to Repeat Q4 Show

Jwalit.Vyas@timesgroup.com

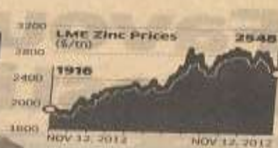
ET Intelligence Group: Hindustan Zinc (HZL) surprised the Street with better-than-anticipated March quarter numbers. Its sales almost doubled while earnings tripled year-on-year as the management ramped up the zinc and lead production in the quarter to take advantage of the higher zinc prices.

But, given the recent drop in the zinc prices, it may not be able to repeat the performance in the coming quarters. This may affect its stock considering the high valuation.

Highlights

March Qtr Financial Performance

	Q4FY17 (₹cr)	Y-o-Y % Chg	Q-o-Q % Chg
Sales from Operations	6,699	97.1	25
EBIDTA	3,770	190	37
PAT	3,057	42	42



March Quarter Performance

Revenue of the country's largest zinc, lead and silver producer rose by 97% year-on-year and by 25% sequentially to Rs 6,700 crore. This was mainly driven by higher production and better realisation in zinc, which contributed close to 80% of the company's revenues. Zinc's production increased by 39% year-on-year. Average zinc price realisation for the quarter was $2,770 per tonne compared with $1679 a year ago and $ 2,517 in the December quarter. As a result, earnings before interest, depreciation and tax (EBIDTA) nearly tripled to Rs 3,770 crore year-on-year.

Under Pressure

HZL's stock surged 5% after the company reported better than anticipated results. The company's performance in the coming quarters depends on the trend in zinc prices. Zinc prices on the London Metal Exchange (LME) have fallen by 11% since the beginning of April. Some commodity analysts have expressed a sombre price outlook for the medium term. At the current price of $ 2,548 per tonne, LME zinc is close to 200 days moving average. If it falls below this level, further down side cannot be ruled out.

High Valuations

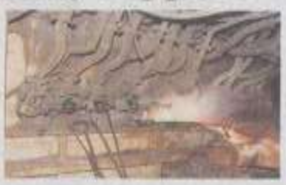
Even at an average zinc realisation of $ 2,850 per tonne, analysts expect EBIDTA of not more than Rs 13,000 crore in FY18. Considering this, the company's enterprise value (EV) is six times EBIDTA, which is similar to the peak valuations that global mining companies enjoy during good times. This puts a limit to the upside potential of the stock in the medium term.

BUSINESS LINE DATE: 21/4/2017 P.N. 16

WEEKLY OUTLOOK

MCX lead breaks key support

GURUMURTHY K
BL Research Bureau



The lead futures contract on the Multi Commodity Exchange (MCX) tumbled 6 per cent on Tuesday. This sharp fall dragged the contract below its key trend-line as well as the 200-day moving average supports at ₹143 a kg and ₹142 respectively.

The contract, however, has bounced back from its low of ₹136.3 and is currently trading at around ₹140. This reversal move lacks strength. Also, the ₹142-143 region can act as a strong resistance now.

It may restrict the contract's upside in the near term. Though a test of this resistance region is likely in the near term, a break above it is less likely as fresh sellers may emerge.

A subsequent reversal from the ₹142-143 resistance region can take the contract lower to ₹135 in the coming days. The level of ₹135 is a crucial support for the contract. The 55-week moving average and a trend-line support are poised around this level. Whether the contract reverses higher from this support or not will determine the next trend.

Upward reversal

An upward reversal from ₹135 may ease the downside pressure and increase the likelihood of a bounceback rally to ₹143 and ₹145. But a strong break below ₹135 will increase the selling pressure and drag the MCX lead futures contract lower to ₹130 or even lower levels thereafter.

Note: The recommendations are based on technical analysis and there is a risk of loss in trading

BUSINESS LINE DATE: 21/4/2017 P.N. 12

Nalco stake-sale sails through; govt set to mop up ₹1,200 cr

Retail investors put in bids for 3.17 times shares on offer

OUR BUREAU
New Delhi, April 20

The Centre's first stake-sale in a public sector undertaking received robust response with the retail portion of the disinvestment in National Aluminium Company subscribed 3.17 times.

Data from the BSE on Thursday showed that retail investors put in bids for 11.29 crore shares as against 1.93 crore shares (base offer size) and 1.62 crore shares (greenshoe option) reserved for them. The retail investors were also offered a 5 per cent discount on the floor price of ₹67.

On Wednesday, the stake-sale was subscribed 1.84 times by institutional investors for the shares reserved for them. With this, the Nalco stake-sale has been fully subscribed by both institutional and retail investors.

In all, the share-sale received bids worth ₹1,200 crore. The Centre will retain full oversubscription under the greenshoe option that allows sale of more shares than what was originally planned. While the Centre planned to sell 9.66 crore shares as part of the disinvestment in Nalco, it had kept an oversubscription option to sell an additional 9.66 crore shares — 7.73 crore shares to institutional investors and 1.62 crore shares to retail investors.

To shed 9.2% instead of 5%

This means that the Centre is likely to shed 9.2 per cent of its stake in Nalco, although it had initially proposed a 5 per cent stake-sale. Prior to the disinvestment, the Centre held 74.58 per cent stake in the public sector unit.

Shares of Nalco gained 0.52 per cent to end at ₹68.10, on the BSE.

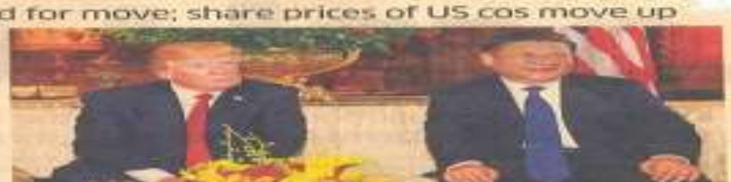
ECONOMIC TIMES DATE: 22/4/2017 P. N. 9

Trump Targets Cheap Chinese Steel in Probe

Security concerns citied for move; share prices of US cos move up

Steve Holland & Mike Stone

[illegible]



Friend & Foe: US President Donald Trump and Chinese President Xi Jinping — AP

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...Steel Stocks in Asia too Rise

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TELEGRAPH DATE: 23/4/2017 P.N. 8

Grade recast to hurt CIL earnings

A STAFF REPORTER

Calcutta, April 22: The downward revision of coal grades across the mines of Coal India may impact its sales realisation and revenue in 2017-18.

Research firm Jefferies India has estimated that the realisation for lower grades of coal may be affected by 5-12 per cent. For higher grades, the impact will be around 4-31 per cent.

There are 17 grades across different calorific values, with prices ranging from Rs 470 per tonne to Rs 3,600 per tonne.

"The grades of 41 per cent of CIL's operating mines have been downgraded by one or two notches. If there is a slip by a grade, the effective FSA (fuel supply agreement) price could fall by Rs 40-70 per tonne for lower grades (G12-17) and Rs 120-850 per tonne for higher grades," the company said in a recent report.

"We have trimmed our FY18 average realisation estimate by 2 per cent, factoring in the partial impact of grade revision, raised our e-auction realisation estimates and lowered the wage cost provision," the report added.

In absolute numbers, the average FSA realisation is seen at Rs 1,311 per tonne against the earlier estimate of Rs 1,338 per tonne.

The revenue estimates were also lower by 1.4 per cent at Rs 86,744 crore against Rs 87,946 crore forecast earlier.

CIL sources, however, maintained that the impact on revenue could only be assessed based on an analysis over a reasonable period of time.

"According to the prevalent procedure, initial bills are raised based on the declared grades. Adjustment in the bills is made based on the results of the analysed grade," Coal India had said in a communication to the stock exchanges.

Coal sales to power utilities are based on third-party sampling. The final sale price is based on the realised grade rather than the declared grade.

The coal controller has reassessed the grades of around 94 per cent of the operational mines. Of the 871 samples collected from 386 mines, 41 per cent were downgraded.

Among the subsidiaries, the impact of the revision will be felt more by Mahanadi Coalfields Ltd and South Eastern Coalfields Ltd (SECL). In the case of Mahanadi Coalfields, nine mines and sidings have been revised downwards by a grade.

In the case of SECL, 45 mines (mostly small) have been downgraded. Key mines, including Gevra, Dipka, Kusmunda, which account for around 65 per cent of SECL's production, remain unaffected.

The impact of the grade revision on subsidiaries such as Eastern Coalfields and Bharat Coking Coal Ltd are limited, Jefferies said in its report.

"Coal India has already hiked the prices for non-coking and coking coal in FY17. While another price hike in the near term appears unlikely, we do not rule out the possibility," the report added.

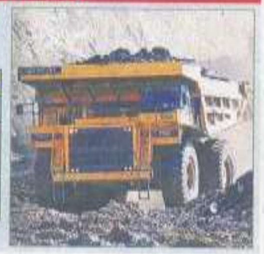
The research firm also expects a 7 per cent growth in offtake at 581 million tonnes in 2017-18 on the back of improving demand.

QUALITY CONCERN

Estimates for CIL performance in 2017-18
Revenue in Rs crore, FSA and e-auction realisation in Rs per tonne, change in %

	Old	New	Change
Revenue	87,946	86,744	-1.4
FSA realisation	1,338	1,311	-2
e-auction realisation	1,643	1,684	+2.5

Source: Jefferies report



HITAVADA DATE: 23/4/2017 P.N. 1

Gold reclaims 30K-mark; silver eases further

NEW DELHI, Apr 22 (PTI)

GOLD prices reclaimed the Rs 30,000-mark for the first time in over six weeks by climbing Rs 200 per 10 grams on Saturday, tracking a firm trend overseas amid increased buying by local jewellers. However, silver eased further by Rs 100 to Rs 41,700 per kg due to reduced offtake by industrial units and coin makers. In the National Capital, gold of 99.9 and 99.5 per cent purity surged by Rs 200 each to Rs 30,000 and Rs 29,850 per 10 grams, respectively. The precious metals had lost Rs 100 in last two days. Sovereign, however, remained flat at Rs 24,500 per piece of eight grams. Silver ready traded lower by Rs 100 to Rs 41,700 per kg and the weekly-based delivery by Rs 110 to Rs 41,270 per kg. Silver coins continued to be traded at previous level of Rs 72,000 for buying and Rs 73,000 for selling of 100 pieces.

HINDU DATE: 23/4/2017 P.N. 11

To work with Indonesia on coal: Goyal

PRESS TRUST OF INDIA
NEW DELHI

India and Indonesia have agreed to explore cooperation in areas like oil, coal, electricity and energy efficiency, Power Minister Piyush Goyal said.

"[The] two sides have agreed to explore cooperation in a number of areas such as upgrading of refineries in Indonesia, relocation of gas-based plants from India to Indonesia, sharing of experience in use of LEDs and renewable energy in India, sharing the expertise of Indonesia in gasification of fuel oil, exploration of oil, gas and coal fields," Mr. Goyal said.

Mr. Goyal and Indonesian Energy and Mineral Minister Ignasius Jonan met on April 20 during the first 'India Indonesia Energy Forum' in Jakarta. According to a statement, Mr. Goyal requested Mr. Jonan to consider joining International Solar Alliance as Indonesia is a solar-rich country.

LOKMAT SAMACHAAR DATE: 23/4/2017 P.N. 6

खाणबाधित क्षेत्रासाठी ४३ कोटींचे नियोजन

पिण्याचे पाणी, आरोग्य व शिक्षणावर खर्च करा : पालकमंत्री बावनकुळे यांचे निर्देश

नागपूर : खनिजबाधित क्षेत्रासाठी ४३ कोटी रुपयांचे नियोजन करण्यात आले आहे. या क्षेत्राच्या विकास करताना पर्यावरण, आरोग्य, शिक्षण आदी सामाजिक व आर्थिक विकासाला सहाय्यक होणाऱ्या योजनांचा समावेश करा तसेच संबंधित लोकप्रतिनिधींना विश्वासात घेऊन प्रस्ताव तयार करा, अशा सूचना पालकमंत्री चंद्रशेखर बावनकुळे यांनी दिल्या.

जिल्हाधिकारी कार्यालयाच्या सभागृहात जिल्हा खनिज प्रतिष्ठानची बैठक पालकमंत्री चंद्रशेखर बावनकुळे यांच्या अध्यक्षतेखाली आयोजित करण्यात आली होती. त्याप्रसंगी मार्गदर्शन करताना ते बोलत होते. यावेळी आ. डॉ. मल्लिकार्जुन रेड्डी, आ. सुधीर पारवे, आ. समीर मेघे, जिल्हाधिकारी सचिन कुर्वे, मुख्य कार्यपालन अधिकारी डॉ. कादंबरी बलकवडे, ग्रीन व्हिजन संस्थेचे कौस्तुभ चॅटर्जी, खाणपट्टाधारकांचे प्रतिनिधी एस.एम. बोरीकर, के.एस. बोरीकर, के.एस. दिवे, एस.डी. मांगले, जिल्हा खनिकर्म अधिकारी एस.पी. काळू आदी उपस्थित होते.

घरपोच रेशन पुरवठा

खाण क्षेत्रात विकास कामे प्रस्तावित करताना ज्या ग्रामपंचायती पिण्याच्या पाण्याचे विद्युत देयक भरण्यास सक्षम नाही, अशा ठिकाणी सोलर पंप बसविणे, आरोग्य केंद्रांना सोलरद्वारा वीज पुरवठा, शालेय विद्यार्थ्यांना पोषण आहारामध्ये अंडी व दूध पुरविणे तसेच या भागातील नागरिकांना घरपोच रेशन पुरवठा करणे. पर्यावरण शिक्षण आरोग्य सुविधा. डिजिटल शाळा, आदी प्रस्ताव प्राधान्याने तयार करण्याच्या सूचना पालकमंत्र्यांनी बैठकीत दिल्यात. खनिज प्रतिष्ठान निधी मधील प्रस्तावित केलेल्या कामांना उच्चाधिकार समितीकडून मान्यता मिळाल्यानंतर योग्य कामांचे नियोजन करा तसेच प्रत्येक तीन महिन्यात कामांचा आढावा घेऊन फलश्रुती नोंदवा, अशा सूचनाही यावेळी पालकमंत्री चंद्रशेखर बावनकुळे यांनी दिल्यात.

खाण व खनिजे विकास व नियम अधिनियमांतर्गत जिल्ह्यात जिल्हा खनिज प्रतिष्ठानाची स्थापना करण्यात आली असून, प्रमुख व गौण खनिज पट्टाधारकांकडून स्वामित्व निधी म्हणून ४३ कोटी रुपयांचा निधी गोळा झाला आहे. या निधीपैकी खाणबाधित क्षेत्रासाठी २८ कोटी ६६ लक्ष रुपयांचे व इतर क्षेत्रासाठी १४ कोटी ३४ लक्ष रुपये विविध विकास कामांवर खर्च करण्यात येणार आहेत. ६० टक्के निधी पिण्याचे पाणी, पर्यावरण, आरोग्य, शिक्षण, कौशल्य विकास आदी नऊ बाबींवर करावयाचा संपूर्ण विकास खर्च संबंधित आमदारांनी दिलेल्या प्रस्तावाप्रमाणे प्रत्येक बाधित क्षेत्रानुसार निधी व विकास कामांचे नियोजन करून प्रस्ताव ३० एप्रिलपर्यंत सादर करावेत, अशा सूचना पालकमंत्री चंद्रशेखर बावनकुळे यांनी दिल्या.

जिल्हाधिकारी सचिन कुर्वे यांनी यावेळी माहिती देताना सांगितले की, जिल्हा खनिज प्रतिष्ठानामध्ये ४३ कोटी रुपयांचा निधी उपलब्ध असून उमरेड, रामटेक, हिंगणा आदी खाण क्षेत्रातील विकास योजनांसाठी ४७५ प्रस्ताव सादर झाले आहेत. यापैकी बाधित क्षेत्रातील २१८ अप्रत्यक्ष बाधित क्षेत्रातील २५६ प्रस्तावांचा समावेश आहे.(प्रतिनिधी)

BUSINESS LINE DATE: 24/4/2017 P.N. 16

Kobelco upbeat on demand from roads, mining sectors

Japanese major launches new gen mining excavators; to expand plant in Sri City

V RISHI KUMAR

Hyderabad, April 23

Japanese construction equipment major Kobelco has embarked on a phased consolidation of its manufacturing facility located at Sri City in Andhra Pradesh, while awaiting nod from the head office in Tokyo to take up the next phase of expansion.

The company, which has been operating in India for 10 years, is upbeat on the country's construction equipment market, with strong demand projected from the roads and mining sectors.

Yutaka (Mike) Goto, Managing Director & CEO, Kobelco Construction Equipment India, said: "The 2,000 units per annum manufacturing plant set up at Sri City is operating at near full capacity, mainly meeting domestic requirement and some exports. We are now in the process of further enhancing the production by internal efficiencies.

"However, given the huge demand from the market for construction equipment, we are looking at taking up expansion of the manufacturing base and are awaiting the nod from the parent. It is under their consideration."

Towards efficiency

Launching new generation mining excavator models SK220XDJ SK220XDLC in the 20-24 tonne segment, Goto said: "From the day Kobelco started operations in India 10 years ago, we continue to provide innovative solutions to customers based on their feedback. The new models spread the message 'Power meets efficiency'."

(From left) Yutaka Goto, MD & CEO, Kobelco Construction Equipment; Vikram Sharma, Advisor and former MD of Kobelco in India; and Rajiv Sanghvi, ED, Automotive Manufacturers, during the launch of Kobelco's new generation excavation models (right), in Hyderabad G RAMAKRISHNA

Kobelco Construction Machinery, the Tokyo-headquartered company founded in 1930, is a subsidiary of Kobe Steel Ltd. The Indian arm has the capacity to produce about 2,000 units per annum.

"With the manufacturing capacity almost hitting its upper limit, we are currently in the process of further improving productivity within the existing plant. Once this is completed, we will take up further expansion," said Vikram Sharma, Advisor and former MD of Kobelco in India.

Referring to the domestic market, Sharma said there has been gradual uptake for equipment in the past two years after abou three years of slowdown. Star ing with roads, gradually othe sectors have shown positiv growth. This will lead to mor equipement sales, he said.

Pick-up in activity

Rajiv Sanghvi, Executive Dir ector, Automotive Manufactur ers Pvt Ltd, said: "The demanc has steadily been growing fo Kobelco equipment. Last year we sold more than 192 units in AI and Telangana. With construction activity picking up, we see demand for Kobelco equipment going up in a number of sectors."

The country's $3.5-billion construction equipment market is witness to rapid growth over the past year after three-four years of tepid growth.

Given the focus on the infrastructure sector, the demand for equipment is projected to accelerate.

BUSINESS LINE DATE: 24/4/2017 P.N. 13

TELEGRAPH DATE: 24/4/2017 P.N. 12

New steel policy soon, says Minister

OUR BUREAU

Visakhapatnam, April 23

The Centre will announce a new steel policy soon after obtaining the Cabinet clearance and the policy will address many issues that have been pending for a long time and it will enable the country achieve the target of 300 million tonnes of production by 2030, according to Union Steel Minister Chaudhary Birender Singh.

He was talking to reporters in the Visakhapatnam steel plant here on Sunday at the end of his two-day visit to the plant and the city. He said a Cabinet note was being prepared to make the use of steel made in the country compulsory in Government projects.

He advised the Visakhapatnam steel plant to take advantage of the huge demand for steel in the several projects being taken up by the Andhra Pradesh Government in the aftermath of bifurcation, including the construction of the new capital Amaravati.

He praised the Rashtriya Ispat Nigam Ltd (Visakhapatnam steel plant) for completing the expansion project and said the plant had a great advantage in having two ports in its vicinity. The plant was moving towards achieving international standards of efficiency, he said.

Earlier, on Saturday, the Minister inaugurated a 120-MW gas-based power plant built at a cost of ₹677 crore. The power plant uses blast furnace gases. The Minister said it was also a green initiative.

Cement rates beat note ban blues

PINAK GHO[illegible]

Calcutta, April 23: Cement prices have crawled up to the pre-demonetisation level following successive price hikes across the western, eastern and southern markets even as rates in the north have remained steady.

While cement manufacturers and market analysts have attributed the price rise to a recovery in demand after demonetisation, real estate developers are worried about the spike in raw material costs.

Data collected by research firms suggest that average cement prices at the wholesale level in April has reached close to the October rates across the country.

Regional trends suggest the price movement is more acute in the west (Ahmedabad), east (Calcutta) and south (Hyderabad), according to data compiled by research firm Icra.

Replying to queries from **The Telegraph**, Icra said prices had declined in Ahmedabad by 17 per cent between October 2016 and January 2017.

"With the impact of demonetisation gradually subsiding, prices increased 6 per cent in February, 4 per cent in March and 8 per cent in April on a month-on-month basis," Icra said.

In Calcutta, prices had declined 6 per cent in December 2016 and 2 per cent in January 2017 month-on-month, while the overall decline between November and January was around 7 per cent.

PRICE SPIKE

"In the east, while there is increased supply from recent capacity expansion, the demand is also strong to support the increase in cement prices by 3 per cent in March and another 3 per cent in April month-on-month basis," said Icra.

Prices in the south saw the sharpest rise after a decline of 13 per cent between November and March.

"There has been a steep hike in cement prices in April 2017 by over Rs 60 per bag (27 per cent) on a month-on-month basis. This has largely been driven by supply moderation and pricing discipline. This is currently higher than that in October last year of around Rs 20 per bag," ICRA said.

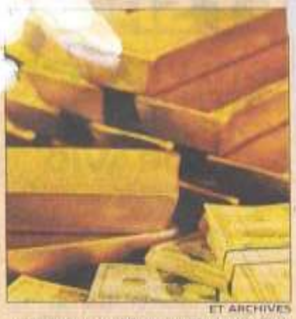
According to cement manufacturers, the price hike is on account of demand improving after demonetisation.

ECONOMIC TIMES DATE: 25/4/2017 P.N. 15	BUSINESS LINE DATE: 25/4/2017 P.N. 16

Gold Loan Cos Expect 15-28% Growth in FY18

Positive outlook conditional on benign gold prices and no economic disruptions

Sutanuka.Ghosal
@timesgroup.com



ET ARCHIVES

Kolkata: Gold loan NBFCs such as Manappuram Finance and Muthoot Fincorp are expecting a growth of 15-28% in the current financial year in gold loan business if gold prices stay the way they are, and there are no major disruptions to the domestic and global economy.

They also expect that growth in the overall gold loan business in the country will take some time to get back to earlier levels as the informal sector, which bore the brunt of demonetisation, is yet to fully recover from its impact.

World Gold Council estimates informal sector to make up 60-70% of the gold loan market

"Gold prices have been showing firmness since January 2016 and it has certainly helped in the growth of the business since then. But the growth momentum was interrupted with the demonetisation announcement and the consequent cash shortage affected our normal operations for a while. Since then, the cash situation has improved, but the informal sector is yet to get back to its feet. Therefore, we may have to wait for some more time growth for gold loans to get back to earlier levels," said VP Nandakumar, CEO, Manappuram Finance.

"My own view is that a growth of 10%-15% is achievable assuming gold prices hold steady at current levels, and hopefully there are no major disruptions to the domestic and global economy," he said.

Pledging gold as collateral has been a regular feature of India's gold market. For generations, farmers have used gold as a means of financing, often pledging it as collateral to raise funds to cultivate next year's crop. This lending has mostly been informal, observes World Gold Council, adding that although there is no hard data available even now, the informal sector probably accounts for around 60%-70% of the gold loan market.

Thomas George Muthoot, director, Muthoot Fincorp, said that demand for gold loans has been steady in the past one year. "We had a growth of 28% last fiscal, and expect similar growth in the current year as well. It can be higher if gold prices move north, which is expected."

The NBFCs, however, do not see anticipate any tweaking of interest rates. "As a rule, gold loans are short term, small-ticket loans where borrowers are in the high risk portfolio and hence less price sensitive," said Nandakumar.

Meanwhile, gold fell more than 1% on Monday to its lowest in nearly two weeks after centrist candidate Emmanuel Macron won the first round of French presidential election, boosting stocks and sparking a sell-off in the safe haven bullion.

WEEKLY OUTLOOK

MCX-aluminium tests a near-term resistance

GURUMURTHY K
BL Research Bureau

The MCX-aluminium futures contract on the Multi Commodity Exchange (MCX) reversed higher in the past week. The contract made a low of ₹121.8 on Tuesday and bounced back from there. Technically, the support at ₹121.5 has held very well. However, the contract is lacking strength to break above ₹125 decisively over the last couple of trading sessions.

It made a high of ₹126.35 on Friday and has dipped slightly from there. It is currently trading near ₹124.5. Inability to break and decisively close above ₹125 may increase the likelihood of the contract falling to ₹122 and ₹121.5 once again.

A strong break below ₹121.5 can drag the contract lower to ₹119 or ₹118.5.

On the other hand, if the contract breaks above ₹125 in the coming sessions decisively it can rise to ₹128 initially.

Further break above ₹128 will see the upmove extending to ₹130. As being reiterated in this column over the last few weeks, the region around ₹130 is a key long-term resistance. Whether the contract breaks above ₹130 or not will be deciding the next leg of move. A strong break above ₹130 will open doors for a fresh rally to ₹135 and ₹140. But a reversal from ₹130 will see a fall to ₹127 and ₹125.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

HITAVADA DATE: 25/4/2017 P.N. 10

Steel traders demand to withdraw Draft Rules of e-Way Bill

■ Business Bureau

STEEL and Hardware Chamber of Vidarbha has submitted a memorandum to the GST Council to withdraw Draft Rules of e-Way Bill as they are against the interest of trade and industry.

The Chamber said traders and MSME sector had accepted the deformed version of GST with a very heavy heart, anticipating that 'Ache Din' will come in due course of time and India will adopt the international best practices devised over the time by the nations which have implemented GST since decades.

The Chamber protest and demanded withdrawal of Draft Rules for the following reasons.

1. Draft Rules demonstrate that the framers of rules are either not aware about the ground realities, the working of different markets and the pathetic condition of required infrastructure, i.e. internet speed and its seamless connectivity, to implement the rules on pan India basis or have turned a blind eye to these aspects.

2. Draft Rules do not exempt a composite supplier from the tedious compliance proposed therein.

3. Draft Rules nowhere disclose the nature/kind of information which is required to be furnished in Part - A & B of GSTN INS-1 form. Further opportunity should be given for submission of comments once details are made available in public domain.

4. Proviso to sub-rule 1 and 5 of the Draft Rules expects an unregistered person to login to the common portal and furnish details.

5. Draft Rules results in duplication of compliance i.e GST INV-1, GSTR-1 and now GSTN INS-1.

6. Draft Rules are either silent on, or do not address, the following aspects -

a. Effect of rejection of e-Way Bill under Rule 1(8) of the Draft Rules by the recipient of goods as shown by the supplier.

b. Effect of expiry of validity of e-Way Bill generated by the consignor/consignee while goods are in transit, but the consolidated e-Way Bill generated by the transporter is valid.

c. Process to be adopted by transporter in the event of breakdown of his vehicle carrying 100 metric tonne (MT), under single tax invoice with single e-Way Bill, and if the consignment is required to be split into 4 vehicles of 25 MT each, then how the split consignment will comply with the provisions of Rule 2 i.e. documents to be carried by a person-in-charge of a conveyance.

d. Protecting and ensuring the right to livelihood of self-employed single vehicle owner.

7. Validity of 'One day' is prescribed for an e-Way Bill generated for transportation of goods within 100 km; thus the e-Way Bill issued in late hours viz. say at about 10 pm will expire at midnight of the date of issuance because the explanation to Rule 1 (7) is ambiguous as it is in contradiction to the unit of validity period prescribed.

8. It appears that draftsmen of the Draft Rules have not envisaged the quantum of load the GSTN portal would encounter if an unregistered person (individual) causes the movement of goods in his own conveyance, valuing above Rs 50,000, for reasons other than supply, procured from an unregistered person; has to generate e-Way Bill from the common portal. Majority of population will be required to seek registration on portal.

9. The restriction prescribed under Rule 4 (2) for only one physical verification of goods in transit and further verification, if any, is subject to rider prescribed therein is just eyewash, in the light of timeline given to officers for recording the verification and submission of final report in Rule 4 (1). The consignment in transit can become subject to multiple physical verification at different locations for want of online recording of first verification.

Further while drafting Rule 5, the modus operandi of revenue officers is overlooked (officers at the first instance take all communication device i.e. phones in their possession) is overlooked.

Thus, though both the Rules 4 & 5 are drafted to portray that GST officers are made accountable but in reality immense harassment to transporters in particular and assesses in general has been provided.

10. Board while proposing the Draft Rules has lost sight to the fact that the GSTN portal would be put to use for the first time from appointed day. We do not doubt the ability of concerned department in designing and testing of common portal, but it appears that Board has not considered the experience of Ministry of Corporate Affairs (MCA), Income-Tax, IRCTC where it took them about a decade to streamline the operations and more particularly the experience of MVAT Department/MSTD when they introduced structural changes in their return filing and its processing as a step to adopt the GST module from April 1, 2016. In their endeavour to educate dealers they gave live demonstrations of new module but after implementation they took about 6 months to make the system operational.

11. It is pertinent to mention here that we did not object to proposed cumbersome return filing process because professionals are available to make compliance of return filing process but for compliance of formalities of uploading information and generating e-Way Bill the infrastructure and manpower has to be deployed by assessee at his end.

In the light of above submissions we earnestly request you to withdraw the Draft e-Way Bill Rules and save the small traders including MSME in particular and business community in general from the harassment of such tiresome, tedious and repetitive compliance, informs a press release by Sanjay K. Agrawal, Secretary of Steel & Hardware Chamber of Vidarbha.

BUSINESS LINE DATE: 26/4/2017 P.N. 16

WEEKLY OUTLOOK

Limited upside for MCX zinc

GURUMURTHY K
BL Research Bureau

The zinc futures contract on the Multi Commodity Exchange (MCX) fell last week to test the crucial support region of ₹160-161.

This support zone is holding well as of now. The contract has bounced a bit higher after touching a low of ₹161.9 on April 18.

However, this bounce-back move does not have strength.

Also, the 200-day moving average at ₹170 is limiting any up move extension.

The contract tested this 200-day moving average resistance on Friday and has come off from the high of ₹170.6.

It is currently trading at ₹167.35.

The immediate outlook is not clear. The weekly candlestick chart suggests the possibility of a sideways move between ₹160 and ₹170 for some time.

A breakout on either side of ₹170 or ₹160 will then decide the next leg of the move for it.

A strong break below ₹160 will increase the downside pressure. Such a break may drag the contract lower to ₹150, the 50 per cent Fibonacci retracement support level.

On the other hand, if the MCX-zinc futures contract manages to cross the ₹170 hurdle decisively, it can rise to ₹178 or ₹180 thereafter.

Such a rally will keep intact the long-term uptrend that has been in place since January 2016.

A further break above ₹180 will then pave the way for a re-visit of ₹200 or even higher levels over the medium term.

Note: The recommendations are based on technical analysis and there is a risk of loss in trading

ECONOMIC TIMES DATE: 27/4/2017 P.N. 15

'Govt's Infra Thrust Biggest Demand Driver for Cement'

ET Q&A

The slowdown in the cement sector will be arrested and demand could grow by 4-6% in the next fiscal, according to UltraTech Cement managing director KK Maheshwari. In an interview to **Rajesh Naidu** and **Baiju Kalesh**, Maheshwari said the drivers of growth will be low-cost housing and infrastructure. Edited excerpts:

NITIN SONAWANE

The cement industry has been de-growing over the last few years. When do you see a reversal?

In India, fundamentally very interesting themes are emerging which are similar to countries which have grown faster than us. Take China, for instance. Demand in the initial phase of growth was driven by growth in infrastructure, followed by growth in industrial and commercial segments. In India, today, the biggest demand driver is the government's thrust on infrastructure. The government's thrust on infrastructure is increasing, with the pace gaining in the construction of roads, highways and even irrigation, water supply and water management. These themes in the [illegible] to play out well in the coming years.

When do you see demand rising?

There are three components which would drive demand for cement. First, it is housing, which is 60-65% of the total demand. Then there is infrastructure, which forms 20-25% of the total demand. And the remaining demand comes from commercial and industrial sectors. What we have observed is that in whichever areas infrastructure has done well, the housing segment has also done well. In the commercial/industrial segment, it is a matter of time that cement demand will pick up. The demand momentum is there. It is a bit scattered now. In certain regions, the growth momentum is quite high. In the east and the south, demand momentum is quite high, thanks to a pickup in the infrastructure segment. There has been reasonable demand growth from the roads segment in Maharashtra. In the next year, we can expect 5-6% growth in cement demand.

In April, cement prices have seen the steepest rise. Is this rise sustainable and does it mean that you prefer more margins over volumes?

UltraTech is a premium brand and we have positioned our brand in a different category. As far as volumes are concerned, we would like to maximise it. Overall, the industry has been de-growing. When the whole industry is in de-growth phase, there is little scope for growth in volume. But on a quarter-on-quarter comparison, we have clocked healthy volume growth of 18%. Given this, the strategy of preferring margins over volumes is a function of demand. If demand is high, only then one can we have significant growth in either of the parameters

TIMES OF INDIA DATE: 28/4/2017 P.N. 14

BUSINESS LINE DATE: 28/4/2017 P.N. 14

Reduce import duty on gold, says Niti Aayog

Govt's Think Tank Wants Curb On Smuggling

Times News Network

New Delhi: Niti Aayog, the government's think tank, has called for reducing import duty on gold to clamp down on smuggling and make the yellow metal available for small and medium firms.

"Reduction in customs duty will not only reduce incentives for illegal transactions but it will also help ensure availability of gold for small and medium firms, thereby increasing share of gold jewellery produced by the sector," the Aayog said in its draft three-year action agenda, which will replace the five year plan.

The recommendations are part of a wider strategy to create jobs in various labour intensive sectors. The government had re-introduced import duty on gold in 2013 to trim current account deficit. The duty is now at 10%.

"Imposition of the duty has created incentive for traders to smuggle gold. At the buyer level, it has created a monetary incentive to pay for gold in cash in exchange for a cheaper price," said the draft action agenda. There have been demands in the past to reduce the import duty on gold but the government has so far not moved on the issue.

The think-tank also backed deeper labour reforms to help entrepreneurs accelerate creation of regular salaried jobs. It identified two simple reforms which could be considered right away — fixed-term employment and definition of start-ups.

"Recently fixed-term employment has been introduced in the textiles and apparel industry. This option may be extended to contract workers. The change will encourage employers to rely on regular fixed-term employment instead of contract workers, especially when hiring workers for specific projects or meeting seasonal demand," the report said.

"Regarding startups, any enterprise less than five years old and having less than Rs 25 crore in turnover may be permitted to declare itself a start up with no subsidies in any form provided to the enterprise. This will ease the burden of compliance of a vast array of labour laws on the enterprise and pave the way for greater job creation," it said.

BACKING REFORMS

- Niti Aayog's proposal to reduce import duty on gold will ensure availability of precious metal for small and medium firms
- It backed deeper reforms such as fixed term employment and proper definition of startups, to incentivise entrepreneurs to accelerate the creation of regular salaried jobs

TECHNICAL ANALYSIS

Buy Comex gold at $1,260/oz

GNANASEKAAR T

Comex gold futures edged down on Thursday as global risk sentiment ebbed, but scepticism over US President Donald Trump's tax reform plan held back further losses.

The fall in Comex gold futures goes against our expectations. Prices came close to $1,288-90 levels and fell from there. The big picture, however, is that there is still promise of a rally in prices. Once above $1,257, there are chances of the prices once again pushing higher towards $1,290-95 levels. A broad consolidation is under way, and prices are moving with a mild bearish bias at present.

A close above $1,305 is needed for the rally to extend further to $1,338-45. Only an unexpected dip below $1,255 will point to the possibility of a failure of this call. The next support levels will be near $1,242-45, and further at $1,220-25.

But the expectation is that the price will push higher towards $1,305, while the support levels around $1,265-70 will cushion any further dips. Only an unexpected fall below $1,224 will point to weakness or a bearish turn to the prevailing sentiment.

A review of the wave counts will help understand the possible scenarios that may unfold going forward. It is most likely that the fall from the all-time highs of $1,925 to the recent low of $1,088 was the manifestation of a possible corrective wave 'A', with a possibility of the fall extending further to $1,025-30, or a complete correction of A-B-C ending with this decline.

Subsequent to this decline, a corrective wave 'B' could unfold, with targets near $1,375 or even higher. After that, a wave 'C' could begin lower again.

Alternatively, we can also expect wave 'B' to extend to $1,476. If the current decline as a whole from $1,920 can be considered a fourth wave, then the fifth wave could begin and cross $1,700 in the long term. But the failure to follow through above $1,355 has dashed any hopes of any impulsive up-move.

As prices have broken through important support levels and show a weakness targeting $975, we are inclined to look at this as a corrective wave 'C' in progress. RSI is in the neutral zone now, indicating that it is neither overbought nor oversold.

The averages in MACD are above the zero line of the indicator again, indicating a bullish reversal. Only a crossover again below the zero line could hint at a reversal in the trend to a bullish sentiment.

Therefore, buy Comex gold around $1,260 with a stop-loss at $1,254, targeting $1,285, followed by $1,305.

The support levels are at $1,255, $1,245 and $ 1,235 and the resistances are at $1,285, 1,305 & 1,315.

The writer is the Director of Commtrendz Research. There is risk of loss in trading.

HINDU DATE: 28/4/2017 P.N. 16

Gems and jewellery exports rise

SPECIAL CORRESPONDENT
MUMBAI

Gems & jewellery exports from India grew 10% year-on-year to $43,156.21 million in the financial year 2016-17, according to figures released by Gem & Jewellery Export Promotion Council (GJEPC).

Gross exports of cut and polished diamonds in FY17 increased to $ 22,783.81 million, up 10.24%, compared with $ 20,667.79 million in the previous year.

Exports of gold jewellery rose 1.92% to $ 8721.81 million as compared with $ 8557.26 million in 2015-16 while exports of silver jewellery climbed 35.83% to $ 4 020.62 million.

However, exports of coloured gemstones dropped 3.08% to $ 419.9 million in 2016-17 as compared with $ 433.18 million in the previous year.

The gems & jewellery exports of 2016-17 accounted for 15.72% of the country's cumulative exports of $274.65 billion.

NAVBHARAT DATE: 29/4/2017 P.N. 11

इस्पात मांग में इजाफा

153.52 करोड़ टन होने का अनुमान

एजेंसियां

दिल्ली. इस्पात क्षेत्र की वैश्विक संस्था वर्ल्ड स्टील का कहना है कि 2017 में इस्पात की वैश्विक मांग 1.3 प्रश बढ़कर 153.52 करोड़ टन होने का अनुमान है. उसके मुताबिक विकसित देशों में मांग में सुधार हुआ है जबकि उभरती अर्थव्यवस्थाओं में भी वृद्धि की गति तेज हुई है. वर्ल्ड स्टील एसोसिएशन ने वर्ष 2017 और 2018 के लिये दुनिया में इस्पात मांग के बारे में सीमित अवधि परिदृश्य पर जारी रिपोर्ट में कहा है कि वर्ष 2016 में विश्व इस्पात मांग एक प्रतिशत बढ़ी थी और आने वाले साल में इसके और 0.9 प्रतिशत बढ़कर 154.85 करोड़ टन तक पहुंच जाने की उम्मीद है.

■ वर्ल्डस्टील की आर्थिक समिति के चेयरमैन टी.वी. नरेन्द्रन ने कहा कि 2016 में इस्पात की मांग में सुधार उम्मीद से बेहतर रहा. इसमें मांग वृद्धि का अधिक जोर चीन में रहा. नरेन्द्रन ने कहा हमारा मानना है कि 2017 और 2018 में हमें इस्पात मांग में सीमित सुधार की उम्मीद है.

■ विकसित देशों में इसमें लगातार सुधार होगा जबकि उभरती और विकासशील अर्थव्यवस्थाओं में वृद्धि की गति और तेज होगी. उन्होंने कहा, हमारा मानना है कि रूस और ब्राजील अपनी मंदी के दौर से बाहर निकलेंगे. चीन जो कि दुनिया की कुल इस्पात मांग का 45 प्रतिशत योगदान करता है, उसके हाल की अच्छी वृद्धि के बाद कुछ और तेज गति से आगे बढ़ने की उम्मीद है.

■ इन सबको मिलाकर वैश्विक इस्पात मांग में सकल वृद्धि कुछ बेहतर होगी. इसमें कहा गया है कि नोटबंदी के झटके के बाद भारतीय अर्थव्यवस्था में वृद्धि तेज होने की उम्मीद है. हालांकि, इसका असर कुछ समय रहेगा. कुल मिलाकर आसियान देशों में 2017-18 में मजबूत वृद्धि दर्ज होने की उम्मीद है.

HINDU DATE:30/4/2017 P.N. 11

SAIL pins hopes on Tasra coking coal project

Still seen as a viable source, the Jharia coalfields would allow the steel major to lower import costs for a critical raw material

INDRANI DUTTA
KOLKATA

Public sector behemoth Steel Authority of India Ltd. is pinning its hopes on the Tasra project in the Jharia coalfields in Dhanbad, in its bid to secure supplies for raw material that it now has to import in a major way.

The country's largest steel producer (hot metal output at 19 million tonnes in 2016-17) needs about 15.5 million tonnes of clean coking coal annually. More than 80% of its requirement is imported while the rest is met from indigenous sources. Imports rise in tandem with the poor quality and unavailability of indigenous coal. The requirement is set to increase to about 20 MTPA once SAIL gets into the 23 million tonnes per annum production stage post-expansion in 2020.

Heave ho: The country's largest steel producer needs about 15.5 million tonnes of clean coking coal annually. More than 80% of its requirement is imported • AP

Costs balloon

The domestic sources include mines of Coal India Ltd. and SAIL's captive sources. It currently has three mines at Chasnalla, Jitpur and Ramnagar (non-coking coal). The raw coal output of these three Jharkhand mines was estimated at 7.6 lakh tonnes in 2016-17. It is in this context that the Tasra project assumes importance.

The proposal for developing this coking coal block of SAIL in the Jharia Coalfield, has been readied for placing before the company board.

Despite the fact that the cost of the project, originally conceived in 2009, has ballooned close to 10 times, it is still seen as viable and an important milestone in the steel major's bid to secure raw material availability, with a 26-year life, sources said.

Tasra open cast mine is capable of yielding 3 lakh tonnes of prime coking coal in the development stage, in the first year of production (project expected to commence in the second quarter of 2017-18) and 40 lakh tonnes of coal by the fifth year, from which 20 lakh tonnes of coking coal can be produced after washing.

The project is to be developed by Lanco Infrastructure, a mine development operator (MDO) with which SAIL had signed an agreement in September 2013 for developing the project at a cost of ₹400 crore within two years.

Subsequent changes in land acquisition laws thwarted the project's progress even as it led to a 10-times increase in its cost to the current ₹4,000 crore. The project now also includes a 300 MW power plant.

'Project viable'

However, despite cost escalation, the PSU is convinced of the viability of this project. The investment would be made by the MDO and reimbursed by SAIL, which expects to commence Tasra by September.

The first year's fund requirement has been pegged at ₹561 crore. "The investment would be on a staggered reimbursable basis," a source connected with the project said.

Land acquisition may be seen as a hurdle to the project. Of the 900.6 hectares required for the project, 250 hectares are under private holding, while the rest lie with various government undertakings.

SAIL is not anticipating problems regarding land acquisition, sources said. This is so because government land is spread through out the project area and the acquisition of private land is proposed to be done gradually and in small tranches.

No forest clearance is required for this project and some of the environmental consents have already been obtained.

In an internal communication, SAIL Chairman P.K. Singh said that there was need to develop new coal blocks quickly and start production.

He also said that low-quality, unwashed coal was affecting productivity and there was a need to upgrade washing facilities. It is in this context that development of Tasra attains criticality.

HITAVADA DATE: 30/4/2017 P.N. 1 & 4

JNARDDC gears up to extract rare earth elements

- China's restriction, encourage India to produce REE through aluminium waste
- Cost-effective process to extract REE being developed
- REE is essential for defense systems and modern gadgets

EXCLUSIVE

By Kaushik Bhattacharya

JAWAHARLAL Nehru Aluminium Research Development and Design Centre (JNARDDC), Nagpur is working out on a cheaper methods to extract rare earth elements (REE) using waste from aluminium industry. The task has been given by the Department of Science and Technology, Government of India.

Till recently, China was providing 95 per cent of REE to other countries but after 2012 China limited their export for the world. Over the years many countries in the world had stopped making investments in the mining of REEs, because financially it was more viable to import these elements from China. But after restriction, countries like India, USA, Malaysia are now trying to extract REEs through aluminium and other metal wastes. Keeping this in mind, Department of Science and Technology initiated a project with JNARDDC to develop a process to extract REE from Red Mud which is most hazardous waste and also easily available in aluminium industries.

REE are a group of 15 chemical elements and are not usually found in any one place in significant quantity. World over, trillions of dollars worth of modern devices depends on REEs. Colour television, flat panel displays, mobile phones, portable DVDs, laptops, permanent magnets, rechargeable batteries, electric vehicles, generators, wind turbines, medical devices etc. REE are also very important for defense applications like fighter jet engines, missile guidance systems, anti-missile system, satellites, nuclear reactors and defense communication system etc.

A few REEs can be extracted through mines and countries like China, Australia, Russia, Brazil, India, Thailand, Vietnam

(Contd on page 4)

FROM THE FRONT PAGE

JNARDDC gears up to extract

and Malaysia are the main producers of REE through mining. The annual REE production by China is 105,000 MT, while Australia (14,000 MT), Russia (3,000 MT), India (1,700 MT), Brazil (1,100 MT), Thailand (800 MT), Vietnam (300 MT) and Malaysia (300 MT) also mined REE in 2016.

"In India, Monazite is the principal source of rare earths minerals through mining. For other REE, India was a major importer from China, but after the restriction, Government of India is planning to get it locally and Red Mud is a best option to get it," Dr Upendra Kumar Singh, Senior Scientist, JNARDDC and Principal Investigator of the project informed The Hitavada.

"About 35 to 40 per cent of the processed bauxite ore goes into the waste in the form of red mud and aluminium industry in India produce 5 million tonnes of red mud annually. The red mud contains about 0.5-0.8 per cent of REEs which can be recovered through scientific process and JNARDDC is working to develop cheaper methods for it," Dr Singh stated.

He said, "This process can reduce the extraction cost of REE which is a big concern for the Government of India. Currently we are producing 1,700 MT rare earth every year but this process can doubled the production and India can also export rare earth to other countries." Along with Dr Singh, Dr S P Puttewar, Senior Principal Scientist and Dr Priyanka Nayar, Junior Scientist are also working on this project under the guidance of Dr Anupam Agnihotri, Director, JNARDDC. The city based research institute plans to complete the project within three years.

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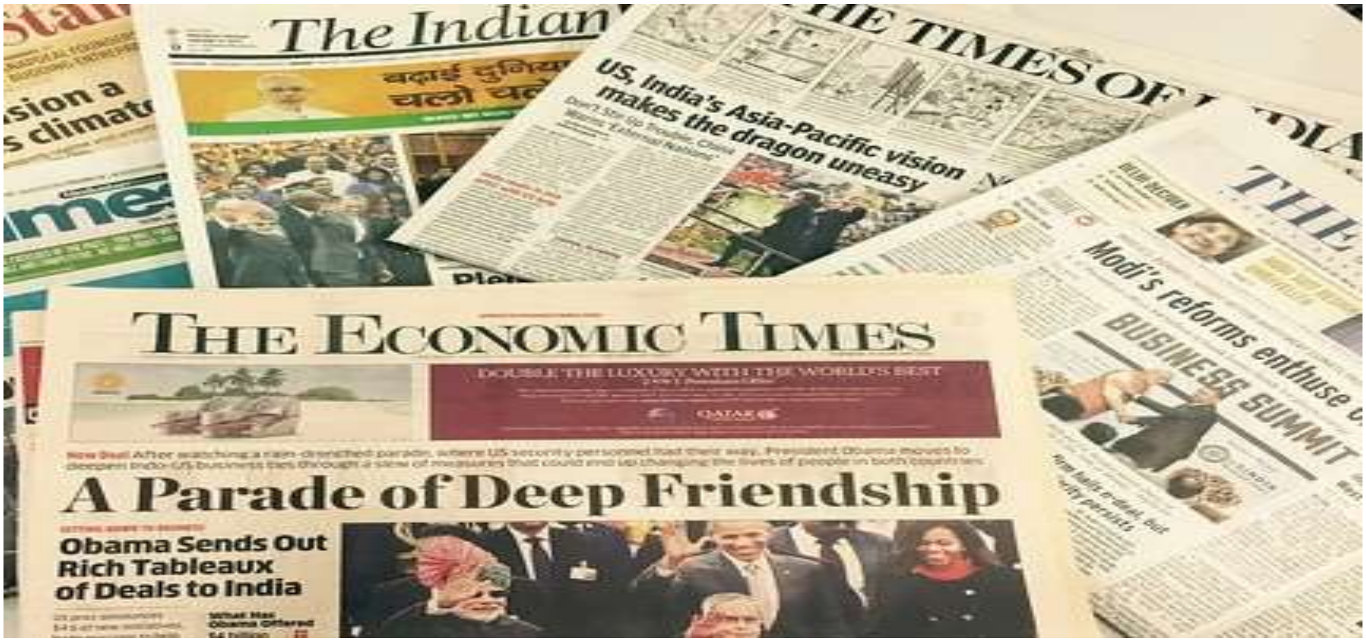

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