खनिज समाचार

KHANIJ SAMACHAR

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KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL 1 NO-3, 16-31 MAY, 2017

THE ECONOMIC TIMES DATE: 16/5/2017 P.N.

Vedanta Beats Q4 Estimates, Expects Better Credit Rating & Lower Debt Costs

Reports record March quarter profit; price correction in key commodities may put pressure on June quarter margins

Jwalit Vyas & Vatsala Gaur

Mumbai: Vedanta Ltd Monday comprehensively beat street estimates reporting a record March quarter profit as India's largest base metals producer gained significantly from rising commodity profits and a special dividend from Hindustan Zinc.

The flagship subsidiary Anil Agarwal's London-listed Vedanta Resources beat analysts estimates on all counts. Vedanta's operating profit or EBITDA stood at Rs 7275 crore against an expectation of Rs 7,100 crore and its net profit was at Rs 2,971 crore against an estimate of Rs 1600 crore, mainly driven by higher commodity prices especially aluminium, zinc and crude oil. Vedanta had reported a loss in the same period last year.

"The combined entity truly reflects our strong, diversified, low-cost portfolio with industry-leading volume growth from our well-invested assets," Navin Agarwal, chairman, Vedanta Ltd, in a statement said.

A price correction in three key commodities – aluminium, zinc and copper over the past one month is likely to put pressure on margins in the June quarter.

However, the management expects the average commodities' prices in FY18 to be higher than FY17 and thus help an overall better performance for the whole year, which is positive for long-term investors.

Management expects its iron ore and copper business to gradually pick up. Improving cash flows with help further help to lower the company's debt, which is not as big a concern after the merger with cash-rich Cairn India in the last quarter. Further ramp up in capacities mainly in zinc and oil production will only pace up the company's debt reduction plan. Vedanta would be investing $1 billion or Rs 6,500 crore in ramping up these capacities.

Management also said that with an improving balance sheet, it aspires to get a better credit rating which will, in turn, lower its debt cost. The average debt cost for FY17 was 8.2% and it intends to bring it down meaningfully, with some debt to cost as low as 7%. In the end of FY17, Vedanta's total net debt was Rs 8100 crore at the end of FY17 and the net debt to EBITDA was 0.4, after considering cash from Hindustan Zinc. "Our rating just got upgraded by Crisil to AA. To get into the AA+ rating, we will always ensure that the access to capital is cheap both in Indian as well as international banks. I think we are in a good position to raise more debt if need be, we see further potential because its a benign interest rate environment in India," Arun Kumar, CFO, said.

THE HITAVADA DATE: 16/5/2017 P.N. 11

Gold imports surge 3-fold to $3.85 billion in April

NEW DELHI, May 15 (PTI)

RECORDING a three-fold jump, India's gold imports rose to USD 3.85 billion in April, mainly on account of Akshaya Tritiya.

Gold imports stood at USD 1.23 billion in April last year, as per official data released on Monday.

Imports of the precious metal were on a decline between February and September last year. They grew in October and November but again dipped in December and January.

In February and March, they recorded high growth rates.

In March this year, gold imports had risen to USD 4.17 billion from USD 974 million in the same month previous year. Surge in gold imports in April contributed to the widening of trade deficit to USD 13.2 billion as against USD 4.84 billion in April 2016.

Silver imports, too, grew by 61 per cent to USD 353 million in April. India is the world's second biggest gold consumer after China. The imports mainly take care of demand by the jewellery industry. In volume terms,

India imported 560.32 tonnes of gold during April-January period of the last fiscal.

At present, gold import attracts 10 per cent duty. The gems and jewellery industry along with the Commerce Ministry have time and again urged the Finance Ministry to consider a cut in the import duty.

During April to December period of last fiscal ended March 31, the current account deficit halved to 0.7 per cent, from 1.4 per cent a year ago.

BUSINESS LINE DATE: 16/5/2017 P.N. 18

WEEKLY OUTLOOK

MCX-Aluminium moves above key hurdle

GURUMURTHY K
BL Research Bureau

The MCX-Aluminium futures contract on the Multi Commodity Exchange (MCX) is getting a breather. The contract seems to have formed a good base above ₹120 a kg in the past week. Subsequently, the contract surged on Monday, breaking above the key ₹121.5-₹122 resistance band. It is currently trading at ₹122.15. The downside pressure will ease if the contract manages to sustain above ₹122. In such a scenario, a rise to ₹125 is possible in the coming days. Whether the contract breaks above ₹125 or not will decide the next movement. A strong break and a decisive close above ₹125 can boost momentum. Such a break will increase the possibility of the contract rallying to ₹130 again in the coming weeks. But a reversal from ₹125 may drag it lower to ₹122 or ₹120 once again.

On the other hand, if the contract fails to sustain above ₹122 and falls below this level once again, the contract may come under renewed pressure.

Such a pull-back will keep chances of the contract falling to ₹119 and ₹118.7 levels in the coming days alive.

THE TELEGRAPH DATE: 16/5/2017 P.N. 12

Gold widens trade gap

OUR SPECIAL CORRESPONDENT

New Delhi, May 15: Trade deficit spiked to a 29-month high of $13.25 billion in April on account of a three-fold jump in gold imports and a strong rupee against the dollar.

Exports grew for the eighth consecutive month by 19.77 per cent to $24.63 billion in April, backed by sectors such as petroleum, textiles, engineering goods and gems and jewellery.

Imports jumped 49.07 per cent to $37.88 billion from $25.4 billion in April 2016, according to data released by the commerce ministry.

The imports of the precious metal rose three fold to $3.85 billion in April compared with $1.23 billion in the same month last year.

The value of gold imports increased 211 per cent from last April to $3.8 billion, continuing the uptick that began in January after a lull during demonetisation.

EXPORTS MAINTAIN MOMENTUM

Trade deficit (in $ billion)	
2013-14	135.7
2014-15	137.69
2015-16	118.45
2016-17	105.7

The festive season of Akshaya Tritaya had pushed up gold imports with jewellers stocking up on hopes of a demand recovery.

"The surge in gold imports was led by restocking as well as festive season demand. The volume of gold imports is likely to taper off in the coming months," Aditi Nayar, principal economist at Icra, said.

"Other consumption items, such as electronic goods, also recorded a sharp rise. Moreover, industrial inputs, including coal, chemical, and machinery, showed considerable expansion, which may signal an industrial upturn," Nayar added.

With the rupee expected to continue strengthening in the short term, the the Federation of Indian Export Organisations had suggested that certain sectors should be given tariff support. So far this year, the rupee has gained 6.03 per cent against the dollar, affecting the competitiveness of exports.

Gems exports

Shipment of gems and jewellery is likely to grow to $42 billion in the current fiscal because of higher demand from West and Southeast Asian markets. In 2016-17, the exports were at around $36 billion.

According to Anil Sankhwal, the northern region chairman of the Gems and Jewellery Export Promotion Council, Europe poses a challenge to gems exporters.

He also expressed concern over the imposition of a 5 per cent import duty by Dubai on gold and diamond jewellery.

THE HITAVADA DATE: 17/5/2017 P.N. 11

'Anti-dumping duty to improve profits of local steel producers'

NEW DELHI, May 16 (PTI)

SUPPORT measures like imposition of definitive anti-dumping duties on several flat-steel products and preferential procurement of local steel will improve the outlook for demand and profitability for domestic producers, according to Fitch Ratings.

However, the next wave of aggressive capacity expansion presents a risk to credit profiles which are yet to recover fully from debt-funded capex over the last few years, the ratings agency said. The Government has imposed definitive anti-dumping duties on hot-rolled (HR) and cold-rolled (CR) flat-steel products (excluding certain value-added steels such as stainless steel) from several countries including China, Japan and South Korea, through its orders dated May 11 and 12, 2017.

"The duties will result in a minimum cost (including the anti-dumping duty) of USD 489/tonne for HR coils, USD 561/tonne for HR plates and USD 576/tonne for CR coils imported from these countries," it said. Anti-dumping duties will not be imposed if the landed value of imported products is higher. The duties are in place until August 2021, and provide long-term protection for the Indian steel mills.

Anti-dumping duties reduce the risks of fall in selling prices and brighten the outlook for profitability amid prevailing global overcapacity, Fitch Ratings said.

"Flat products have constituted the bulk of Indian steel imports over the last few years, and the HR and CR products on which anti-dumping duties have been imposed formed over 55 per cent of India's finished steel imports in the 21-month period from April 2015 until December 2016. Tata Steel and JSW Steel are well placed to benefit from anti-dumping duties since around 75 per cent of their capacity is for production of flat products, dominated by those included in the latest Government notification," it said.

THE HINDU DATE: 17/5/2017 P.N. 16

Tata Steel's Q4 loss narrows

Steelmaker reports one-time exceptional loss of ₹4,069 cr.

SPECIAL CORRESPONDENT
MUMBAI

Tata Steel, part of the salt-to-software conglomerate Tata Group, has narrowed its consolidated net loss for the fourth quarter to ₹1,168 crore, from a loss of ₹3,042 crore in the March quarter of FY16. Non-cash pension curtailment charges on account of the company agreeing to the British Steel Pension Scheme weighed on the steelmaker's earnings.

T.V. Narendran

Exceptional loss

As a result, Tata Steel reported an exceptional loss of ₹4,069 crore in the quarter and ₹4,324 for the full financial year ended March 31.

The company reported a loss in spite of a 30.4% growth in consolidated revenue to ₹35,305 crore in the fourth quarter.

Mr T.V. Narendran, Managing Director, Tata Steel India and South East Asia, commenting on the results said, "Tata Steel continued to outperform the market in this quarter as well. We recorded robust sales across all our target segments and our overall volumes stood at 3.21 million tonnes which was higher by 7% sequentially.

"Our Kalinganagar facility, which continues to ramp up smoothly, is well positioned to serve the expected increase in demand in FY18 and beyond."

Tata Steel U.K. had completed the sale of its Speciality Steels business for a consideration of £100 million.

THE INDIAN EXPRESS DATE: 17/5/2017 P.N. 13

Tata Steel narrows loss on higher global, domestic revenue

ENS ECONOMIC BUREAU
MUMBAI, MAY 16

AIDED BY higher revenue from Indian as well as European operations, Tata Steel's consolidated net loss narrowed to Rs 1,168.02 crore for the quarter ended on March 31, 2017 as against a consolidated net loss of Rs 3,041.88 crore for the year-ago quarter.

The consolidated revenue from operations increased to Rs 35,304.89 crore in January-March 2017, from Rs 27,071.26 crore in the same quarter of FY2015-16, Tata Steel said.

"Tata Steel continued to outperform the market in this quarter as well. We recorded robust sales across all our target segments and our overall volumes stood at 3.21 million tonnes which was higher by 7 per cent sequentially," T V Narendran, managing director, Tata Steel India and South East Asia said.

The revenue from Indian operations rose to Rs 17,113 crore in the last quarter of 2016-17 from Rs 11,735 crore in the year-ago quarter. It posted a net profit of Rs 1,414 crore from Indian operations for January-March 2017 against that of Rs 520 crore for the year-ago quarter. The revenue from European operations rose to Rs 15,243 crore from Rs 12,982 crore in the year-ago period.

Narendran said the company is committed to investing in its customer relationships and marketing franchise to consolidate its position in India. The company's focus on cost improvement initiatives and integrated operations helped Tata Steel to contain the impact of rising raw material prices, he said.

British pensions deal gets nod

London: Tata Steel has agreed the main terms of a deal to cut benefits for its British pension scheme in a move that will see the firm back a new plan that will pose less risk to the company.

The pension scheme is a major stumbling block in talks to merge Tata's British and European steel assets with those of Thyssenkrupp, because the German company is opposed to taking on £15 billion ($19.37 billion) in UK pension liabilities.

The fate of Tata's British businesses, including the country's largest steelworks at Port Talbot, has been in the air since Tata Steel said a year ago it planned to sell its British assets following heavy losses. PTI

THE TELEGRAPH DATE: 18/5/2017 P.N. 10

Sales surge propels JSW Steel profit

OUR SPECIAL CORRESPONDENT

REPORT CARD

Figures in Rs crore

Q4	2016	2017
Revenue	11,747	17,917
Total income	11,815	17,973
Net profit	300.69	1,009

Full year	2016	2017
Revenue	45,977	60,536
Total income	46,157	60,688
Expenses	46,499	55,560
Net profit	(480.63)	3,467

Calcutta, May 17: Top private sector steel producer JSW Steel came up with record revenue and profit numbers for 2016-17 on the back of higher sales in the domestic and export markets following the completion of its ongoing expansion.

It reported a profit of Rs 3,467 crore on a consolidated basis compared with Rs 481 crore a year ago, while revenue rose to Rs 60,536 crore from Rs 45,288 crore in the previous financial year.

During the fourth quarter, consolidated profit jumped 173 per cent to Rs 1,009 crore from Rs 301 crore in the year-ago period. Revenue went up 53 per cent to Rs 17,917 crore from Rs 15,312 crore.

Buoyed by the performance, the company announced a further capital expenditure of around Rs 20,000 crore. Bulk of the money will be used to double the capacity of the Dolvi plant in Maharashtra to 10 million tonnes by March 2020, taking the total production capacity to 22 million tonnes.

It will also shut down one of the high-cost blast furnace at Vijaynagar, Karnataka, and recoup the capacity by increasing the size of another furnace by Rs 1,000 crore.

Moreover, JSW, owned by billionaire Sajjan Jindal, will invest Rs 3,200 crore to expand and enrich the product mix of cold-rolled mills to cater to the construction sector (colour-coated sheet) and appliance grade steel.

JSW gave a guidance of a 4.9 per cent rise in saleable steel at 15.50 million tonnes for the current fiscal and announced several measures to contain costs such as starting iron ore mining to reduce dependence on the market by two million tonnes.

Moreover, it is also trying to tame logistics and finance costs during this year to protect the margin, given that the global steel demand is still not out of the woods.

The JSW board, which declared a dividend of Rs 2.25 (225 per cent), also approved $1-billion long-term non-convertible bonds from the overseas market and Rs 10,000-crore term loan from domestic sources to meet its expansion projects and repayment of loans.

The JSW scrip today closed at Rs 206.55, up 2.48 per cent, or Rs 5, after touching an intraday year-high of Rs 209.35 on the BSE.

NIIT show

NIIT Ltd today registered a 70 per cent jump in consolidated net profit at Rs 30.2 crore for the fourth quarter ended March, riding on the back of new contracts.

Net revenue of the training and skills development company rose 51 per cent to Rs 361.5 crore in the January-March quarter of 2016-17 compared with the year-ago period.

For the full year, net profit slid 3 per cent to Rs 65 crore because of forex losses.

THE TELEGRAPH DATE: 18/5/2017 P.N. 10

Coal surety for power projects

OUR SPECIAL CORRESPONDENT

New Delhi, May 17: The Union cabinet on Wednesday approved a new coal linkage policy to ensure all power projects get adequate supply through a bid process or power purchase agreements, to help debt-laden generators which have had to import coal despite adequate domestic stockpiles.

Under the policy, government-owned power generating companies, state or central, will be granted fuel on the basis of recommendations by the power ministry. Other companies will have to go through a bidding process, the government said in a statement.

The new policy — SHAKTI or Scheme for Harnessing and Allocating Koyla (coal) Transparently in India — will ensure transparency in coal linkages and reduce power costs to consumers, power minister Piyush Goyal told reporters after the cabinet meeting.

"Power plants which have a capacity of 38,000MW and are under various stages of completion and have a letter of assurance will be able to sign a fuel supply agreement (FSA) with Coal India as and when they commission their plants," Goyal said.

Another aim of the policy is to minimise the use of imported coal across various power plants. "It is a shame that the previous government never thought of becoming self-sufficient in terms of domestic coal," Goyal said.

Companies such as NTPC and Bharat Heavy Electricals are working towards reducing the use of imported coal and promote more domestic orders, he said.

SHAKTI SOLUTION

Benefits:

- Policy will ensure all power projects get adequate coal supply
- Bring in transparency in allocation
- Reduce power costs for consumers
- Minimise use of imported coal

Route: PSU power generators will be allocated fuel linkage based on power ministry's recommendations

Auction route for private firms

The route

Coal linkages will be awarded to designated state-owned power distribution companies (discoms). These discoms in turn will assign them to state/central generation companies via allocation and by auction method to privately-owned units.

The power requirement of a group of states can be aggregated and procurement of power on tariff-based bidding shall be made by a designated agency. Coal linkages shall be earmarked for such an agency.

"For independent power producers, coal linkages shall be granted through an auction. To state-owned units, the coal linkage would be through allocation. The independent producers participating in the auction will bid for a discount on the existing tariff. The discount on tariff would be adjusted from the gross bill at the time of billing," an official statement said.

Pact pointers

Existing power purchase agreement holders without linkages will have to bid for a discount on the existing tariff. The projects without a power purchase pact will have to bid for tariff for acquisition of linkage at a Coal India notified price.

And for future pacts, companies that bid out the lowest tariffs will get assured supply of coal for the medium or long term under their part. Getting coal through the coal linkage auction will include the fuel supply agreement (FSA) route, which is cheaper than the coal available via the e-auction process.

Goyal said a fuel supply agreement will also help banks that have exposure to the power sector resolve their bad asset issues. Plants that have power purchase agreements but have not signed an FSA will have to bid for the same through an auction, according to the policy.

"The plants will have to bid for the discount that they will offer to the discoms (power distribution companies). That discount will directly be credited to the discoms," Goyal said.

A "forward auction" will be carried out for plants that do not have a PPA but are installed. "Such plants will bid to offer premium to coal companies," he said.

Bid to plug tax treaty loophole

OUR SPECIAL CORRESPONDENT

New Delhi, May 17: The government today agreed to sign a multilateral convention to implement tax treaties that check evasion by preventing base erosion and profit shifting (BEPS).

The G20 countries had agreed last year to bring in the BEPS convention to stop multinationals from shifting profits to tax havens.

The implementation of the BEPS Package, which the G20 had finalised, would have required changes in more than 3000 bilateral tax treaties.

To get around that hurdle, the G20 decided to bring in this convention which will automatically make changes to all tax treaties so that taxable income cannot be moved to tax havens.

Briefing reporters after the cabinet meeting, power minister Piyush Goyal said the convention is an outcome of the OECD/G20 BEPS Project to tackle BEPS.

"The BEPS Convention will bring in standards to counter treaty abuse and improve dispute resolution mechanisms, while providing flexibility to accommodate specific tax treaty policies," said finance ministry officials.

Piyush Goyal in New Delhi on Wednesday (PTI)

The OECD/G20 BEPS Project offers solutions for governments to close the gaps in existing international rules that allow corporate profits to be shifted to low or no tax countries, where companies actually have little or no economic activity.

Revenue losses from BEPS are estimated at between $100-240 billion annually, or the equivalent of up to 4-10 per cent of global corporate income tax. Over 100 countries and jurisdictions are currently working in the inclusive framework on BEPS to implement these measures in their domestic legislation and treaties.

The sheer number of bilateral treaties makes updates to the treaty network on a bilateral basis time-consuming. "The new multilateral convention helps solve this," said officials.

"This convention will save us and other countries from conducting negotiations and renegotiations with hundreds of other countries to implement the tax treaty changes in the BEPS Project."

The multilateral convention was developed over the past two years, through negotiations involving more than 100 countries, under a mandate delivered by G20 finance ministers and central bank governors at their February 2015 meeting.

An ad-hoc group for the development of multilateral convention in which India was a member helped bring this tax treaty through, said officials.

THE TIMES OF INDIA DATE: 18/5/2017 P.N. 10

Nippon Steel, Posco keen to invest: Singh

SAIL Needs To Raise Efficiency Level, Undergo Transformation, Says Minister

Surojit.Gupta
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Steel minister Chaudhary Birender Singh is upbeat about the prospects for the sector. In an interview to TOI, Singh says several global majors have shown interest to invest in the steel sector. Excerpts:

What is the road ahead for the new steel policy?

The thrust is on two areas. One, our consumption should increase and when consumption rises then production also will go up. In this year's budget there is a provision for Rs 4 lakh crore for infrastructure and we believe that even if 10% of that is steel component such as Railways, national highways, shipping, ports, urban housing, affordable housing and priority for these projects is India-made steel, then the consumption will go up. We plan to increase steel consumption two-and-half times by 2030.

What are the plans for SAIL's revival?

SAIL will have to undergo total transformation. They will have to diversify from crude steel. They will have to raise the efficiency level and compete with the private sector.

Will there be downsizing in SAIL?

I am not for manpower restructuring. If they have double the staff available in the private sector then they should at least raise the efficiency level. Pruning is not the solution. SAIL should go for diversification. Demand for alloys will rise. It should be a multifaceted corporation and not just be satisfied by producing crude steel.

Are you looking at JVs?

Yes. Our joint venture with Arcelor-Mittal is in the final stages and I hope it will click. This will help improve the situation in SAIL significantly.

ON FOREIGN INVESTMENT IN SECTOR

We will welcome foreign investment in transfer of technology. Posco is talking to us. The Japanese ambassador and South Korea's ambassador met me recently. They are keen to have some kind of partnership in our country

Disinvestment of SAIL subsidiaries

The progress is slow. We have to appoint transaction advisors. The response has been low. We may have to advertise again

—Chaudhary Birender Singh | STEEL MINISTER

Any move to attract FDI?

We will welcome foreign investment in transfer of technology. Posco is talking to us. Japan and South Korea's ambassadors met me recently. They are keen to have some kind of partnership. India will emerge as a huge hub for the automobile sector. We would manufacture 28% of total cars made in the world.

Which Japanese companies are interested to invest in the steel sector?

Nippon Steel, SAIL, has had discussions. If they (Nippon Steel) want to set up their own plants they can do it, they can bring in FDI. We are open to that also.

What is the progress on disinvestment of SAIL subsidiaries?

The progress is slow. We have to appoint transaction advisers. The response has been low. We may have to advertise again.

How do you see steel demand in the months ahead?

The way we have structured our steel policy is that it would start yielding results if we are able to export 15-20% of our total production. This may not be visible now but should be possible in one or two years. We have laid the foundation. We are not only looking at the demand from within the country. I see demand rising between 5% and 8% and demand will also increase in neighbouring countries. The demand within the country will increase for the next 50 years and the next destination would be the neighbouring countries like Cambodia, Vietnam and then the African continent.

Do you need a separate ministry only for steel?

The government's guidance is a necessary component for an industry. If this ministry is not there then how would you think of imposing MIP (minimum import price), anti-dumping duty and articulating views of the sector with the commerce ministry.

THE ECONOMIC TIMES DATE: 18/5/2017 P.N. 11

ANNUAL NET PROFIT of ₹3,467 crore is highest ever in company's history

JSW Steel Q4 Profit Triples, Board Rolls Out Expansion Plan

Vatsala.Gaur@timesgroup.com

Mumbai: JSW Steel's profits more than tripled and revenues rose 53% as India's largest private sector steelmaker achieved volume driven growth driven primarily by export sales that offset "headwinds of a weak steel demand" in the domestic market.

Revenues rose to Rs 17,917 crore from Rs 11,747 crore last year. Profit for the quarter rose 235% to Rs 1009 crore. Annual net profit of Rs 3,467 crore is the highest ever in the history of JSW Steel. EBITDA rose 64% to Rs 3,165 crore and JSW declared a dividend of Rs 2.25 per share.

FOUR KEY TAKEAWAYS FROM THE JSW Q4 EARNINGS:

1. JSW announced a capex of Rs 26,800 crore for the next three years. The board also approved a brownfield expansion at the Dolvi facility in Maharashtra, where the steelmaker will double capacity to 10 million tonnes from about 5 million tonnes for about Rs 15,000 crore. The project is expected to be completed by March 2020. For the Vijayanagar works in Karnataka, the steelmaker plans to spend Rs 4,200 crore on among other things, revamping and upgradation of a blast furnace and increasing the capacity of the cold rolled mill-1 complex. It also laying preliminary groundwork for its greenfield expansion at Odisha and Jharkhand for 10 MTPA each.

2. Higher demand. Seshagiri Rao joint MD JSW said Indian steel industry is very competitive and the firm is able to produce steel at very low cost compared to anyone else in the world. Domestic demand is forecast at 5% in FY18 up from 3% in FY17.

JSW Steel Q4FY17 Earnings

	Q4FY17	Q4FY16	FY17
REVENUE	17,917	11,747	60,536
EBITDA	3,165	1,825	12,174
PAT	1009	301	3,467

(Highest ever)

JSW Steel
Price on BSE (₹)

3. Refinancing expensive debt. JSW plan to refinance nearly Rs Rs 4,700-5000 crore of debt every year and which will help in reducing interest costs. "So we will pay Rs 4700-Rs 5000 crores every year and at the same time take a fresh debt of the same amount. The balance will be internal accruals. So we will not be increasing debt, but we may end up decreasing it depending on whether we are able to use any other method of putting in funding," Jayant Acharya, director of commercial and marketing at JSW Steel, said. JSW's debt was Rs 41,549 crore for the last quarter, up marginally from Rs 40,911 crore last year. Its net debt to EBITDA ratio is 3.41x, still less than 3.75x it guided for.

4. JSW produced 15.8 million tonnes out of total capacity of 18 million tonnes last year and is guiding for 16.50 million tonnes this year.

BUSINESS LINE DATE: 18/5/2017 P.N. 2

JSW Steel eyes brownfield projects to expand capacity; invest ₹19,200 cr

OUR BUREAU

Mumbai, May 17

JSW Steel plans to invest ₹19,200 crore in various brownfield projects to enhance its capacity in line with the national steel policy announced by the government recently.

The company plans to double steel-making capacity at Dolvi in Maharashtra to 10 million tonnes per annum (mtpa) along with 4 mtpa pellet plant and 4 klins of 600 tonnes per day of Lime Calcination Plants for ₹15,000 crore.

This apart, it will increase the blast furnace capacity at Vijayanagar to 4.5 mtpa from 3.5 mtpa with investment of ₹1,000 crore and expect to complete the project in 20 months.

To enhance the production of value added products, it will increase the capacity of cold rolling mill at Vijayanagar to 1.80 mtpa from 0.85 mtpa along with two continuous galvanising line of 0.45 mtpa each, a new 1.2 mtpa Continuous Pickling Line for HRPO (hot rolled pickled and oiled) products, and a new 0.80 mtpa hot rolled Skin Pass Mill for hot rolled Black and HRSPO (Hot-Rolled, Pickled, Skinpassed and Oiled) products. These projects are estimated to cost ₹2,000 core and expected to be completed by September 2019.

JSW Steel will also take up modernisation and capacity enhancement of Vasind and Tarapur downstream facilities at estimated cost of ₹1,200 core and it is to be completed by April 2019.

Profit up three-fold

JSW Steel has reported over three-fold increase in March quarter net profit at ₹1,009 crore against ₹301 crore reported in the same period last year due to higher production and better realisations.

It recorded the highest ever revenue from operations at ₹17,917 crore (₹11,747 crore) which was up 53 per cent.

The company has declared a dividend of ₹2.25 per equity share and ₹1 on 10 per cent cumulative redeemable preference shares.

Its steel sales increased 20 per cent to highest ever in the March quarter at 3.96 million tonnes. Operating earnings before interest, depreciation, tax and amortisation was up 64 per cent at ₹3,165 crore.

With the domestic demand still remaining weak, JSW Steel tapped into the export market to spruce up its profitability. The company plans to increase its production by 4.4 per cent to 16.50 mtpa in this fiscal and sales by 4.9 per cent to 15.50 mtpa.

The company's scrip was up two per cent at ₹207 on Wednesday.

BUSINESS LINE DATE: 18/5/2017 P.N. 18

MCX-Zinc stuck in a narrow range

GURUMURTHY K
BL Research Bureau

Zinc futures contract traded on the Multi Commodity Exchange (MCX) has been range-bound between ₹161 and ₹173 a kg over the past six weeks. Within this range, the contract touched a low of ₹161.3 on Tuesday, but bounced back from there. It is currently trading at ₹164.

This rebound has reduced the possibility of the contract declining below ₹161 in the near term, and it can keep the contract within the range for some more time. As such, there is a strong likelihood of the contract rallying in the coming days to ₹170 — and even to ₹173, the upper end of the range.

If the contract fails to break above the ₹172-₹173 resistance region and reverses lower, it can fall to ₹163 and ₹161 again. A breakout on either side of ₹161 or ₹173 will then decide the next leg of move for the contract.

A strong break above ₹173 will signal a trend reversal. If the contract can sustain this break, a rally to ₹179 is possible thereafter.

On the other hand, if the contract breaks below ₹161, it can come under renewed pressure as it would mean that the strong downtrend that has been in place since February is intact. Such a break can take the contract lower to ₹158.

A further fall below ₹158 will increase the likelihood of the contract tumbling to ₹150 levels thereafter.

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

THE HITAVADA DATE: 18/5/2017 P.N. 11

JSW Steel's Q4 profit jumps 3-fold to Rs 1,009 crore

NEW DELHI, May 17 (PTI)

SAJJAN Jindal-led JSW Steel on Wednesday reported three-fold increase in consolidated profit at Rs 1,008.5 crore for the fourth quarter ended March 31, 2017. The company's consolidated total profit was at Rs 300.6 crore in the year-ago period, JSW Steel said in a BSE filing. The consolidated total income increased to Rs 17,973.06 crore, over Rs 11,815.21 crore in the corresponding quarter of FY16. The total expenses also increased to Rs 16,577.80 crore, over Rs 11,506.7 crore in the year-ago period.

BUSINESS LINE DATE: 19/5/2017 P.N. 16

Sell Comex gold at $1,268-70/oz

GNANASEKAAR T

Comex gold futures edged up on Thursday and extended its biggest one-day rally in nearly a year, as uncertainty over the outlook for Donald Trump's US presidency rattled stock markets, prompting a wave of risk aversion. Comex gold futures moved in line with our expectations. As mentioned earlier, prices have hit an important support around $1,210-15 and a possible intermediate bottom being formed, as it has bounced higher from there.

Prices bounced higher, exactly as anticipated. It has broken certain key levels, but strong resistances ahead might continue to weigh on prices. Should the political storm that has been underpinning the gold rally die down, it could result in a potential sell-off and the rally could lose steam. And for this reason we see prices finding strong resistances ahead. However, if prices manage to close above $1,272, a greater upside towards $1,285 can be seen.

Favoured view expects prices to push higher initially towards resistances mentioned above and then to edge lower again towards $1,245.

Only an unexpected decline below $1,230 could hint at a resumption of the downtrend. Such a move could take prices lower towards $1,195, which is not our favoured view now.

We will take a look at the wave counts now and understand the possible scenarios that can unfold going forward. It is most likely that the fall from the all-time highs at $1,925 to the recent low of $1,088 so far, was either a possible corrective wave "A", with a possibility to even extend towards $1,025-30 or a complete correction of A-B-C ending with this decline. Subsequently, 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 as a fourth wave, then the fifth wave could begin and cross $1,700 in the long term. But, failure to follow-through above $1,355 has dashed any hopes of any impulsive up move. As prices have broken certain important supports and shows weakness targeting $975 , we are tilted towards looking 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 below the zero line of the indicator again, indicating a bearish reversal.

Only a cross over again above the zero line could hint at a reversal in trend to bullish.

Therefore, Sell Comex gold around $1,268-70 with stop loss at $1,289 targeting $1,245 followed by $1,232. Supports are at $1,257, $1,245 & $ 1,231 and Resistances are at $1,271, 1,285 & 1,305.

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

BUSINESS LINE DATE: 19/5/2017 P.N. 16

MCX Lead likely to test crucial support

WEEKLY OUTLOOK

GURUMURTHY K
BL Research Bureau

The downtrend in the lead futures contract on the MCX is intact. The contract has been falling continuously over the last three weeks.

It tumbled about 5 per cent in the past week, which dragged the contract well below a key support level of ₹135 a kg. It is currently trading near ₹133.25. The near-term view is bearish. However, a crucial support is at ₹130, which can be tested in the coming days.

A trend-line as well as a Fibonacci retracement support is poised at this level. What happens after testing this key support level of ₹130 will be crucial in deciding the next leg of move.

If the contract manages to reverse higher from ₹130, the downside pressure can ease.

A rise to ₹135 is possible in such a scenario. If the contract manages to breach above ₹135 decisively, the bounce back move can extend to ₹138-140 or even higher levels thereafter.

Short-term traders with high risk appetite can go long if the contract reverses higher from ₹130.

Keep the stop-loss at ₹128 for the target of ₹134. Revise the stop-loss to ₹132 as soon as the contract moves up to ₹133.5.

On the other hand, if the MCX-Lead futures contract declines below ₹130, the downside pressure may increase.

Such a break will increase the likelihood of the contract falling to ₹126 or ₹124 thereafter.

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

LOKMAT MARATHI DATE: 19/5/2017 P.N. 2

खाणीतून सहा टन मॅगनीजचे अवैध खनन

लोकमत न्यूज नेटवर्क

तुमसर (जि.भंडारा) : तुमसर तालुक्यातील डोंगरी माईन्स या मॅगनीज खाणीतून जवळपास सहा टन मॅग्नीजचे अवैधरीत्या खनन करण्यात आले. वाहतूक करताना तपासणीदरम्यान गुरुवारी रात्री सदर प्रकरण उघडकीला आल्यानंतर गोबरवाही पोलीस ठाण्यात गुन्हा दाखल करण्यात आला आहे.

डोंगरी माईन्स येथील साहेबराव इंगोले यांच्या लेखी तक्रारीवरुन गोबरवाही पोलिसांनी दोन जणांविरुद्ध महाराष्ट्र जमीन महसूल अधिनियम १९६६ अन्वये गुन्हा दाखल केला आहे. लहान मालवाहू वाहनाने सदर मॅगनीज वाहतूक केली जात होती. या मॅगनीजचे वजन सहा टन असून त्याची किंमत सहा हजार रुपये सांगण्यात येते.

NAVBHARAT DATE: 19/5/2017 P.N. 7

₹600 महंगा हुआ सोना

व्यापार संवाददाता

नागपुर. स्थानीय सराफा बाजार में सोने में लगातार दूसरे दिन भी तेजी बनी रही. आभूषण विक्रेताओं की लिवाली बढ़ने और मजबूत वैश्विक संकेतों से सोना 600 रुपये की तेजी के साथ 29,580 रुपये प्रति 10 ग्राम हो गया. वहीं चांदी 300 रुपये बढ़कर 40,200 रुपये प्रति कि.ग्रा. पर पहुंच गई है. सूत्रों के अनुसार इस समय वैवाहिक सीजन चलने के चलते सोने-चांदी की अच्छी डिमांड की जा रही है. वहीं अमेरिका में राजनीतिक उथलपुथल के कारण सुरक्षित निवेश के विकल्प के तौर पर बहुमूल्य धातुओं की मांग बढ़ी है. बुधवार को सोना 28,980 रुपये प्रति 10 ग्राम पर था, वहीं गुरुवार को यह 600 रुपये की वृद्धि के साथ 29,580 पर पहुंच गया. चांदी 39,900 थी. इसमें प्रतिकिलो पर 300 रुपये की वृद्धि हुई. इससे यह 40,200 पर पहुंच गई है. शादियों के सीजन में इस तरह से बढ़ते भाव के कारण महंगाई का सामना करना पड़ रहा है.

LOKMAT MARATHI DATE: 20/5/2017 P.N. 8

जिल्हाधिकारी सचिन कुर्वे : ॲन्टी मायनिंग दिवस अभियान

अवैध उत्खनन; १०.४१ लाखाचा दंड

लोकमत न्यूज नेटवर्क

नागपूर : जिल्ह्यातील अवैध उत्खनन व वाहतुकीवर आळा बसण्यासाठी ॲन्टी मायनिंग दिवस राबविण्यात आला. या मोहिमेमध्ये अवैध उत्खनन व वाहतूक करणाऱ्या ५३ प्रकरणात १० लाख ४१ हजार ५९३ रुपयांचा दंड वसूल करण्यात आला असल्याची माहिती जिल्हाधिकारी सचिन कुर्वे यांनी दिली.

नागपूर जिल्ह्यातील अवैधपणे रेतीचे उत्खनन व वाहतूक तसेच मायनिंग संदर्भात शुक्रवारी प्रशासनातर्फे केलेल्या कारवाईमध्ये सर्वाधिक २८ प्रकरणांची नोंद झाली असून,४ लक्ष ९१ हजार ४०० रुपयांचा दंड वसूल करण्यात आला. नागपूर शहरात दोन प्रकरणात ४६ हजार २०० रुपए, नागपूर ग्रामीण भागात चार प्रकरणात ७३ हजार १५० रुपए, हिंगणा तालुक्यात दोन प्रकरणात ३४ हजार ५०० रुपए, भिवापूर तालुक्यात आठ प्रकरणात २ लक्ष ५० हजार ५०० रुपए, कामठी तालुक्यातील एका प्रकरणात ७,९०० रुपए, पारशिवनी तालुक्यातील एका प्रकरणात ७,९०० रुपए, रामटेक तालुक्यात एका प्रकरणात ११,८५० रुपए, उमरेड तालुक्यात दोन प्रकरणात ३१,८०० रुपए, काटोल तालुक्यात दोन प्रकरणात १६,८०० रुपए आणि नरखेड तालुक्यात दोन प्रकरणात १०,८०० रुपए असा एकूण २८ प्रकरणांमध्ये ४ लक्ष ९१ हजार ४०० रुपयांचा दंड वसूल करण्यात आला.

जिल्ह्यात तीन गुन्हे दाखल

◆ अवैधपणे उत्खनन व वाहतूक करणाऱ्याविरुद्ध १ एप्रिल २०१७ ते १८ मे २०१७ पर्यंत ५३ प्रकरणांमध्ये १० लक्ष ४१ हजार ५९३ रुपयांचा दंड वसूल करण्यात आला असून, अवैध वाहतूक करणाऱ्याविरुद्ध तीन गुन्हे दाखल करण्यात आले आहे.

THE INDIAN EXPRESS DATE: 20/5/2017 P.N. 14

Steel PSUs not holy cows, must compete with pvt firms: Minister

PRESS TRUST OF INDIA
NEW DELHI, MAY 19

STEEL PSUs are not holy cows and should step out of their comfort zone to perform and compete with private players, steel minister Chaudhary Birender Singh said on Friday.

"I have told my PSUs, especially those that produce steel, that there is a new environment where PSU is not a holy cow. You should perform and compete with your private players," the minister said.

The minister warned that the PSUs cannot afford to sit on their laurels in the changing scenario in the world. "So, either perform or perish," Singh said, in a blunt message. The PSUs should diversify their activities and go for high-end steel production, Singh suggested.

"Diversify your activities, go for high-end steel production and also diversify into those activities where you can make best use of your land which is available to you. There is about one lakh acres of land with steel plants of our PSUs," Singh said.

According to steel ministry sources, the minister had earlier talked about SAIL barely achieving blast furnace productivity at 1.7 tonnes per cubic metre per day (tpcm/d) in contrast to over 2.5 tpcm/d by its private counterparts and global standard of over 3 tpcm/d.

The minister had earlier rapped SAIL for slow progress in modernisation as well as capacity ramp-up as deadlines were missed.

THE HITAVADA DATE: 20/5/2017 P.N. 1 & 9

Ex-Coal Secy Gupta, others convicted in coal scam case

- The convicts face a maximum seven years jail term for the offences proved against them
- The court to pronounce its order on the quantum of sentence on May 22

NEW DELHI, May 19 (PTI)

FORMER Coal Secretary H C Gupta and two serving senior officials were on Friday convicted by a Delhi court for irregularities in the allocation of a coal block in Madhya Pradesh to a private firm.

Besides Gupta, who was the Coal Secretary from December 31, 2005 to November 2008, then Joint Secretary K S Kropha and then Director K C Samaria in the Coal Ministry have also been held guilty of cheating, criminal conspiracy and corruption.

(Contd on page 9)

Ex-Coal Secy Gupta...

Special CBI Judge Bharat Parashar also convicted the beneficiary firm Kamal Sponge Steel and Power Ltd (KSSPL) and its Managing Director Pawan Kumar Ahluwalia offences including cheating. The convicts face a maximum seven years jail term for the offences proved against them. The court decided to pronounce its order on the quantum of sentence on May 22.

Ex-Coal Secretary Gupta convicted

CBI court held him and 5 others guilty of cheating in M.P. coal block allocation

SPECIAL CORRESPONDENT
NEW DELHI

A Delhi court on Friday convicted former Coal Secretary H.C. Gupta and five others, including the beneficiary company, for irregularities in the allocation of a coal block in Madhya Pradesh.

The case pertains to irregularities in the allocation of Thesgora-B Rudrapuri coal block to Kamal Sponge Steel and Power Limited (KSSPL).

In addition to Mr. Gupta, special CBI judge Bharat Parashar also convicted managing director of KSSPL Pawan Kumar Ahluwalia, then Joint Secretary in the Coal Ministry K.S. Kropha, and then Director, Coal Allocation-I Section, in the Ministry, K.C. Samaria. All the five were held guilty of criminal conspiracy, cheating and indulging in corrupt practices.

H.C. Gupta.

Sentencing next week

Mr. Parashar fixed May 22 as the date for hearing arguments on the quantum of sentence to be awarded to the convicted persons.

The CBI had filed an FIR in 2012 against the accused persons for misrepresentation of facts and presentation of inflated net worth of the company to acquire the coal block but on March 27, 2014, filed a closure report in the case.

However, the court rejected the closure report on October 13, 2014, and summoned Mr. Gupta and others as accused.

(With inputs from PTI)

CONTINUED ON ▸ PAGE 12

Ex-Coal Secretary Gupta convicted

"The investigating officer first "decided the end result and then carried out investigation and prepared the final report," the Special Judge had observed while rejecting the CBI plea.

'Sketchy probe'

The court had also described the investigation as sketchy.

"No investigation worth the name has been carried out... In fact, the report appears to be more of a statement of plea of defence of the accused persons i.e. of Messrs KSSPL and its directors and that of the officers of the Ministry of Coal rather than the report of any investigation," Mr. Parashar had further observed.

The court framed charges against them in 2016, observing that then Prime Minister Mamohan Singh was kept in the dark by Mr. Gupta,who had prima facie violated the law on the issue of coal block allocation.

As many as ten more coal cases are pending against Mr. Gupta and the proceedings are going on individually. The Supreme Court had last year dismissed his plea seeking joint trial in all these cases.

NAVBHARAT DATE: 20/5/2017 P.N. 11

कोयला घोटाला : पूर्व सचिव सहित सभी को 22 को सजा

3 अफसर दोषी

एजेंसियां

दिल्ली. स्पेशल कोर्ट ने कोयला घोटाला मामले में पूर्व कोयला सचिव समेत 3 अफसरों को दोषी करार दिया है. स्पेशल सीबीआई जज भरत पाराशर ने शुक्रवार को इस मामले की सुनवाई की. जिन अफसरों को दोषी करार दिया गया है, उनमें पूर्व कोयला सचिव एचसी गुप्ता, कोयला मंत्रालय के पूर्व संयुक्त सचिव केएस क्रोफा और पूर्व डायरेक्टर केसी सामरिया शामिल हैं. कोर्ट ने इनको सजा सुनाने के लिए 22 मई की तारीख तय की है.

मनमोहन को दिया धोखा

गुप्ता ने कोर्ट में यह दावा भी किया था कि पूर्व पीएम मनमोहन सिंह ने उन्हें फाइनल अप्रूवल दिया था. हालांकि, सीबीआई ने उनके दावे को खारिज कर दिया था और कहा था कि मनमोहन सिंह को अंधेरे में रखा गया था.

8 आरोपपत्र

पूर्व कोयला सचिव गुप्ता के खिलाफ लगभग 8 अलग-अलग आरोपपत्र दायर किए गए हैं और इन पर अलग-अलग कार्यवाही चल रही है.

कम्पनी और उसके MD भी दोषी करार...

यह मामला मध्य प्रदेश में थेसगोरा-बी रुद्रपुरी कोल ब्लॉक का है और केएसएसपीएल प्राइवेट कंपनी को आवंटित किए जाने में कथित तौर पर की गई अनियमितताओं से जुड़ा है. कोर्ट ने इन अफसरों के अलावा केएसएसपीएल कंपनी और इसके एमडी पवन कुमार अहलुवालिया को भी दोषी करार दिया है. हालांकि, चार्टर्ड अकाउंटेंट अमित गोयल को आरोपों से बरी कर दिया गया. जब घोटाला सामने आया था, तब क्रोफा कोयला मंत्रालय में संयुक्त सचिव थे, जबकि सामरिया उस वक्त मंत्रालय में कोल ब्लॉक आवंटन के डायरेक्टर थे.

क्या हैं आरोप

मामले की सुनवाई के दौरान सीबीआई ने आरोप लगाया कि कोल ब्लॉक के लिए केएसएसपीएल की तरफ से फाइल एप्लिकेशन अधूरी थी. इस एप्लिकेशन को मंत्रालय खारिज कर देता, क्योंकि यह जारी गाइडलाइन्स के मुताबिक नहीं थी. सीबीआई ने यह आरोप भी लगाया कि कंपनी ने अपनी नेट वर्थ और क्षमता के बारे में गलत जानकारी दी थी. जांच एजेंसी ने यह भी कहा कि मप्र सरकार ने इस कंपनी को कोई कोल ब्लॉक आवंटित करने की सिफारिश नहीं की थी.

2016 में तय हुए थे आरोप

कोर्ट ने पिछले साल अक्टूबर में इस मामले में आरोप तय किए थे और कहा था कि पूर्व कोयला सचिव गुप्ता ने इस बारे में पूर्व पीएम मनमोहन सिंह को अंधेरे में रखा. गुप्ता ने कोल ब्लॉक आवंटन में कानून का वॉयलेशन (उल्लंघन) किया और भरोसे को भी तोड़ा.

THE HITAVADA DATE: 20/5/2017 P.N. 11

Gold tops 29,000 mark on risk-off sentiment

NEW DELHI, May 19 (PTI)

GOLD'S allure went up by many notches on Friday as the US political turmoil saw the bullion soar Rs 215 to Rs 29,200 per 10 grams on Friday, mirroring a firm overseas trend amid frenzied buying by local jewellers.

This is the third straight day of gains by the yellow metal, which reclaimed the Rs 29,000 level. Risk aversion was in full display as investors looked for safer assets in view of the deepening crisis in the US, a fallout of President Donald Trump's firing of the former FBI Director.

Silver staged a comeback to recapture the Rs 39,000-mark by surging Rs 350 to Rs 39,150 per kg, backed industrial demand and coin manufacturers.

Other than a weak dollar, traders said, continued buying by local jewellers boosted gold prices.

In the national capital, gold of 99.9 per cent and 99.5 per cent purity hardened by Rs 215 each to Rs 29,200 and Rs 29,050 per 10 grams, respectively.

DAINIK BHASKAR DATE: 21/5/2017 P.N. 14

मेट्रो रीजन में अनुमति बिना कृषि क्षेत्र का पट्टा खनन के लिए किया आरक्षित

- अधिकारियों के खिलाफ कार्रवाई करने 'जय जवान जय किसान संगठन' की मांग

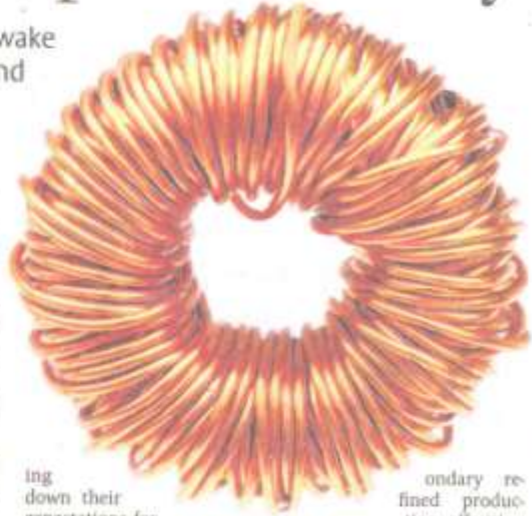
नगर संवाददाता | नागपुर. मेट्रो रीजन प्रारूप एक बार फिर विवादों से घिरता नजर आ रहा है। इस बार मेट्रो रीजन के तहत आने वाले हिंगणा में कृषि क्षेत्र के लिए आरक्षित जमीन को गलत ढंग से स्टोन माइन अर्थात गिट्टीखदान के लिए आरक्षित किए जाने का मामला गर्मा रहा है। जय जवान जय किसान संगठन की ओर से आयोजित पत्रपरिषद में शुक्रवार को मेट्रो रीजन के नगर रचना विभाग की उपसंचालिका सुजाता कडू पर नियमबाह्य आरक्षण किए जाने के खिलाफ कार्रवाई की मांग प्रशांत पवार, विजय शिंदे व किशोर चोपड़े ने की। इस मेट्रो रीजन विकास प्रारूप का विरोध करीब पांच हजार नागरिकों ने किया था। जिसे देखते हुए अब तक सरकार ने इस प्रारूप को मंजूरी नहीं दी है। बावजूद इसके अधिकारियों की ओर से जमीन का आरक्षण बदलकर नियमों को तोड़ा मरोड़ा गया है। हिंगणा तहसील के मौजा खेरी (खुर्द) स्थित हिंगणा खसरा क्रमांक 85,54, 113 में 84.22 हेक्टर जगह कृषि क्षेत्र के लिए आरक्षित थी। इस जगह को खनन पट्टे में तब्दील करने संबंधि युवी बोथारिया की ओर की गई मांग पर जिलाधिकारी कार्यालय ने मेट्रो रीजन कार्यालय से अभिप्राय मांगा था। लेकिन अभिप्राय देने के बजाए उपसंचालिका सुजाता कडू की ओर से इस पट्टे को खनन क्षेत्र घोषित कर दिया। लेकिन इस घोषणा के पूर्व सरकार की ओर से किसी भी प्रकार की कोई मंजूरी नहीं ली गई। श्री पवार ने बताया कि इस समस्या को लेकर मेट्रो रीजन प्रमुख दीपक म्हैसेकर से शिकायत भी की गई है। पत्रपरिषद के दौरान यह भी जानकारी दी गई कि मेट्रो रीजन परिसर में आनेवाले कलमेश्वर तहसील के बेल्लारी व कुही तहसील के तीतुर गांव के 200 हेक्टेयर जमीन पर डम्पिंग यार्ड तैयार करने का प्रस्ताव था। लेकिन जनविरोध को देखते हुए दीपक म्हैस्कर ने यहां डम्पिंग यार्ड हटाने का प्रस्ताव सरकार को दिया है।

BUSINESS LINE DATE: 22/5/2017 P.N. 8

Copper prices to stay strong

Likely to rise in the wake of stable demand and tighter supply outlook

G CHANDRASHEKHAR



KRISTOF DEGREEF/SHUTTERSTOCK.COM

Mine supply disruption among the world's largest producers (Chile and Peru), flooding in some producing regions (Peru) and government intervention to restrict exports (Indonesia) all combined to push up copper prices more than 10 per cent in the last quarter of 2016 and the first quarter this year.

Following the end of disruptions, from a high of $6,500 a tonne, copper prices have eased from April, which is widely seen as an orderly correction. At the same time, exchange stocks have risen and Chinese imports have shrunk by around 35 per cent year-on-year in Q1.

There has been much focus so far this year on mine supply disruptions, and rightly so. It is estimated that more than 4,00,000 tonnes are out of the market as a result. It is likely that 2017 may prove to be a record year of mine disruptions due to labour action. No wonder, experts are revising down their expectations for global copper mine production and are now looking for a 2 per cent contraction this year, which allows for more disruptions as the year progresses.

While strikes, export permits and floods grabbed the headlines, less visible has been the surge in scrap availability. The price rally helped draw out hoarded stocks. As a result of improved supply, Chinese scrap imports in Q1 have surged by a fifth. No wonder, this has boosted secondary refined production, offsetting losses on the primary side. It has also displaced cathode demand and weighed down sentiment, prices and premiums, commented an analyst.

But the current scrap glut is unlikely to limit the upside for long as it will be worked through over the coming months. Prices will then resume the uptrend as the underlying fundamental picture remains one of tightening.

In the second half of the year, industrial activities are set to pick up and, across the board, base metal prices will see gains. Copper will be no exception. In the wake of stable demand and tighter supply outlook, copper prices are likely to increase, with the escalation projected at 18-20 per cent.

China factor

As always, China is the mover and shaker of the world base metals market. In case of refined copper, the Asian major accounts for about 35 per cent of world production and 50 per cent of world consumption. As they say, 'if China sneezes, the world copper market catches cold.'

China has faced a credit squeeze as a result of which manufacturers have been running down inventories. There is now expectation that the credit squeeze will ease and a restocking cycle will emerge in H2. Interestingly, notwithstanding all the stories of a Chinese slowdown, fixed asset investments are running strongly with a marked improvement in private investment. Investment in power grids is expanding, boosting copper consumption.

Global copper demand is expected to increase by 2.5-2.7 per cent this year and next year, while Chinese demand may be higher at 3-4 per cent. Given that concentrate stock levels are still comfortable and scrap availability has improved, global refined production growth is projected at 2.6 per cent.

With refined production estimated at 23.9 million tonnes and refined consumption at 24.1 million tonnes, the market faces a projected deficit. Global inventories, including exchange stocks, have been steadily falling since 2012 and reached 1.7 million tonnes in 2016. There will be further drawdown of stocks the next two years.

While Comex net speculative length has been reined in for now, the emerging market fundamentals support a bullish outlook for prices. Buy at dips could well be the trader's *mantra*.

However, timing the fall-off in scrap supply may be important, but difficult. It could well be in Q3.

While copper is likely to average $5,900 a tonne in 2017, Q3 could see the market move to $6,000 and Q4 to $61,00 a tonne on an average.

The author is a commodities and agribusiness specialist

BUSINESS LINE DATE: 22/5/2017 P.N. 8

Gold regains sheen

As US political uncertainty beats down the dollar

GURUMURTHY K

After falling for four consecutive weeks, gold has regained safe-haven status. Gold prices recovered sharply and surged 2.2 per cent last week to close at $1,255 per ounce. Silver prices were up 2.4 per cent last week and closed at $16.84 per ounce.

On the domestic front, gold futures contract on the Multi Commodity Exchange (MCX) moved in tandem with global prices and closed 2.2 per cent higher for the week at ₹29,635 per 10 gm. Silver, on the other hand, closed at ₹39,111 per kg, up 2.5 per cent for the week.

Dollar gets 'Trumped'

A series of unexpected developments in US politics took the sheen off the dollar. The greenback was beaten down on news that US President Donald Trump shared confidential information with Russia and the President tried to stop an investigation against a former National Security Advisor. These developments in US politics dragged the dollar index lower by 2 per cent last week, from around 99.20 to the current levels of 97.11.

There is room for the index to fall further to 96.85 or even 96.45, which are the next two key supports for the index. An upward reversal from either of these supports may take the dollar index higher to 97.5 or 98. But a further fall below 96.45 will increase the likelihood of the index falling to 96 or even 95, going forward. Such a fall will help gold prices surge further.

Gold outlook

Global gold prices ($1,255 per ounce) have a strong support in the $1,245-1,240 region which is likely to limit the downside in the near term. As long as prices sustain above this support zone, a rise to $1,275 and $1,280 is possible in the short term. A strong break and a decisive close above $1,280 will improve the possibility of the price revisiting $1,300 levels.

But, if the price breaks below $1,240 in the coming days, it can fall to $1,235 or $1,230. However, the outlook will turn negative only if the price breaks below the crucial support at $1,220, which is less likely at the moment.

On the domestic front, the MCX-Gold futures contract (₹28,635 per 10 gm) rose sharply last week after forming a strong base around ₹28,000 earlier in the month. Immediate supports are at ₹28,460 and ₹28,400. While above these supports, a rise to ₹29,220 or even ₹29,360 is possible in the coming days.

The outlook for the contract will turn negative only if it falls below ₹28,000 decisively; the next target is ₹27,500. But such a fall is unlikely as the weak rupee and strong global prices may aid in limiting the downside.

Silver outlook

Global silver price ($16.84 per ounce) has reversed higher over the last couple of weeks from the psychological $16 support. Support is at $16.5. A strong break above the immediate resistance at $17 can take it higher to $17.3 and $17.5. MCX-Silver (₹39,111 per kg) has a strong resistance at ₹39,500. Inability to break above this hurdle can take it lower to ₹38,500 or ₹38,350. But a strong break above ₹39,500 in the coming days will clear the way for ₹40,650 or even ₹41,000.

Key short-term support is at ₹38,000, which has to be broken for the outlook to turn negative. Next supports are at ₹37,500 and ₹37,000.

NAVBHARAT DATE: 22/5/2017 P.N. 1

कोयला घोटाला मामला

CBI ने मांगी 7 वर्ष की जेल

आज पूर्व कोयला सचिव को दी जाएगी सजा

एजेंसियां

दिल्ली. केंद्रीय जांच ब्यूरो ने यहां की एक विशेष अदालत से पूर्व कोयला सचिव एचसी गुप्ता के लिए एक निजी कंपनी को कोयला ब्लॉक आवंटन में धोखाधड़ी और आपराधिक षडयंत्र के जुर्म में अधिकतम 7 वर्ष के कारावास की मांग की है. विशेष न्यायाधीश भरत पराशर ने इस मामले में गुप्ता को दोषी करार दिया है और इस मामले में वह सजा 22 जुलाई को सुनाएंगे. गुप्ता 31 दिसंबर 2005 से नवंबर 2008 तक कोयला सचिव थे.

अदालत ने इस मामले में गुप्ता के अलावा कोयला मंत्रालय के तत्कालीन संयुक्त सचिव केएस क्रोफा तथा तत्कालीन निदेशक केसी समारिया को मध्य प्रदेश के थेसगोरा बी रुद्रपुरी कोल ब्लॉक को केएसएसपीएल को आवंटित करने में अनियमितता का दोषी करार दिया था. वरिष्ठ सरकारी वकील वीके शर्मा ने अदालत को बताया कि दोषियों ने आर्थिक अपराध किया है और उन्होंने दोषियों पर किसी तरह की नरमी नहीं बरतने की मांग की. उन्होंने कहा कि आर्थिक अपराध अन्य अपराधों से ज्यादा गंभीर हैं और इनसे कड़ाई से निपटा जाना चाहिए. वहीं दोषियों ने बढ़ती उम्र और पूर्व में कोई आपराधिक रिकॉर्ड नहीं होने का हवाला देते हुए नरमी बरतने की अपील की है.

BUSINESS LINE DATE: 23/5/2017 P.N. 1

Coal scam: Former Secy gets 2-year prison term

Two serving officials also get same jail term

PRESS TRUST OF INDIA

New Delhi, May 22

Former Coal Secretary HC Gupta and two serving senior officials were on Monday sentenced to two years' imprisonment by a special court, for committing irregularities in the allocation of a coal block in Madhya Pradesh to a private firm.

The court also imposed a fine of ₹1 crore on Madhya Pradesh-based Kamal Sponge Steel and Power Ltd (KSSPL), which was the beneficiary in the allocation of the Thesgora-B/Rudrapuri coal block.

The company's Managing Director, Pawan Kumar Ahluwalia, was awarded a three-year jail term by the court for misrepresenting facts in its application before the Ministry of Coal, which was then headed by Prime Minister Manmohan Singh.

Besides Gupta, who was the Coal Secretary from December 31, 2005 to November 2008, then Joint Secretary KS Kropha and then Director KC Samaria in the Coal Ministry were handed down punishment for cheating, criminal conspiracy and corruption.

They became the first public servants to be convicted and sentenced for the coal-block allocation scam, unearthed during the previous UPA regime.

Besides the jail term, Special CBI Judge Bharat Parasher also imposed a fine of ₹1 lakh each on the three bureaucrats in the case.

KSSPL's Ahluwalia has also been directed to pay a fine of ₹30 lakh.

While holding them guilty of multiple offences, the court said Gupta, Kropha and Samaria had entered into a "criminal conspiracy" with KSSPL and Ahluwalia to commit "criminal misconduct" for procuring a coal block allotment in favour of KSSPL.

Bail granted

All the convicts were, however, granted bail on a personal bond of ₹1 lakh and one surety of like amount soon after the sentence was announced, to enable them to move the High Court challenging the trial court verdict.

The court had on May 19 convicted all the five but acquitted the Chartered Accountant Amit Goyal.

It noted that Gupta made a "dishonest misrepresentation" before the then Prime Minister, who had retained the Coal Ministry portfolio.

The court said Singh, who had to act only upon the recommendations of the Screening Committee, of which Gupta was the chairman, had no reason to presume that the then Coal Secretary had recommended a non-compliant firm for coal block allocation.

The CBI had in October 2012 lodged an FIR in the matter, but on March 27, 2014, it had filed a closure report in the case.

The court had rejected the closure report on October 13, 2014, and summoned Gupta and others as accused.

The CBI had alleged that the firm had misrepresented its net worth and existing capacity, adding that the State government had also not recommended the firm for allocation of any coal block.

On October 14 last year, the court had framed charges against the accused.

As many as 10 more coal cases are pending against Gupta and proceedings are going on separately. The Supreme Court had last year dismissed his plea seeking a joint trial in all these cases.

NAVBHARAT DATE: 23/5/2017 P.N. 1

कोयला घोटाला : 2 वर्ष की जेल

पूर्व कोयला सचिव का भी समावेश

एजेंसियां

दिल्ली. सीबीआई की एक विशेष अदालत ने कोयला घोटाला मामले में पूर्व कोयला सचिव एच सी गुप्ता को दो साल की सजा सुनाई है. एच सी गुप्ता के अलावा अन्य आरोपियों को भी दो साल की सजा सुनाई गई है. सीबीआई कोर्ट के स्पेशल जज भारत पाराशर ने एच सी गुप्ता, केएस क्रोफा समेत अन्य दोषियों को सजा का ऐलान किया. सजा के अलावा दोषियों पर एक लाख रुपये का जुर्माना भी लगाया गया है. हालांकि कोर्ट की ओर से सभी दोषियों को बेल भी दे दी गई है. इसके अलावा केएसएसपीएल के मैनेजिंग डायरेक्टर पवन कुमार आहलूवालिया को तीन साल की सजा सुनाई गई है. वहीं उनपर 30 लाख रुपये का जुर्माना लगाया गया है. वहीं केएसएसपीएल पर 1 करोड़ का जुर्माना लगा है. हालांकि इन को भी जमानत मिल गई है.

मनमोहन को रखा था अंधेरे में

कोर्ट ने पिछले साल अक्टूबर में इस मामले में आरोप तय किए थे और कहा था कि पूर्व कोयला सचिव गुप्ता ने इस बारे में पूर्व पीएम मनमोहन सिंह को अंधेरे में रखा. गुप्ता ने कोल ब्लॉक आवंटन में कानून का वॉयलेशन किया और भरोसे को भी तोड़ा.

पहली बार अफसर को सजा

ये मामला किसी भी कोयला घोटाले का पहला केस है जिसमें किसी सरकारी अफसर को सजा हुई हो. इससे पहले कोल ब्लॉक आवंटन घोटाले में दोषी करार दिए गए पूर्व कोयला सचिव एचसी गुप्ता व अन्य अधिकारियों को सीबीआई ने अधिकतम सजा दिए जाने की मांग की थी.

विशेष अदालत ने कोयला घोटाला मामले में पूर्व कोयला सचिव एच सी गुप्ता को दोषी करार दिया था. विशेष सीबीआई जज भारत पराशर ने कोयला मंत्रालय के तत्कालीन संयुक्त सचिव के एस क्रोफा, तत्कालीन निदेशक के सी समारिया और अन्य को भी दोषी ठहराया था. इन लोगों को मध्यप्रदेश में थेसगोड़ा-बी रूद्रपुरी कोयला ब्लॉक का आवंटन केएसएसपीएल को करने में की गई कथित अनियमितताओं के मामले में दोषी ठहराया गया था.

THE HINDU DATE: 23/5/2017 P.N. 1

Ex-Coal Secretary gets two years in jail

H.C. Gupta, 2 others illegally allocated a coal block to a firm

SPECIAL CORRESPONDENT
NEW DELHI

A special court for coal block corruption cases on Monday sentenced former Coal Secretary H.C. Gupta and two other bureaucrats to two years in jail for causing loss to the exchequer by allocating a coal block to a private company in an illegal manner. The other bureaucrats are then Joint Secretary in the Coal Ministry K.S. Kropha and then Director, Coal Allocation-I Section of the Ministry, K.C. Samaria.

The three public servants were also fined ₹1 lakh each.

For Pawan Kumar Ahluwalia, managing director of the beneficiary company, Kamal Sponge Steel and Power Limited (KSSPL), special judge Bharat Parashar awarded three years' imprisonment and ₹30 lakh fine. The company also has to cough up ₹1 crore as fine, the judge said.

Granted bail

However, the court granted bail to all the accused to enable them to file appeals in the Delhi High Court against the conviction and sentence orders as per Section 389 (3) of the Criminal Procedure Code.

The provision says that in cases where accused are awarded the sentence of three years or less can be granted bail by the trial court for filing appeal in a high court. The case pertains to irregularities in the allocation of Thesgora-B Rudrapuri coal block in Madhya Pradesh to KSSPL.

The court had last week convicted them of criminal conspiracy, cheating under the IPC and for corruption under the Prevention of Corruption Act.

"In so far as loss which occurred to the nation as a whole it will be suffice to state that had coal been extracted if the coal block was allocated to a genuine and deserving company in an objective manner then it would have certainly added to the infrastructural development of the country... Thus it is... a fallacious argument that no wrongful loss or gain has been caused on account of allocation of said coal block to KSSPL," Mr. Parashar said in the conviction order.

Under fire

The events leading to the former Coal Secretary's arrest

H.C. Gupta at the Patiala House Courts in New Delhi on Monday

May 2012: CAG audit accuses government of "inefficient" allocation of coal blocks from 2004 to 2009, estimates windfall gains to the tune of ₹1.86 lakh crore to the allottees

May 29, 2012: Prime Minister Manmohan Singh offers to give up his public life if found guilty

May 31, 2012: CVC, based on BJP's complaint, directs a CBI enquiry

Aug. 25, 2012: Govt. claims CAG's presumptive loss theory is flawed

Sept. 2012: CBI begins registering cases of alleged irregularities in coal block allocations

Sept. 6, 2012: PIL in SC seeks cancellation of 194 coal block allotments. SC begins monitoring the CBI probe

Sept. 24, 2014: Supreme Court quashes allocation of 214 coal blocks

Oct. 14, 2015: Charges framed against former Coal Secretary H. C. Gupta, five others

May 22, 2017: Gupta and two serving officials sentenced to two-year rigorous imprisonment for irregularities in allocation of a coal block in Madhya Pradesh to Kamal Sponge Steel and Power Limited

THE HITAVADA DATE: 23/5/2017 P.N. 1

Gupta bailed out after awarding 2-yr jail

- The then joint secretary K S Kropha and then director K C Samaria also get 2-year jail
- Rs one crore fine imposed on MP-based Kamal Sponge Steel and Power Ltd (KSSPL) while its MD Pawan Kumar Ahluwalia gets three-year jail term

NEW DELHI, May 22 (PTI)

FORMER Coal Secretary H C Gupta and two serving bureaucrats were sentenced on Monday to two years in prison in the coal block allocation scam, one of the biggest scandals to hit the UPA Government headed by Manmohan Singh that sullied his otherwise unblemished career.

A CBI court here handed down the punishment to Gupta, who was the Coal Secretary from December 31, 2005 to November 2008, K S Kropha and K C Samaria, the then Joint Secretary and Director, respectively in the Ministry of Coal, for cheating, criminal conspiracy and corruption.

They became the first public servants to be convicted and sentenced in a coal block allocation scam case.


H C Gupta

The case relates to alleged irregularities in allocation of a coal block in Madhya Pradesh to a private firm.

The court also imposed a fine of Rs one crore on Madhya Pradesh-based Kamal Sponge Steel and Power Ltd (KSSPL), which was allotted Thesgora-B/ Rudrapuri coal block in the State.

Its Managing Director Pawan Kumar Ahluwalia was awarded a three-year jail term for 'misrepresenting' facts in its application before the Ministry of Coal (MOC), which was then headed by Prime Minister Manmohan Singh.

Besides the jail term, Special CBI Judge Bharat Parashar also imposed a fine of Rs one lakh each on the three bureaucrats convicted in the case.

Ahluwalia has also been directed to pay a fine of Rs 30 lakh.

While holding them guilty of multiple offences, the court held Gupta, Kropha and Samria guilty of having entered into a 'criminal conspiracy' with KSSPL and Ahluwalia to commit 'criminal misconduct' for securing the coal block. All the convicts were, however, granted bail on a personal bond of Rs one lakh each and a surety of the like amount soon after the sentence was pronounced. They can now move the High Court in appeal.

The court had on May 19 convicted all the five but acquitted Chartered Accountant Amit Goyal. It noted that Gupta made 'dishonest misrepresentation' before the then Prime Minister.

The court, however, gave a clean chit to Manmohan Singh, noting he had only acted on the recommendations of the screening committee chaired by Gupta and that he had no reason to presume that the then Coal Secretary had recommended a non-compliant firm for coal block allocation.

CBI had in October 2012 lodged an FIR in the matter, but on March 27, 2014, filed a closure report. The court had rejected the closure report on October 13, 2014 and summoned Gupta and others as accused.

The CBI had alleged that the firm had misrepresented its net worth and the existing capacity, adding that the State Government had also not recommended the firm for the allocation of any coal block.

(Contd on page 9)

Gupta bailed out after...

The court had on October 14 last year framed charges against the accused. As many as 10 more such cases are pending against Gupta and the proceedings are going on separately. The Supreme Court had last year dismissed his plea seeking a joint trial in all these cases.

The coal block allocation scam along with the 2G spectrum scandal had rocked the Manmohan Singh government during its second stint. The two scandals were said to have largely contributed to the ouster of the Congress-led Government after an unbroken 10-year stint in power.

Though the coal blocks were alleged to have been allotted under UPA I during 2004-09, a CBI probe was instituted in 2012. The scam came to light after the Comptroller and Auditor General of India (CAG) accused the Government of allocating 194 coal blocks to public and private enterprises for captive use in a flawed and ad hoc way.

The Government auditor had claimed the companies allotted the blocks made windfall gains as there was no competitive bidding, resulting in a loss of Rs 1.86 lakh crore to the exchequer.

THE INDIAN EXPRESS DATE: 23/5/2017 P.N. 5

MP govt bans sand mining in Narmada

MILIND GHATWAI
BHOPAL, MAY 22

WEEKS AFTER granting the status of a living entity to the Narmada, the Madhya Pradesh government on Monday announced a ban on sand mining in the riverbed with immediate effect.

Now even the legal mining activity on the Narmada can resume only after a committee of experts from IIT Kharagpur submits its report, quantifying the sand and silt that must be removed to maintain the water flow without harming the river. The committee will function under the chairmanship of state Industry and Mining Resources Minister Rajendra Shukla. The state government recently signed an MoU with IIT Kharagpur in this regard.

Making the announcement, Chief Minister Shivraj Singh Chouhan indicated that the interim ban could last for several months. He said use of mining machines will be banned in all rivers of the state. The machines will now be impounded, unlike previously when the owners could get back their custody after paying fine, he said. According to him, the sand requirement would be met by crushing stones. He said no royalty will be charged from sand manufacturers for three years.

The CM's announcement came a week after his five-month-long Narmada Seva Yatra concluded in the presence of Prime Minister Narendra Modi at Amarkantak. In his address there, the Prime Minister had said the river had been plundered in the past.

The Opposition Congress had dismissed the yatra as a political exercise with an eye on the next Assembly election.

Leader of Opposition in the Assembly Ajay Singh termed the ban on mining hypocrisy. He said the National Green Tribunal had imposed a similar ban a couple of years ago, but the state government got it revoked by arguing that it was making sand expensive. He further said mining does not take place during the monsoon, so the ban is nothing but an exercise for publicity.

"Wasn't there a law to stop illegal mining before? The Opposition took up the issue of illegal mining, moving two no-confidence motions in the last decade, but the government did not act because the sand mafia was filling its coffers," Singh alleged.

THE TELEGRAPH DATE: 23/5/2017 P.N. 5

2-year jail for coal babus

Former coal secretary HC Gupta at Patiala House Courts in New Delhi on Monday. Picture by Prem Singh

OUR SPECIAL CORRESPONDENT

New Delhi, May 22: A special CBI court today sentenced former coal secretary H.C. Gupta and two other senior IAS officers, including the current chief secretary of Meghalaya, to two years' imprisonment in a coal block allocation case.

K.S. Kropha, the Meghalaya chief secretary, was joint secretary in the Union coal ministry at the time of the allocation in November 2008 while the third officer, K.C. Samaria, was director. This is the first time senior government officials have been convicted and sentenced in the coal allocation scam.

The court had on Friday held the three guilty of corruption, cheating and criminal conspiracy. Today, special judge Bharat Parasher also imposed a fine of Rs 1 lakh on each of them.

The court also sentenced Pawan Kumar Ahluwalia, managing director of Kamal Sponge Steel and Power Ltd (KSSPL), to three years' jail and fined him Rs 30 lakh.

It ruled that there were irregularities in awarding KSSPL the Thesgora-B Rudrapur coal block in Madhya Pradesh. The court fined the firm Rs 1 crore.

All convicts were granted bail to enable them to appeal in the high court.

During the trial, the CBI had alleged that KSSPL's application for the coal block was incomplete and not in accordance with guidelines, and should have been rejected by the coal ministry.

The court held that Gupta as secretary had made a "dishonest representation" of the firm's case before former Prime Minister Manmohan Singh, who then held charge of the coal ministry.

The court said Singh, who had to act only upon the recommendations of the screening committee of which Gupta was the chairman, had no reason to presume that the official had recommended a non-compliant company for allocation of the coal block.

THE INDIAN EXPRESS DATE: 24/5/2017 P.N. 15

'GST to bring down input cost for steel'

ENS ECONOMIC BUREAU
NEW DELHI, MAY 23

THE IMPLEMENTATION of the goods and services tax (GST) will bring down the cost of inputs as raw materials like iron ore, manganese and coal have been kept under the lowest slab of 5 per cent, the government said on Tuesday.

"The GST regime is good for the steel team as the goods & services tax rates and slabs for raw materials like iron ore, manganese, coal etc is in the bracket of 5 per cent. The industry will see a reduction in the input cost for steel-making with the implementation of GST," steel minister Birender Singh said.

Cheaper raw material is the key for the country to achieve a 300-MT steel production target from around 126 MT now. India became the third-largest producer of crude steel in the world in 2015, leaving the US behind and is now on the verge of becoming the second-largest producer toppling Japan. India added 16.5-MT crude steel capacity during the past three years.

Singh said his ministry was aiming to take the exports figures to double digits. In 2016-17 India became net exporter of steel with 8.2 MT of exports, registering a 102 per cent growth over the previous fiscal. During the same year, imports were reduced by 37 per cent to 7.42 MT. **FE**

THE ECONOMIC TIMES DATE: 24/5/2017 P.N. 11

₹2-Lakh Steel Homes Possible Under Awas Yojna

NEW DELHI: Strong affordable homes made of steel can easily be built at a nominal ₹2 lakh under Pradhan Mantri Awas Yojna (PMAY), union minister Chaudhary Birender Singh said on Tuesday. The National Steel Policy (NSP) not only envisages enhanced 300 MT steel capacity, but also stresses the need for increased consumption and this calls for diversification and maximum use of the alloy in projects, the steel minister said while addressing media on three years achievements of his ministry.

BUSINESS LINE DATE: 24/5/2017 P.N. 5

Essar Shipping expands fleet to meet demand from Essar Steel

Still on the look-out for more Panamax carriers, says CEO Ranjit Singh

KSENIA KONDRATIEVA

Mumbai, May 23

Essar Shipping Ltd (ESL), one of India's leading shipping companies, has added a Panamax vessel of 74,005 deadweight tonnage (dwt) to its fleet of 14 vessels, taking the total tonnage volume to 1.6 million dwt.

Panamax stands for the mid-sized cargo ships capable of passing through the narrow Panama Canal.

Essar Shipping's fleet now consists of six mini-cape bulk carriers, one standard Capesize (the largest among dry cargo ships), two Supramax and two Handysize (mini-vessels) dry bulk carriers as well as two oil tankers of VLCC category (very large crude carriers).

The second-hand 16-year-old Panamax vessel added to the fleet will replace MV Chandi Prasad, a Capesize carrier of 152,065 dwt decommissioned last month after sailing for 28 years.

Japanese-made ship re-christened as MV Mahavir was acquired for around $5 million. The ship will be deployed for transporting pellets, coal and limestone from Essar Steel's pellet plant in Paradip to the steel plant in Hazira. "We wanted to utilise this ship for our own cargo, as steel production is coming up, we have a lot of movement," Ranjit Singh, Executive Director & CEO, Essar Shipping, told *BusinessLine*.

Essar Steel has emerged as the main customer for Essar Shipping since the inception of Essar's Hazira Steel Complex in the early 1990s. Hence, Essar Shipping's fleet is being used for coastal cargo movement catering to Essar's steel business requirement and providing it quicker access both to raw materials sourced from mines in Eastern India and to steel consuming markets in India and abroad.

Production picks up

Essar Steel's production has picked up lately: for the year ended March 31, 2017 its flat steel production registered 47 per cent growth, while pellet production grew by 60 per cent. This gives Essar Shipping's CEO hope for more additions to its fleet.

"We are still on look out for more Panamax carriers. I am aiming to add more vessels this year, but I am waiting for the right opportunity, as this vessel we have picked up at the right time - since I made the deal till the time of acquisition the price has already shot up by 5 per cent," Ranjit Singh said.

According to Singh, although catering mainly to the steel business, Essar Shipping is flexible. "We keep mix match of inside business as well as outside business, the moment we get a good opportunity and the market looks up, we get our vessels out, but we make sure that steel never suffers," Singh explains.

Last financial year, Essar Shipping moved around 13 million tonnes of cargo growing the capacity utilisation to 94 per cent from 80 per cent in the previous year. The company reported 22 per cent growth in cargo handling.

Despite recent "nervousness" in the freight market with Baltic Dry Index (BDI), a key indicator of freight rates, sinking to 954 points as on May 23, due to slow demand from China coupled with oversupply of vessels in the global dry bulk industry, the BDI is still in the comfortable zone and is not expected to drop significantly, experts say.

"The dry bulk market has seen demand picking up with the global economy in a much better state since the second half of last year. Most of the dry bulk commodities including products such as iron ore, coal, steel, alumina etc, have seen prices going up by 40-50 per cent since June last year", Pradeep Rajan, senior Managing Editor, Asia Pacific Shipping & Freight, S&P Global Platts, told *BusinessLine*.

"Currently, the freight levels have dropped after they had jumped up during the first quarter of the year. But market watchers think the dry bulk vessels will have a steady run with Chinese economy expected to perform better this year," Rajan said.

The freight rates have overall increased over a year since February, 2016, when BDI has fallen to all-time low of 290 points. The revival in the trade helped India's shipping majors to take advantage of the prevailing low asset prices and expand or update their fleet. This trend will probably continue as Indian shipping industry still remains under-supplied, experts say.

Hot rolled steel coils for export being loaded at Essar Steel's Hazira plant in Gujarat. Essar Steel has emerged as the main customer for Essar Shipping since the inception of Essar's Hazira Steel Complex in the early 1990s (file photo).

BUSINESS LINE DATE: 24/5/2017 P.N. 16

Outlook bullish for MCX-Aluminium

GURUMURTHY K
BL Research Bureau

The MCX-Aluminium futures contract on the Multi Commodity Exchange (MCX) witnessed a sharp rise to test ₹125 a kg in the past week as expected. The contract has surged over 3 per cent and is currently trading at ₹125.24.

The rally in the past week has taken the contract above the key trend-line resistance at ₹124.5. This level may now serve as a good support. As long as the contract is above this support, the outlook will remain bullish.

A rise to ₹128 is likely in the near term. A strong break above ₹128 will see the upmove extending to ₹130 and ₹131 levels.

Short-term traders with a big risk appetite can go long on dips near ₹124.7. A stop-loss can be placed at ₹123.2 for the target of ₹128. Revise the stop-loss higher to ₹126 as soon as the contract moves up to ₹127.

The region between ₹130 and ₹131 is a crucial long-term resistance. The price action after testing this level will be key in deciding the next leg of movement.

A strong break and a decisive weekly close above ₹131 will increase the likelihood of the contract rallying to ₹135 and ₹140 levels thereafter.

But a reversal from ₹130 or ₹131 can pull the contract lower to ₹128 and ₹125 levels once again.

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

BUSINESS LINE DATE: 24/5/2017 P.N. 5

JSPL narrows loss to ₹116 cr in fourth quarter

OUR BUREAU

New Delhi, May 23

Jindal Steel and Power Ltd has reported a 47 per cent improvement in its bottomline during the fourth quarter of 2016-17.

The company's net loss fell to ₹116 crore in the fourth quarter of 2016-2017 from ₹218 crore in the corresponding quarter last fiscal. Sales grew by 13 per cent during the fourth quarter of 2016-17 as compared to the same period last fiscal, a compnay statement read.

The company said the government support to domestic steel and power industry had given a stimulus to local demand by way of enhanced investment in infrastructure. Its turnover grew by 13 per cent to ₹4,545 crore during the fourth quarter, against ₹4,033 crore in the last quarter of fiscal 2016.

For the full financial year 2017, the net loss fell 30 per cent to ₹986 crore from ₹1,419 crore for fiscal 2016. There was also a 5 per cent improvement in the turnover for fiscal 2017 at ₹15,494 crore against ₹14,693 crore during fiscal 2016.

BUSINESS LINE DATE: 25/5/2017 P.N. 16

MCX-Zinc futures face key resistance

GURUMURTHY K
BL Research Bureau

The zinc futures contract on the Multi Commodity Exchange (MCX) moved sharply higher in the past week. From a low of ₹159.35 per kg last Thursday, it broke above a key resistance level around ₹170 to record a high of ₹172.65 on Tuesday.

The strong rebound has eased the danger of the contract falling to ₹155-150 levels. However, the contract has since declined slightly, and is trading at ₹171. Resistance at ₹173 has halted the contract's rally at the moment. The region between ₹169 and ₹170 is a key support to watch. If the contract manages to sustain above this support zone, there is a strong likelihood of it breaking above the resistance at ₹173. Such a break will see the rally extending to ₹179 in the coming days.

Short-term traders with a high risk appetite can go long on a decisive break above ₹173, with a stop-loss at ₹170, for the target of ₹179. Revise the stop-loss higher to ₹175 if the contract moves up to ₹177.

On the other hand, if the contract declines below ₹169, it can test ₹167 levels initially.

A further fall below ₹167 will increase the likelihood of the down move extending to ₹163 or even ₹160 once again.

THE HITAVADA DATE: 25/5/2017 P.N. 11

Crude steel output up at 33.159 MT in Jan-Apr

NEW DELHI, May 24 (PTI)

THE country's crude steel output rose 7.1 per cent to 33.159 million tonnes (MT) in the first four months of 2017, as against 30.963 MT in the year-ago period, according to global industry body Worldsteel.

China, the world's largest producer of the metal, saw a 4.6 per cent rise in production at 273.870 MT. While the second largest producer Japan witnessed 1.9 per cent growth at 34.982 MT during the January-April period this year, the latest report of World Steel Association (Worldsteel) said. India has become the second largest producer of stainless steel in 2016 leaving Japan behind, and the country is now heading towards becoming the second largest steel producer in the world, Steel Minister Chaudhary Birender Singh said on Tuesday. In April, India produced 8.065 MT crude steel, registering a growth of 4.8 per cent against 7.694 MT in the same month a year ago. China's crude steel production rose by 4.9 pc at 72.8 MT in April this year compared to 69.30 MT in the year-ago month. Japan's output stood at 8.75 MT in April this year as compared to 8.5 MT in the corresponding month a year earlier.

THE INDIAN EXPRESS DATE: 25/5/2017 P.N. 16

'ArcelorMittal agrees on concessions to seal $897-mn JV with SAIL'

REUTERS
NEW DELHI, MAY 24

ARCELORMITTAL, THE world's largest steel producer, said on Wednesday it has agreed to make concessions to Steel Authority of India to seal a delayed $897 million automotive joint venture.

The two companies are close to ironing out key commercial terms to close the deal, including non-compete and exit clauses as well as finalising policy on arbitration, three sources with direct knowledge of the negotiations told *Reuters*.

"In the interest of the strategic partnership, some concession from ArcelorMittal on technology has been extended," a company spokeswoman told *Reuters*, without giving further details.

The deal would help SAIL, which has been in the red for at least seven straight quarters, compete with local rivals such as JSW Steel and Tata Steel who have foreign partnerships to make steel for the car industry.

SAIL did not respond to a *Reuters* email seeking comment.

The proposed joint venture is also crucial for ArcelorMittal as India is the only big steel market where demand is rising fast and government policy is increasingly favouring locally made products.

India is now drafting a land-for-assets policy among a raft of measures aimed at attracting foreign investment into the world's third largest steel producing market.

THE TIMES OF INDIA DATE: 25/5/2017 P.N. 11

ArcelorMittal agrees on sops to seal $900m SAIL JV

New Delhi: ArcelorMittal, the world's largest steel producer, on Wednesday agreed to make concessions to the Steel Authority of India (SAIL) to seal a delayed $897-million automotive joint venture.

The two companies are close to ironing out key commercial terms to close the deal, including non-compete and exit clauses as well as finalising policy on arbitration, three sources with direct knowledge of the negotiations said.

The deal would help SAIL, which has been in the red for at least seven straight quarters, compete with local rivals such as JSW Steel and Tata Steel — who have foreign partnerships to make steel for the car industry.

> **The deal would help SAIL, which has been in the red for at least seven straight quarters, compete with local rivals such as JSW Steel and Tata Steel**

SAIL did not respond to an email seeking comment.

The proposed JV is also crucial for ArcelorMittal as India is the only steel market where demand is rising incredibly and the government policy is increasingly favouring locally made products.

The company, controlled by billionaire Lakshmi Mittal, has unsuccessfully tried to gain a foothold in India for almost a decade.

India is drafting a land-for-assets policy, among a raft of measures, aimed at attracting foreign investment into the world's third largest steel producing market. REUTERS

THE HITAVADA DATE: 26/5/2017 P.N. 7

JSPL to be relatively debt-free in 4-5 years: Naveen Jindal

NEW DELHI, May 25 (PTI)

JINDAL Steel and Power Ltd, which has a consolidated debt of around Rs 46,000 crore, on Thursday said it is likely to be a 'relatively' debt-free company within five years.

"We are increasing our production, there is good demand for steel and the Government has also taken a lot of initiatives to build infrastructure in the country," JSPL Chairman Naveen Jindal told reporters on the sidelines of India's National Competitiveness Forum here. "In the next four to five years we hope to be relatively debt free company. The debt should not be more than three times, I believe, of the EBITA," he said.

JSPL's consolidated EBITDA was at Rs 1,552crore in the fourth quarter of FY'17. Things are much better now for JSPL, Jindal said, adding, "We are able to service the debt and I hope that if the steel demand continues we will be able to overcome it. Our debt is only come down now. Whatever was our debt in FY'16 we have reduced it in FY'17".

Jindal said that company's debt increased basically after the cancellation of coal blocks and it had to pay Rs 3,500 crore of additional levies. "We had to borrow to pay our levies that is why JSPL's debt is high. Then we have been servicing the debt that we took, so it cost us more than Rs 5,000 crore," he added.

The debt is not because of some project but due the company's cost which went up on account of cancellation of coal blocks, he said. Stating that the company posted very good result in the last quarter of 2016-17.

Jindal said the company will soon make functional its blast furance at Angul in Odisha which would help in doubling production. "From the level of 3.5 million tonnes last year we will be crossing six million tonnes. That will have a huge benefit for the company," Jindal said.

On company's plans to sell its 1000 mw power plant to JSW, Jindal said it is progressing very well.

Mining Cos Need Innovation to Catch up: Survey

Leaders of top 9 mining firms say govt's plan of self-sufficiency requires 'disruptive innovation'

Rachita.Prasad@timesgroup.com

Mumbai: The beleaguered mining industry is banking on "disruptive innovation" to achieve the government's vision of self-sufficiency and this burden lies on the companies, according to a survey by the University of Western Australia and global consulting firm VCI.

Environmental pressures still weigh on minds of Indian miners more than their global peers but 93% of Indian mining leaders believe that innovation is critical for long-term business strategy and success as compared with 62% in Australia and 59% in the US, the survey said.

Mining accounts for about 2.5% of India's GDP. The sector has been struggling with problems relating to environmental and forest clearance approvals, opposition from local communities and land acquisition, which has impeded growth. Prime Minister Narendra Modi-led NDA government is now seeking to attract investors to this sector to scale up domestic production.

Innovation State of Play, a platform created by international consultant VCI and University of Western Australia, conducted a survey of miners across the globe. The India report, titled 'How can India unleash its potential to become a world mining superpower', compiles views from 50 mining leaders of India's top nine mining firms including Adani Group, Coal India, Jindal Steel and Power, Tata Steel and Vedanta Resources.

"To achieve the government's vision of self-sufficiency, it cannot just catch up to the rest – it must disrupt the whole industry," said the report. Quoting a CEO anonymously, it adds, "India has to leapfrog. Fifty years of evolution has to happen in five. Everyone in India talks about disruption, not innovation. It spills off the lips of the PM, the ministers...no one talks about job creation".

In the last two years, the Indian government has undertaken reforms and policy changes to make mining more transparent. Almost all pending mining and exploration concessions were made open to reapplication and all undeveloped blocks were taken back by the government and consolidated from previous disparate and less economic blocks. The government now auctions these mines through a more transparent process and hopes to attract investors from India and abroad.

The report quotes another CEO, "the steps they took were right – to inject transparency. There were some mistakes, but they were well intentioned".

But there are many suggesting that the government's approach "has killed necessary exploration investment", but the government counters that it has and will "rapidly tweak its process until the necessary investment is achieved". Rapidly refining regulations is not something 'traditional miners' are comfortable with but if it works, it can have far reaching effects.

THE ECONOMIC TIMES DATE: 26/5/2017 P.N.15

Exporters Fear Fall in Profits as Prices of Rough Diamonds Rise

Jewellers attribute around 4% increase in prices to speculation and advance booking by manufacturers

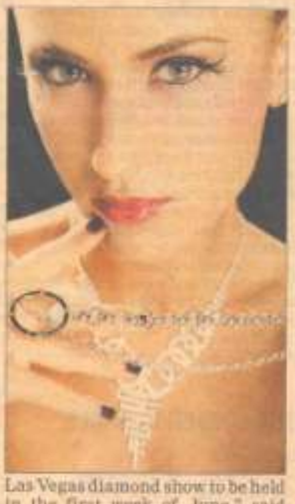
Sutanuka.Ghosal@timesgroup.com

Kolkata: The prices of rough diamonds have increased by up to 4% in past 10 days even though the demand for polished stones — the end product — remains tepid in the key consumer markets of the US and Europe.

Some diamond jewellers attribute the unusual increase to speculation, while others say advance booking by some manufacturers has caused prices to rise.

Vipul Shah, CEO of Asian Star Company, a leading diamond exporter, said, "Rough prices are going up even though there is no trigger for such a rise. Had there been huge demand in the market, polished prices would then have gone up in tandem. That is not happening, which is why there is a feeling that there is lot of speculation in the market at the moment."

If rough diamond costs increase and the prices of polished stones do not, diamond exporters run the risk of lower profits. "Margins will be squeezed and the health of the sector will suffer. We are now waiting for the demand to pick up at the Las Vegas diamond show to be held in the first week of June," said Shah, a former chairman of the Gem & Jewellery Export Promotion Council (GJEPC).



India is the largest cutting and polishing centre of rough diamonds in the world. In FY17, India's gross exports of cut and polished diamonds stood at $22.8 billion, rising 10.2% as compared to $20.7 billion in FY16. Imports of rough diamonds (quantity in lakh carats) grew 21.6% in FY17 to $17.1 billion as compared to $14 billion in FY16.

Major export destinations for the gems and jewellery sector in FY17 were UAE, with 32% of exports directed to the market, followed by Hong Kong at 30%, and the US at 23%.

"It is a mix of speculation and possible advance booking by the manufacturers that have resulted in rough diamond prices going up. Global demand has been good in the past six months, which may have prompted manufacturers to book in advance. But what is worrisome is that the prices of certain categories of polished diamonds have dropped by 3-4% in the last fortnight," said Ashok Gajera, managing director, Laxmi Diamonds.

He added that demand in the US and Europe and other parts of the world has slowed down because of the summer holidays. "Demand is also slow in the Indian market as well," Gajera said.

More than one lakh carats of rough diamonds, valued at ₹110 crores, have been e-auctioned by mjunction for NMDC. "mjunction's e-auction platform has helped the PSU mining company identify the right buyers and sell their product at the correct price. The online process ensured complete transparency, safety from unfair practices and efficient time management," mjunction CEO Vinaya Varma said.

THE HINDU DATE: 26/5/2017 P.N. 14

GST will help establish traceability of gold: WGC

'This is the best way to make purchases transparent'

SPECIAL CORRESPONDENT
KOLKATA

The rollout of the Goods and Services Tax (GST) on July 1 will get gold out of the shadows of black money and establish traceability, Somasundaram P. R., managing director, India World Gold Council said.

There was a lack of clarity on the rate and on certain operational issues and the transition would be a time-consuming affair, he said.

"It may take about 18 months for the industry to settle," he said. "There are several areas that need clarity.. the industry is seeking the definition of conversion.. how would the taxation be if gold jewellery is exchanged," he said.

Mr. Somasundaram felt that there were major gains to be reaped from the rollout of reform measures like GST. "This is the best way to make gold buying transparent," he said. However, GST rollout should ideally be accompanied by enforcement of hallmarking to ensure purity. "Or else there will be a gap."

Assaying centres

Certain inadequacies existed with respect to hallmarking facilities, Mr. Somasundaram said. This was in respect of the number of assaying centres as well as gaps in standardisation. "Nearly 1,000 assayers would be needed (against the 450 available now) if hallmarking is made mandatory."

As per a WGC report on the evolution and innovation of India's gold market, income levels were the most significant long-term determinants of consumer gold demand. The report pegged India's gold stocks at around 23,000 tonnes. It said that South accounted for 40% of the gold demand, followed by West with 25 %, North 20% and East 15%. Imports account for 85 % of the supply.

The number of jewellers has been estimated between 3.85 and 4.1 lakh of whom 70% were unorganised. However, the market share of organised player has increased from 5 to 30 % , in the five years since 2000, and is projected to rise to 40% by 2020, according to the report.

THE HITAVADA DATE: 26/5/2017 P.N. 7	BUSINESS LINE DATE: 26/5/2017 P.N. 3

Gold stays strong on global cues, jewellers' buying

NEW DELHI, May 25 (PTI)

RISING for the second straight day, gold prices gained Rs 50 to Rs 29,150 per 10 grams at the bullion market on Thursday on firm trend overseas and sustained buying by local jewellers. Silver also recovered by Rs 350 to Rs 39,950 per kg, backed by increased off-take by industrial units and coin makers.

Minutes from the Federal Reserve's last meeting pointed to a June rate hike, which weakened the dollar and raised appeal for the precious metals, brokers said.

Globally, gold surged 0.63 per cent to end at USD 1,258.60 an ounce while silver rose 0.97 per cent to 17.22 an ounce in New York in yesterday's trade.

In the national capital, gold of 99.9 per cent and 99.5 per cent purity rose Rs 50 each to Rs 29,150 and Rs 29,000 per 10 grams, respectively. The metal had gained Rs 185 yesterday.

JSPL likely to be 'relatively' debt-free in 5 years: Jindal

PRESS TRUST OF INDIA

New Delhi, May 25

Jindal Steel and Power Ltd, which has a consolidated debt of around ₹46,000 crore, said it is likely to be a 'relatively' debt-free company within five years. "We are increasing our production, there is good demand for steel and the government has also taken a lot of initiatives to build infrastructure in the country," JSPL Chairman Naveen Jindal told reporters on the sidelines of India's National Competitiveness Forum here.

"In the next four-five years we hope to be relatively debt-free company. The debt should not be more than three times, I believe, of the EBITA," he said. JSPL's consolidated EBITDA was at ₹1,552 crore in the fourth quarter of FY17. Things are much better now for JSPL, Jindal said, adding, "We are able to service the debt and I hope that if the steel demand continues we will be able to overcome it. Our debt is only coming down now".

Jindal said the company's debt increased after the cancellation of coal blocks and it had to pay ₹3,500 crore of additional levies.

"We had to borrow to pay our levies that is why JSPL's debt is high. Then we have been servicing the debt that we took, so it cost us more than ₹5,000 crore," he added. The debt is not because of some project but due the company's cost that went up on account of cancellation of coal blocks, he said.

THE ECONOMIC TIMES DATE: 27/5/2017 P.N.15

'Mining Cos Need to Focus on Innovation'

Report with views from 50 mining firms say govt's plan of self-sufficiency requires disrupting the whole industry

Rachita.Prasad@timesgroup.com

Mumbai: The beleaguered mining industry is banking on "disruptive innovation" to achieve the government's vision of self-sufficiency and this burden lies on the companies, according to a survey by the University of Western Australia and global consulting firm VCI.

Environmental pressures still weigh on minds of Indian miners more than their global peers but 93% of Indian mining leaders believe that innovation is critical for long-term business strategy and success as compared with 62% in Australia and 59% in the US, the survey said.

Mining accounts for about 2.5% of India's GDP. The sector has been struggling with problems relating to environmental and forest clearance approvals, opposition from local communities and land acquisition, which has impeded growth. Prime Minister Narendra Modi-led NDA government is now seeking to attract investors to this sector to scale up domestic production.

Innovation State of Play, a platform created by international consultant VCI and University of Western Australia, conducted a survey of miners across the globe. The India report, titled 'How can India unleash its potential to become a world mining superpower', compiles views from 50 mining leaders of India's top nine mining firms including Adani Group, Coal India, Jindal Steel and Power, Tata Steel and Vedanta Resources.

"To achieve the government's vision of self-sufficiency, it cannot just catch up to the rest – it must disrupt the whole industry," said the report. Quoting a CEO anonymously, it adds, "India has to leapfrog. Fifty years of evolution has to happen in five. Everyone in India talks about disruption, not innovation. It spills off the lips of the PM, the ministers-

THE WORRIES

As per the survey by University of Western Australia and VCI, environmental pressures still weigh on minds of Indian miners more than their global peers

...no one talks about job creation".

In the last two years, the Indian government has undertaken reforms and policy changes to make mining more transparent.

Almost all pending mining and exploration concessions were made open to reapplication and all undeveloped blocks were taken back by the government and consolidated from previous disparate and less economic blocks. The government now auctions these mines through a more transparent process and hopes to attract investors from India and abroad.

The report quotes another CEO, "The steps they took were right – to inject transparency. There were some mistakes, but they were well intentioned".

But there are many suggesting that the government's approach "has killed necessary exploration investment", but the government counters that it has and will "rapidly tweak its process until the necessary investment is achieved". Rapidly refining regulations is not something 'traditional miners' are comfortable with but if it works, it can have far reaching effects.

THE HINDU DATE: 28/5/2017 P.N. 10

Nalco fourth-quarter net rises 25% to ₹268 cr.

NEW DELHI

Aluminium maker Nalco posted a 25% rise in standalone profit at ₹268 crore for the quarter ended March 31. It posted standalone profit of ₹214 crore in the corresponding quarter of 2015-16 fiscal, National Aluminium Company Ltd. (Nalco) said in a BSE filing. The standalone revenue from operations increased to ₹2,549.7 crore, over ₹1,994 crore, the company said. It has integrated and diversified operations in mining, metal and power. PTI

THE HINDU DATE: 28/5/2017 P.N. 11

JSPL starts integrated Odisha plant

State's biggest integrated steel facility set up at an investment of ₹33,000 crore

PRESS TRUST OF INDIA
ANGUL (ODISHA)

The biggest integrated steel plant of Odisha was made operational with the commissioning of the country's largest blast furnace.

Inaugurating the state of the art 6 mtpa steel plant of Jindal Steel & Power Ltd. (JSPL), Odisha Chief Minister Naveen Patnaik said it would provide direct employment to about 30,000 people and indirect jobs to many others.

JSPL chairman Naveen Jindal said the plant was set up at an investment of about ₹33,000 crore and it would enable the company to overcome its loss in the aftermath of the coal block cancellation.

Complete menu: The complex includes a sinter plant, a coke oven, a steel melting shop, and plate and bar mills.

He said JSPL would start earning and play a significant role in the development of the state.

The plant with its 4,554 cubic meter blast furnace will make Odisha the fourth-largest steelmaker in the country.

With this, JSPL also becomes the first company to complete its mega steel project as per the commitment in the memorandum of understanding with the government of Odisha.

Captive power

JSPL had installed 2 mtpa steel making capacity at its Angul steel complex in 2015 with Coal Gasification-DRI route, which is being used for the first time. Later it further added 4 mtpa steel making capacity.

The Angul steel complex also has a 4 mtpa sinter plant, 2 mtpa coke oven, 3 mtpa steel melting shop, 1.2 mtpa plate mill, 1.4 mtpa bar mill and a 810 MW captive power plant.

THE HINDU DATE: 28/5/2017 P.N. 10

'Adani has to pay coal royalties in full'

Queensland Premier rules out any exemption to develop its Carmichael project

REUTERS
SYDNEY

Adani Enterprises will get no exemption or discounted rates on royalties it has to pay to develop its Carmichael coal mine project in Australia, Queensland state Premier Annastacia Palaszczuk said on Saturday.

Ministers from the centre-left state government made the decision on Friday, putting an end to speculation that the Indian company would be offered concessions on royalties during the early years of coal production.

Under this new policy, the Adani Carmichael mine will pay every cent of royalties in full, Ms. Palaszczuk said in a statement on Saturday.

Gautam Adani • AFP

No royalty holiday

There will be no royalty holiday for the Adani Carmichael mine. Adani said this week its board had deferred a final investment decision that had been expected by the end of May because the government had yet to sign off on a royalty regime.

Adani could not be immediately reached for comment on the Queensland government's announcement. Deputy Premier Jackie Trad said Adani would be allowed to defer payment of royalties provided interest was paid and a security of payment was in place.

The state government ruled out the use of public money to subsidise the controversial project or any directly associated infrastructure.

Adani has battled green groups over the past six years looking to block what would be Australia's biggest coal mine.

Opponents have argued the coal exports would stoke global warming and that the project would require a port expansion that could damage the Great Barrier Reef situated in the region.

Port expansion

The expansion is no longer needed as the company has shrunk the first phase of the mine to 25 million tonnes from 40 million tonnes a year, as it looks to make the mine and rail project more affordable at around $4 billion, instead of more than $10 billion.

THE INDIAN EXPRESS DATE: 28/5/2017 P.N. 15

Nalco Q4 net profit up 25% at ₹268 crore

PRESS TRUST OF INDIA
NEW DELHI, MAY 27

ALUMINIUM MAKER Nalco Saturday posted 25 per cent rise in standalone profit at Rs 268 crore for the quarter ended March 31.

The company had posted standalone profit of Rs 214 crore in the corresponding quarter of 2015-16 fiscal, National Aluminium Company Ltd (Nalco) said in a BSE filing.

The standalone revenue from operations increased to Rs 2,549.7 crore, over Rs 1,994 crore in the corresponding quarter of 2015-16.

The company has integrated and diversified operations in mining, metal and power. Presently, government holds 80.93 per cent stake in Nalco.

The company has a 68.25 lakh TPA bauxite mine and 22.75 lakh TPA alumina refinery located in Odisha, and 4.60 lakh TPA aluminium smelter and 1,200 MW captive power plant located in the same state, according to its website.

As per diversification plan, Nalco has ventured into renewable energy sectors. The company has successfully commissioned two wind power plants.

THE HINDU
DATE: 28/5/2017
P.N. 10

Plant closure to hit CSR: Indian Metal

PRESS TRUST OF INDIA
BHUBANESWAR

Indian Metal & Ferro Alloys (IMFA) said it was forced to shut down its four blast furnaces and a 60 MW power plant at Therubali and Choudwar after Odisha State Pollution Control Board revoked Consent to Operate the chromite mines. It resulted in making the industry non-operational and production has come to a complete halt causing uncertainty among the employees, it said. The closure will force the company to discontinue its CSR activities in Odisha, it said.

THE HINDU DATE: 28/5/2017 P.N. 4

Ex-Coal Secretary's book released

Former Chief Vigilance Commissioner P. Shanker releasing former coal Secretary P.C. Parakh's book 'The Coal Conundrum' on Saturday. • NAGARA GOPAL

STAFF REPORTER
HYDERABAD

Former Coal Secretary P.C. Parakh's book 'The Coal Conundrum' was released here on Saturday by former Chief Vigilance Commissioner P. Shanker and former RBI Governor Y.V. Reddy.

Speaking on the occasion, Mr. Parakh said not opening the coal sector for commercial mining resulted in increasing dependence on imported coal. As a result, the Indian companies were forced to acquire expensive coal properties abroad.

Mr. Shanker wondered why the Rs.1.86 lakh crore involved in the coal scam some years ago was not recovered. Former media advisor to the Prime Minister Sanjaya Baru too spoke on the occasion.

THE HITAVADA DATE: 29/5/2017 P.N. 10

India on right path to becoming global steel player: ISA

Business Bureau

INDIA turned net exporter of steel this year and the trend is expected to continue as the metal's quality has become globally competitive, according to Indian Steel Association (IAS).

This is the beginning for India towards becoming a global player, the association said. The country is no doubt on the right path. "It is already a net exporter. This will give strength to domestic production so that the entire production may not be intended for domestic consumption and some positive development needs to move further," the association added. "From September 2014 till end of September 2016 huge imports came to India, and since about beginning of this year, it shows the trend of becoming a net exporter," Sanak Mishra, Secretary General and Executive Head ISA said.

On account of measures taken by the Government, the imports fell last fiscal year ending March, and from beginning of the new calender year itself, the exports were larger than the imports, he said. According to official figures, production of total finished steel stood at 101.274 MT in April-March 2016-17.

Steel export was up by 102.1 per cent in April-March 2016-17 (8.244 MT) over same period of last year. Meanwhile, steel import was at 7.427 MT in April-March 2016-17, a decline of 36.6 per cent over same period of previous year.

THE INDIAN EXPRESS DATE: 29/5/2017 P.N. 1 & 2

Punjab tweaked auction rules before minister's ex-cook got sand mine

KANCHAN VASDEV
CHANDIGARH, MAY 28

FOUR DAYS before the e-auction of sand mines in Punjab, in which a former employee of Minister for Power and Irrigation Rana Gurjit Singh bagged a Rs 26 crore contract, the government changed the rules of the auction to keep the names of the bidders secret.

The sand mine contract to Amit Bahadur, who was a cook with Rana Gurjit's firm Rana Sugars, has triggered demands by opposition parties for the minister's resignation.

Rana Gurjit has sought to distance himself from Bahadur saying that he left his employment in February this year.

The e-auction for the sand mines, which saw aggressive bidding, took place on May 19 and 20. While introducing the e-auctioning system, the Congress government had said it would ensure total transparency in issue of contracts and end the reign of sand mafia as well as other illegalities.

CONTINUED ON PAGE 2

Punjab tweaked auction rules

On May 3, in the first announcement of the auction — notice number GLG/Pb/G-1/Auction 1085/Auction 2017/734-B — Para 8 stated that the list of prospective bidders would be posted on the website of the Department of Industries, www.investpunjab.gov.in, after scrutiny of their documents and payment of earnest money.

But on May 15, the department issued a corrigendum stating that para 8 of the earlier notice stood deleted and the list of prospective bidders would be kept "secret". No reasons were given. The corrigendum was signed by Director, Mining, Amit Dhaka.

Speaking to The Indian Express, Dhaka said the names were kept secret to avoid cartelisation during the auction process. "Para 8 was deleted to prevent cartelisation as it was a progressive bidding system," he said.

Chief Minister Amarinder Singh, who is the Minister for Industries and Commerce, under which the Department of Mining falls, has not made any public comment on the controversy so far. However, Congress sources told The Indian Express the party high command has conveyed to the CM that he must ensure that the state government "maintains a clean image".

Within the Punjab Congress too, there is unease over the government's silence on the allegations against a senior Cabinet minister.

BUSINESS LINE DATE: 29/5/2017 P.N. 1

Demystifying a commodity – Aluminium

SEETHARAMAN R

Aluminium, one of the widely used metals, has varied usage in the transportation, construction, electrical and packaging industries. China produces and consumes more than 50 per cent of the global production — which is in excess of 60 million tonnes per annum.

The other major producers and consumers include North America, Russia, India and some European nations. For traders in the commodity market, the futures contract on the Multi Commodity Exchange is an instrument available for trading. The MCX futures contract can also be used by businesses to hedge against volatile price fluctuations in the metal.

Aluminium futures

The MCX-Aluminium contract is traded under two categories — Aluminium and Aluminium Mini.

In Aluminium futures, the minimum trade size, that is one lot, is 5 tonnes (5,000 kg) while in Aluminium Mini contracts, one lot is equal to 1 tonne (1,000 kg). However, in both cases, the quotation value, that is the value at which prices are quoted on the terminal, is one kilogram. So, if the current market price is ₹125 per kg, one lot of Aluminium contract will cost ₹6.25 lakh (125*5,000) and one lot of Aluminium Mini contract will cost ₹1.25 lakh (125*1,000).

However, traders or hedgers need not pay this entire amount upfront. Rather, a small margin amount is sufficient. This margin amount, in general, would be 4 to 5 per cent of the cost. Say, if the margin is 5 per cent, then ₹31,250 (5 per cent of ₹6.25 lakh) and ₹6,250 is required to buy one lot of Aluminium and Aluminium mini contract, respectively.

The margin requirement will vary every day and could also be much higher in extreme volatile conditions. Besides margin, you are also charged a brokerage fee, stamp duty, commodity transaction tax, service tax and other charges. These charges account for about 0.01 to 0.02 per cent of the contract cost. Settlement can be done either in cash or through physical delivery. However, predominantly, this contract is closed through cash settlement.

Price movers

There are various factors that influence the price movement of the MCX contract. Traders and hedgers will have to keep abreast of these factors in order to forecast or gauge where aluminium prices are headed. The first and foremost factor to get the price outlook from a long-term perspective is the international demand and supply situation. For instance, China is the world's largest consumer, accounting for more than 50 per cent of the global aluminium consumption. So the demand from China will have a strong influence on aluminium price. That is, if Chinese demand is going to increase sharply, then aluminium prices are likely to increase and vice-versa.

The domestic contract moves in tandem with the aluminium traded on the London Metal Exchange (LME). So if you are a trader, keeping an eye on the LME prices will help you understand where MCX prices are headed. In addition to this, the movement in the dollar-rupee will also influence MCX prices.

With inputs from Hareesh V, Head of Research, Geofin

BUSINESS LINE DATE: 29/5/2017 P.N. 8

Bullion Cues

Short-term outlook remains bullish for gold

US jobs data this week needs a close watch as it may set the trend

GURUMURTHY K

Gold prices remained steady last week. Lack of fresh triggers kept the prices broadly range-bound for most part of the week. Though the global spot gold prices fell initially from around $1,263 per ounce, they found strong support at $1,248 and managed to bounce back in the later part of the week. The spot prices had closed in the green for the second consecutive week at $1,266 per ounce, up about 1 per cent for the week.

On the domestic front, the gold futures contract on the Multi Commodity Exchange (MCX) moved in tandem with global spot prices and had closed the week higher by 1 per cent at ₹28,888 per 10 gm.

Silver, on the other hand, outperformed gold by surging about 3 per cent last week. The global spot silver prices rose above the psychological resistance level of $17 per ounce and closed the week on a strong note at $17.31 per ounce. The MCX-Silver futures contract also surged 3 per cent last week and has closed at ₹40,091 per kg.

Data watch

The US Federal Reserve's minutes of its May 3 meeting failed to provide support for the dollar to regain strength. It indicated that the Fed would wait to see the progress of the economy. It also reiterated that if the economic progress is in line with its expectations, it would be appropriate to hike rates. If the dollar strengthens, going forward, on the back of strong economic data, then gold can lose its sheen as a strong dollar is negative for gold prices.

The non-farm payroll and the unemployment rate on Friday will be the key data to watch for this week. A strong job number, coupled with improvement in employee wages, could strengthen the dollar. Apart from this, the US consumer confidence, personal income and Institute for Supply Management's (ISM) manufacturing index are the other key data releases to watch during the week.

Dollar outlook

The dollar index was stuck in a narrow range between 96.8 and 97.5 last week. Support in the 97-96.5 zone is holding well at the moment. If the index manages to sustain above 97, a rise to 98 is possible in the coming days.

A further break above 98 will see the rally extending to 98.5 or even higher levels. Such a rise in the dollar index may slow down the pace of the up-move in gold prices.

On the other hand, the index will come under pressure if it declines below 96.8. Such a fall can drag it lower to 96.45 or even 96 which, in turn, will boost bullion prices.

Gold outlook

Spot gold price ($1,266 an ounce) outlook remains positive in the short term. A rise to $1,280 is possible in the coming days.

If gold price manages to surpass $1,280 decisively, it can surge to $1,300 thereafter. Inability to break above $1,300 can trigger a pull-back move to $1,280 once again.

A cluster of supports are poised in between $1,250 and $1,240 which can limit the downside.

Only a strong break below $1,240 will turn the outlook negative and drag the prices lower to $1,230 and $1,220 levels once again. But the price action on the daily chart reflects that the yellow metal lacks fresh sellers below $1,250 and a fall below the $1,250-1,240 support zone is less likely in the near term.

MCX-Gold (₹28,888 per 10 gm) has key supports at ₹28,600 and ₹28,400. A rise to test the next key resistances at ₹29,155 (200-day moving average), ₹29,325 (trendline) and ₹29,520 (55-week moving average) is likely in the coming days.

Inability to breach the 55-week moving average resistance can trigger a pull-back move to ₹29,000 or ₹28,800. But a strong break and a decisive close above ₹29,520 will increase the likelihood of the rally extending to ₹30,000 or even ₹30,200.

Silver outlook

Spot silver price ($17.31 an ounce) has strong supports at $17 and $16.8. Immediate resistance is at $17.5, which can be tested this week.

A strong break above this hurdle can take silver prices further to $17.75 in the coming days. But a reversal from $17.5 can pull the prices lower to $17. In such a scenario, silver should remain range-bound between $17 and $17.5 for some time. However, the outlook will turn negative if the price falls below $16.75. But such a break looks less probable.

MCX-Silver (₹40,091 per kg) has risen past a key resistance at ₹39,000. Near-term supports are at ₹39,500 and ₹39,300 while above these supports, a rise to ₹40,650 or even ₹41,100 can be seen in the coming days. A further break above ₹41,100 will increase the likelihood of the rally extending to ₹42,000 thereafter.

The outlook will turn negative for a fall to ₹38,000 only if the contract breaks below ₹39,000 decisively, which looks less likely.

BUSINESS LINE DATE: 30/5/2017 P.N. 18

Coal India net declines 38% to ₹2,716 crore in Q4

Higher provisioning for rise in staff expenses impacts performance

OUR BUREAU
Kolkata, May 29

Coal India reported 38 per cent drop in net profit to ₹2,716 crore in the March quarter. The consolidated net for 2016-17 fiscal declined by 35 per cent to ₹9,266 crore.

The sharp decline is partly attributed to rise in employee cost due to provisioning for the forthcoming wage settlement for workers and officers which will be effective from last fiscal.

During the year, the company provided for ₹2,101 crore towards incremental staff expenses and ₹95 crore towards salaries of executives. Nearly 60 per cent of the provisioning of over ₹1,200 crore was made in the March quarter.

The provisioning, however, merely added to the woes of the miner which is suffering from low demand from the country's thermal power sector which is affected by overcapacity.

In 2016-17, CIL produced 15 million tonnes (3 per cent growth) more coal than the previous year. Approximately

11 million tonnes or more than 70 per cent was dumped at the pit head because the offtake increased by only 1.7 per cent.

Since CIL books pithead stock as deemed sales, the pithead stock has artificially boosted the miner's revenues.

But, such high pithead stock (equivalent to approximately two months' production) also came in the way of increasing production.

With RE share rising in total generation and, power plants maintaining lower inventories (13 days as in April), contrary to the CEA (Central Electricity Authority) prescription for 21 days, things haven't improved in the first quarter.

In the past, CIL enjoyed the support of huge interest earnings from its $10-billion cash pile to resist operational declines.

Increasing demand from the government over the last couple of years to part with the cash, saw the cash pile exhausting.

In 2016-17, the company board declared two interim dividends totalling ₹19.90 per equity share of ₹10 face value. At its meeting on May 29, the board decided against declaring any further dividend.

THE HITAVADA DATE: 30/5/2017 P.N. 11

'New coal allocation policy to benefit private independent power plants'

NEW DELHI, May 29 (PTI)

THE new coal allocation policy will benefit private independent power plants having combined capacity of 28 GW that were adversely affected by lack of fuel supply pacts, rating agency ICRA said on Monday.

"The implementation of the new coal allocation policy namely 'Shakti' or the scheme for harnessing and allocating koyala (coal) transparently in India, is a positive development for the domestic thermal power generators, with a combined capacity of around 28 GW in the private IPP segment," ICRA said in a statement.

Hitherto, these were adversely affected by lack of fuel supply agreements (FSAs), it said, adding that this includes both units with power purchase agreements (PPAs) and those without them.

Sabyasachi Majumdar, Senior Vice President and Group Head, ICRA Ratings, said, "The ability of the IPPs with existing PPAs and without LoAs to secure coal linkage in bidding process will be dependent upon the quantum of quoted tariff in existing PPA and the distance of coal-linked mine from the project."

In this context, any aggressive bidding to secure coal linkage may lead to a risk of under-recovery in variable cost. Even IPP capacity without FSAs and without PPAs estimated at 16.9 GW, would benefit from this policy, it said. The signing of FSAs with existing holders of Letter of Assurances (LoA) from CIL will be subject to meeting all milestones, including commissioning. "It is noteworthy that operational coal-based IPPs with an aggregate generation capacity of 8.3 GW, having long-term PPAs with state distribution utilities, are affected by lack of long-term fuel supply arrangements from CIL," it said.

THE INDIAN EXPRESS DATE: 30/5/2017 P.N. 1 & 2

Punjab to probe sand mine auction, son of minister's friend says he put in money

EXPRESS NEWS SERVICE
CHANDIGARH, MAY 29

AS PUNJAB Chief Minister Captain Amarinder Singh, under pressure from the Opposition and even his own party, ordered a probe by a retired judge into allegations of "impropriety" against Irrigation and Power Minister Rana Gurjit Singh in sand mining auctions conducted by the state government, the son of a businessman-friend of the minister claimed he was the investor in the mines that had been allotted to Rana Gurjit's former employees.

Sanjit Singh Randhawa, son of J S Randhawa, said three of his companies had invested Rs 30 crore in the auction. Asked why he had not made this claim earlier, Sanjit Singh said: "No one contacted me."

Punjab Minister Rana Gurjit Singh

The three firms, Sanjit Singh claimed, were formed in 2015 but none had any experience in mining. He claimed that Amit Bahadur, a former employee of Rana Gurjit, was a "working partner" in his company Rajbir Enterprises. He said it was this company that had invested in the sand mine in Saidpur Khurd, Nawanshahr that was acquired in the name of Bahadur during the auction.

He said it was not possible for investors "to stand in the sun and supervise mining operations and truckers", so an employee of the company had been made a working partner, and that he would be sharing a percentage

CONTINUED ON PAGE 2

Sand mine auction

Bahadur never served or worked as a cook anywhere — Bahadur was said to have been a cook with Rana Gurjit's firm Rana Sugars. The statement said Bahadur was a labour contractor and his annual income was to the tune of about Rs 9 lakh.

Sanjit Singh made these claims as Chief Minister Amarinder Singh ordered an inquiry into the allegations.

The inquiry has been handed to Justice (retd) J S Narang who has to submit his report within a month. The terms of reference for the inquiry commission, formed under the Commission of Inquiry Act, will be notified soon, according to a press release.

Rana Gurjit, the release stated, had offered to resign to ensure free and fair investigation, but the Chief Minister asked him "to continue till the outcome of the judicial probe".

The announcement of the inquiry came hours before the AAP's planned dharna outside the Chief Minister's residence on Tuesday.

The release stated that that the Chief Minister had taken suo motu cognizance of media reports charging the minister with acquiring certain mines in the names of his company's staff. It also said though Rana Gurjit had denied any links of his company, Rana Sugars Limited, to the auctions, and had stated that his company had no stake, direct or indirect, in the sand mining business, the Chief Minister decided "in the interest of ethics and propriety" to get the matter probed at the highest level.

"There was no question of allowing any deviation from the government's avowed policy of providing clean governance," said Captain Amarinder, adding that he would take "all steps to ensure that there is no violation of the trust reposed by the people of Punjab" in his government and the Congress.

THE HITAVADA DATE: 30/5/2017 P.N. 11

Trade remedial measures helped domestic steel output rise: ISA

NEW DELHI, May 29 (PTI)

DOMESTIC crude steel production will continue to rise on several trade remedial measures taken by the Government, Indian Steel Association (ISA) has said.

The Indian steel sector is a growth story, ISA Secretary General and Executive Head Sanak Mishra told PTI.

"In the past few years, a lot of new steel capacity has been commissioned and a lot more is under commissioning that means that the potential to produce the capability to produce is there," he said.

He was replying to a question on India's crude steel production during the first four months of 2017. According to the latest report of global body World Steel Association, there is a difference of less than 2 million tonnes between the amount of steel produced by India and Japan during the first four months of 2017.

India has produced 33.159 MT and Japan -- the world's second largest producer of the metal -- produced 34.982 MT of steel.

"India will overtake Japan by end of 2017 to become second largest producer (of steel) I have been saying it for the last few years," Mishra said.

Another reason he said was that the Government has taken several trade remedial measures to support the domestic steel industry in the form of increased basic customs duty, safeguard duty which is called MIP, antidumping on hot-rolled products and cold-rolled products. The Government has been very supportive to the industry.

"Indian steel industry is a growth story as compared to many other steel industries in the world because our consumption is rising. We will grow about 6 per cent current year in terms of consumption," he said.

THE HINDU DATE: 30/5/2017 P.N. 14

Coal India Q4 profit drops 38% as costs rise

Expenses offset increase in net sales

SPECIAL CORRESPONDENT
KOLKATA

Coal India Ltd. (CIL) reported a 38% drop in fourth-quarter consolidated profit to ₹2,716.1 crore, from ₹4,398.4 crore a year earlier, despite a ₹1,891 crore increase in sales to ₹24,032.5 crore.

Total expenses in the quarter ended March rose 23% to ₹22,357.5 crore mainly due to ad hoc provision for salaries and wages of non-executives and executives, rise in provisions for gratuity and superannuation liabilities and also due to provision for grade 'readjustments'.

Full-year profit was ₹9,266 crore, 35% lower than the ₹14,266.8 crore in 2015-16. Net sales (including excise duty) for 2016-17 was flat at ₹81,054.1 crore, versus ₹81,071.7 crore.

CIL said it made a ₹2,101.4 crore provision on account of salary and wages of non-executive employees (pay revision due from July '16) and ₹95.1 crore for executives (pay revision due from January '17). Provision for grade slippage and adjustments was ₹2,043.6 crore, against ₹577.4 crore.

The state-run miner, which has nine subsidiaries and four joint ventures, has about three lakh non-executives and about 18,000 executives on its rolls.

The production target for CIL for FY18 is set at 600 million tonnes.

THE ECONOMIC TIMES DATE: 30/5/2017 P.N. 12

Steel The Show

In 1967, the world produced just less than 500 million tonnes of steel. Fifty years later, global output increased more than three-fold to 1,600 million tonnes, with most of the growth coming from newly industrialising countries–Brazil, China, India, Iran and Mexico...

World crude steel production (million tonnes)

1950	189
1960	347
1970	595
1980	717
1990	770
2000	850
2005	1,148
2010	1,433
2016	1,630

Top 5 producers, 2016, (million tonnes)

China	808.4
Japan	104.8
India	95.6
US	78.5
Russia	70.8

Top 5 users (per capita)
Apparent steel use* (consumption) per capita 2016 (Kg)

S Korea	1,130.2
Taiwan	782.1
Czech Rep.	634.7
Germany	499.5
China	492.7

India 63

*Finished steel products

Source: World Steel Association

THE TELEGRAPH DATE: 30/5/2017 P.N. 11

Costs smudge Coal India net

A STAFF REPORTER

Calcutta, May 29: Coal India Limited (CIL) today reported a 38 per cent decline in consolidated net profit at Rs 2,716 crore for the quarter ended March 31, 2017, because of higher expenses. The PSU had posted a consolidated net profit of Rs 4,398 crore in the corresponding quarter of the previous fiscal.

Consolidated income of the company increased to Rs 26,635.97 crore in the last quarter of 2016-17 from Rs 24,583.81 crore in the January-March quarter of 2015-16, the company said in a filing to the Bombay Stock Exchange.

Total expenses increased to Rs 22,357.5 crore in the last quarter of 2016-17 over Rs 18,173.8 crore in the January-March quarter of 2015-16. High employee benefit expenses and provisions contributed to the increase in total expenses.

Consolidated net profit for the last fiscal also saw a drop to Rs 9,267.75 crore from Rs 14,267.93 crore as the miner made provisions to cover for wage revision.

"Employee benefit expenses for the year include ad-hoc provision of Rs 2,101.39 crore towards salary and wages of the non-executive employees of the company and Rs 95.10 crore towards salary and wages of executive employees," Coal India's filing said.

"During the quarter/year ended March 31, 2017 the company has declared and paid two interim dividends... amounting to Rs 12,352.76 crore," it said adding that the board decided to recommend such interim dividend already paid as final dividend and no additional dividend has been recommended for 2016-17.

The company's output during the January-March quarter increased to 176.37 million tonnes (mt) from 165.24mt in the same period of 2015-16. Offtake for the quarter ended March was higher at 151.5mt compared with 145mt in the same quarter of 2015-16.

Shares of the company closed at Rs 267.65 apiece on the BSE, down 0.26 per cent from the previous close.

Coal India accounts for over 80 per cent of domestic coal production and has set its sight towards reaching close to one billion tonnes of output by 2020.

NUMBER CHECK

Figures for Q4 ended March
(in Rs crore)

	2015-16	2016-17
Total income	24,583.81	26,635.97
Total expenses	18,173.88	22,357.54
Net profit	4,398.35	2,716.09

THE HITAVADA DATE: 31/5/2017 P.N. 11

'Steel makers to benefit from low ore prices'

NEW DELHI, May 30 (PTI)

DOMESTIC steel mills may benefit from lower iron ore and coking coal costs in the current year but sustained weakness in demand still remains a concern, Icra said.

The ratings agency in a report said, "Sustained demand weakness remains a concern for the domestic steel industry with a growth of mere 4.6 per cent and 2.6 per cent in FY2016 and FY2017 respectively due to sluggishness in key end-user industries. Weak demand conditions have led to a correction in domestic hot rolled coil (HRC) prices by seven per cent in May 2017."

Already, seaborne iron ore prices have corrected by 36 per cent between February and May of 2017, dragged down by a correction in Chinese steel prices, steadily rising iron ore inventory levels at Chinese ports, and addition of low cost fresh supplies from Australia and Brazil, it said.

Interestingly, during this period, domestic lump ore prices have shown a diverging trend, increasing by around 4 per cent. However, this weakening in seaborne prices will make iron ore exports by domestic miners less remunerative, which in turn is expected to result in a higher domestic availability, and a consequent correction in domestic ore prices in the coming months, it added.

Seaborne prices of coking coal, the other key steelmaking ingredient for which India relies largely on Australian exports, have also seen a sharp decline from USD 314/MT (million tonnes) in mid-April 2017 to USD 170/MT in mid-may 2017 after the resumption of supplies from Queensland post the disruption caused by cyclone Debbie during April 2017. Domestic steel production grew by 10.7 per cent in 2016-17 supported by the government's trade protection measures and favourable export realisations, which led to a decline in India's steel imports, and a doubling of steel exports.

THE HINDU DATE: 31/5/2017 P.N. 15

Hindalco Q4 net rises 25% to ₹503 cr.

Profit jump powered by higher revenue from operations at aluminium maker

PRESS TRUST OF INDIA
NEW DELHI

Hindalco Industries Ltd. today posted a 25% increase in standalone net profit at₹502.5 crore for the fourth quarter ended March, on the back of higher revenue from operations.

The company had posted a standalone net profit of ₹401 crore in the January-March period of FY16, Hindalco Industries said in a BSE filing.

The total income on a standalone basis increased to ₹11,969.6 crore, over ₹9,472 crore in the year-ago period. In a statement, the company said that Hindalco registered standalone revenues of ₹39,383 crore for the fiscal year 2017. EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) was ₹5,819 crore, up 35% as compared to the previous year, supported by lower input cost, higher aluminium volumes and realisation.

Bright show: FY'17 profit surged 182%.

Depreciation was up by 11% due to progressive capitalisation. Interest expense was lower by 3%, mainly on account of pre-payment of loan.

Net Profit for the fiscal year 2017 stood at ₹1,557 crore, registering a growth of 182% versus previous year.

Hindalco's consolidated revenue stood at ₹102,631 crore for the fiscal year 2017.

"It attained a record consolidated EBITDA (Earnings before Interest, Tax, Depreciation and Amortisation) at ₹13,558 crore, up 36% as compared to the earlier year," it said.

The robust performance was supported by stable operations across businesses. For the fiscal year 2017, net profit stood at ₹1,900 crore.

The company raised $500 million through Qualified Institutional Placement (QIP) in March. In line with its commitment, the company used the cash proceeds from QIP towards prepayment of ₹4,506 crore of long term loan in April 2017 – till date the total pre-payment stands at ₹5,536 crore.

Debt refinanced

"During the fiscal year 2017, Novelis refinanced its $2.5 billion senior notes and $1.8 billion term loan. As a result, annual cash interest savings of $79 million has been achieved along with an extended debt maturity profile for the senior notes," it said.

During the year, Hindalco also divested its stake in Aditya Birla Minerals Ltd., Australia. The shares rose 0.9% to ₹203.15 on the BSE.

BUSINESS LINE DATE: 31/5/2017 P.N. 18

Overall outlook bullish for MCX-Aluminium

GURUMURTHY K
BL Research Bureau

The strong short-term uptrend in the Aluminium futures contract on the Multi Commodity Exchange (MCX), which has been in place since May 11, has halted in the past week. The contract has been facing resistance near ₹127 a kg and is stuck in a narrow range below this hurdle over the last one week.

The overall outlook remains bullish. However, an intermediate dip to ₹124 or ₹123.5 cannot be ruled out before the contract resumes its uptrend. The region between ₹124 and ₹123.5 is a strong support zone that is likely to limit the downside in the short term.

A break below ₹123.5 looks unlikely at the moment. So, such dips to ₹124 and ₹123.5, if seen, will be a good opportunity for traders with a short-term perspective to initiate long positions. An eventual reversal from the ₹124-₹123.5 support zone will take the contract higher to the ₹127 resistance once again.

The possibility of the contract breaking above ₹127 will remain high in such a scenario.

A strong break above ₹127 will see the MCX-Aluminium futures contract rallying to ₹130 thereafter.

Short-term traders can go long on dips at ₹124. A stop-loss can be placed at ₹122 for the target of ₹129. Revise the stop-loss higher to ₹125 as soon as the contract moves up to ₹126.5.

The short-term outlook will turn negative only if the contract declines below ₹123.5. Such a break will increase the likelihood of the contract falling to ₹122 and ₹121 thereafter.

BUSINESS LINE DATE: 31/5/2017 P.N. 7

Hindalco Q4 net up 26% at ₹503 crore on better realisations

OUR BUREAU
Mumbai, May 30

Hindalco Industries, an Aditya Birla Group company, reported 26 per cent increase in March quarter net profit at ₹503 crore against ₹400 crore logged in the same period last year, largely due to better realisations. Revenue from operations were up 27 per cent at ₹11,742 crore (₹9,263 crore).

While the company's revenue from the aluminium business grew 9 per cent at ₹5,548 crore, its copper business revenue for the quarter stood at ₹6,202 crore, increasing by almost 40 per cent since the same quarter last year.

Earnings before interest, tax, depreciation and amortisation were up 33 per cent at ₹1,570 crore (₹1,180 crore).

The company raised $500 million through qualified institutional placement and divested stake in its copper mine in Australia last fiscal.

Novelis, the US subsidiary company, sold 50 per cent stake in its Ulsan plant in South Korea to Kobe Steel for $315 million.

Satish Pai, Managing Director, Hindalco Industries, said environmental and supply side restrictions in China is putting about 4 million tonnes of smelting capacity at risk with significant delay in under-construction projects. This is expected to drive LME higher in coming day as aluminium prices have already shot up to $1902 a tonne in March, from $1666 a tonne in October, he said. Good demand and lower inventory is expected to drive aluminium benchmark prices on LME (London Metal Exchange), he added.

The company registered record aluminium production of 12.66 lakh tonnes and 28.86 lakh tonnes of alumina.

Consolidated revenue in the fiscal ended March was up 7 per cent at ₹39,383 crore while net profit more than doubled to ₹1,557 crore (₹552 crore). Ebitda for the fiscal year stood at a record ₹13,558 crore, up 36 per cent compared to the previous year, supported by stable operations across businesses.