खनिज समाचार

KHANIJ SAMACHAR

Vol. 3, No-10

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खनिज समाचार

KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL. 3, NO-10 , 16th – 31st MAY , 2019

BUSINESS LINE DATE : 27 /5/2019 P.N.11

GLOBAL		Change in %			52-Week	
	Price	Weekly	Monthly	Yearly	High	Low
Metals ($/tonne)						
Aluminium	1771	-2.0	-4.6	-22.3	2331	1737
Copper	5932	-1.7	-8.0	-13.5	7324	5810
Iron Ore	93	3.7	5.6	50.4	95	58
Lead	1815	0.1	-4.8	-27.0	2545	1767
Zinc	2721	-1.1	-4.5	-10.4	3253	2285
Tin	19590	-0.5	-1.0	-4.2	21914	18400
Nickel	12347	2.9	0.2	-16.8	15749	10437

THE HITAVADA DATE : 17/5/2019 P.N 11

Hindalco Q4 profit drops 37 pc to Rs 236 crore

NEW DELHI, May 16 (PTI)

ADITYA Birla Group flagship firm Hindalco Industries on Thursday reported a 37.4 per cent decline in standalone profit to Rs 235.82 crore for the quarter ended March 31. The company had posted a standalone profit of Rs 376.97 crore in the year-ago period, Hindalco Industries said in a filing to BSE.

However, the company's standalone income during January-March quarter increased to Rs 12,733.23 crore, over Rs 11,892.06 crore a year ago.

Hindalco Industries Ltd is a global major in aluminium and copper. In the statement, the company said, "PAT (profit after tax) for Q4 FY19 stood at Rs 506 crore (Rs 616 crore in Q4 FY18), primarily due to weaker macros and higher input costs in the last quarter." The consolidated profit 2018-19 fell to Rs 5,495.01 crore, over Rs 6,082.87 crore in the year ended March 31, 2018.

The company's board of directors "recommended dividend @ of 120 per cent i.E. Rs 1.20 per equity share of face value of Re 1 each for the financial year ended 31st March, 2019, subject to approval of the shareholders at the ensuing annual general meeting," the filing said.

Hindalco Industries Managing Director Satish Pai said, "Our FY19 consolidated profits reached an all-time high in spite of a difficult business environment. This resilient performance reflects the strength of our integrated business model, excellent operational capabilities, stable operations and our enriched product portfolio. Novelis' innovative products and customer-centric approach helped it deliver its best-ever performance.

BUSINESS LINE DATE : 17/5/2019 P.N.9

Hindalco Q4 net sinks 18%

Weaker macros and higher input cost drag down profit; revenue up at ₹12,455 crore

Hindalco said it saw record aluminium value-added product volumes during the year (File photo)

OUR BUREAU
Mumbai, May 16

Hindalco Industries, an Aditya Birla group company, reported a consolidated net profit of ₹506 crore in the January-March quarter, down 18 per cent compared with ₹616 crore logged in the same period last year.

This was primarily due to weaker macros and higher input costs. Revenue from operations was up at ₹12,455 crore against ₹11,687 crore in the same period the previous year.

The company has declared a dividend of ₹1.25 per equity share. EBITDA was down 4 per cent at ₹1,733 crore (₹1,807 crore) on lower realisation.

Satish Pai, MD, Hindalco Industries, said the increased downstream focus has already started yielding encouraging results, with record aluminium value-added product volumes this year. In copper too, he said the share of value-added products (copper rods) has risen, helping the business maintain profitability despite lower volumes.

The company has prepaid a long-term loan of ₹1,575 crore to strengthen its balance sheet. Hindalco's consolidated Rrevenue for FY19 stood at ₹1,30,542 crore (₹1,15,820). The company delivered its highest-ever consolidated EBITDA at ₹16,627 crore, up 11 per cent in FY19 compared with the prior year.

Hindalco's US subsidiary, Novelis, delivered its best-ever performance in FY19. Revenue grew 8 per cent to $12.3 billion, driven by higher average aluminium prices, record shipments and an enriched product mix.

The Indian aluminium business delivered a revenue growth at ₹23,775 crore for FY19 (₹21,090 crore), on the back of stronger realisations and supportive macros. EBITDA at ₹5,202 crore in FY19 grew 9 per cent (₹4,790 crore). This growth was driven by supporting macros, stable plant operations and improved efficiencies, offset by higher input costs in FY19.

"Going forward, we expect the impetus provided by India's growth to boost demand for aluminium. Rising imports of aluminium and copper, however,, pose a threat, and we look forward to suitable steps to provide a level playing field," Pai said.

THE HINDU DATE : 17/5/2019 P.N.13

Hindalco profit drops 18% to ₹506 cr. on high input costs

Board recommends dividend of 120%; overseas arm Novelis's profit rises 11% to $468 million

SPECIAL CORRESPONDENT
MUMBAI

Hindalco Industries reported a 17.85% drop in its fourth quarter net profit to ₹506 crore primarily on weaker macros and higher input costs during the last quarter. The fall in profit was reported on a 6.57% jump in revenue to ₹12,455 crore.

EBITDA during the quarter dropped 4% to ₹1,733 crore as margins declined to 10.80% during the quarter from 13.90% in Q4FY18.

For FY19, the company's consolidated net profit fell to ₹5,495 crore from a net profit of ₹6,083 crore reported the previoys year. The drop in profit came on a 12.7% growth in revenue to ₹1,30,542 crore.

Macro headwinds

Metrics	Q4 FY19	Q4 FY18	Growth (%)
Revenue from operations (₹ cr.)	12,455	11,687	6.57
Net profit (₹ cr.)	506	616	(17.85)
EPS (₹)	1.06	1.69	
Dividend (₹)	1.2	-	

Commenting on the results, Satish Pai, managing director, Hindalco Industries said, "This resilient performance reflects the strength of our integrated business model, excellent operational capabilities, stable operations and our enriched product portfolio. In India, our increased focus on downstream is already showing encouraging results with record aluminium value added product volumes this year. In copper too, the share of value-added products (copper rods) has risen, helping business maintain profitability despite lower volumes."

The board recommended a dividend of 120% i.e. ₹1.20 per equity share of face value of ₹1 each for the financial year ended March 31, 2019, subject to approval of the shareholders at the ensuing annual general meeting.

Hindalco's overseas arm Novelis Inc. reported an 11% jump in its fourth quarter net profit to $468 million, said the company in a statement, adding that the automotive expansion projects for Novelis in the U.S. and China are expected to be commissioned in FY21 and the expansion projects for additional rolling and recycling capacity at Novelis Brazil are also likely to be commissioned in FY21.

THE ECONOMIC TIMES DATE : 17/5/2019 P.N.9

Oil Block Auctions: Vedanta, ONGC, OIL Lead the Pack

Our Bureau

New Delhi: Vedanta placed the highest number of bids in the latest oilfield exploration licensing rounds where ONGC and Oil India were other large bidders, according to officials. The RIL-BP combine also bid for a block, its first exploration licensing bid.

The government received a total of 75 bids for 37 blocks offered in the second and third exploration licensing rounds that ran almost concurrently. In the second round, 33 bids were received for 14 blocks on offer, officials said. Of the 23 blocks on offer in the third round, five coal bed methane blocks got no bids. The balance 18 blocks got 42 bids. Four private players participated in the auction.

Vedanta again led the pack with 30 bids while state-run ONGC, the country's largest explorer, submitted bids for 20 blocks. Oil India also submitted 15 bids. Indian Oil, GAIL and Sun Petro are the other bidders. Vedanta, controlled by mining baron Anil Agarwal, had bid for all 55 blocks on offer in the first round of auction under the new Open Acreage Licensing Policy (OALP) and won 41.

The government hasn't yet officially released data on the auction. The Directorate General of Hydrocarbons (DGH), the oil ministry's arm that conducts the auction, opened technical offers from companies on Thursday. Financial bids will be opened a few days later. Winners will be announced after the new government is in place.

37 Blocks on Offer

	Blocks Offered	Bids Received	Blocks with no bid
Round II	14	33	0
Round III	23	42	5

Vedanta
30 bids

ONGC
20 bids

Oil India
15 bids

RIL and BP had skipped the first OALP bidding round two years ago. RIL had last made a bid for an exploration block in 2010 under the older exploration policy.

Under OALP, companies are free to carve their own blocks and submit expressions of interest (EoI) for those blocks to the government in two half-yearly cycles ending on May 15 and November 15 every year. At the end of each cycle, the government aggregates all these blocks and auctions them. Sometime, the government also adds some blocks on its own for the auction.

In the first round, the government had awarded 55 blocks, which expanded the country's exploration acreage to 150,000 sq km from 90,000 sq km earlier.

THE HITAVADA (CITYLINE) DATE : 17/5/2019 P.N.1 & 2

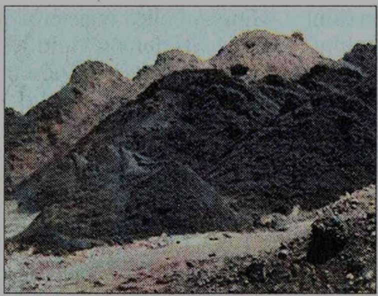
JNARDDC comes up with a process to get silica, aluminium fluoride from coal fly ash

- Silica is useful for structural materials, microelectronics and pharmaceutical industry

By Kaushik Bhattacharya

JAWAHARLAL Nehru Aluminium Research Development and Design Centre (JNARDDC), Nagpur has developed a process to convert coal fly ash into useful products such as high purity silica and aluminium fluoride at laboratory scale.

Pure silica has many uses such as it is utilised in structural materials, microelectronics (as an electrical insulator, semiconductors etc.), and as components in the food and pharmaceutical industries. Whereas major use of aluminium fluoride is in the primary aluminium industries during the production of metal aluminium from alumina.



In primary aluminium industries, large quantity of aluminium fluoride is used in smelters during the production of metal aluminium from alumina. Current production of Aluminium in India is about 3.3 million tonnes. Hence it is estimated that the current demand of aluminium fluoride (42,000 tonnes) for Indian aluminium smelters can be fulfilled by coal fly ash alone. This helps in saving the natural resources, import substitute and proper utilisation of waste.

The study will result in establishing the process for extraction of pure silica and smelter grade aluminium fluoride for aluminium industry and construction sector. The coal fly ash (CFA) generation in INDIA is about 200 million tons per annum containing 30 per cent alumina and 60 per cent silica. Hence it is estimated that the current demand of pure silica required for various applications and aluminium fluoride required for Indian aluminium smelters will be fulfilled by treatment of coal fly ash

(Contd on page 2)

JNARDDC comes up with a process to get silica, aluminium fluoride...

alone. This helps in saving the natural resources like bauxite and sand and lead to proper utilisation of coal fly ash.

The outcome of work based on 10 gm of CFA was interesting and promising which prompted to submit a proposal to Ministry of Mines to set-up a bench scale conversion facility. CFA is one of the solid wastes generated in thermal power plants during the process of power generation. According to 2017 data, world-wide about 25,000TWh per annum of energy is generated by thermal power plants whereas in India power generation by coal based thermal power plants is about 218 Gwh (approximately 65 per cent of total electricity generated) which is results in 195-200 Million tons per annum of CFA generation.

India's commercial energy demand is met through the country's vast coal reserves and the CFA generating from all coal-based thermal power plants are accumulating over the years which typically contains 27-31 per cent alumina; 56-60 per cent of silica and 9-13 per cent oxides of elements.

A team of JNARDDC is working on its parameters, recycling of solvent, environmental sustenance and cost economy of the process under the guidance of institute Director Dr Anupam Agnihotri.

THE TIMSES OF INDIA (NAGPUR TIMES) DATE : 19/5/2019 P.N.2

Oustees want sponge iron plant at G'chiroli to start

₹700Cr Project Will Be 1st Major Pvt Investment In Red Zone

Shishir.Arya@timesgroup.com

Nagpur: Villagers whose land was acquired for Llyods Metals and Energy Limited (LMEL) sponge iron plant in Maoist-affected Gadchiroli district want the project to be started at the earliest.

A week ago, the locals submitted a memorandum to district collector seeking intervention to get the unit started. The collector Shekhar Singh, who confirmed the development, said government has already taken steps to facilitate land acquisiton and other formalities. "Finally it depends on the company, which is a private entity, to take a decision," said Singh.

The company is waiting for operations at its Surjagarh iron ore mines, which have been stalled for last five months, to begin first. Raw material for the sponge iron plant will be sourced from the mines, which have time and again shut down due to disturbances in the area.

The LMEL plant will be the first major private investment in the troubled area. The plant is coming up in Chamorshi taluka of the district. Residents of Kondsari village whose land has been taken over for the project had submitted the memorandum to the collector. However, the unit depends on the iron ore mines of the company located nearly 100km away for supply of raw material.

The company has paid ₹5 lakh an acre towards land acquisition for the project, which is estimated to be worth ₹700 crore.

MINING STALLED

- Llyods Metals and Energy Limited (LMEL) has plans to set up a ₹700 crore sponge iron plant at Gadchiroli
- Iron ore, which is the raw material, will be sourced from its mines nearby
- Mining operations remain disrupted for more than seven years due to Maoist threat
- Mining takes place under police protection
- Operations remain stalled since January after an accident involving company's truck
- Locals have submitted a memorandum to district collector seeking intervention to get the unit started

> It has been nearly five months since the accident took place and the mining operations remain stalled. The company has also paid a compensation of ₹10 lakh each to the deceased's kin. The operations could not begin as security cover has not been provided since then
>
> **A SOURCE**

Currently, mining takes place under police protection, which depends on availability of forces. In January this year, an accident involving the company's truck carrying iron ore had left four locals dead. The mining operations have come to a standstill since then.

Sources said it would not be viable for the company to start the plant unless the mines get operational and work goes on at a steady pace.

"It has been nearly five months since the accident took place and the mining operations remain stalled. The company has also paid a compensation of ₹10 lakh each to the deceased's kin. The operations could not begin as security cover has not been provided since then," said a source.

Security is provided for transportation. Sources say the company is ready to begin operations even if security is provided at the mining site as the transport corridor can be covered eventually.

The district collector said security cover could not be made available on account of the elections. The forces were engaged in election duty. As the elections are over now, the deployment is expected to be made soon, he added.

BUSINESS LINE DATE : 20/5/2019 P.N.11

Price correction in metals may be short-lived

Users can consider buying now as the fundamentals suggest a price rally

SATYA SONTANAM

As the much-anticipated trade talks between the US and China fell through, all stakeholders — from farmers to businessmen — were disappointed. The sentiment dampened further when the renewed tariff impositions were announced.

In response to the increased US tariffs on the $200-billion Chinese exports, China announced that it would raise tariffs on $60-billion worth US goods from 5/10 per cent previously to 10/20/25 per cent from June 1.

It's not a surprise then that metals became the scapegoat, as most of the goods traded between US and China are metals or products with metal components, such as machinery, electrical equipment and vehicles.

Prices of metals including zinc, copper, aluminium and nickel have fallen 11-20 per cent from a year ago.

The LMEX (London Metal Exchange Index) (weighted index of all base metal prices) is down nearly 17 per cent from a year ago.

Here, we look at the impact of the trade tensions on the global metal industry, and whether users of the metals should take advantage of the current low prices.

Economic impact

The global metal industry is supported by China's raging appetite — the country is the top producer as well as the consumer of most metals. It also leads in the production of base metals such as aluminium, zinc, lead and nickel.

Also, the US and China are interdependent. For instance, while the US exports nearly half of its lead concentrate to China (16 per cent of its requirement), China exports a significant number of lead-acid batteries to the US. Thus, the cross tariffs are set to hurt both the economies.

A report by UBS, a Swiss investment banking company, has estimated that the Chinese GDP growth rate would drop 30-40 basis points over the next 12 months. The report also states that if the US imposes 25 per cent additional tariffs on all other Chinese exports to the US, which are estimated to be worth about $300 billion, the GDP growth rate of China will be further reduced by 80-100 basis points, resulting in the growth sliding to below 6 per cent for 2019 as well as 2020.

Ironically, imposition of tariffs by the US in the name of protectionism will also hurt the US economy. For example, a study by NERA Economic Consulting — Impact of Potential Aluminum Tariffs on the US Economy — found that tariffs on aluminium imports would result in lower output, employment and personal income in the rest of the economy, which would significantly offset any gains in the aluminium sector.

If the growth of the world's two biggest economies slows down, there would be huge repercussions in global trade, lowering the demand for metals and exerting further pressure on commodity prices.

Good buying opportunity

Even though the developments in the US-China trade talks are depressing, fundamentals of most metals remain strong.

The supply-demand dynamics of most metals remain under pressure on the back of closures of multiple smelters and mines, and concerns over drop in prices. For instance, in 2018, while copper usage was up 3 per cent, production increased just 2 per cent year-on-year.

Inventory across all metals in LME, SHFE (Shanghai Futures Exchange) and CME (Chicago Mercantile Exchange) are about 25 per cent lower than last year.

In case of copper, the International Copper Study Group (ICSG) has revised up its deficit forecast for 2019 and 2020.

Thus, with large deficit forecasts for metals this year, the inventory in LME and other exchanges may fall further.

However, the current LME prices are way lower than what is justified by the fundamentals of the metals.

Sandeep Daga, Director of Regsus Consulting, a commodity hedging consultancy, believes an upward trend of LME prices is imminent and that a further drop in prices in case of unfavourable outcome from the G20 summit next month will be short-lived. "From the point of view of the respective fundamentals of each metal, the current prices provide a handsome buying opportunity not only for the rest of 2019 but also for 2020."

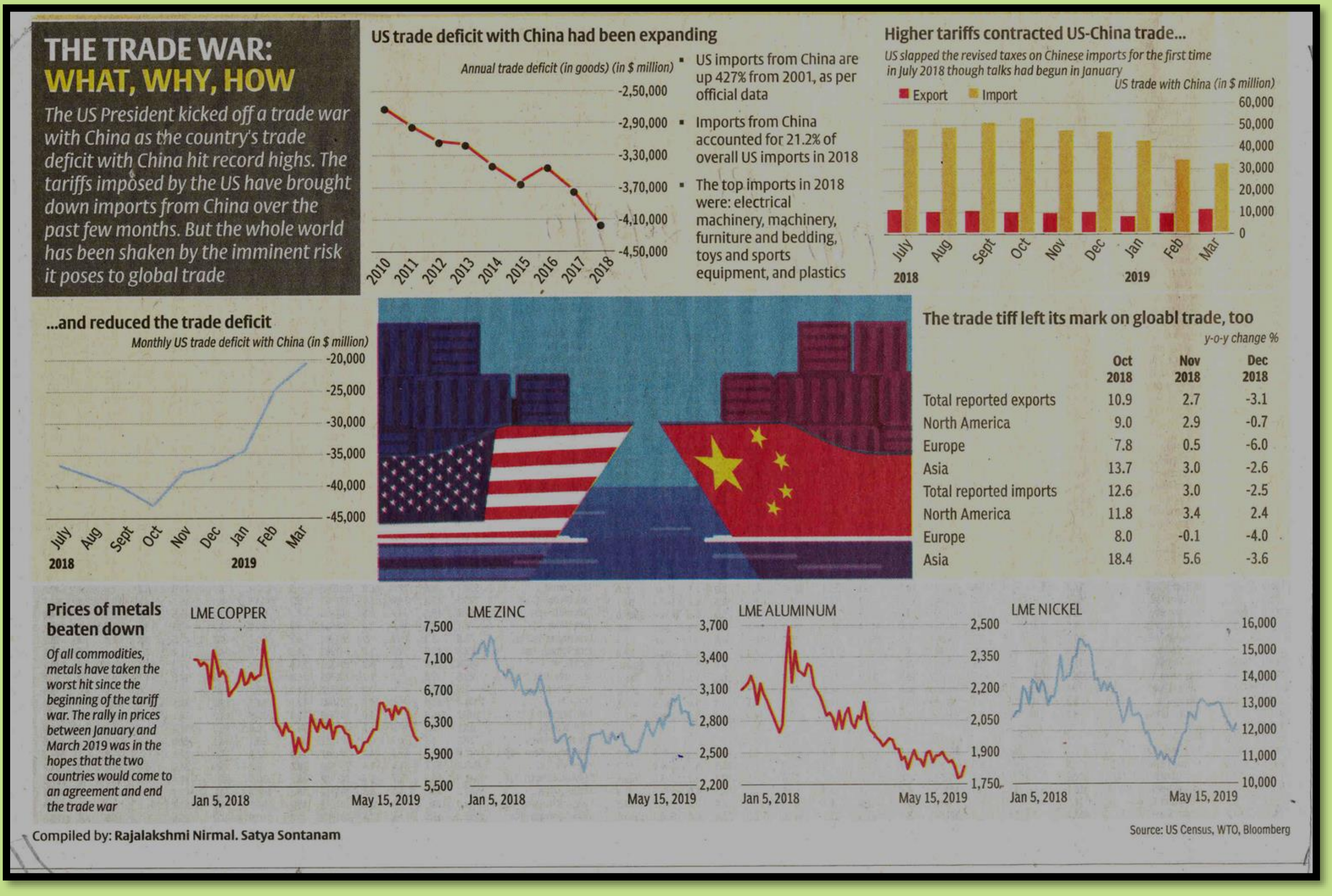
Users of metals can thus lock into the current prices. However, it is recommended that they also hedge an appropriate part of their total exposure.

No big win for India

While, there is a school of thought that the Indian metal industry could seize the opportunity as the 25 per cent tariffs make Chinese products less competitive, experts brush aside this idea saying that the Indian metal industry is small and is currently a net importer of most metals; it will not be able to fill the void China's absence creates in the global market. Also, demand for metals will be diverted to countries with LME warehouses. As India does not have an LME-registered warehouse, an increase in demand for the Indian metal industry is not on the cards, say some experts

However, small downstream metal players, who purchase metals and sell customised products, could benefit if China exports its surplus primary metal to India at lower prices.

BUSINESS LINE DATE : 20/5/2019 P.N.11



THE TRADE WAR: WHAT, WHY, HOW

The US President kicked off a trade war with China as the country's trade deficit with China hit record highs. The tariffs imposed by the US have brought down imports from China over the past few months. But the whole world has been shaken by the imminent risk it poses to global trade

US trade deficit with China had been expanding

- US imports from China are up 427% from 2001, as per official data
- Imports from China accounted for 21.2% of overall US imports in 2018
- The top imports in 2018 were: electrical machinery, machinery, furniture and bedding, toys and sports equipment, and plastics

Higher tariffs contracted US-China trade...

US slapped the revised taxes on Chinese imports for the first time in July 2018 though talks had begun in January

...and reduced the trade deficit

The trade tiff left its mark on gloabl trade, too

y-o-y change %

	Oct 2018	Nov 2018	Dec 2018
Total reported exports	10.9	2.7	-3.1
North America	9.0	2.9	-0.7
Europe	7.8	0.5	-6.0
Asia	13.7	3.0	-2.6
Total reported imports	12.6	3.0	-2.5
North America	11.8	3.4	2.4
Europe	8.0	-0.1	-4.0
Asia	18.4	5.6	-3.6

Prices of metals beaten down

Of all commodities, metals have taken the worst hit since the beginning of the tariff war. The rally in prices between January and March 2019 was in the hopes that the two countries would come to an agreement and end the trade war

Compiled by: **Rajalakshmi Nirmal. Satya Sontanam**

Source: US Census, WTO, Bloomberg

BUSINESS LINE DATE : 20/5/2019 P.N.11

Gold loses its sheen...

...as equities and dollar surge

GURUMURTHY K

Gold began last week on a positive note. China retaliating in the on-going trade war with the US by increasing tariffs on US goods intensified the sell-off in equities and boosted gold prices. As a result, global spot gold prices surged, breaking above the key resistance level of $1,292, and tested the psychological $1,300 mark. But the party was short-lived. The yellow metal retreated from a high of $1,303 and fell sharply, giving back all the gains. Gold closed at $1,277.5 per ounce and was down 0.7 per cent for the week.

Equities recover

A strong recovery in global equities took the sheen off gold. Major indices including the Dow Jones Industrial Average and Nikkei managed to bounce over 2 per cent from their week lows. This capped the upside and triggered a pull-back in gold last week.

Dollar surges

Along with the recovery in equities, the strong US dollar also pulled gold lower last week. The US dollar index (98) dipped in the initial part of the week. However, the index reversed sharply higher, after testing the key support level of 97. It closed on a strong note above the key resistance level of 97.8. The outlook is bullish. The index can rise further to 98.8 and 99.25 in the short term. This can limit the upside in gold and push the yellow metal prices further lower in the coming days.

Gold outlook

The pull-back from $1,303 last week keeps the broader bearish outlook intact. An immediate resistance is at $1,280 and the next significant one is at $1,290. As long as gold trades below these resistances, there is a strong likelihood of it falling to $1,270 in the near term. A bounce from $1,270 can take the prices higher to $1,280-1,285 again. But a break below $1,270 will then increase the likelihood of the fall extending initially to $1,266. A further break below $1,266 will then drag gold lower to $1,260 or even $1,255 in the coming weeks.

MCX-Gold

Supports: ₹31,240/31,100
Resistances: ₹32,000/32,500

MCX-Silver

Supports: ₹36,300/35,500
Resistances: ₹37,000/37,300

On the domestic front, the gold futures contract on the Multi Commodity Exchange moved in tandem with the global prices. The MCX-Gold futures contract was down 0.4 per cent for the week. It closed at ₹31,791 per 10 gm.

The contract has been trading in a sideways range between ₹31,240 and 32,550 for more than two months. This sideways range remains intact. Within this range, the near-term view is negative. The contract can fall to ₹31,500-31,400 in the coming days, after which a bounce to ₹31,800 and ₹32,000 is possible. Such a bounce would then continue to keep the contract in the sideways range. But if the contract breaks the range below ₹31,240, it can fall to ₹31,120.

Silver tumbles

Silver continues to underperform gold. The global spot silver prices were beaten down last week. The prices have declined sharply below the key $15.60-15.50-per-ounce support zone. The global spot silver closed the week at $14.40 per ounce and was down 2.6 per cent for the week.

The MCX-Silver futures contract also tumbled in line with the global prices. The MCX-Silver contract closed the week at ₹36,577 per kg and was down 2.1 per cent.

Bearish outlook

The outlook for the global spot silver remains bearish. The level of $14.50 will now act as a strong resistance in the near term. A fall to $14-13.90 looks likely in the coming days. However, the region between $14 and $13.90 is a strong long-term support for silver. The price action around this support zone will need close watching. A strong bounce from this support zone could be the beginning of a fresh leg of a long-term up-move.

The MCX-Silver futures contract has an intermediate support at ₹36,300. If it manages to bounce from this support, a rise to ₹37,000 and ₹37,300 is possible. But if the contract declines below this support, it can come under renewed pressure.

Such a break will increase the likelihood of the contract tumbling to ₹35,500 or even ₹35,000 in the coming weeks.

The writer is Chief Research Analyst at Kshitij Consultancy Services

THE HITAVADA DATE : 21/5/2019 P.N.6

Expert for biotech solution to abate mining pollution

BHUBANESWAR, May 20 (PTI)

MINING plays a significant role in the economic development of countries, but it also poses environmental threats, which, if not mitigated employing advanced technology, could lead to destruction of habitats, an expert said.

Odisha, with its vast resources, is one of the foremost mineral-rich States, where application of advanced biotechnology could abate pollution to a large extent, said KA Natarajan, emeritus professor in the Department of Materials Engineering at Indian Institute of Science (IISC), Bengaluru.

Natarajan, while addressing a conference here recently on green technologies, also maintained that cyanide in aqueous discharges, treatment of high-volume mine water containing low concentrations of metal and other contaminations can have severe impact on the ecosystem.

"In Sukinda area of Jajpur, known for its chromite reserves, acid rock drainage is posing a potential threat to the health of the locals. The chromium from the ores has contaminated the groundwater in the region," he said. Acid rock drainage (ARD) is the result of oxidation or rusting of certain types of sulfur-bearing minerals in the presence of water, air and bacteria.

The professor suggested active and passive biotechnology solutions to deal with the environmental hazards caused due to mining activities.

"In active treatment, a biotech plant is engineered and operated to maximise pollution mitigation by optimising activities of microbiological species.

"The passive system relies on activities of biological species within a natural setting and involves aerobic precipitation, anaerobic sulfide precipitation, ammonia generated neutralisation, absorption and ion exchange," he added.

THE HINDU

DATE : 21/5/2019 P.N.13

Gold imports rise 54% to $3.97 billion

PRESS TRUST OF INDIA

NEW DELHI

Gold imports increased 54% to $3.97 billion in April, widening the country's trade deficit and fuelling worries about the current account deficit (CAD).

Imports of the precious metal stood at $2.58 billion in April 2018, according to Commerce Ministry data. Increase in gold imports pushed the country's trade deficit to a five-month high of $15.33 billion in April. In volume terms, India imports 800-900 tonnes of gold annually.

THE INDIAN EXPRESS DATE : 22/5/2019 P.N.12

₹42,000-CRORE RESOLUTION PLAN

Essar Steel: NCLAT reserves order on ArcelorMittal takeover

ENS ECONOMIC BUREAU
NEW DELHI, MAY 21

HEARING A bunch of petitions against the March 8 order of the National Company Law Tribunal (NCLT) approving ArcelorMittal's Rs 42,000-crore resolution plan for the debt-ridden Essar Steel, the National Company Law Appellate Tribunal (NCLAT) on Tuesday reserved its order.

The two-member bench, headed by Chairman Justice SJ Mukhopadhaya, has heard all parties, including the erstwhile promoters of Essar Steel and a host of operational creditors over the period. On Tuesday, it asked all parties, including ArcelorMittal, to file in writing their submissions by Wednesday.

During Tuesday's proceedings, senior advocate Kapil Sibal appearing on behalf of Standard Chartered Bank, a secured creditor of Essar Steel, said ArcelorMittal should not be allowed to add working capital to brighten up its final resolution plan. "Working capital is revenue generated from going concern. It cannot be added. You can't adjust working capital. ArcelorMittal cannot touch it. It's not their money. ArcelorMittal's argument that it is an accounting thing cannot stand here," Sibal said, adding that given the company has earned a Rs 4,000-crore operating profit during the resolution period, ArcelorMittal's bid should be nothing less than Rs 46,000 crore.

"ArcelorMittal is only giving Rs 43,000 crore, which means it is taking away Rs 3,000 crore," Sibal said. Senior advocate Harin P Rawal, appearing for Essar Steel Asia Holdings, a shareholder of Essar Steel, raised the issue of ineligibility of ArcelorMittal under Section 29(A) of the Insolvency & Bankruptcy Code. ArcelorMittal chairman and CEO LN Mittal had stakes in two defaulting firms owned by his brothers as a promoter, he said.

"Whatever be the share, the fact is that he (LN Mittal) was holding share as a promoter and hence he is ineligible under section 29(a) of IBC," he said.

Senior advocate UK Chaudhary, appearing for Prashant Ruia, said Rs 3,495-crore profit earned by Essar Steel during the resolution period should go to lenders. Essar Steel, which runs a 10-million tonne steel mill in Gujarat, owes over Rs 49,000 crore to over two dozen banks led by State Bank of India.

Insolvency petition against Essar Steel was admitted by the NCLT, Ahmedabad, on August 2, 2017. Essar Steel lenders had on October 25, 2018, voted in favour of ArcelorMittal's offer of upfront payment of Rs 42,000 crore to the lenders and an additional Rs 8,000 crore towards capital expenditure.

A day after, the promoters of Essar Steel had offered to pay Rs 54,389 crore towards a full settlement of the entire admitted claims of the financial creditors, operational creditors, and workmen and employees of Essar Steel. FE

WORKING CAPITAL CAN'T BE ADDED: SIBAL

- **Senior advocate Kapil Sibal appearing on behalf of Standard Chartered Bank, a secured creditor of Essar Steel, said ArcelorMittal should not be allowed to add working capital to brighten up its final resolution plan**
- **Working capital is revenue generated from going concern. It cannot be added. You can't adjust working capital..., Sibal said at the tribunal**

THE HINDU
DATE : 22/5/2019 P.N.5

NMDC's new wing to focus on global acquisitions

SPECIAL CORRESPONDENT
HYDERABAD

Public sector mining major NMDC on Tuesday said that it has formed a separate department 'NMDC Global' to pursue international opportunities for acquisition of mineral assets and strategic tie-ups on emerging technologies.

While maintaining its leadership position in Indian iron ore industry, the company is also focusing on increasing its geographic foothold globally, a press release from NMDC said.

The company currently has presence in Australia, Mozambique, Tanzania and is looking to diversify into strategic and critical raw materials. The Global Department is also keen on exploring other emerging opportunities in key minerals that had potential to deliver long-term benefits.

BUSINESS LINE DATE : 22/5/2019 P.N.5

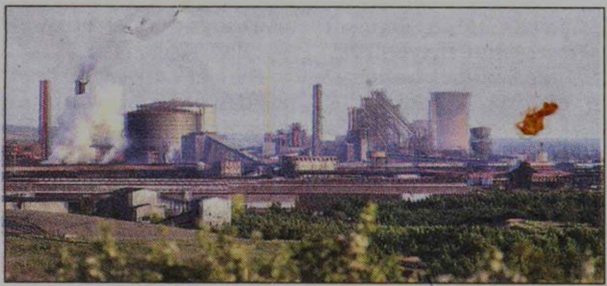
NMDC Global to focus overseas

Hyderabad, May 21

Iron ore mining major NMDC has carved out NMDC Global, as a separate department, with a view to focus on overseas operations. NMDC currently has presence in Australia, Mozambique and Tanzania and is looking to diversify into strategic and critical raw materials. It is seeking to explore other emerging opportunities in key minerals which have potential to deliver the long-term benefits to the company and the country. NMDC Global will pursue those international opportunities for acquisition of mineral assets and strategic tie-ups regarding emerging technologies. OUR BUREAU

THE INDIAN EXPRESS
DATE : 23/5/2019 P.N.12

British Steel collapses



The British Steel works factory in Scunthorpe, northern England. *Reuters file photo*

REUTERS
LONDON, MAY 22

BRITISH STEEL has collapsed and put 25,000 jobs at risk after failing to secure emergency government funding, Britain's Official Receiver said Wednesday.

The High Court ordered the firm's compulsory liquidation, although staff will remain employed for now as the liquidator oversees the operation of the main site in Scunthorpe, northern England.

Business Minister Greg Clark said British Steel was open to new buyers, while the Labour Party called on the government to bring it back into public ownership.

Owned by investment firm Greybull Capital, British Steel employs around 5,000 people, mostly in Scunthorpe, while 20,000 more depend on its supply chain. Greybull Capital, which specialises in trying to turn around distressed businesses, said it had tried to keep British Steel alive but the challenges of Britain's looming exit from the European Union proved insurmountable. Greybull paid former owners Tata Steel a nominal one pound for the company three years ago.

After being renamed as British Steel, the company made a profit in 2017 but cut around 400 jobs last year, blaming factors such as the weak pound and uncertainties surrounding Brexit.

THE HITAVADA
DATE : 23/5/2019 P.N.11

NMDC iron ore output up 20 pc to 2.90 MT

NEW DELHI, May 22 (PTI)

STATE-OWNED miner NMDC on Wednesday said its iron ore output rose over 20 per cent to 2.90 million tonne (MT) in April. The company produced 2.21 MT iron ore from its mines in Chhattisgarh, while its production from Karnataka mines stood at 0.69 MT, NMDC said in a filing to the BSE. NMDC's output had stood at 2.41 MT during the corresponding month in 2018. The company sold 2.70 MT of iron ore -- 2.18 MT from Chhattisgarh and 0.52 MT from Karnataka during April 2019, NMDC said. Sales in April 2018 had stood at 2.22 MT.

Production and sales figures of iron ore are provisional, NMDC added. According to its website, NMDC is the country's single largest iron ore producer, currently producing about 35 million tonne of iron ore from three fully mechanised mines.

BUSINESS LINE DATE : 23/5/2019 P.N.13

Base metals drift on trade war; copper hits 4-month low

REUTERS
London, May 22

Copper prices fell on Wednesday to a four-month low as an intensifying trade dispute between the US and China drove industrial metals broadly lower.

Benchmark copper on the London Metal Exchange (LME) was bid down 0.7 per cent at $5,955 a tonne. The metal has lost 20 per cent from highs in early June 2018, before the trade conflict began.

LME aluminium was down 0.9 per cent at $1,780 a tonne; zinc was bid down 0.4 per cent at $2,567. Nickel lost 0.8 per cent at $11,960, while lead was down 0.3 per cent at $1,801. Tin ceded 0.4 per cent to $19,375 a tonne.

BUSINESS LINE DATE : 23/5/2019 P.N.5

Aluminium-can consumption well below global average: Ball India

TWESH MISHRA

New Delhi, May 22

The consumption of aluminium cans for storing beverages, food items and household products is expected to grow manifold from the current levels, according to Ball India.

The company supplies aluminium cans for beverage majors like Coca-Cola as well as for beer companies from its Andhra Pradesh plant, set up in 2015, and the Maharashtra plant acquired from Rexon in 2006.

Per-capita consumption

"We estimate that there will be an 8X growth in consumption of aluminium cans in India by 2030. Currently, the per capita can consumption in India stands at around one per annum. In comparable economies such as Vietnam, the per-capita consumption is approximately 70 per annum; in China, it is around 40 per annum," Amit Lahoti, Managing Director - India, at Ball Beverage Packaging (India) told *BusinessLine*.

The combined capacity of Ball India is 1.6 billion cans per annum.

The company is currently running below its capacity and caters to the lion's share of India's aluminium can needs. Being one of the two dominant can manufacturers in India, the company expects to increase capacity utilisation in line with the growing domestic demand.

"The can-recycling rate in India is estimated to be 91 per cent, which is one of the highest in the world. The total beverage can market in India is estimated to be nearly 2 billion and has been growing at double digits in recent years," said Lahoti.

"The investment in installed capacity has been done ahead of the demand curve. Further, FDI is expected to flow into the sector as demand continues to increase," he added.

BUSINESS LINE DATE : 23/5/2019 P.N.4

Steel, aluminium producers want no reduction commitments under RCEP

Officials from 16 member-countries to meet in Bangkok on May 24

AMITI SEN

New Delhi, May 22

Steel and aluminium producers have asked the Commerce Ministry to exclude the two items from tariff reduction commitments in the on-going Regional Comprehensive Economic Partnership (RCEP) negotiations as senior officials from the 16 member- countries of the bloc prepare to meet in Bangkok this week to give a more concrete shape to the proposed pact.

"Senior officials from all 16 countries will get together at the inter-sessional meeting this week and there will be pressure to keep the sensitive list of items, on which no reduction commitments will be taken, very short. Both steel and aluminium producers have petitioned to the government to keep several of their items out of the reduction commitments," a government official told *BusinessLine*.

Most RCEP countries, which include the 10-member ASEAN, China, Japan, South Korea, Australia, New Zealand and India, are keen to conclude the pact by the year-end and take on commitments to eliminate tariffs on more than 90 per cent of traded goods.

Steel producers say if India reduces import duties on stainless steel products to zero per cent, it will lead to Chinese goods flooding the Indian market.

Steel producers and the Steel Ministry are of the opinion that if India reduces import duties on stainless steel products to zero per cent, it will lead to Chinese goods flooding the Indian market and could lead to the immediate closure of small-scale units. As per industry estimates, investments worth over ₹30,000 crore made by domestic industry in capacity building would be under threat if the sector is not protected.

Aluminium producers, too, have demanded that their interests be kept in mind while agreeing to the RCEP. Since last year, aluminium producers have been flagging the disastrous fallout of a possible elimination of tariffs for the item under the RCEP pact being negotiated. Last week, a number of producers met Commerce Ministry officials to suggest that not only should aluminium be placed on the negative list of items for which reduction commitments are not taken, but the rules of origin should also be stringent, a representative of the Aluminium Association of India told *BusinessLine*.

RCEP members together account for 35 per cent of total aluminium imports into India, which increased by 17 per cent from 591 kilo tonne (kt) in 2016-17 to 690 kt in 2017-18, according to industry figures.

The association added that if the ROO criteria is not strict enough China may dump its exports into India. It pointed out that the Chinese aluminium industry is heavily supported by government subsidies and incentives bringing down production costs and rendering competitiveness to their domestic industry.

"The items that will be included in the sensitive list will depend largely on the number of items that can be placed in it. India is trying hard to negotiate a long list so that apart from farm products, a number of industrial products can also be shielded from reduction commitments. But it will all boil down to what is acceptable to the other members," the official said.

If the RCEP is finalised, it will result in the largest free trade bloc in the world accounting for 25 per cent of global GDP and 30 per cent of world trade.

THE HITAVADA DATE : 24/5/2019 P.N.10

MOIL inks MoU with Ministry of Steel

■ **Business Bureau**

MOIL Limited, a schedule A Minimantra category-I CPSE under the Ministry of Steel, Government of India, has recently signed a memorandum of understanding (MoU) for 2019-20 financial year with the Ministry of Steel.

The memorandum of understanding was signed by Binoy Kumar, Secretary to Government of India on behalf of the Ministry of Steel and M P Choudhari, Chairman-cum-Managing Director of MOIL.

This was 24th consecutive year that MOIL has signed MoU with the Government of India, says a press release issued here by the city-based CPSE.

The MoU envisages an ambitious production target of 14.75 lakh tonne of manganese ore and capex target of Rs 210 crore, besides other parameters related to turnover, financial projects implementation, Research and Development (R&D), human resource management, etc.

During 2018-19, MOIL has achieved he highest ever turnover of Rs 1441 crore registering a growth of 9 per cent over the previous year.

Core production of manganese ore had jumped to 15 per cent during the year. the total production had crossed 13 lakh MT (up by 9 per cent on year on year basis), which is the highest achievement in last ten years. Apart from this, profit before tax and profit after tax had increased by 11 per cent to Rs 719.75 crore and by 12 per cent to Rs 473.89 crore respectively.

The total production growth in last three years is 30 per cent. Currently MOIL holds 34 per cent of manganese ore of the country and is contributing 50 per cent of the domestic production.

BUSINESS LINE DATE : 24/5/2019 P.N.14

MCX Zinc in a short-term downtrend

PICK OF THE WEEK

YOGANAND D

BL Research Bureau

The Zinc futures contract on the Multi Commodity Exchange (MCX) has been in a downtrend since encountering resistance in the band between ₹230 and ₹234 in April 2019. The contract has fallen 0.8 per cent on Thursday and trades at ₹209.8 a kg. It has slumped 2.5 per cent in this week.

The contract was on an intermediate-term uptrend since taking support at ₹167 in December 2018.

The short-term outlook is bearish for the contract. It can continue to trend downwards and test support at ₹200. An emphatic break below this base level can drag the contract down to ₹195 and ₹190 levels in the short-term. Next significant support is at ₹180. Traders can sell the contract with a stop-loss at ₹219.

On the other hand, a conclusive break above ₹220 is needed to strengthen the uptrend and take the contract higher to ₹225 and ₹230 levels. That said, to further reinforce the uptrend, the contract needs to break above ₹234 decisively to extend the rally to ₹240 and ₹245 levels.

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

THE HINDU DATE : 25/5/2019 P.N.13

JSW Steel to raise ₹14,000 cr. for expansion, acquisitions

Projects to be funded via share sale, debentures; company plans to enhance capacity to 24 MTPA by 2022 at ₹48,715 crore

PIYUSH PANDEY
MUMBAI

JSW Steel plans to raise about ₹14,000 crore via equity share sale and debentures to fund expansion and acquisitions, as it plans to step up its steel-making capacity to 24 million tonnes per annum (MTPA) by 2022 through brownfield expansions at a cost of ₹48,715 crore.

Doubling capacity

The expansion includes doubling the capacity of JSW Steel's Dolvi plant to 10 MTPA, capacity expansion of CRM-1 complex at Vijayanagar works, modernisation-cum-capacity enhancement at downstream facilities of JSW Steel Coated Products and strategic cost savings projects.

The company's board on Friday approved new investments of ₹5,700 crore. This includes downstream investment of about ₹1,000 crore, cost savings projects of about ₹2,200 crore and mining and sustenance capex of about ₹2,000 crore, thereby increasing the cumulative capex spend of ₹48,715 crore (net of capex projects put on hold during the year) over FY2018- FY2021.

With a cumulative cash outflow of ₹14,371 crore in the last two years, the company plans to spend about ₹34,300 crore over the next two years, with some spillover into FY2022.

"These projects are planned to be funded by a mix of debt and internal accruals. Our board has decided to raise ₹14,000 crore and we will seek enabling resolution at our AGM," Seshagiri Rao, joint managing director and Group CFO, JSW Steel told *The Hindu*.

Steely resolve: JSW Steel produced 16.69 MT during the year, achieving 99.6% of production guidance. ▪B.M. SIDDALINGASWAMY

The company's net debt has already increased to ₹49,700 crore as on March 31, 2019, compared ₹38,000 crore in the year ago period.

Of the ₹14,000 crore, the company plans to raise ₹7,000 crore by way of non-convertible debentures and another ₹7,000 crore by issuing equity shares or fully/partly/optionally convertible debentures.

Net almost halves

The company's consolidated net profit for the fourth quarter almost halved to ₹1,495 crore due to weakening demand, falling steel prices and increasing expenses. The fall in profits were reported on a 5% increase in revenue to ₹22,368 crore.

> **These projects are planned to be funded by a mix of debt and internal accruals**
>
> SESHAGIRI RAO, Joint MD and Group CFO

Crude steel production during the quarter fell by 3% to 4.17 million tonnes, due to planned shutdown at the Dolvi works. However, the saleable steel during the quarter rose by 2% to 4.29 million tonnes.

JSW Steel's total expenses during the quarter increased 12.72% to ₹20,058 crore.

A slowdown in steel demand, growing imports and increasing cost of production were the major factors impacting profitability, Mr. Rao said. For FY19, JSW Steel's net profit went up 23% to ₹7,524 crore on a 16% increase in revenue to ₹84,757.

Target production

The company produced 16.69 million tonnes of steel during the year, thereby achieving 99.6% of the crude steel production guidance of 16.75 MTPA for FY2019.

The company board has recommended dividend at ₹4.10 per equity share of ₹1 each for the year ended March 31, 2019. The total outflow on account of equity dividend including corporate tax on dividend will be ₹1,195 crore compared to ₹933 crore paid for FY2018.

JSW Steel shares rose 4.2% on the BSE to ₹287.65 in a firm Mumbai market on Friday, valuing the company at ₹69,531.3 crore.

BUSINESS LINE DATE : 25/5/2019 P.N.11

JSW Steel Q4 net declines 48% on lower realisation, rising costs

OUR BUREAU
Mumbai, May 24

JSW Steel has reported a 48 per cent fall in its March quarter net profit at ₹1,495 crore, against ₹2,879 crore in the same period last year, due to lower realisation and high cost of operations.

Gross sales of the company climbed 7 per cent at ₹21,837 crore (₹20,442 crore). The company has announced dividend at ₹4.10 per equity share for the year ended March 31. It will also pay a dividend at 0.01 per cent per share on the 48,54,14,604 cumulative redeemable preference shares. The total outflow on account of equity dividend, including corporate tax, will be ₹1,195 crore, against ₹933 crore paid last fiscal.

Sales during the quarter stood almost flat at 4.29 million tonnes (mt), against 4.22 mt logged in the same quarter last year. Crude steel output was down 3 per cent at 4.17 mt due to the planned shutdown at Dolvi works. With international demand and prices improving, the company shifted its focus to overseas markets and liquidated the accumulated stocks built at the end of December quarter.

JSW Steel has announced plans to invest ₹5,200 crore in key downstream projects

This resulted in exports accounting for 22 per cent of overall sales during the quarter, it said. Despite liquidating previous quarter stock, the company has an inventory of ₹1,694 crore (₹58 crore) as of March quarter-end. JSW Steel has announced plans to invest ₹5,200 crore in key downstream and cost-saving projects. It will invest ₹1,000 crore in a downstream project, ₹2,200 crore in cost-saving projects at both Dolvi and Vijayanagar, besides ₹2,000 crore in mining.

With the fresh investments announced, the company will be implementing a cumulative capital expenditure of ₹48,715 crore till FY21. The company had invested ₹14,371 crore in the last two years, and plans to spend about ₹34,300 crore over the next two years, with some spillover to FY22, it said.

The planned projects will be funded through a mix of debt and internal accruals. On a standalone basis, JSW Steel net profit was down 22 per cent at ₹1,745 crore, against ₹2,235 crore in the same period last year due to lower realisation and high inventory.

LOKMAT MARATHI DATE : 27/5/2019 P.N.2

सिलीमनाईट खाण बंद होणार

चंदन मोटघरे।
लोकमत न्यूज नेटवर्क

लाखनी : तालुक्यातील पोहरा येथील महाराष्ट्र राज्य खनिकर्म महामंडळाची सिलीमनाईट खाण बंद करण्याचा निर्णय महामंडळाचे व्यवस्थापकीय संचालकांनी घेतला आहे. आशिया खंडात व भारतात खनिज उत्पादनात नावलौकिक मिळविलेली खाण ४२ वर्षानंतर बंद पडणार आहे. सध्यास्थितीत खाणीत २७ मजूर कामावर असल्याने उदरनिर्वाहाचा प्रश्न निर्माण झाला आहे.

लाखनीपासून तीन किमी अंतरावर असलेल्या पोहरा गावाचा परिसर टेकड्यांनी वेढला आहे. या परिसरात १९७७ पासून महाराष्ट्र राज्य खनिकर्म महामंडळाने सिलीमनाईट खाण सुरु केली. सदर खाणीचा परिसर ३९ हेक्टरचा आहे. त्यापैकी १९ हेक्टर परिसरात प्रत्यक्ष खाण आहे. १९७७ पासून सुरु असलेल्या या खाणीत सुरुवातीला ४७५ च्यावर खाण कामगार होते. पोहरा, मेंढा, गडपेंढरी, शिवनी, चान्ना, धानला या परिसरातील अनेक गावातील लोकांना रोजगार मिळाला होता. मोठ्या प्रमाणात खनिज उत्पादन होत होते. खनिजांना बाजारात प्रचंड मागणी होती. दररोज हजारो टन खनिजाचे उत्पादन होत होते. १९९४-९५ पासून उत्पादन घटल्याने महामंडळाने कामगारांना स्वेच्छानवृत्ती सुरु केली. तेव्हापासून खाणीच्या उत्पादनात घट होत गेली.

खनिकर्म महामंडळाने गेल्या १० ते १५ वर्षात पोहरा खाणीकडे दुर्लक्ष केले आहे. सध्या या खाणीत फ्लायरोफाईट नावाच्या खनिजाचे उत्पादन घेतले जाते.

यासाठी कौशल्याधारित, अर्धकौशल्याधारित २७ कामगार आहेत. वर्षभरात ८० ते ८५ टन खनिज बाहेर पाठविला जातो. महिन्याला ७० ते ७५ टन फ्लायरोफाईट खनिजाचे उत्पादन होते. पोहरा खाणीच्या खनिजाला बाजारात मागणी नाही कारण महामंडळाने निश्चित केलेला दर जास्त आहे.

THE HITAVADA(CITYLINE) DATE : 27/5/2019 P.N.16

FIMI pitches for extension of non-captive mines' lease

Business Bureau

A MINING industry body has pitched for immediate extension of leases of more than 300 non-captive mines until March 2030, expressing fear that the sector may face a crisis-like situation post expiry of licences of these mines next year.

In a presentation before a high-level committee of Niti Aayog, the Federation of Indian Mineral Industries (FIMI) has said that the crisis situation in the mining industry developed following the amendment in the MMDR Act, 1957, in January 2015 that provided for auction as the sole mode of granting concessions for a fixed period of 50 years to private companies - captive and non-captive.

NITI Aayog last month set up a high-level committee on mines, minerals and coal sectors to identify key challenges and negate their impact. The committee has representation from private sector besides officials from steel, coal and mines ministries besides public sector mining companies.

FIMI in the presentation to the Aayog noted, "Government companies - Centre or State - allowed extension of existing leases for a period of 20 years at a time beyond stipulated period of 50 years."

Fearing that this disparity will not only lead to a crisis-like situation and litigation, FIMI has demanded remedial measures.

"Till Amendment Act, 2015, there was no distinction between captive, non-captive and government companies. They were at par in all respects including tenure of leases. Mining - public or private, captive or non-captive - is one and should be taken as such in MMDR Act," it has stressed. It cited examples of working mines in Jharkhand and Odisha that provide roughly 45 per cent of the iron / manganese requirements of the steel plants in the eastern sector.

"There is an unsold stock-pile of 127 million tonnes of iron ore in these two states: Odisha and Jharkhand (85 million tonnes in Odisha and 42 million tonnes in Jharkhand). This ore is not required by the domestic steel plants nor can be exported because of the export duty of 30 per cent on +58 per cent Fe grade," it said.

The representation said that it is also not possible for a prospective buyer to bid for unsold quantity not required in the domestic market or exported because of 30 per cent export duty.

This will therefore lead to litigation and chaos and disruption of raw material supplies to steel plants, it said adding, many of the major steel plants in the country are fully dependent on the sourcing of raw materials from these non-captive mines.

"It will therefore be very necessary to extend the period of existing non-captive leases till March 31, 2030 as is available for captive mines so that there is no disruption of raw material supplies. Thereafter, the lease period should be extended for 20 years at a time till reserves last," it said.

Of the 329 non-captive mines in Andhra Pradesh, Goa, Gujarat, Himachal Pradesh, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha and Rajasthan, 101 mines can be auctioned, according to the mines ministry data.

Bullion Cues

Gold recovers on weak dollar

Will continue to consolidate between $1,265 and $1,300

GURUMURTHY K

Gold fell to test $1,270 per ounce, as expected, and remained stable in the initial part of last week. However, weakness in the equities and a sharp fall in the US dollar index towards the end of the week helped it gain strength.

The yellow metal surged towards the end of the week, breaking above the key level of $1,280, and hit $1,284.9 per ounce, up 0.6 per cent for the week.

Silver, on the other hand, held well above its intermediate support region of $14.40-14.35 per ounce and bounced higher in the later part of the week. The global spot silver surged, breaking above the key resistance level of $14.50 and made a high of $14.65. It closed at $14.56 per ounce, up 1.1 per cent for the week.

On the domestic front, the gold and silver futures contract on the Multi Commodity Exchange (MCX) underperformed the global prices. The rupee's strengthening against the US dollar weighed on the domestic prices.

Dollar and equities help

Increasing fears of the US-China trade war getting worse, which in turn could stall the global economic growth, weighed on the global equities last week. As a result, major indices fell. This, coupled with the strong downward reversal in the US dollar index helped gold gain sheen.

The US dollar index (97.6) fell sharply towards the end of the week. The index made a high of 98.37 on Thursday and reversed sharply lower, giving back all the gains. As long as the index remains below 98, there is a strong likelihood of it declining towards 97.3 and even 97 in the coming days. This could limit the downside in gold and push its prices further high.

The minutes of the US Federal Reserve meeting held earlier this month indicated that the central bank could keep the rates on hold for some time. This makes it interesting to watch if there is any change in stance of the Fed in its meeting scheduled for June 29.

Gold outlook

The support at $1,266 on the global spot gold ($1,284.93 per ounce) is continuing to hold well. This keeps the broader $1,265-1,300 sideways range intact. Within this range, intermediate supports are at $1,280 and $1,275. As long as gold sustains above these supports, a rise to $1,290-1,292 is possible this week. A strong break above $1,292 will increase the likelihood of gold moving further higher towards $1,297-1,300. At the moment, a rally beyond $1,300 looks less probable and the $1,265-1,300 range is likely to remain intact.

On the domestic front, the support around ₹31,200 has been holding well on the MCX-Gold (₹31,530 per 10 gm) futures contract. A strong support is in the ₹31,200-31,000 region. Even though a dip to ₹31,200 and ₹31,100 is possible, a break below ₹31,000 looks less probable. A bounce from this support zone can take the contract higher to ₹32,000 and ₹32,500 in the coming weeks.

Silver outlook

Silver ($14.56 per ounce) is currently witnessing a corrective rally. Though there is room for the corrective rally to extend, cluster of resistances in the broad $14.60-14.80 region is likely to arrest the pace of the up-move and halt the rally. As such, silver can reverse lower anywhere from the $14.60-14.80 resistance region and fall back to $14.40-14.35. An eventual break below $14.35 will drag silver lower to $14.

MCX-Silver (₹36,384 per kg) consolidated between ₹36,000 and ₹36,750 in the past week. If the contract continues to sustain above ₹36,000, a rise to ₹37,000 or even ₹37,500 is possible in the near term. But a strong break below ₹36,000 will bring renewed pressure on the contract and drag it to ₹35,500.

The writer is Chief Research Analyst at Kshitij Consultancy Services

MCX-Gold
Supports: ₹31,200/31,000
Resistances: ₹32,000/32,500

MCX-Silver
Supports: ₹36,000/35,500
Resistances: ₹37,000/37,500

THE HINDU DATE : 28/5/2019 P.N.13

Draft export policy unveiled

Product-specific rules to offer ready reckoner for exporters

PRESS TRUST OF INDIA
NEW DELHI

The Commerce Ministry has come out with a comprehensive draft of the export policy which includes product-specific rules with a view to provide a ready reckoner for exporters.

"Based on inputs received from various partner government agencies, it is proposed to bring out a comprehensive exports policy for all ITC (HS) tariff codes (including items which are 'free' for export and do not currently exist in the policy), covering conditions/restrictions imposed by partner government agencies on exports," the Directorate General of Foreign Trade said.

The draft policy aims at consolidating the export norms for each product as applicable at different government agencies.

ITC-HS Codes are Indian Trade Clarification based on Harmonised System of Coding. It was adopted by India for import-export operations.

Every product has been accorded eight digit HS codes. The compendium will help an exporter know all the applicable norms pertaining to a particular product, helping him/her understand policy conditions for that item.

Consolidating norms

This exercise is for consolidating the norms and not for making any changes in the existing export policy of the country. The DGFT said that the updated draft had been prepared by including all existing policy conditions, all notifications and public notices issued after January 2018. Besides, it also includes non-tariff regulations imposed by different government agencies.

Commenting on the move, exporters body Federation of Indian Export Organisations (FIEO) said that it would provide a "ready reckoner" for traders and help in digitisation.

"It will help exporters in understanding export norms and conditions for items," FIEO director general Ajay Sahai said.

The directorate had sought the views of all stake holders on the draft.

A similar policy exists for import purposes also. While Schedule 1 deals with imports, Schedule 2 deals with export related matters.

BUSINESS LINE DATE : 28/5/2019 P.N.14

Gold hits one-week high

REUTERS
May 27

Gold hit a more than one-week peak on Monday as trade tensions between the United States and China lifted appetite for assets seen as a haven from risk, while weak U.S. economic data boosted hopes for a rate cut from the Federal Reserve.

Spot gold inched up 0.1 per cent to $1,285.60 per ounce by 0940 GMT. The metal touched $1,287.32 earlier in the session, its highest since May 17.

US gold futures were 0.2 per cent higher at $1,285.60 an ounce. US President Donald Trump said on Monday he was "not yet ready" to make a deal with China, hinting that the world's biggest economies are far from a trade agreement.

"Some of the comments made by Trump over the trade talks with China were not overly optimistic," ING analyst Warren Patterson said.

"The continued uncertainty around trade is helping to support prices... that uncertainty is increasing demand for safe-haven assets."

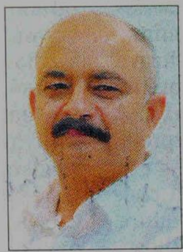
Meanwhile, hedge funds and money managers sharply reduced their net long positions in COMEX gold in the week to May 21, the US Commodity Futures Trading Commission (CFTC) said on Friday.

Among other precious metals, silver was up 0.1 per cent at $14.57 per ounce. Platinum eased 0.1 per cent to $801.50 an ounce and palladium fell 0.3 per cent to $1,331.60.

THE HITAVADA(CITY LINE) DATE : 28/5/2019 P.N.1

Aluminium should be used more frequently: Dr Agnihotri

■ **By Kaushik Bhattacharya**



Dr Anupam Agnihotri

INTERVIEW

DR ANUPAM Agnihotri took over the charge as Director of Jawaharlal Nehru Aluminium Research Development and Design Centre (JNARDDC), Nagpur in 2014. In a span of just five years, he has transformed the least known Central Government institution of country into a major Aluminium research and development institution of the world. Of course, the institutional process has also brought out the qualities of an institution-builder, a good team leader, a motivator, creative persona, and decision-making ability in him.

A metallurgical engineer from Indian Institute of Technology (IIT) Kanpur, Dr Agnihotri completed his Doctor of Philosophy degree in Materials and Metallurgical Engineering from Visveswaraya National Institute of Technology (VNIT), Nagpur. He was a visiting scientist to University of Quebec, Canada and Hungarian Research Institute under United Nations Development Program (UNDP). He was deeply involved in research activities in the field of Aluminium technology related to energy audit, environmental monitoring, modernisation programmes, low cost material alternatives etc.

Presently, Dr Agnihotri is involved in many national level projects such as Development of Super Thermal Aluminium Conductor, Perform Achieve and Trade (PAT) studies, and is also associated with Defense Research and Development Organisation (DRDO) for an ambitious project on indigenisation of Aluminium alloys. He is a member of Aluminium Mission Plan (2012-2022) of the Ministry of Mines; Sector Expert (Aluminium) for National Mission on Enhanced Energy Efficiency (NMEEE), Ministry of Power; Board Member, Aluminium Association of India, Indian Institute of Metals and Indian Society for Non Destructive Testing (INST).

In a freewheeling chat with 'The Hitavada', Dr Agnihotri shared his experiences in the field of research and development in Aluminium industry and also spoke about JNARDDC and its future plans. Here are the excerpts:

■ *What was the biggest challenge you faced after joining as Director of JNARDDC?*

The biggest challenge that I faced initially was to make people aware about our working. After coming into existence in 1986, JNARDDC started working in research

(Contd on page 2)

CONTD.. ON PAGE 23

CONTD.. FROM PAGE 22

THE HITAVADA(CITY LINE) DATE : 28/5/2019 P.N.2

Aluminium should be used more frequently: Dr Agnihotri

(Contd from page 1)

and development in Aluminium sector for limited stakeholders. We were getting funds from United Nations and Central Government both. But we were among the least known institutions in the city. After taking charge as Director, I started interacting with private Aluminium industries to make them aware of our work. Media also played a major role in this. Today, we are working for various major stakeholders of the country and also for some international companies.

■ *What encouraged Government of India to establish JNARDDC for aluminium research?*

India was the fifth largest aluminium producer in the country when JNARDDC came into existence. We had a good number of bauxite deposits and huge skilled manpower to manage this sector. Even the cost of production of aluminium in India was very low, compared to other major countries. But we were lagging in the field of technology. This encouraged Government to establish JNARDDC to do research and development for Aluminium industry.

■ *What kind of major issues is the centre facing to work in current scenario?*

Our area of working is very narrow as far as Indian scenario is concerned. In India, we have only three major players -- Aditya Birla Group, Vedanta Group, and NALCO. We are doing a lot of work for them. We started with projects costing some lakhs of rupees. Now, we have come a long way with our performance and we are working on projects with cost running into crores of rupees. This year, we have got a project from Vedanta worth Rs 1.75 crore. However, with limited number of companies in the sector, our work also has got limited.

■ *How Indian companies are managing their aluminium waste to protect the environment?*

Aluminium is a permanent metal. It can be melted a number of times without losing its property. Of the metal commercially produced in 1930s, 75 per cent is still in use. Hence, it is known as a green metal. However, aluminium creates a huge quantity of waste in the form of Red Mud. For example, one ton of aluminium generates 1.5 tons of Red Mud. In fact, dumping this waste is hazardous for atmosphere. Keeping this in mind, JNARDDC is working on reuse of Red Mud to extract Rare Earth Elements (REE) and to reuse it in construction industries.

■ *What are your future plans as Director of JNARDDC?*

Research and development should be promoted in education system. It will help India achieve milestone in the field of research. JNARDDC has 25 patents and has published numerous research papers in different journals world-wide. Keeping these achievements in mind, JNARDDC has started working to train engineering graduates, researchers, under-graduates. We have signed several Memorandums of Understanding (MOUs) with various educational institutions like VNIT.

BUSINESS LINE DATE : 29/5/2019 P.N.13

Still languishing, gold set to shine in second half of 2019

COMMENTARY

G CHANDRASHEKHAR

Gold is facing an unusually tricky situation. There are supportive factors in place, but the positive impact on its price is negligible. Even increasing risk aversion has not lifted the yellow metal. Poor price performance is seen causing anxiety and unease among traditional investors many of whom are die-hard gold bulls.

Geopolitical tensions, economic uncertainties, floundering trade talks, central bank purchases and similar usually supportive factors have not helped the metal decisively break above the $1,300-an-ounce barrier. It is still languishing at around $1,280-1,285/oz levels.

Central banks of several countries have recently purchased gold. China and Russia bought 15 tonnes each in April. Others include Turkey and Kazakhstan.

A key reason why gold is not budging from the current levels is the role of financial investors themselves. Even in these times of uncertainty, they are not ready to bet big on the yellow metal. If anything, gold ETFs have seen some outflows recently. There is palpable pessimism about gold among speculative financial investors as evidenced by liquidation on long positions, as per a CFTC report. How long the sentiment will last is anybody's guess.

Belief is gaining ground that gold's safe haven status has been taken by the US dollar. It is recognised that the dollar and gold have an inverse relationship. Many are betting on the dollar in the context of the US-China trade dispute.

Gold's poor price record of late is dragging down other precious metals, too. Silver, platinum and palladium have also seen ETF outflows in recent days. Net long positions in platinum have been completely squared off while net short positions in silver have been created. Interestingly, punters place high hopes on the new Indian government, which they believe will put money in the hands of the rural population, which, in turn, will spur demand for the precious metal. Of course, it is well known that India is a large importer and the country's rural areas are large consumers of the precious metal for a variety of reasons, including marriages, festivals and so on.

India's gold imports have spurted in the last two months because of the marriage season and anticipated demand from *Akshaya Trithiya* bargain hunters. April arrivals were an estimated 58 tonnes. The firming up of the rupee has made the metal less expensive locally, helping boost sales.

On current reckoning, the outlook for gold is constructive. In the months ahead, global economic growth is expected to remain subdued, which, in turn, will negatively impact the stock market. It is in such an eventuality that gold's traditional safe haven status will assert itself. Investors in equities will move to gold, providing a boost to prices that are currently languishing. Silver, which usually rides on the coattails of gold, will benefit, too.

The key point to watch would continue to be the demand side. There is risk; demand in both India and China may disappoint. The Chinese currency is weakening, making imports more expensive. In India, unless the rural areas witness a marked increase in incomes, demand may be muted.

The new government will present a Budget sometime in July. Efforts will be made to lobby policymakers for a reduction in customs duty; but New Delhi is most unlikely to succumb given the huge fiscal challenges and on revenue considerations.

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

THE HINDU DATE : 29/5/2019 P.N.14

Hindustan Copper profit surges 83% on higher sales

Board okays hike in borrowing limit

SPECIAL CORRESPONDENT
KOLKATA

The country's lone copper miner, Hindustan Copper Ltd., closed 2018-19 with an 83 % rise in its post-tax profit to ₹145.5 crore on the back of a 9% increase in turnover to ₹1,852.9 crore.

HCL , a listed PSU, is engaged in mining and processing of copper ore to produce refined copper metal. It had closed the last fiscal with a 12% rise in its copper ore production to 41.2 lakh tonnes, with a 32,439-tonne production of metal in-concentrate, which was the highest in 16 years.

Copper sales volume, too, touched its highest figure in nine years. This coupled with the optimisation of the production of high-value items, enabled the company to have a record an healthy bottomline.

The board recommended a dividend of ₹0.52 per share for FY19

For 2019-20, HCL is planning a 25% hike in its copper ore output to 51.5 lakh tonnes.

The target is in line with HCL's production ramp-up plan to 200 lakh tonnes. HCL's board also approved an increase in the borrowing limit to ₹2,500 crore from ₹1,500 crore.

The board of directors also recommended dividend for the financial year 2018-19 at ₹0.52 per share of the face value of ₹5 subject to the approval of the shareholders.

LOKMAT MARATHI DATE : 29/5/2019 P.N.6

गौण खनिजाची 'ओव्हरलोड' वाहतूक

आठ ट्रक पकडले : महसूल विभागाचा ब्रारब्रिक कंपनीला दणका

लोकमत न्यूज नेटवर्क

रामटेक/महादुला : महसूल विभागाच्या विशेष पथकाने महादुला परिसरातील नागरिकांच्या मदतीने बारब्रिक नामक कंत्राटदार कंपनीचे गौण खनिजाची 'ओव्हरलोड' वाहतूक करणारे आठ ट्रक पकडले. या ट्रकमधून माती व मुरुम रोडच्या बांधकामासाठी नेला जात होता. ही कारवाई सोमवारी दुपारी करण्यात आली.

सध्या मनसर (रामटेक) - तुमसर (भंडारा) या मार्गाच्या चौपदरीकरणाचे काम सुरु असून, या कामाचा कंत्राट बारब्रिक कंपनीला दिला आहे. या रोडच्या निर्मितीसाठी लागणाऱ्या गौण खनिजाची 'ओव्हरलोड' वाहतूक केली जात असल्याने, तसेच रोडवर उडणाऱ्या धुळामुळे नागरिक कमालीचे त्रस्त झाले आहेत्त. त्यामुळे नागरिकांनी सोमवारी दुपारी आंदोलनात्मक पवित्रा घेत, गौण खनिजाची 'ओव्हरलोड' वाहतूक करणारे आठ ट्रक महादुला परिसरात अडविले आणि महसूल विभागाच्या अधिकाऱ्यांना सूचना दिली. सध्या या मार्गावरील घोटीटोक परिसरात माती व मुरुम टाकण्याचे काम सुरु आहे. त्यासाठी लागणाऱ्या गौण खनिजाची महादुला शिवारातील पाझर तलाव परिसरातून उचल करण्याची महसूल विभागाकडून परवानगी घेतली होती. महसूल विभागाने कंपनीला २३ मार्च २०१९ ते २३ डिसेंबर २०१९ या काळासाठी गौण खनिजाची उचल करण्याची व मनसर ते सालई (खुर्द) दरम्यान वाहतुकीची परवानगी दिली होती. मात्र, बहुतांश ट्रकमध्ये क्षमतेपेक्षा अधिक गौण खनिज असल्याचे तसेच रॉयल्टीपेक्षा अधिक गौण खनिजाची वाहतूक केली जात असून, एकाच रॉयल्टीचा वारंवार वापर केला जात असल्याचे अधिकाऱ्यांच्या निदर्शनास आले. काही ट्रकचालकांकडे वाहतूक रॉयल्टी नव्हती. त्यामुळे अधिकाऱ्यांनी आठही ट्रक ताब्यात घेत तहसील कार्यालयाच्या आवारात जमा केले. या ट्रकमालकांवर दंडात्मक कारवाई केली जाणार असून, त्यांनी दंडाच्या रकमेचा भरणा केल्यानंतर ते सोडण्यात येणार असल्याचेही नायब तहसीलदार कांबळे यांनी सांगितले. महसूल विभागाने ही कारवाई ठाणेदार दिलीप ठाकूर, संजय झाडे, विवेक तुरक, देवानंद वंजारी, बंडू सांगोडे, कमलेश शरणागत, धनराज झाडे, आशिष मासूरकर, मोहन देशमुख, संतोष चाकोरे यांच्यासह नागरिकांच्या उपस्थितीत केली.

शासकीय नियमांची पायमल्ली

◆ एका विना क्रमांकाच्या ट्रकची क्षमता ३० टन असून, त्यात ३७.८०० टन गौण खनिज होते. सीजी-०४/एलडी-१९३९ व जेएच-१४/ई-०३४९ क्रमांकांच्या ट्रकवर रॉयल्टी नव्हती तर, सीजी-०४/एचओ-१८७५ व सीजी-१५/सीव्ही-१९९० क्रमांकाच्या ट्रकचालकांकडे असलेल्या रॉयल्टीवर वेळ नमूद नव्हती. यातील कोणत्याही ट्रकवर 'जीपीएस' प्रणालीचा वापर केला नव्हता. यातील केवळ एका ट्रकवर दोन लाख रुपयांचा दंड ठोठावण्यात आला असून, उर्वरित ट्रक सोडून दिल्याची माहिती तहसीलदार नीलिमा रंगारी यांनी दिली. वास्तवात, महसूल विभागाने अतिरिक्त प्रति ब्रासप्रमाणे आणि वाहतूक शाखेने प्रति टनाप्रमाणे अशी दुहेरी कारवाई करायला हवी होती. दुसरीकडे, प्रशासनाने केवळ कारवाईचा देखावा केल्याचा आरोप संजय झाडे यांनी केला आहे.

BUSINESS LINE DATE : 29/5/2019 P.N.13

NMDC net profit jumps 31% to ₹1,453 crore in Q4

OUR BUREAU

New Delhi, May 28

NMDC Ltd has reported a net profit of ₹1,453.77 crore for the fourth quarter ended March 31, 2019. This represents a 31 per cent increase over the net profit of ₹1,105.85 crore in the same quarter of the previous financial year.

But total income during the quarter under review fell from ₹4,053.16 crore to ₹3,839.40 crore.

"The Income-Tax Department had disallowed a reversal of ₹165 crore and there was a hit of ₹35 crore as a retrospective mine closure charge to the bottomline in the fourth quarter of financial year 2017-18. This reduced the expenditure in the quarter under review, boosting the bottomline," a company statement said.

The company's production of iron ore during the fourth quarter is 10.59 million tonnes (mt), registering a decrease of 7 per cent over the corresponding period last year while sales of iron ore were 10.17 mt, which is about 3 per cent less than that of the same period last year, a company statement said.

On a consolidated basis, in the financial year 2018-19, the total income was ₹12.741.63 crore as against ₹12,138.13 crore during the previous year.

For the NMDC Group, net profit for the financial year 2018-19 was ₹4,637.07 crore against ₹3,802.79 crore in the previous year.

THE HITAVADA(CITY LINE) DATE : 30/5/2019 P.N.10

'Steel demand may register 6-8 per cent growth in FY20'

■ **Business Bureau**

AMID concerns about sluggish steel demand and dumping threat from China, domestic steel may register a growth of 6-8 per cent in the current financial year, experts said.

The sector remained bullish on domestic demand for the current financial year amid short term concerns on sluggishness and dumping threat from China, JSW Steel president (Operations) Partha Sengupta said.

"We expect a demand growth of 6-7 per cent in FY'20," he said on the sidelines of The Metals Conclave organised by the Bengal Chamber of Commerce and Industry. The Institute for Steel Development & Growth (INSDAG) was also of the view that the sector will script a growth of 7-8 per cent during the fiscal.

"The Central Government has been focusing on infrastructural projects like Sagarmala, Smart Cities and the new Government would stick to its focus. I think steel demand is expected to grow by 7-8 per cent in 2019-20," INSDAG Director General Sushim Banerjee said.

NMDC's former chief Rana Som said the steel companies should expand with equity capital rather on debt fund.

He also said the PSU land bank should be made available for expansion of the private sector.

The Government should also take a view on long term contracts for iron-ore if it wants to achieve the steel production target of 300 million by 2030, he said.

THE ECONOMIC TIMES DATE : 31/5/2019 P.N.10

NALCO Q4 Profit Drops 9% to Rs 234 cr

New Delhi: National Aluminium Co (Nalco) Thursday posted a 9% decline in standalone profit to ₹233.5 crore in the quarter ended March 31. The company had posted a standalone profit of ₹257 crore in the year-ago period, the state-owned company said in a filing to the BSE. The standalone revenue from operations in the quarter declined to ₹2,766 crore, compared with ₹2,863 crore in the year-ago period, the filing said. In a statement, the company said that in the entire 2018-19, the company registered a net profit of ₹1,732 crore, a growth of 29% as compared with ₹1,342.19-crore net profit in the previous year.

"During the financial year ended March 2019, net sales was ₹11,386 crore, registering a growth of 21% over the previous year," the statement said. Nalco also ended the financial year 2018-19 with strong performance in domestic sales.—**PTI**

THE HITAVADA(CITY LINE)
DATE : 31/5/2019 P.N.10

MECL signs MoU with Ministry of Mines

THE city-based Mini Ratna CPSE, Mineral Exploration Corporation Limited (MECL), engaged in detailed mineral exploration in the country has signed a Memorandum of Understanding (MoU) with Ministry of Mines, Government of India for the Financial Year 2019-20. The MoU was signed by Anil Gopishankar Mukim, Secretary to Government of India, Ministry of Mines and Dr Ranjit Rath, Chairman-cum-Managing Director, MECL, in the presence of senior officials of the Ministry of Mines and MECL at Shashtri Bhawan, New Delhi.

During FY 2018-19, MECL has carried out 6.10 lakh meters of drilling for various minerals viz., coal, lignite, iron ore, bauxite, limestone, gold, copper, etc. and has added 8 billion tonnes of mineral resources to the National Mineral Inventory.

Pursuant to the guidelines of Department of Public Enterprises (DPE) the MoU is prepared with specific focus on Government policies, flagship initiatives and several other financial and physical performance related parameters. As part of it's mandate, MECL continues to undertake mineral exploration campaign with specific focus on deep seated base metals deposits towards import substitution.

NAVBHARAT DATE : 31/5/2019 P.N.7

MECL का खान मंत्रालय के साथ समझौता

व्यापार प्रतिनिधि

नागपुर. मिनी रत्न कंपनी सार्वजनिक क्षेत्र की कंपनी मिनरल एक्सप्लोरेशन कारपोरेशन लि. (एमईसीएल) ने हाल ही में वर्ष 2019-2020 के लिए खान मंत्रालय के साथ समझौता पर हस्ताक्षर किए हैं. एमईसीएल देश में खनिज गवेषण के क्षेत्र में कार्यरत है. समझौते पर सचिव अनिल मुकीम, एमईसीएल के सीएमडी रंजीत रथ ने हस्ताक्षर किए. इस अवसर पर मंत्रालय और एमईसीएल के वरिष्ठ अधिकारी उपस्थित थे.

वित्त वर्ष 2018-19 के दौरान एमईसीएल ने विभिन्न खनिजों जैसे कोयला, लिग्नाइट, लौह अयस्क, बाक्साइट, चूना पत्थर, स्वर्ण, ताम्र आदि के लिए 6.10 लाख मीटर का वेधन कार्य किया है. राष्ट्रींय खनिज सूची में 8 बिलियन टन खनिज संसाधन जोड़ने में सफलता अर्जित की है. सार्वजनिक उपक्रम विभाग (डीपीई) के दिशानिर्देशों के अनुसार हर वर्ष एमओयू पर हस्ताक्षर किए जाते हैं, जिसमें लक्ष्य, नीति आदि मापदंडों पर ध्यान दिया जाता है.

GLOBAL DISTINCTION State-owned firm was the lowest cost producer of bauxite during the year, and alumina for the third year in a row

Nalco's Profit Rises 29% in FY19 On Higher Volumes, Realisations

Our Bureau

Kolkata: National Aluminium Company (Nalco), India's largest state-owned aluminium producer, posted a 29% increase in net profit for FY19 at ₹1,732 crore on improved realisations and higher volumes.

The company's net profit stood at ₹1,342.19 crore during the previous financial year.

The net profit of ₹233 crore during the fourth quarter of FY19 was, however, 9% lower than ₹257 crore in the year-ago quarter. Its net sales increased 21% during the year to ₹11,386 crore.

Nalco chairman TK Chand attributed the company's results to tight cost control backed by its best-ever performance on the production side. "We became the lowest cost producer of bauxite in the world in FY19. And in alumina production, we achieved a rate higher than 21 lakh tonnes, which is the normative capacity of the refinery," said Chand.

Nalco's alumina refinery achieved its highest ever output of 2.153 million tonnes of alumina hydrate in FY19. The aluminium firm also recorded its highest domestic sales since inception during the year. It reported a 5% increase in total metal sales of about 441,000 tonnes, out of which domestic metal sales, at around 402,000 tonnes grew 15% over the year-ago number. The company's export earnings stood at ₹4,792.71 crore, up 18% year-on-year.

NEW PEAK

Nalco's alumina refinery achieved its highest ever output of 2.15 MT of alumina hydrate in FY19

"We are seeing a massive rise in aluminium demand coming from infrastructure projects, particularly high-speed trains and automobiles. Also, a lot of aluminium is being used in downstream industries and in Smart Cities, where traditional wood framework of doors and windows are being replaced by aluminium," said Chand.

During the year, Nalco achieved the distinction of being the lowest cost producer of alumina globally for the third consecutive year, according to a Wood Mackenzie report. During the year, the company went a step further by becoming the lowest cost producer of bauxite in the world. The cost advantage, coupled with higher production, helped the company achieve higher realisation.

Nalco's Panchpatmali mines produced 7.41 million tonnes of bauxite, its highest since inception. The company's alumina refinery produced its highest ever tonnage of alumina hydrate at 2.15 million tonnes, and the aluminium smelter too matched the performance, producing around 440,000 tonnes of cast metal, more than the company produced in any other fiscal.

BUSINESS LINE DATE : 31/5/2019 P.N.7

Hind Copper plans to buy lithium reserves overseas through JV arm

To invest ₹600 crore to expand capacity

OUR BUREAU

Kolkata, May 30

State-owned Hindustan Copper Ltd is eyeing acquisition of lithium reserves overseas. The acquisition will be made through its joint venture arm, Khanij Bidesh India Ltd (KABIL).

KABIL is a joint venture between three central public sector undertakings– National Aluminium Company (Nalco) with 34 per cent stake and Mineral Exploration Corporation Ltd (MECL) and Hindustan Copper Ltd (HCL) having a 33 per cent stake each. It has an equity share capital of ₹100 crore.

According to Santosh Sharma, CMD, HCL, the JV has already scouted some destinations overseas including Chile, Peru and Bolivia. The reserves are likely to be acquired within the next six months.

Strategic minerals

"The JV will be signed over the next one month and we will look at acquisition of reserves over the next six months through KABIL. The JV has already been to places like Chile, Peru and Bolivia," he said during a press meet.

Apart from lithium resources, KABIL will identify, explore, acquire, develop and process different strategic minerals overseas for commercial use. The strategic minerals include tin, tungsten, titanium, gallium, tantalum, cobalt, niobium, selenium and indium.

Capacity expansion

According to Sharma, HCL will look to invest ₹600 crore this fiscal towards capacity expansion of existing mines, re-opening of closed mines and acquiring new mining leases.

While plans are afoot to re-open the Dhobani Pathargora Mine in Jharkhand. The other mines that are scheduled for re-opening this fiscal include Rakha and Kendadih.

"We are readying with the tenders for Rakha," the CMD said.

Santosh Sharma, CMD, Hind Copper

Meanwhile, talks are on to start development of mines at Chapri-Sideshwar block soon. A greenfield project, the mine is expected to be "viable for at least 25 years" with 80-100 million tonnes of reserve.

"If required, the year's capex can be increased to ₹1,200 crore. Entire expansion can be funded from our internal accruals," Sharma said.

HCL is targeting a revenue of ₹2,000 crore this fiscal and has set a production target of 51.5 lakh tonnes.

According to Sharma, the expansion of the Malanjkhand project in Madhya Pradesh, the single largest copper deposit in India, will be operational this fiscal.

THE HINDU DATE : 31/5/2019 P.N.13

Coal India profit rises 148%

Better realisation, cost control boost performance

SPECIAL CORRESPONDENT
KOLKATA

Coal India Ltd. closed 2018-19 with a 148% rise in its post tax profit to ₹17,462.2 crore on a net sales of ₹92,896.1 crore against ₹82,487.9 crore a year ago. All the subsidiaries of CIL earned profits during the year.

An official said that better average realisation in both FSA (fuel supply agreement) and e-auction sales, coupled with operation cost control, led to the company's record performance. Coal quality variance was also under control and grade slippages were arrested, the official said.

CIL produced 606 million tonnes of raw coal during the year against 567.4 million tonnes in 2017-18. Off-take stood at 608.1 million tonnes against 580.3 million tonnes. CIL, a listed entity, produces about 80% of the country coal.

During the fourth quarter, profit after tax was 362 % higher at ₹6,024.2 crore. Average realisation per tonne of coal in FSA sales during 2018-19 was 8% higher at ₹1,348.

Employee cost dropped by ₹3,851 crore in 2018-19. This was mainly on account of the ₹7,000 crore one-time provision that had to be made in 2017-18 due to the rise in gratuity ceiling, sources said.

They said that the CIL subsidiaries were all in the black due to the control on grade slippages and other costs. Contractual production rates were also kept under tight control, it was learnt.

In 2018-19, four subsidiaries – Eastern Coalfields, Central Coalfields, Northern Coalfields and Western Coalfields – surpassed their production targets while South Eastern Coalfields became CIL's first subsidiary to surpass the 150-million-tonne production mark. ECL and WCL became 50 million tonne-plus companies for the first time.

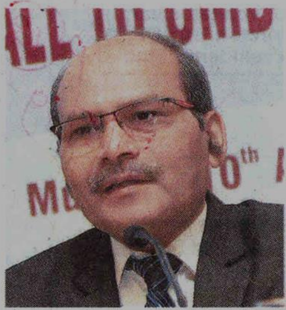
BUSINESS LINE DATE : 31/5/2019 P.N.13

Three PSUs ink joint venture pact for buying rare metals

NALCO to hold 34% of the proposed ₹100 crore equity

SPECIAL CORRESPONDENT
KOLKATA

Three public sector units – National Aluminium Company (NALCO), Mineral Exploration Corporation Ltd. and Hindustan Copper Ltd. – are set to sign by next month, a joint venture (JV) agreement for making overseas acquisition of reserves of rare metals like lithium and cobalt.



Santosh Sharma

First acquisition

The first acquisition is likely to be made within six months NALCO will hold 34% of the proposed ₹100 crore equity, with the other two companies holding 33% each. "The JV will acquire assets in overseas countries," HCL CMD Santosh Sharma said.

Expert teams have already visited countries holding such deposits like Chile, Peru and Bolivia, he said, adding that the tie-ups are likely to be between the governments. These rare metals are needed in devices such as mobile phones, laptops and also for electric vehicles.

Turning to HCL, Mr. Sharma said that he expected London Metal Exchange (LME) prices to be good this year in view of the demand-supply situation in copper.

"I do not see a downswing in LME prices in the near future," he said. There was a global shortage of the metal and exports from India are set to drop on rising domestic demand. HCL is the country's only integrated copper miner with operating units in Khetri (Rajasthan), Ghatsila (Jharkhand), Malanjkhand (Madhya Pradesh), Taloja (Maharashtra) and Jhagadia(Gujarat).

He said that HCL hoped to increase its ore output by 25% to 51.5 lakh tonnes this fiscal through capacity expansion at its existing mines, reopening of closed mines and acquisition of new ones.

The company has earmarked about ₹1,200 crore towards capital expenditure. The flagship expansion project at Malanjkhand (where an underground project was being developed in the place of the existing opencast mine) will start production this fiscal, while work on reopening the Rakha and the Chapri Sidheswar mines in Ghatsila would start soon.

"We may either go in for the EPC or MDO (mine development operator) route for these mines," he said.

THE HINDU DATE : 31/5/2019 P.N.13

NCLT approves Tata Steel takeover of Bhushan Energy

To acquire debt-laden firm for about ₹800 crore

PRESS TRUST OF INDIA
NEW DELHI

The National Company Law Tribunal (NCLT) on Thursday approved the resolution plan of Tata Steel to acquire debt-ridden Bhushan Energy Ltd. for about ₹800 crore.

The principal bench of NCLT - Delhi also rejected objections from Bhushan Energy's former promoter Neeraj Singal opposing Tata Steels' bid.

Upfront payment

Under the resolution plan, Tata Steel will offer an upfront payment of ₹730 crore. It would also pay ₹50 crore additionally to operational creditors of the company.

Besides, Tata Steel would also infuse ₹367 crore into the company as a part of equity infusion. A detailed order is still awaited in this matter.

The order was pronounced by NCLT on Thursday. Bhushan Energy was a subsidiary of Bhushan Steel Ltd., which was also taken over by Tata Steel last May and later renamed as Tata Steel BSL Ltd.

Tata Steel had offered ₹35,200 crore in cash to acquire Bhushan Steel besides ₹1,200 crore to creditors and convert the remaining debt owed to banks to equity.

Earlier in June last year, in this matter, NCLT had extended the insolvency resolution period for 90 days after the creditors failed to find a suitable buyer within the initial period of 180 days as mandated under the Insolvency & Bankruptcy Code (IBC).