खनिज समाचार

KHANIJ SAMACHAR

Vol. 3, No-11

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In continuation of this it is requested that the mineral related news appeared in the Local News Papers of different areas can be sent to Central Library via email **ibmcentrallibrary@gmail.com** (scanned copy) so that it can be incorporated in the future issues to give the maximum coverage of mining and mineral related information on Pan India basis.

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खनिज समाचार

KHANIJ SAMACHAR

A FORTNIGHTLY NEWS CLIPPING SERVICE

FROM

CENTRAL LIBRARY

INDIAN BUREAU OF MINES

VOL. 3, NO-11 , 1st – 15th JUNE , 2019

BUSINESS LINE DATE :3 /6/2019 P.N.11

GLOBAL

Metals ($/tonne)	Price	Change in % Weekly	Monthly	Yearly	52-Week High	Low
Aluminium	1773	0.4	-0.6	-22.6	2331	1737
Copper	5806	-1.6	-9.7	-15.2	7324	5780
Iron Ore	99	6.5	12.4	61.1	100	58
Lead	1795	0.0	-5.8	-26.6	2545	1767
Zinc	2668	-0.3	-9.9	-13.9	3253	2285
Tin	18825	-4.2	-4.6	-8.7	21914	18400
Nickel	11972	0.7	-1.3	-21.0	15749	10437

THE HINDU DATE : 3 /6/2019 P.N.14

Gold price recovers

Weak stocks, buying boost price

B. KRISHNAKUMAR

The prices of gold and silver have recovered off recent lows, aided by buying interest, weakness in stock markets and the U.S. dollar.

Gold price at the Comex closed at a seven-week peak of $1,311.1 an ounce at the end of May.

The price of silver, however, did not reflect the same buoyancy and it closed at $14.57 an ounce by the end of May 2019. This represents a month-on-month fall of about 2.2% while gold gained almost 2% in May.

In the domestic market, the price of gold futures at the Multi Commodity Exchange (MCX), closed on a firm note at ₹32,237 per 10 gram. After a brief rally early in May, the price of gold and silver eased during the middle of the month. The escalation in the U.S.-China trade dispute weighed on stock markets globally boosting demand for precious metals.

Based on the recent price action, the short-term outlook for gold appears marginally positive. The price of gold at the Comex is likely to edge higher to the immediate resistance area at $1,322-$1,325 range in the near term. A breakout past $1,326 is likely to push the price to the next target of $1,335-1,340 an ounce. Until the support level for gold at $1,260 is not breached, a rise to $1,322-1,325 would be the favoured view.

Domestically, gold price at MCX is likely to rise to the immediate resistance level at ₹32,750-32,800 per 10 gram. A fall below ₹31,500 would invalidate the short-term positive outlook. Below ₹31,500, gold price could drop further to the ₹30,550-30,700 zone. Until the price falls below ₹31,500, a rally to ₹32,800 would be the preferred outcome.

To summarise, the outlook for precious metals appears moderately positive.

The overall long-term trend however remains neutral to weak. Based on the recent price action, it will not be appropriate to entertain any significant upside in precious metals. A mild recovery after the recent slide seems likely.

(The author is a Chennai-based analyst/trader. This is not meant to be a trading or investment advice.)

THE HITAVADA DATE : 1/6/2019 P.N.11

Vedanta appoints M K Sharma to board

NEW DELHI, May 31 (PTI)

VEDANTA on Friday said it has appointed M K Sharma to the company's board as a non-executive independent director with effect from June 1, 2019.

Sharma has been instrumental in leading many significant projects throughout his career and the experience he brings in will be very critical in the company's growth, Vedanta Chairman Navin Agarwal said in a statement.

M K Sharma

"Vedanta today announced the appointment of M K Sharma as a non-executive independent director with effect from June 1, 2019," the company said in a statement. Sharma will be an incredible asset to the board as the company remains committed to sustainable economic growth of the organisation, Agarwal said. He has previously held the position of vice-chairman at Hindustan Unilever, the statement said. "Vedanta is a progressive organisation with a wide presence across natural resources with strong asset footprint, financial strength and above all, strong values. I look forward to working with the entire leadership team, contributing to Vedanta's transformational journey," Sharma said.

Vedanta Ltd, a subsidiary of Vedanta Resources, is one of the world's leading diversified natural resource companies with business operations in India, South Africa, Namibia and Australia. Vedanta is a leading producer of oil and gas, zinc, lead, silver, copper, iron ore, aluminium, steel and power.

BUSINESS LINE DATE : 3 /6/2019 P.N.16

Singareni Collieries aims for ₹50,000-crore turnover

Plans to open more mines to achieve target

V RISHI KUMAR

Hyderabad, June 2

Singareni Collieries Company Ltd (SCCL) is aiming to achieve a turnover of ₹50,000 crore as against ₹26,000 crore registered during 2018-19.

N Sridhar, Chairman and Managing Director, SCCL, said the company has been steadily increasing its output and dispatches, and going by the current pace of growth, it would be able to achieve the turnover of ₹50,000 crore in the near term.

"With the support of State Chief Minister K Chandrasekhar Rao, SCCL could achieve the highest-ever targets recorded during the last five years. The colliery recorded a growth of 116.5 per cent in sales and 282 per cent in profits. Now, it is time to gear up to achieve a turnover of ₹50,000 crore," he said during the State formation celebrations.

N Sridhar

"To achieve these targets, SCCL is planning to open new mines in SCCL areas and also take up new blocks in other States," said the CMD.

He thanked the Chief Minister for recommending to the Central government allocation of new coal blocks to SCCL in Odisha, Chhattisgarh and Madhya Pradesh.

He said that SCCL is now on par with all eight Maharatna companies in terms of growth in sales and turnover for the last five years.

The highest growth in profits achieved by Indian Oil Corporation in the last five years was 146 per cent, whereas SCCL had achieved 282 per cent.

Coal India recorded 55 per cent growth in sales in the last five years, whereas SCCL achieved 116.5 per cent growth.

SCCL has set a target of 700 lakh tonnes of coal production this year.

THE HINDU

DATE : 3 /6/2019 P.N.11

Goa CM to meet Modi to resolve mining crisis

PANAJI

Goa CM Pramod Sawant on Sunday said he would meet PM Narendra Modi and Union Minister for Mines Pralhad Joshi to seek ways to restart mining in the State, which was banned by the Supreme Court in 2018. Mr. Sawant said he would meet them both after Mr. Joshi familiarises himself with his portfolio.

BUSINESS LINE DATE : 3/6/2019 P.N.11

Gold glitters on increasing risk aversion

GURUMURTHY K

Gold rallied sharply towards the end of last week after trading subdued in the initial part of the week. The global spot gold was threatening to fall to $1,270-1,265 per ounce as it fell below the key support level of $1,280. But the yellow metal reversed sharply higher and surged to test the psychological level of $1,300 after making a low of $1,275. Increasing concerns of the global economy slowing down and fear of a fresh recession helped gold gain safe-haven status and triggered the sharp upward reversal. The global spot gold closed the week at $1,305.58 per ounce, up 1.6 per cent for the week.

Silver, on the other hand, recovered sharply after tumbling about 1.8 per cent intra-week. The global spot silver made a low of $14.30 per ounce and bounced sharply from there, recovering all the loss. Silver closed the week marginally higher by 0.2 per cent at $14.59 per ounce. On the domestic front, the gold and silver futures contract on the Multi Commodity Exchange (MCX) moved in tandem with the global prices. The MCX-Gold futures contract was up 1.8 per cent and closed at ₹32,098 per 10 gm. The MCX-Silver futures contract has closed at ₹36,449 per kg, up 0.2 per cent for the week.

Mounting fears

The fear of the global economy slowing down and the possibility of seeing another recession have been increasing in the market. The US' recent move to levy tariffs on Mexican imports has added fuel to the concerns. As a result, risky assets such as equities witnessed a strong sell-off and, in turn, safe assets such as bonds rallied sharply, thereby pulling down the yields sharply. The Dow Jones Industrial Average was down 3 per cent and Japan's Nikkei 225 was down 2.4 per cent. This helped gold gain the safe-haven status and triggered a sharp rally in its prices towards the end of the week.

Rate-cut expectation

The fear of a slow down and a recession is increasing the expectation that the US Federal Reserve will cut rates. This is giving additional support for gold prices to move higher. The Fed has indicated that the rates would broadly remain unchanged for the rest of the year but has not signalled anything regarding a rate cut. Given the current market situation, it will be interesting to watch the Fed meeting scheduled for June 19. Any new hint from the Fed to cut rates will be a positive for gold.

MCX-Gold

Supports: **₹31,500/31,200**

Resistances: **₹32,550/33,000**

MCX-Silver

Supports: **₹36,000/35,500**

Resistances: **₹36,800/37,000**

Gold outlook

The strong surge and a decisive close above the psychological level of $1,300 is a positive for gold ($1,305.58 per ounce). The immediate support is at $1,297 and then the next significant one is at $1,292. These supports are likely to limit the downside in the coming days. Though there is resistance near $1,310, gold is likely to breach it and rally towards $1,325-1,330 this week.

On the domestic front, the strong rise past ₹31,500 last week keeps the broader ₹31,230-32,550 sideways range intact for the MCX-Gold (₹32,098 per 10 gm) futures contract. Within this range, the outlook is bullish for the contract to test ₹32,500 — the upper end of the range — in the near term. A strong break above ₹32,550 will boost the momentum and take the contract higher to ₹33,000 and ₹33,500. But a pull-back from ₹32,500 will keep the sideways range intact and drag the contract lower to ₹32,000 and ₹31,500 levels again.

Silver outlook

Unlike gold, silver ($14.59 per ounce) is looking mixed from a near-term perspective. Key resistances are poised at $14.70 and $14.80. Only a strong break above $14.80 will turn the outlook bullish. But such a strong rise looks less probable. So, as long as silver remains below $14.80, it could underperform gold and fall to $14.30-14.25 again.

The MCX-Silver (₹36,449 per kg) has resistances at ₹36,800 and ₹37,000. Though these resistances can be tested in the near term, only a break below ₹37,000 will turn the outlook bullish. The targets above ₹37,000 are ₹37,200 and ₹37,700. On the other hand, if the contract reverses lower from ₹37,000, a pull-back move to ₹36,000 is possible again. In such a scenario, the overall downtrend will remain intact and the contract will remain vulnerable for a fall to ₹35,500 or even lower in the coming weeks.

BUSINESS LINE DATE :4 /6/2019 P.N 15

Uranium Corporation to invest ₹10,500 crore in 13 projects

OUR BUREAU

Hyderabad, June 3

Uranium Corporation of India (UCIL) is set to take up 13 projects with a total outlay of ₹10,500 crore.

"The detailed project reports (DPRs) for these projects are at various stages of preparation," CK Asnani, Chairman and Managing Director, UCIL, said.

Clearances

The projects have in-principle approval of the Atomic Energy Commission, and after the DPRs are ready, they will be sent to various committees, and then put up for the approval of the Union Ministry of Environment and Forests.

The projects will enable UCIL to more than treble the production of uranium, the CMD said while speaking at the Nuclear Fuel Complex on Saturday.

The Centre will give the final consent and clearance to take up the projects after the DPRs are ready

Typically, it takes seven years from concept to development or actualisation of a mining project. These projects are located in Telangana, Karnataka, Rajasthan, Chhattisgarh, and Jharkhand.

One of the 13 projects is at Chitrial in Nalgonda district of Telangana. This project is estimated to see an outlay of ₹1,500-2,000 crore, he said.

Asnani said the Centre would give the final consent and clearance to take up the projects after the DPRs are ready. Referring to the project in Telangana, he said, "It will be located away from the Nagarjuna Sagar project for safety reasons."

New N-power plant

Earlier, during the Nuclear Fuel Complex Day celebrations, Arun Kumar Bhaduri, Director of the Indira Gandhi Centre for Atomic Research,, said work on the country's first 800 MW ultra-supercritical power plant would be taken up by the end of next year.

Bhaduri said the technologies developed in India are superior to those from other countries. The NFC is now in the process of expanding its facility in Hyderabad, apart from setting up a unit at Kota in Rajasthan.

BUSINESS LINE DATE :4 /6/2019 P.N 3

Steel companies urge govt to auction iron ore mining leases expiring in March

Govt may lose ₹79,500 cr if leases on 53 mt capacity are not auctioned, they caution

SURESH P IYENGAR

Mumbai, June 3

Steel companies have urged the government not to extend the merchant iron ore mining leases that are expiring next March, as it could lead to a revenue loss of ₹8[illegible],000 crore to the exchequer.

In a letter to Prime Minister Narendra Modi and the Niti Aayog, the Assocham, Indian Merchants Chamber, Chhattisgarh Sponge Iron Manufacturers' Association and the Karnataka Iron and Steel Manufacturers' Association, said the government would lose about ₹79,500 crore revenue if the lease on 53 million tonnes of iron ore capacity that is expiring next March is not auctioned. These operational mines should be auctioned immediately to ensure that there is no major supply disruption, they said.

The associations represent major companies such as JSW Steel, Tata Steel, Jindal Steel and Power, Welspun Steel, Jindal Saw, MESCO and Shyam Steels.

Auctioning of mineral concessions would improve transparency in allocation and increase revenue, it said.

According to a report published by the Government Committee, leases on 334 mines (49 operational and 245 non-operational) expire in March 2020.

Of this, leases on 33 operational iron ore mines with an annual production capacity of 55 mt and 16 working iron ore mines in Odisha expire next March.

According to the report published by the Government Committee, leases on 334 mines expire in March 2020 GRN SOMASHEKAR

Instead of extending these mining leases, a smooth auction and transition from the old lessees to new lessees should be done in a transparent manner, as in the case of coal blocks done five years back, the associations said.

In order to provide a level playing field between captive and merchant miners, it is crucial that fresh auction of the iron ore mines is conducted and both are allowed to participate in the auction, considering that a majority of iron mines allotted belong to merchant miners, it said. The government needs to amend Section 8A (4) of the MMDR Act that allows auctioning of mines only on expiry of the lease period.

In May, the Federation of Indian Mineral Industries had pitched for immediate extension of leases of over 300 non-captive mines until March 2030, expressing the fear that the sector may face a crisis-like situation following the expiry of licenses of these mines.

In a presentation before a high-level committee of the Niti Aayog, it said the mining industry is facing a crisis following the amendment to the MMDR Act in January 2015. It provided for auction as the sole mode of granting concessions for a fixed period of 50 years to private companies - captive and non-captive.

THE HITAVADA DATE : 5 /6/2019 P.N 11

Steel firms' profit to come under pressure in June quarter

Higher coking coal prices and weak demand may hit steel-makers

OUR BUREAU

Mumbai, June 4

Steel companies' profit will come under pressure in the June quarter due to lower demand and higher cost of operations.

Domestic steel demand eased to 7.5 per cent last fiscal from 7.9 per cent logged in FY18 due to liquidity and fuel price concern in the auto sector and it moderated further to 6.4 per cent in April. Demand is likely to remain lower in the June quarter due to the continued weakness in the auto sector and reduced construction-related activities during the general election period.

This apart, higher coking coal prices is likely to affect the financial performance of domestic steel- makers, said rating agency ICRA. Spot price of seaborne premium hard coking coal, which accounts for 40-45 per cent of the steel-making cost for domestic steel companies, has remained above $200 a tonne due to strong demand in China.

Steel demand is likely to remain lower in the June quarter due to the continued weakness in the auto sector and reduced construction-related activities during the general election period REUTERS

Given that domestic steel hot rolled coil prices have weakened sequentially from ₹41,250 a tonne in March quarter to ₹40,500 in June quarter, higher coking coal prices are likely to keep the profitability of domestic companies under pressure, said ICRA.

Jayanta Roy, Group Head, Corporate Sector Ratings, ICRA, said gross margin of domestic steel companies has fallen by about ₹3,000 a tonne in March quarter and it will come down further by ₹400-500 a tonne in June quarter due to high coking coal prices and pressure on steel prices.

However, he added steel companies have benefited from glut in iron ore supply due to significant ramp-up in mining activities in Odisha, where a large number of iron ore mine leases would expire next March. This has helped partly insulate domestic ore prices from the steep rally in seaborne prices following the supply disruptions from Brazilian miner Vale, he said.

On the contrary, secondary steel producers benefited from fall in the thermal coal prices. Coal India's spot e-auction premiums declined to 69 per cent in April against 92 per cent in same period preceding year.

THE TIMES OF INDIA
DATE :5 /6/2019 P.N 14

India's May gold imports jump 49% on festive buy

The country's gold imports in May jumped 49% from a year earlier to 116 tonnes as a correction in local prices during a key festival boosted retail demand, a government source said on Tuesday.

Higher gold imports by the country, the world's second-largest consumer of the precious metal, could support global prices that are trading near their highest level in three months, but could widen the country's trade deficit and put pressure on the rupee. The country's gold imports in value terms rose to $4.78 billion in May from $3.48 billion a year ago, the government official said, who was not allowed to speak to the media. India had imported 78 tonnes of gold in May 2018.

"Retail buying was robust during Akshay Tritiya due to lower prices," said Ashok Jain, proprietor of Mumbai-based gold wholesaler Chenaji Narsinghji. In May, local gold prices fell to their lowest level in five months, prompting jewellers to replenish inventory, said a Mumbai-based dealer with a bullion importing private bank. "Grey market operators were struggling to operate last month due to the elections. Naturally, demand was diverted towards banks and that is reflecting in legal imports," the dealer said.

116 TONNES

India's gold smugglers slowed their operations in April and May over worries their shipments will be caught up in seizures of cash, bullion, alcohol and drugs that are aimed at controlling vote-buying in the country's national elections, industry officials told Reuters.

Gold smuggling surged after government raised import duty to 10% in August 2013. Grey market operators — businesses that smuggle gold from overseas and sell to avoid the duties - got a further boost in 2017 when India imposed a 3 percent sales tax on bullion. REUTERS

India's gold consumption in 2019 is seen at 750-850 tonnes compared to 760.4 tonnes last year and a 10-year average of 838 tonnes, the World Gold Council said last month. REUTERS

THE TIMES OF INDIA
DATE :5 /6/2019 P.N 14

Cement price spike not justified, says Gadkari

TIMES NEWS NETWORK

New Delhi: Transport and MSME minister Nitin Gadkari on Tuesday slammed cement manufacturers for increasing prices without justification.

"Input costs have not increased for cement. The price rise is not justified and the cement manufacturers seem to be moving like a cartel," the minister said at an event on Tuesday evening. He said the higher price of the key construction material was affecting highway construction as well as affordable homes being built for poor. "It is an exploitation of the poor," he added.

'MOVING LIKE A CARTEL'

Lobby group Builders' Association of India recently said the cost of a 50 kg bag has increased from Rs 270 to Rs 400 over the last two months. National Highway Builders Federation too has sought government intervention.

Ratings agency ICRA said, in March, prices were increased by Rs 15-75 per bag in key markets, which was followed by another Rs 60-70 a bag during April-May 2019. Typically, prices go up before monsoon and soften after that as the pace of construction slows down during the rainy season.

Gadkari said he has asked his officers to intervene in an on-going case in the Supreme Court and also explore the option of approaching the Competition Commission of India, which already issued orders on complaints of cartelisation by cement companies in the past.

THE HITAVADA DATE :5 /6/2019 P.N 10

Steel demand likely to recover in H2 FY20

■ Business Bureau

IN THE second half the current financial year on the back of an expected boost to the infrastructure sector, according to an Icra report.

Icra noted that a softening demand and a 34 per cent dip in steel exports kept the domestic crude steel production growth low at 3.3 per cent in 2018-19.

"Domestic steel consumption growth eased to 7.5 per cent in 2018-19 from 7.9 per cent in the preceding fiscal due to liquidity and fuel price related headwinds faced by the auto sector during the second half," the report said.

Steel imports grew 4.7 per cent in 2018-19 and this year imports are expected to go down in the coming months as the domestic hot-rolled coil prices are trading at a 6 per cent discount to imported offers, it observed.

Despite expectations of reduced imports, domestic steel production growth is likely to remain modest in second quarter of 2019-20 due to the seasonal weakness in demand, and would recover in second half of the fiscal mirroring steel consumption trends, it said.

"We expect any meaningful price improvement would happen only in second half of FY20, when infrastructure spending is likely to gain momentum and the auto sector is expected to do well on the back of pre-buying ahead of the BS-VI rollout," Icra Senior VP and Group Head Corporate Sector Ratings Jayanta Roy said.

"The demand growth moderated further to 6.4 per cent in April 2019 and is likely to remain lower than the FY19 levels in first quarter (of FY20) due to continued weakness in the auto sector and reduced construction related activities during general election period," the report said.

THE HITAVADA DATE :6 /6/2019 P.N 11

No iron ore scarcity in country post 2020: PMAI

NEW DELHI, June 5 (PTI)

THERE will be no iron ore scarcity in the country post March 2020 as about 200 MTPA mine capacity will still be operational and auctioned virgin iron ore blocks will start adding to the production, an industry body has said.

According to Mines and Minerals (Development and Regulation) Act, licences of mines expiring will not be renewed and the mines will be allotted on the basis of fresh auction.

Merchant miners have cited possible shortage of iron in the market post expiry of mining leases and have appealed for extension of leases up to 2030. However, in a letter to Niti Aayog, Pellet Manufacturers' Association of India (PMAI) has said that leases of mines expiring in 2020 should not be extended.

Licences of 288 merchant mines, of which 59 mines are under operations, will expire by March next and if the auction of the mines is delayed it could significantly affect the steel production, as per a report by rating

agency India Ratings (Ind-Ra). In the letter the PMAI argued that "there would not be any scarcity of iron ore in the country. Post 2020, around 200 mtpa mine capacity will be in operation. The speculation that there will be a crisis like situation if the leases if not granted immediate extension are false and baseless. Balance existing operating leases are capable to meet the domestic requirement.

"In addition to this, operations in auctioned virgin iron ore blocks will start to supplement in the existing production. The auction of operating mining leases can be done in phases," it said.

However, suitable amendment in mineral concession rules 2017 may be made allowing captive miners to sell up to maximum 25 per cent of the total mineral excavated in the previous year in line provision for auctioned blocks under Mineral Auction Rules 2015, it has suggested.

The main tenet of the MMDR Amendment Act, 2015, PMAI said, is to put in place mechanisms for improving transparency in the allocation of mineral resources through auction and obtaining for the Government its fair share of the value of resources.

THE HITAVADA DATE :6 /6/2019 P.N 7

Earth recycles ocean floor into diamonds, discover researchers

WASHINGTON DC June 5 (ANI)

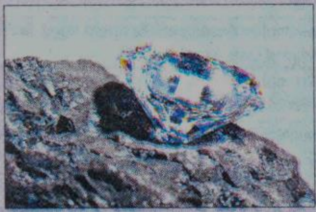
HAVE you ever wondered where precious diamonds come from? It is most likely made out of recycled seabed cooked deep in the Earth.

Traces of salt trapped in many diamonds show the stones are formed from ancient seabeds that became buried deep beneath the Earth's crust, according to the latest research.

Most diamonds found at the Earth's surface are formed this way. Others are created by crystallisation of melts deep in the mantle. In experiments recreating the extreme pressures and temperatures found 200 km underground, a team of researchers demonstrated that seawater in sediment from the bottom of the ocean reacts in the right way to produce the balance of salts found in a diamond.

The study, published in 'Science Advances', settles a long-standing question about the formation of diamonds.

"There was a theory that the salts trapped inside diamonds came from marine seawater, but couldn't be tested," says lead author Michael. "Our research showed that they came from marine sediment," the researchers explained.



Diamonds are crystals of carbon that form beneath the Earth's crust in very old parts of the mantle. They are brought to the surface in volcanic eruptions of a special kind of magma called kimberlite. While gem diamonds are usually made of pure carbon, so-called fibrous diamonds, which are cloudy and less appealing to jewellers, often include small traces of sodium, potassium and other minerals that reveal information about the environment where they formed.

THE HITAVADA DATE :6 /6/2019 P.N 7

JSW Steel to raise plant capacity after 2020

KOLKATA

Plans of private sector steel major JSW Steel to scale up the capacity of its flagship integrated steel plant at Vijayanagar in Karnataka to 18 million tonnes per annum (MTPA) will be taken up only after 2020, an official said. The Vijayanagar plant currently has 12 MTPA capacity. The company will first execute the expansion of its Dolvi unit from five million tonnes to 10 million tonnes and stabilise the two newly acquired steel plants from the NCLT by 2020. PTI

ET INTERVIEW **SAJJAN JINDAL**
CHAIRMAN, JSW GROUP

'Courts, Banks Must Fast-track Essar Resolution'

Lakshmi Mittal could change his mind if Arcelor faces further delay in takeover

Vatsala Gaur & Satish John

Mumbai: Courts and banks should expedite the resolution process of Essar Steel, which has been going on for more than 20 months, said Sajjan Jindal, chairman at JSW Group that failed in its bid to acquire the prized steelmaking assets through the bankruptcy court.

In an exclusive interview to **ET**, Jindal conceded that the entry of European steel giant ArcelorMittal, which has won the race for Essar Steel, will bring discipline in the Indian steel market and make it more organised.

He, however, felt the near $10 billion (Rs 69,272 crore) cheque that the Lakshmi Mittal-led ArcelorMittal may be writing for Essar Steel — accounting also for the price it will ultimately pay for ports, pipelines and Uttam Galva's dues — may not be viable. If JSW were to acquire Essar Steel, even an offer worth $5 billion would have been a tad too steep, Jindal said.

"...but beauty lies in the eyes of the beholder," he said.

Jindal, however, warned that delaying the handing over of Essar Steel might force Lakshmi Mittal to change his mind. "Given that there are global headwinds to the steel industry and with ArcelorMittal's global presence, its margins are under tremendous pressure," he said. "At this stage if the courts and the banking system continue to delay the matter then my worry is that ArcelorMittal may find some way to get out of the deal."

JSW Steel had actively participated in the sale of stressed assets that the Insolvency and Bankruptcy Code has facilitated. However, it could not bag the asset it wanted the most — Bhushan Steel — which would have given the company a five million tonnes ready steel capacity and a foothold in the east market. Rival Tata Steel won the race for Bhushan Steel.

Given that there are global headwinds to the steel industry and with ArcelorMittal's global presence, its margins are under tremendous pressure

Defending his seemingly conservative approach in bidding for Bhushan Steel, Jindal said that even though JSW Steel felt it had bid the "top dollar" for the asset, Tata Steel ended up bidding higher than they could have anticipated. "It is because their investment per tonne is higher than our investment per tonne that they paid more," he said.

After losing out on Bhushan Steel, JSW Steel had also tried to enter the race for Essar Steel, but by that time "it was too late", Jindal said. A failure to submit expression of interest on time kept his firm out of the race for the Hazira-based fully integrated flat carbon steel maker with a capacity to produce 10 million tonnes per annum (mtpa).

Out of the crop of 12 highly stressed steel assets sent for insolvency proceedings, JSW Steel has bagged Monnet Ispat and Energy. It also pipped Tata Steel in bidding for Bhushan Power and Steel, though the final order on its acquisition is still awaited.

Coal India may miss output target

Production growth in first two months of this fiscal has been almost flat

SHOBHA ROY

Kolkata, June 6

Coal India Ltd (CIL) is envisaging an 8.5 per cent growth in production at around 660 million tonnes (mt) in 2019-20, as per its MoU with the Coal Ministry.

However, it might well be an uphill task for the state-owned miner as it has recorded a near flat growth in the first two months of this fiscal.

CIL had registered 7 per cent growth in production at 606.89 mt in 2018-19, around 3 mt short of its planned target of 610 mt last fiscal. It had recorded a 15 per cent growth in production at 137 mt in the first quarter (April-June) of last fiscal, accounting for nearly 22 per cent of its total production last year.

However, this year, the production has been almost flat or even slightly negative in April and May, at around 92 mt. Though the state-owned miner is hopeful of covering the lost ground in June, it may not be good enough to make good the lower production in April and May, a CIL source told *BusinessLine* on conditions of anonymity.

The sluggishness in production growth in the first quarter has mainly been on account of a slowdown in overburden removal

Overburden removal

The first two quarters typically contribute to 40 per cent of CIL's total production, while the remaining 60 per cent comes from the last two quarters. Of that, the fourth quarter plays a significant role in enhancing production. The sluggishness in production growth in the first quarter was primarily on account of slowdown in overburden removal (OBR) due to delay in finalisation of contracts.

Overburden removal, which refers to the removal of topsoil to expose the coal seams and extract minerals, is an important process, particularly in coal mining in India, which is essentially opencast.

"Due to several contractual issues, the growth in overburden removal had slowed down last year. This impacted production in the first quarter," the official said.

It is to be noted that over 90 per cent of Coal India's production comes from opencast mines and therefore any slowdown in overburden removal affects production growth as new seams may not be exposed. However, the OBR contracts have been signed and things are "looking up" and production is expected to pick up in the coming months, he added.

Apart from the slowdown in overburden removal, the various subsidiaries of CIL, such as Mahanadi Coalfields (MCL), Central Coalfields (CCL) and Bharat Coking Coal Ltd (BCCL) have been plagued with law and order, land and weather-related issues, impacting production.

MCL, for instance, has been losing around six working hours every day since April 18 due to forced shutdown on account of extreme weather conditions. While CCL in Amrapali has a lot of coal available, evacuation has been an issue and BCCL has been confronted with law and order and encroachment issues, the official said.

BUSINESS LINE DATE :7 /6/2019 P.N 8

नीलाम हुए रेत घाटों से रोक हटी

हाईकोर्ट ने दिए आदेश

नगर संवाददाता

नागपुर. नियमों को ताक पर रखकर रेत घाटों की नीलामी एवं इससे पर्यावरण के हो रहे नुकसान को लेकर दायर की गई अलग-अलग याचिकाओं पर एकसाथ सुनवाई के बाद न्यायाधीश रवि देशपांडे और न्यायाधीश विनय जोशी ने वर्ष 2018-19 में नीलाम किए गए रेत घाटों से रेत उत्खनन पर लगाई गई रोक हटा दी. जिससे एक ओर जहां कुछ रेत घाट मालिकों को राहत मिली, वहीं नई नीति अदालत के समक्ष पेश होने के बाद ही वर्ष 2019-20 के लिए नई नीलामी प्रक्रिया होने का खुलासा भी अदालत द्वारा किया गया. विशेषतः भंडारा, गोंदिया और नागपुर जिले के अंतर्गत रेत घाटों की नीलामी को लेकर हाईकोर्ट में याचिकाएं दायर की गई थीं. साथ ही अदालत की ओर से इस संदर्भ में स्वयं संज्ञान लेकर अदालत मित्र के रूप में वरिष्ठ अधिवक्ता आनंद जायसवाल की नियुक्ति भी की थी. याचिकाकर्ता की ओर से अधि. श्रीरंग भांडारकर, सरकार की ओर से विशेष सरकारी वकील सुनील मनोहर, सरकारी वकील सुमंत देवपुजारी और अधि. निवेदिता मेहता ने पैरवी की.

लेकिन वास्तविकता यह है कि रेत का उत्खनन करनेवाले और राजस्व विभाग के अधिकारियों में साठगांठ होने से जिलाधिकारी को फर्जी रिपोर्ट पेश की गई थी. जिसके आधार पर नीलामी प्रक्रिया शुरू हुई. जिससे इसे हाईकोर्ट में चुनौती दी गई.

अब तक नहीं रेत उत्खनन की नीति

गत सुनवाई के दौरान याचिकाकर्ता की ओर से आरोप लगाते हुए रखे गए तथ्यों के आधार पर नीलामी की प्रक्रिया पर रोक लगा दी थी. इसी तरह केंद्र सरकार की ओर से दिए गए दिशानिर्देशों के अनुसार ही उत्खनन की नीति तैयार करने के आदेश राज्य सरकार को दिए. अदालत ने इस नीति के संदर्भ में मई 2019 में अपनी भूमिका स्पष्ट करने के भी आदेश जारी किए थे. हालांकि राज्य सरकार की ओर से नीति तैयार होने की जानकारी तो अदालत को दी गई, किंतु अदालत के समक्ष नीति नहीं रखी गई. जिससे वर्ष 2019-20 के लिए रेत घाट की नीलामी पर रोक बरकरार रखी गई.

THE HITAVADA (CITYLINE) DATE :7/6/2019 P.N 10

EEPC India raises concerns over high domestic steel price

■ **Business Bureau**

AT A time when domestic steel sector was facing slackening demand, engineering exporters' body EEPC India on Thursday raised its concerns about the high domestic steel price compared to the international price saying, it was leading to a non-competitive scenario in downstream engineering exports.

In a statement after a review meeting with the Union Commerce and Industry Minister Piyush Goyal, the EEPC said that high prices of domestic steel, a crucial raw material, as compared to international market, has resulted in non-competitiveness of Indian downstream engineering exports.

"It is critical that our exporters get steel at international prices and we request the Government to address this issue at the earliest. If we get steel at global prices, our exports will have tremendous buoyancy and we will be able to weather the protectionism with

full force," EEPC India Vice Chairman Arun Garodia said in the backdrop of the withdrawal of US preferential duty treatment.

The recent meeting was held with the steel ministry where it was decided to form a committee under the Directorate General of Foreign Trade (DGFT) to look into this issue.

Benchmark hot rolled coil (HRC) prices in China have gone below the crucial USD 500-a-tonne mark, coming down by USD20 a tonne within a fortnight.

HRC prices in India are ruling at about USD 578 a tonne (Rs 40,500), according to Icra.

EEPC highlighted its problems to the Government about the protectionist measures being faced by the engineering exporters in the European Union market.

The other obstacles for exporters include the uncertainties arising out of WTO compatibility for incentive schemes like MEIS and interest equalization scheme.

"There is an uncertainty in the minds of engineering exporters getting into long term contracts. We suggest that the un-rebated tax scheme be introduced at the earliest so that the phasing out of the existing incentives creates less disruption to our exports," EEPC said.

BUSINESS LINE DATE :10 /6/2019 P.N 11

Gold gains momentum...

...as the case for a rate cut by the US Fed strengthens and the dollar weakens

GURUMURTHY K

The global spot gold prices have rallied to close in green for the third consecutive week. The yellow metal surged 2.7 per cent last week, breaking above the key level of $1,330 per ounce. It closed the week on a strong note at $1,340.8 per ounce.

Silver, on the other hand, moved up sharply, breaking above the key resistance level of $14.80 per ounce. The global spot silver surged to a high of $15.15 and came off slightly from there to close the week at $15.02 per ounce, up 2.9 per cent for the week.

The gold and silver futures contract on the Multi Commodity Exchange (MCX) moved in tandem with the global prices. The MCX-Gold surged 2.6 per cent and closed at ₹32,936 per 10 gm.

Two major factors aided the sharp rise in gold prices last week. The first was the strengthening case for the US Federal Reserve to cut rates. The second was the weakness in the dollar.

Rate-cut hopes

The strong rally in gold prices last week was boosted by the increasing chances of the Federal Reserve cutting interest rates this year. Fed Chairman Jerome Powell in his speech last week said the Fed will act as appropriate to sustain the expansion.

In addition to this, the weak US job numbers released on Friday further strengthened the case for a rate cut. The US non-farm payroll increased by 75,000 in May, much lower than the market expectation for a rise of 180,000.

It will be interesting to watch the outcome of the Fed meeting on June 19. Any confirmation from the Fed to cut rates this year will be positive for gold. But if the Fed fails to hint anything about the rate cut, gold prices may reverse sharply lower on the back of profit-booking.

Dollar weakens

The US Dollar index traded weak all through last week and aided the gold prices. Weak job numbers released on Friday dragged the index sharply below the key support level of 97.

The index closed at 96.54, down 1.2 per cent for the week. An immediate support is at 96.5, a break below which can drag the dollar index lower to 96-95.9 in the coming days. Such a fall in the index can help gold sustain higher. The US deciding to suspend its plan of levying tariffs on Mexican imports, which was supposed to come into effect from June 10, could give some breather on the trade war front.

GETTY IMAGES/ISTOCKPHOTO

This could boost the equity markets. Though it may not have any negative impact on gold, a strong rally in equities, if seen, could slow down the pace of the up-move in gold. This is something to be watched.

Gold outlook

Gold is likely to sustain higher. The global spot gold ($1,340.8 per ounce) has strong support at $1,325, which can limit the downside in the near term.

As long as gold trades above $1,325, there is a strong likelihood of it moving higher to $1,355-1,360 in the coming days. The region around $1,360 is a crucial resistance.

Whether gold breaks above this hurdle or not will be key in deciding the direction of the next move.

On the domestic front, the prolonged sideways consolidation between ₹31,230 and ₹32,550 per 10 gm on the MCX-Gold (₹32,936) futures contract has come to an end.

The contract decisively rose above ₹32,550 last week.

The outlook is bullish. The contract can now target ₹33,500 and ₹33,700 in the coming days. The support is at ₹32,500.

Silver outlook

Silver ($15.02 per ounce) has an immediate resistance at $15.10. A break above it can take silver higher to $15.20-15.25.

However, a further decisive break above $15.25 is needed to gain strength and extend the rally to the next targets of $15.40 and $15.50.

An inability to breach $15.25 can trigger a pull-back move to $15.00 and $14.90. The level of $14.80 is an important support. Silver will come under pressure again if it declines below $14.80, which looks less probable at the moment.

The MCX-Silver (₹37,344 per kg) has a key support at ₹37,750, which can be tested in the near term. But whether it manages to surpass this hurdle or not will decide the next move.

A break above ₹37,750 can take the contract higher to ₹38,000 and ₹38,500. But a pull-back from ₹37,750 can drag the contract lower to ₹37,000 or even ₹36,500 again.

The writer is Chief Research Analyst at Kshitij Consultancy Services

MCX-Gold

Supports: ₹32,500/32,000

Resistances: ₹33,500/33,700

MCX-Silver

Supports: ₹37,000/36,500

Resistances: ₹37,750/38,000

BUSINESS LINE DATE :10 /6/2019 P.N 17

JSW Steel

It's a steal

Ability to meet demand, cost-control measures and stable financials work in favour of the company

SATYA SONTANAM

The stock price of JSW Steel is down 9 per cent since our last 'Buy' call in January 2018. This can be attributed to the turmoil witnessed in the metals industry in the last one year, caused by the US imposing a 25 per cent tariff on import of steel products into the country.

Given the company's strong fundamentals, the fall in the stock price presents a good buying opportunity.

JSW Steel's ability to cater to the rising demand, its cost-control measures and stable financials make the stock attractive.

At ₹262, the stock trades at about nine times its trailing 12-month earnings; lower than its three-year average of 17 times. Though costlier than its rival, Tata Steel, which trades at 6 times its trailing 12- month earnings, JSW Steel's growth prospects make it attractive.

It needs to be noted that earnings growth will revive only from FY21, as commissioning of new capacities and impact of the company's various costs-saving initiatives will come into effect after FY20.

Hence, long-term investors with moderate-risk appetite can consider buying the stock at current levels.

Expansion to meet demand

The prospects of the global steel industry look healthy in spite of signs of slowdown in the economy. China's steel production increased in 2018, despite the ongoing US-China trade stand-off, to meet increasing global consumption demand.

Domestically, too, the growth in steel industry is expected to be robust, with increase in demand from segments such as pre-engineered buildings, engineering, railways, and other government-aided infrastructure projects. In the last two years — FY18 and FY19 — steel consumption in India grew by 7-7.5 per cent annually and is expected to grow at an average rate of above 6 per cent over the next few years.

Major steel companies in India are already running at higher utilisation rates and the output is mainly consumed domestically with only a portion (about 10 per cent) exported. Around 10 per cent of the domestic demand is met through imports currently.

Given this supply constraint, only capacity additions can cater to the increasing demand for the metal.

The domestic market contributes 85 per cent of JSW Steel's sales volume. JSW Steel has about 14 per cent market share in the domestic steel industry and is well-placed to capitalise on the growing demand, with its ongoing capacity expansion projects.

The crude steel production capacity at Dolvi plant is being expanded from 5 million tonnes (mt) to 10 mt, which is expected to commissioned by the end of FY20. Also, the revamping of blast furnace-3 at Vijayanagar plant; modernisation-cum-capacity enhancement at downstream facilities of its subsidiary — JSW Steel Coated Products — is expected to give a leg up to the production.

Thus, though the guidance for the volume growth for FY20 is subdued at 1.5 per cent Y-o-Y, it is expected to pick up to more than 8-10 per cent from FY21, as majority of the expansions would be completed by the end of FY20.

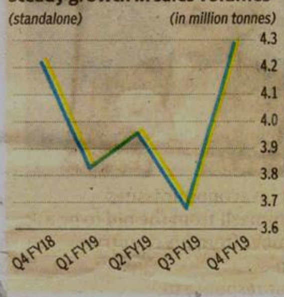
Cost-control to lift margins

JSW is focussed on overcoming its cost-disadvantage in its key raw material, iron ore, when compared to Tata Steel. Currently, JSW Steel procures its iron ore mainly from external sources, while Tata Steel sources it from captive iron ore mines; this brings down the cost.

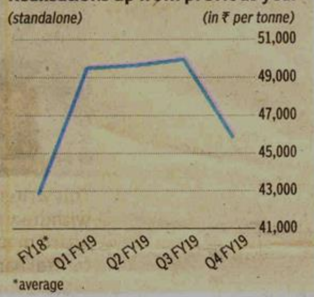
JSW Steel has now operationalised three iron ore mines and started using captive iron ore to an extent, thereby reducing dependency on imports or domestic purchases.

Out of a total requirement of 32 mt of ore, 5 mt is expected to be derived from captive sources by the end of FY20. (In FY19, the company used 1.35 mt of iron ore from captive sources). The company is set to bag more captive iron ore mines by participating in the auctions that would be held before March 2020.

Steady growth in sales volumes



Realisations up from previous year



CONTD ON PAGE 17

CONTD FROM PAGE 16

BUSINESS LINE DATE :10 /6/2019 P.N 17

This is expected to reduce the additional outgo on iron ore procurement in periods of low availability (cost could go up to ₹600 per tonne in such periods).

Various cost-saving measures taken earlier will yield results from FY20. For instance, its 20 km pipeline conveyor for transportation of iron ore to the integrated Vijayanagar plant from the mines — that was commissioned recently — will benefit the company to the tune of ₹300-500 per tonne.

The company expects to transport 11 mt of iron ore in FY20 through this conveyor.

Stable financials

The company's financial performance has been stable in FY19 despite slowdown in automotive sector, tight liquidity and fall in steel prices during the year.

The consolidated revenue and the net profit for the year grew by 16 per cent and 23 per cent to ₹84,757 crore and ₹7,524 crore respectively. The operating margins, too, improved to 22 per cent from 20 per cent from one to two years ago.

Production at both the international subsidiaries — JSW Steel (Italy) S.r.i. (Aferpi) and JSW Steel USA Ohio Inc (Acero) — are steadily ramping up and are expected to turn positive at the operating profit level by the end of the FY20.

All the Indian subsidiaries contribute to the group's operating profits except the recently-acquired Monnet Ispat, which is expected to turn positive in six months to one year time.

Net debt is a point of concern as it jumped sharply from ₹38,000 crore in FY18 to nearly ₹46,000 crore in FY19 due to capex and acquisition of Monnet Ispat, US and Italian units. Acquisition of Bhushan Power would further increase the debt levels for the company.

However, despite debt increase in absolute terms, the key metrics such as net debt-to-equity improved from the previous year and stands at 1.34 time Key risks include steep fall in steel prices, possible increase in debt and hence finance costs that could put pressure on the margins.

BUY

Why

- Healthy prospects for the industry
- Reasonable valuation
- Improving margins

Did you know?

JSW Steel, in consortium with AION Investments, acquired the insolvent Monnet Ispat in September 2018. Together, they own around 74% of Monnet Ispat

THEN HINDU DATE :11 /6/2019 P.N 4

New online modules for mineral processing, other permits

Sans manual interface, one can can utilise their services

SPECIAL CORRESPONDENT
HYDERABAD

Expanding the IT initiatives in the Mines and Geology sector, the State Government has launched two new online modules enabling entrepreneurs and stakeholders to utilise online services without manual interface.

The IT department has launched Online Mineral Dealer Transit Passes and Online Temporary Permits as part of the Ease Of Doing Business parameters for transparent mineral administration.

The Online Mineral Dealer Transit Passes would facilitate dealers to file online applications for permits to dispatch finished/processed mineral from the processing unit to the end users. This would in turn enable end-to-end monitoring of the entire mine cycle - from extraction stage covering processing and transportation till reaching the end user for consumption.

Jayesh Ranjan.

Industries principal secretary Jayesh Ranjan formally launched the two online modules on Monday. The government had accorded permission to the department to procure smart phones and tabs for automation of functionality of the officials engaged in field work. These tabs would help the officials to monitor field activities like inspections, vigilance, enquiry reports and others in real time through the field report generation templates designed by the department.

According to an official release, the new modules are in addition to the Online Mineral Concessions Application Monitoring System and Online Mineral e-Payment and e-Permit System launched by the department last year. The mineral concessions application monitoring system would facilitate among other things online filing, receipts and processing of renewal of applications. The e-payment system would facilitate entrepreneurs/stakeholders to make statutory payments and online filing of applications for permits for dispatch of minerals.

BUSINESS LINE DATE :12 /6/2019 P.N 3

Cong govt halts Adani iron ore mining in Bailadila

PAGE 1 ANCHOR

DIPANKAR GHOSE
KIRANDUL (DANTEWADA), JUNE 11

THE GROUNDSWELL of protests by adivasis in Dantewada against a contract awarded to Adani Enterprises Ltd to mine iron ore deposits in a hill in the Bailadila range, has prompted the Chhattisgarh government to halt all work for now, and review various permissions granted to the project.

At the NMDC Ltd complex in Kirandul, the site of the protest, thousands of adivasis from Dantewada, Sukma and Bijapur districts have gathered over the last six days under the banner of the Sanyukt Panchayat Jan Sangharsh Samiti. Some came from areas close by, others walked over 60 kilometres to participate. Each family came with ration for at least a week, ready for the long haul.

On Tuesday, after meeting a delegation led by Congress's Bastar Member of Parliament Deepak Baij, former Union Minister Arvind Netam, Congress MLAs and members of the Sarva Adivasi Samaj, Chief Minister Bhupesh Baghel said, "We have decided to investigate the Gram Sabha clearance (in July 2014). All activity will immediately be put on hold."

Tribals protest in Kirandul against iron ore mining in a hill they call their god

To a question if the mining licence would be cancelled, Baghel told The Indian Express, "NMDC has 51 per cent stake, and CMDC (Chhattisgarh Mineral Development Corporation) has 49 per cent in NCL. So, a decision will have to be taken at that level, and does not lie with us." A state government spokesperson said concerned departments would initiate correspondence with the Centre about related subjects immediately.

The Indian Express visited the site where thousands of adivasis had assembled last Friday. Raju Bhaskar, a Janpad Sadasya of Tikanpal Village, pointed to a green hill and said, "That is the one. They call it iron ore Deposit Number 13. For us, it is the abode of Pithormeta in Gondi." He was referring to Pithor Rani, the goddess for the adivasis in the region, which now symbolizes a

CONTINUED ON PAGE 4

CONTD.. ON PAGE 20

CONTD.. FROM PAGE 19

Bailadila

growing conflict in the Bailadila hills.

For several years, the Bailadila hills have been mined for iron ore. But Deposit Number 13 is different. Being developed by NCL, a joint venture between central public sector undertaking NMDC Ltd and the state-run CMDC, and contracted to Adani Enterprises last year, the hill is not just a repository of millions of tonnes of iron ore, but more a place of faith.

"All we want at this time is for this hill to be left alone. The family of Nandraj, our deity who means everything to us, lives in these hills," said Bhaskar. Gesturing towards the hills, he says, "In adivasi culture, our Gods live in the hills. Vo humaari aastha hai. And we have prayed to them for generations. Nandraj lords over these hills, and lives in that one."

Pointing to two peaks, he says, "Those are his two daughters, Ilometa, and Palometa. And then, that one there, that these people call deposit number 13, is Pithormeta. Or Pithor Rani. She is his wife. There is a tree, and a spot where adivasis like us go and pray. The family of Nandraj figures in all our songs. How can we let his family and abode be destroyed? That is why you see so many adivasis here, from far and wide. This means a lot to us," says Bhaskar, who is a Janpad Sadasya of Tikanpal village.

While residents of the area said that there are no homes on the hill in question, the proposed area to be mined borders the village of Hiroli, where a Gram Sabha was reportedly held in July 2014 to seek consent for mining. "Like so many others, the Gram Sabha was a fraud. Residents of Hiroli say it was never held. The papers show that 106 members signed on the resolution, but there are 600 voters. How can you have a Gram Sabha like this?" Bhaskar says.

In response, VS Prabhakar, CEO, NCL, said. "NCL is the owner of Deposit Number 13 (10 million tonnes of iron ore per annum) and the mining lease of Deposit Number 13 is registered with this company. Mining lease will not be transferred to Adani nor to others at any point of time.only the contract of excavation and mine development is awarded to Adani Enterprises Limited to work as MDO (Mine Develop Operate)," he said.

In a statement, an AEL representative said, "In January 2018, at least 10 companies expressed interest to participate in the international competitive bid for development and operation of Bailadila Iron Ore Deposit Number 13. AEL was not involved in obtaining clearances of the project. It was only after December 2018 that it obtained the role of mining contractor."

Last Saturday, Ajit Jogi, the first Chief Minister of the state and president of the JCCJ arrived at the spot, and said he "would rather die, than allow a single piece of land on the area to be mined." He spent the night in Kirandul, promised to stay for longer and went up the Pithormeta hill Sunday morning. The same day, Bhupesh Baghel said the protests were a result of the lopsided policies of the previous BJP government, and that decisions were taken in a hurry without taking people into confidence.

The district police believe that Maoists have incited the protests. Abhishek Pallav, SP, Dantewada, said, "We have recovered Maoist pamphlets inciting the innocent tribals to push ahead the struggle against deposit number 13. Many villagers have turned up owing to that fear but the number has not crossed 2,000. If there was an issue regarding deities, it should have taken up with the government instead of such a protest rally without approval."

One Sanyukt Sarpanch Jan Sangharsh Samiti leader who requested anonymity said, "They keep saying this whenever we fight for our rights. The question is simple. Our faith is one of the forests, of the trees, of the earth. Does Nandraj and his family live in these hills? Does Pithormeta live on the hill? Our aastha has no brick and mortar. But it exists and is important to us."

Later, Tuesday evening, Bastar MP Deepak Baij went to the site armed with a letter which listed the decisions taken by the Chief Minister. While he sought 15 days more to resolve the issues, the Sangharsh Samiti refused to end the protest. A member told The Indian Express, "The government woke up only after five days of protests. They have not promised the project will not start again. We will sit here till the government investigates the Gram Sabha resolution of July 2014. This will show that the basis of the project is false. Also, when the state has 49 per cent stake in NCL, why can't it pull out."

BUSINESS LINE
DATE :12 /6/2019 P.N 4

Govt looking at tariff, non-tariff measures to reduce steel imports

OUR BUREAU
New Delhi, June 11

The government is looking at both tariff and non-tariff measures to reduce "unnecessary" imports of steel products and boost exports in order to address the problem of under-utilised capacity in the steel sector.

Commerce & Industry Minister Piyush Goyal and Steel Minister Dharmendra Pradhan discussed the challenges being faced by the steel sector and the import-export trends with steel producers on Tuesday, according to an official release.

Both Ministers assured the steel industry that the two Ministries will make all efforts to ensure that engineering goods exports double in the next five years and reach $200 billion by 2030.

Generate jobs

This will not only boost India's exports but will also generate jobs in the manufacturing sector especially the MSME sector. Although India is the second largest manufacturer of steel, it is also a net importer of the item.

"Representatives of the steel industry and engineering export councils discussed in detail with Commerce and Steel Ministers the protectionist measures being imposed by other countries and the under-utilised capacity in steel manufacturing in India," the release added.

Goyal and Pradhan discussed at length the measures that Commerce and Industry and Steel Ministries may take, both tariff and non-tariff, to reduce unnecessary imports and boost exports.

MSME sector

The MSME sector steel manufacturers urged steel producers to supply raw material at concessional prices so that the MSME sector can compete in international markets, the release added.

THE HINDU
DATE :12 /6/2019 P.N 16

Thyssenkrupp,Tata Steel can't merge, says EU

BRUSSELS

The EU's powerful anti-trust authority on Tuesday blocked the merger of German industrial conglomerate Thyssenkrupp with Indian steel giant Tata, an expected veto that kills the deal. "We prohibited the merger to avoid serious harm to European industrial customers and consumers," EU Competition Commissioner Margrethe Vestager said in a statement.

THE HITAVADA (CITY LINE) DATE : 12/6/2019 P.N 8

C'garh CM accepts tribals' demand, halts mining at Dantewada

- After meeting the delegation of tribals, along with Cong MLAs, the CM issued 4-point order regarding deposit-13 mines at village Hiroli in Dantewada

Staff Reporter
RAIPUR, June 11

Bastar MP Deepak Baij and members of tribal team handing over charter of demands to CM Bhupesh Baghel at Mantralaya.

THE impasse in Bastar may come to an end after the tribal delegation from Dantewada, led by Bastar MP Deepak Baij, met the Chief Minister Bhupesh Baghel on Tuesday at Mantralaya.

The Chief Minister accepted the demands put forth by the delegation in an attempt to end the stalemate created. It may be mentioned that the tribals, under the banner of Sanyukt Panchayat Jan Sangharsh Samiti, has *gheraoed* the NMDC check-post paralysing work at NMDC Bailadila mines since last five days.

Several thousands of tribal from Dantewada district were opposing handing over of the 10 MTPA capacity Bailadila Iron-ore Deposit-13 at Kirandul in Dantewada district to Adani Enterprises Ltd as Mine Developer-Cum-Operator (MDO) and under the banner of Sanyukt Panchayat Jan Sangharsh Samiti an agitation was started by them bringing to a halt the production in the mines.

Anticipating that the impasse' may continue for a long period, Chief Minister Bhupesh Baghel offered to intervene in the matter and asked Deepak Baij, the newly-elected Congress Member of Parliament from Bastar, to visit Kirandul and hold discussions with the agitating tribal. The Chief Minister invited a delegation of tribal agitating at Kirandul in Dantewada along with Congress MLAs from Bastar to meet him at Mantralaya on Tuesday.

Accordingly, the Bastar MP had visited Kirandul on Monday and held discussions with the agitating tribals and on Tuesday he led a delegation to the capital for holding discussions with the Chief Minister. The delegation, led by Bastar MP Deepak Baij comprised of former Union Minister and senior tribal leader Arvind Netam, Congress Legislators Mohan Markam, former Dantewada MLA Devati Karma, Keshkal MLA Santram Netam, Jagdalpur MLA Rekhchand Jain along with members from agitating tribal families (which comprises of all Sarpanchs of affected villages). After giving a patient hearing and holding discussions with the delegations the Chief Minister decided to accept almost all the demands put forth by the delegation.

Accordingly, after meeting the delegation Chief Minister Bhupesh Baghel issued 4-point order regarding Deposit-13 mines situated at village-Hiroli in Dantewada district. As per the order issued by the Chief Minister, he has ordered immediate halt on deforestation of affected area, proper action will be taken for illegal cutting of trees; to investigate the complaint received against the Gram Sabha that was held in the year 2014; to immediately halt all work action related to the project for now; and to initiate correspondence with Government of India about the matter.

The Tribals having support from political parties like Congress, Janta Congress Chhattisgarh (Jogi), Aam Aadmi Party, Communist Party of India, etc apart from several social organisations like Chhattisgarh Pahad Bachao Andolan, etc., had blocked the entry/exit point of NMDC Bailadila mines since last five days due to which NMDC incurred losses to the tune of Rs 12 crore per day.

The Tribals who flocked from almost every village in Dantewada district and adjacent areas, laid seize of the NMDC-CRPF check-post since June 7, paralysing work at NMDC Bailadila consequently for five days.

3-member committee to investigate tree cutting in Bailadila Deposit-13

Staff Reporter
RAIPUR, June 11

FOREST Department, Government of Chhattisgarh has constituted a three-member committee headed by Additional Principal Chief Conservator of Forest(Land Management) Atul Shukla to investigate illegal cutting of trees in Bailadila Iron Ore Deposit-13 in Dantewada district.

Principal Chief Conservator of Forest (PCCF) Rakesh Chaturvedi issued an order on Tuesday. The two other members of the committee are Chief Conservator of Forest Jagdalpur Circle B P Nonhare and Divisional Forest Officer Dantewada R K Jangade. The committee will investigate the cutting of trees in the Bailadila Iron Ore Deposit-13 area. The committee will submit its report to Principal Chief Conservator of Forest Chaturvedi. The committee will ensure that no illegal felling of trees takes place in the Deposit-13, an official release informed.

Govt bans excavation of iron ore from Deposit-13

FOREST Department, Government of Chhattisgarh has imposed a ban on iron ore mining and project works in Bailadila Iron Ore Deposit-13 in Dantewada district.

According to the information, Secretary of the Forest Department wrote a letter to Dantewada Collector T K Verma on Tuesday. In the letter, it was said that the iron ore mining and project works in the Deposit-13 should be banned. Speaking to *The Hitavada*, Dantewada Collector T K Verma confirmed that the district administration has imposed a ban on iron ore mining from the Deposit-13 and the order imposing the ban was issued on Tuesday, informed the collector.

DAINIK BHASKAR DATE : 13/6/2019 P.N 1

15 जुलाई को प्रक्षेपण

चांद पर ताप कितना..खनिज-पानी है या नहीं, पता लगाएगा चंद्रयान-2

एजेंसी | बंगलुरु

चांद पर जाने की दिशा में भारत दूसरा कदम 15 जुलाई को बढ़ाएगा। इस दिन चंद्रयान-2 को प्रक्षेपित किया जाएगा। चंद्रयान-2 चांद की सतह पर मौजूद खनिज और पानी की खोज करेगा। साथ ही पता लगाएगा कि वहां ताप और घनत्व कितना है। इसरो प्रमुख डॉ. के. सिवन ने बुधवार को बताया कि प्रक्षेपण तड़के 2:51 बजे 3.8 टन वजनी जीएसएलवी-एमके3 यान से किया जाएगा। इसके 54 दिन बाद 6 सितंबर को चंद्रयान-2 चांद की सतह पर पहुंचेगा। इस मिशन का सबसे कठिन हिस्सा चांद की सतह पर सुरक्षित लैंडिंग है। चंद्रयान-2 चांद की सतह पर 30 किमी की ऊंचाई से नीचे उतरेगा। इसमें उसे करीब 15 मिनट लगेंगे। चंद्रयान-2 में सभी पेलोड स्वदेशी हैं। चंद्रयान-2 की प्रोजेक्ट डायरेक्टर एम. वनिता हैं। डिजाइन इंजीनियर वनिता को 2006 में बेस्ट वूमन साइंटिस्ट का अवॉर्ड मिल चुका है। मिशन डायरेक्टर ऋतु करिढाल हैं। इसके अलावा इस मिशन में शामिल अनुराधा टीके संचार उपग्रहों की विशेषज्ञ मानी जाती हैं।

यान में तीन प्रमुख हिस्से : जो चांद की सतह से डेटा एकत्रित कर इसरो सेंटर तक पहुंचाएंगे

प्रोजेक्ट की लागत	चंद्रयान-2	लॉन्च व्हीकल
1000 करोड़	603 करोड़	375 करोड़

चंद्रयान-2 मिशन को अंतिम रूप देने में जुटे वैज्ञानिक।

मून ऑर्बिटर सैटेलाइट, लैंडर और रोवर चंद्रयान-2 के तीन प्रमुख हिस्से हैं। इनके नाम क्रमशः ऑर्बिटर, विक्रम और प्रज्ञान रखे गए हैं।

1. ऑर्बिटर

यह चंद्रमा के चक्कर लगाते हुए लैंडर और रोवर पर नजर रखेगा। रोवर से मिली जानकारी इसरो सेंटर भेजेगा। यह चांद से 100 किमी ऊपर इसरो का मोबाइल कमांड सेंटर होगा। इसरो से भेजे कमांड को लैंडर और रोवर तक पहुंचाएगा।

2. लैंडर

लैंडर चांद पर उतरकर जांचेगा कि वहां भूकंप आते हैं या नहीं। इसरो के संस्थापक विक्रम साराभाई के नाम पर इसका नाम रखा गया है। यह 15 दिन वैज्ञानिक प्रयोग करेगा। यह तिरंगा लेकर चांद पर जाएगा।

3. रोवर

यह चांद की सतह, वातावरण और मिट्टी की जांच करेगा। इसमें 2 पेलोड हैं। चांद की सतह पर यह करीब 400 मीटर की दूरी तय करेगा। फिर जानकारी को लैंडर पर भेजेगा। जिसे लैंडर ऑर्बिटर को और ऑर्बिटर इसरो को भेजेगा।

16 दिनों में पृथ्वी के पांच चक्कर लगाएगा

लॉन्च होने के बाद चंद्रयान-2 अगले 16 दिन में पृथ्वी के चारों ओर 5 बार ऑर्बिट (कक्षा) बदलेगा। यानी यह 16 दिन में धरती के पांच चक्कर लगाएगा। 6 सितंबर को चंद्रयान-2 की चांद के दक्षिणी ध्रुव के पास लैंडिंग होगी। रोवर को लैंडर से बाहर निकलने में 4 घंटे लगेंगे। रोवर चांद की सतह से डेटा जमा करके लैंडर के जरिए ऑर्बिटर तक पहुंचाता रहेगा।

THE TIMES OF INDIA(TIMES BUSINESS) DATE : 13/6/2019 P.N 11

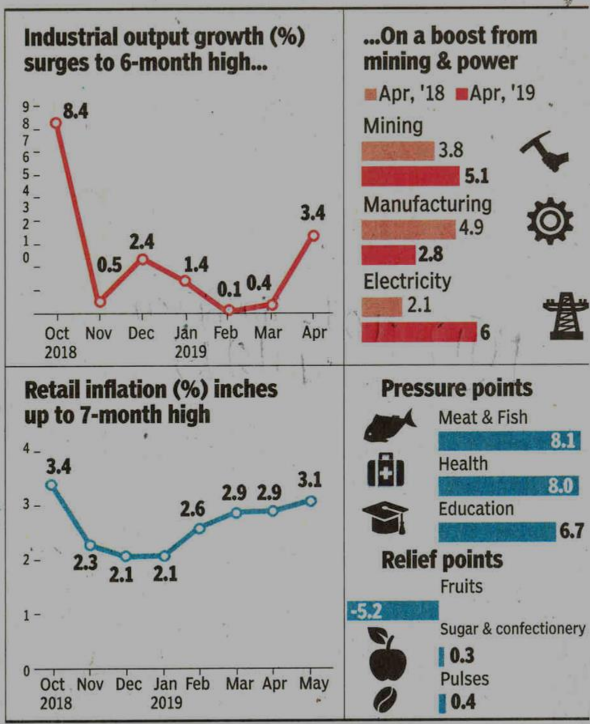
Industrial output at 6-month high

TIMES NEWS NETWORK

New Delhi: Retail inflation shot up to a seven-month high in May on the back of higher food and vegetable prices, while industrial output growth rose to a six-month high in April, prompting economists to say that there is a need to revive demand.

Data released by the National Statistics Office (NSO) on Wednesday showed retail inflation, as measured by the consumer price index (CPI), rose to 3.1% in May from previous month's 3%, but well below the RBI's target. Separate data showed the index of industrial production rose 3.4% in April—faster than the previous months' upwardly revised 0.4%, but slower than the 4.5% in the year-ago period.

Last week, the RBI cut interest rates for the third time in a row to a nine-year low of 5.75% and changed its stance to accommodative. The rate cuts came against the backdrop of a slowdown in overall growth and highlighted the central bank's commitment to prop up growth.



"While we expect monthly headline CPI inflation to gradually pick up over coming months on the back of a low base effect, we forecast it to continue to remain around 4% during FY20 (within RBI's target)," said Madan Sabnavis, chief economist at Care Ratings, who also pointed to the risk of rising food inflation and the importance of the distribution of monsoon rains. "We expect RBI to cut interest rates by 25-50 bps (100 basis points = 1 percentage point) in FY20. However, this would be contingent upon normal rainfall and stable crude oil prices," said Sabnavis.

Some economists said the budget should signal steps to revive demand. "With consumption slowing down markedly, as indicated by persistent negative growth in car sales, it is imperative that we revive demand.

Government expenditure has also seen a significant compression. On quarter-on-quarter basis, investment has declined significantly," said Soumya Kanti Ghosh, group chief economic adviser at SBI. "Our expectations are such that the government would do better with reasonable fiscal deficit assumptions and should be very clear of the fiscal consolidation path," said Ghosh.

THE INDIAN EXPRESS DATE : 13/6/2019 P.N 11

TO BE ELIGIBLE FOR PURCHASE BY GOVERNMENT OR ITS AGENCIES

Imported steel to undergo higher domestic value addition

AMITAV RANJAN
NEW DELHI, JUNE 12

IN AN attempt to provide more preference to domestic manufacturers in government procurement, the Steel Ministry has introduced a notification which mandates imported steel to undergo a higher domestic value addition in making of a product to be eligible for purchase by government departments and all its entities, including state-run firms.

And unlike previously, where the minimum value addition criteria kicked in for project purchases of Rs 50 crore and above, the new rules of May 29, 2019, have lowered the threshold to purchases of Rs 25 crore or more.

Moreover, these provisions would also kick in for government agencies whose annual procurement of iron and steel products for various projects is Rs 25 crore or more. The May 2019 notification on Policy for Providing Preference to Domestically Manufactured Iron & Steel Products (DMI&SP) in Government Procurement also expands the list of manufactured products to 49 from previous 11 items.

MINIMUM VALUE ADDITION CRITERIA LOWERED

MINIMUM VALUE addition criteria has been lowered to project purchases of Rs 25 crore or more in the new rules of May 29, 2019

PROVISIONS WOULD kick in for government agencies whose annual procurement of iron, steel products for projects is Rs25 crore or more

While earlier the domestic content was limited to 15 per cent on all 11 products, the new list of 49 products have minimum prescribed value addition ranging between 15 to 50 per cent making it difficult for imported steel to compete with domestic bidders for government contracts.

For iron and steel products, "manufacturers/suppliers not meeting the domestic value addition targets are not eligible to participate in the bidding". Value addition is the difference between the net selling price and the landed cost of imported input steel at a manufacturing plant in the country. The May 2019 notification also brings into the DMI&SP ambit a list of 13 capital goods which are used for manufacturing iron and steel products with minimum domestic value addition requirement of 50 per cent.

In such EPC contracts, purchase preference would be provided to domestic bidders if their quoted price falls within 20 per cent of the price quoted for the corresponding imported capital good. The domestic bidder would then have to match the price quoted by the lowest bidder and bag the contract.

THE HITAVADA DATE : 13/6/2019 P.N 9

Govt to take steps to contain imports of sub-standard steel

NEW DELHI, June 12 (PTI)

THE Governmentt will take more steps to contain imports of defective or sub-standard steel with a view to helping domestic manufacturers, an official said.

The official said that local players prefer imports of defective or sub-standard steel as it is cheaper. According to industry experts, sub-standard steel impacts the quality of goods and hurt domestic manufacturers. The issue was discussed during a high-level meeting of steel and commerce ministries on Tuesday.

"There is a need to contain imports of defective and sub standard steel. It comes in India because it is cheap in price," the official added. There are already quality control guidelines for various steel products used in various industries to check imports of sub-standard items.

It was also decided to provide steel at affordable rates to engineering exporters, which have complained that the domestic steel makers charge huge margins from them.

Engineering exporters use steel as a raw material to manufacture products for export purposes.

"It was decided in the meeting that steel would be provided to engineering exporters at affordable prices and benefits of advance authorisation scheme will be passed on to steel makers. The nitty-gritties will be finalised by the directorate general of foreign trade on this," the official added.

DAINIK BHASKAR DATE : 13/6/2019 P.N 1

खनन घोटाला: सीबीआई का सपा नेता के आवास पर छापा

एजेंसी | लखनऊ

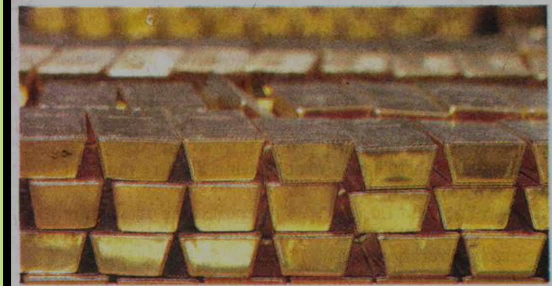
उत्तर प्रदेश की पिछली समाजवादी पार्टी सरकार के कार्यकाल में हुये खनन घोटाले के सिलसिले में बुधवार को सीबीआई के अधिकारियों ने पूर्व मंत्री गायत्री प्रसाद प्रजापति के अमेठी स्थित आवास पर छापेमारी की। दुराचार के मामले में लखनऊ जेल में बंद प्रजापति के आवास के अलावा सीबीआई अधिकारियों ने हमीरपुर में विधान परिषद सदस्य रमेश चन्द्र मिश्रा के घर और अन्य ठिकानों पर भी छापा मारा। अमेठी से प्राप्त रिपोर्ट के अनुसार लखनऊ से आए सीबीआई अधिकारियों ने प्रजापति के आवास विकास स्थित घर पर सुबह छापा मारा। उन्होंने घर में मौजूद सदस्यों के बयान भी दर्ज किये। रिपोर्ट के अनुसार सीबीआई ने खनन घोटाले के सिलसिले में प्रदेश भर में करीब 22 जगहों पर एक साथ छापेमारी की। सीबीआई ने पिछली दो जनवरी को खनन घोटाले के संबंध में 11 लोगों के खिलाफ भ्रष्टाचार निवारण अधिनियम के तहत मामला दर्ज किया था। इस मामले में हमीरपुर की पूर्व जिलाधिकारी बी चंद्रकला, सपा के विधान पार्षद रमेश कुमार मिश्रा और उनके भाई दिनेश कुमार मिश्रा को आरोपी बनाया गया हैं। पांच जनवरी को सीबीआई ने दिल्ली और उत्तर प्रदेश में 14 स्थानो पर एक साथ छापे मारे थे।

तीन कारोबारियों के घर पर भी दबिश

हमीरपुर सीबीआई की 15 सदस्यीय टीम ने उत्तर प्रदेश में हमीरपुर की राठ तहसील में तीन कारोबारियों के घर पर बुधवार को छापा मारा। सूत्रों के मुताबिक एक साल बाद फिर सीबीआई टीम ने अचानक राठ कस्बा निवासी राकेश दीक्षित, मदन ददरी और जगदीश गोहनी के आवास पर छापा मारा। लेकर करीब चार घंटे तक लोगों से पूछताछ की इसके बाद टीम मोरंग कारोबारी संजय के गांव गहरौली छापा मारा। चर्चा है कि आय से अधिक संपत्ति के मामले में सीबीआई ने यह छापा मारा है। टीम के साथ खनिज विभाग के अधिकारी मौजूद रहे टीम के आने की भनक लगते ही खनिज विभाग में खलबली मच गई ज्यादातर कर्मचारी कार्यालय से गायब हो गये।

BUSINESS LINE DATE : 13/6/2019 P.N 13

Gold gains as US-China trade war curbs risk appetite



REUTERS
June 12

Gold prices gained on Wednesday after hitting a one-week low in the previous session, as fears of escalating US-China trade tensions curbed risk appetite and increased the appeal of safe-haven bullion.

Spot gold was up 0.6 per centat $1,333.93 per ounce at 1302 GMT, its biggest one-day percentage gain since June 3, after falling as low as $1,319.35 on Tuesday. US gold futures were 0.5 per cent higher at $1,337.5 an ounce.

"There seems to be some risk-off sentiment in the market... We've now seen prices move up on the back of concerns around (U.S.-China) trade and we think that will continue to underpin a strong performance in gold," said Capital Economics analyst Ross Strachan.

Meanwhile, data from the US Labour Department showed consumer prices barely rose in May, pointing to moderate inflation that together with a slowing economy could increase pressure on the Federal Reserve to cut interest rates this year.

Among other metals, silver climbed 0.7 per cent to $14.80 per ounce, while platinum was little changed at $812.65 per ounce.

Palladium was up 0.1 per cent at $1,395.61 per ounce, after touching a more than six-week high of $1,400.50 in the previous session.

Copper ticks lower

Copper dipped on Wednesday after data showed the economy of top metals consumer China was still struggling, but other industrial metals prices edged higher on hopes for more stimulus.

Three-month copper on the London Metal Exchange failed to trade in official open outcry activity and was bid down 0.5 per cent at $5,846 a tonne, moving back towards a five-month low of $5,740 touched on Monday.

But LME aluminium added 0.4 per cent to trade at $1,785 in official rings, heading away from a 29-month nadir reached on Monday.

LME nickel was bid down 0.5 per cent to $11,825 a tonne in official rings, zinc gained 0.2 per cent to trade at $2,512, lead shed 1.6 per cent to trade at $1,883 and tin was bid 0.6 per cent lower at $19,050.

Oil falls over 2%

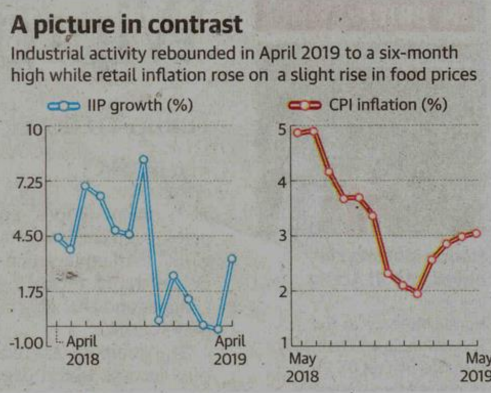
Oil prices fell more than 2 per cent on Wednesday, weighed down by a weaker outlook for demand and a rise in US crude inventories despite expectations of extended supply cuts led by OPEC.

Brent crude futures, the international benchmark for oil prices, were down $1.54, or 2.47 per cent, at $60.75 a barrel by 1110 GMT.

US West Texas Intermediate crude futures were down $1.46, or 2.74 per cent, at $51.81.

The US Energy Information Administration (EIA) cut its forecasts for 2019 world oil demand growth and U.S. crude production on Tuesday. A surprise increase in U.S. crude stockpiles also kept oil prices under pressure.

THE HINDU DATE : 13/6/2019 P.N 13



SOURCE: CMIE

Industrial growth recovers, CPI inflation up

Food prices show slight increase

SPECIAL CORRESPONDENT
NEW DELHI

Industrial activity rebounded in April 2019 to grow to a six-month high of 3.4%, driven by a turnaround across all the sectors measured, according to official data released on Wednesday.

Separate data release showed retail inflation in May 2019 accelerated marginally to 3.05% driven by a slight rise in food price inflation.

Growth in the Index of Industrial Production (IIP) returned to positive territory in April following a contraction of 0.1% in March. Within the index, growth in the manufacturing sector stood at 2.8% in April compared with a contraction of 0.4% in the previous month. Mining sector saw growth accelerating to 5.1% from 0.8% over the same period.

"The recovery in the IIP is mostly due to the fact that with the new financial year having started, the government might have been able to spend through the approvals of the interim budget," D.K. Srivastava, chief policy advisor, EY India, said. "Those decisions that were postponed would have been taken up and so, that would have spurred demand. If you look, most of this growth would have been due to public expenditure."

Election spending

"In April and May, the election spending would have also spurred demand," Mr. Srivastava added. "And in the first few months of the new financial year, there will likely be front-loading of government expenditure, and so, this growth could continue for about three months.

Retail inflation as measured by the Consumer Price Index (CPI) quickened to a seven-month high of 3.05% in May 2019, up marginally from the 2.99% registered in the previous month. Within the index, inflation in the 'food and beverages' segment accelerated to 2.03% from 1.38% over the same period. The fuel and light segment, however, saw inflation easing somewhat to 2.48% in May from 2.56% in the previous month. 'Pan, tobacco, and other intoxicants' and the 'clothing and footwear' segments, saw inflation easing marginally in May.

THE HINDU DATE : 13/6/2019 P.N 13

NMDC halts iron ore production at all its mines except Kumaraswamy

Protest by tribals brings production to halt in Chhattisgarh

PRESS TRUST OF INDIA
HYDERABAD

Big blow: There is a production loss of about 70,000 tonnes of iron ore per day due to the tribal unrest in Chhattisgarh.

Barring Kumaraswamy Mines in Karnataka, production of iron ore by NMDC came to a standstill as the state-owned company halted production at Bailadilla Range in Dantewada in Chhattisgarh also due to protest by tribals.

The miner is losing 70,000 tonnes of iron ore production from Chhattisgarh and already losing 0.5 million tonnes per month from Donimalai mines in Karnataka since November last year, official sources said.

Earlier, NMDC suspended iron ore-mining from its Donimalai mine following the state government's decision to impose 80% premium on the ore sales from that mine in November 2018. Lately, the miner suspended production at Bailadilla Complex consisting of Bacheli and Kirandul mining blocks in Chhattisgarh following the agitation by tribal groups against the iron ore mining on hills in the Deposit No.13, official sources said.

"There is a production loss of about 70,000 tonnes of iron ore per day due to tribal unrest at Bailadilla Range in Dantewada in Chhattisgarh. The mining was suspended in Bacheli mines since June 11 while it was stopped at Kirandul mines from June 7," the sources told PTI. Thousands of tribals, under the banner of Sanyukt Panchayat Samiti, resorted to protest against iron ore mining on hills in deposit no. 13 since June 7.

THE BUSINESS LINE
DATE : 14/6/2019 P.N 13

NMDC resumes mining at Chhattisgarh

OUR BUREAU
Hyderabad, June 13

Iron ore mining major NMDC on Thursday resumed mining operations at Bailadila mining complexes of Kirandul and Bacheli segments in Chhattisgarh, after almost a week-long agitation at Bailadila by local tribals. N Baijendra Kumar, CMD,NMDC, met with Chhattisgarh Chief Minister Bhupesh Baghel and senior officials of the State government to update them on the company developments. Baijendra Kumar in a statement said NMDC has received timely support from the Chhattisgarh government and local administration and assured that the mining company would continue to focus on local development activities with thrust on education, health, skill development and integrated village development. He said that the company would put all its efforts to make up for the production loss during this period.

NMDC had halted production at Bailadilla region due to protests by local tribals.

THE HITAVADA DATE : 14/6/2019 P.N 9

Adani gets final approval for coal mine in Australia

By Natasha Chaku
MELBOURNE, June 13 (PTI)

INDIAN energy giant Adani on Thursday cleared the last regulatory hurdle to commence the work on its controversy-hit Carmichael coal mine near the iconic Great Barrier Reef in Australia with the Queensland state authorities approving its groundwater management plan.

The final and last approval for the group's long-delayed billion dollar mega coal mine project came weeks after a surprise election win of Australia's pro-coal ruling coalition led by Prime Minister Scott Morrison.

Reacting to the development, Gautam Adani, Chairman of Ahmedabad-headquartered Adani Group said: "Today our remarkable journey of conviction, resilience, and commitment in Australia enters a new phase".

"I am thankful to the Queensland Government and the Australian federal Government for believing in the Adani Group's vision of strengthening India's energy security and creating new opportunities for the people of Australia," he said in a statement.

Gautam Adani

On May 31, the group won the first approval from the Queensland state Government to protect the endangered black-throated finch bird population as part of its crucial environmental plan at the site of its mine project. The finch management plan and the groundwater plan were the two persisting hurdles before the Indian energy giant could begin work on the largest coal mine project in the country.

The mining company is now expected to start construction at the site within days.

The State Department of Environment and Science said in a statement that it has approved the most recent version of the plan, which Adani submitted just a day ago. "Adani submitted its most recent version of the plan, addressing the department's feedback, yesterday.

"The (plan's) assessment has been rigorous and based on the best available science," the department said.

The group's country head -- Adani Australia Chief Executive Officer Lucas Dow -- said: "Adani Mining received advice today from the Queensland Government's Department of Environment and Science that the Groundwater Dependent Ecosystems Management Plan has been finalised and approved.

"Throughout the past eight years, regional Queenslanders have been beside us every step of the way and we thank them for their on-going support. We're ready to start work on the Carmichael Project and deliver the jobs these regions so badly need".

The approval states that the plan complies with all regulatory conditions set by the Australian and state Governments, bringing to a close a two-year process of rigorous scientific inquiry, review and approvals. This includes relevant reviews by Australia's pre-eminent scientific organisations CSIRO and Geoscience Australia, the group said in a statement.

"Moving forward, Adani Australia's priority is ensuring the safety of everyone who works on the project and that all construction activity meets the strict environmental requirements we have agreed to meet in our management plans and approvals," it said. Over the coming days, preparatory activities such as finalising contracts, mobilising equipment, recruitment and completing inductions will continue.

"These preparatory actions will enable us to then start construction activities including fencing, bridge and road upgrades, water management and civil earthworks on the mine site. The level of construction activity will then steadily increase over the coming weeks.

THE ECONOMIC TIMES DATE : 14/6/2019 P.N 10

Street Cool to Adani Getting Australia Mine Nod

While company says the project can add 20% to operating profit, there is little clarity on capex

Jwalit.Vyas@timesgroup.com

ET Intelligence Group: The Adani Group has got the approval for its long-delayed Carmichael coal mines in Australia, and the nod is a major positive for the Adani Enterprises stock.

The Street deferred its celebrations, however, due to limited clarity on the capex size for the project, which promises to be profitable from the first day of operations — early 2022 — and the company believes it may add more than 20% to the current operating profit.

Company sources believe the project will require initial investment of A$2 billion (₹9,614 crore) to mine 10 MT of coal. A$1 billion (₹4,807 crore) would be required to build a rail track to transport the coal from the mine to the port, and to develop the mine.

The freight on board (FOB) cost, or the cost to mine, transport and load on the ship, is expected to be around A$45-50 per tonne. Current cost of same grade coal (5500 calorific value) is about A$80 per tonne. Conservatively assuming a profit of A$15 on 10 MT, it would generate A$150 million (₹721 crore), according to a company source.

This cashflow would be used to gradually ramp up the production to 27 MT over the next few years. About 20-22 MT would be used for the group's power plants and the remaining for other domestic generators that currently depend heavily on imported coal. The facility has the approval to mine up to 60 MT per annum and has reserves of over 200 years.

The project may need Adani Enterprise to add ₹7,000 crore worth debt to its existing consolidated debt of about ₹11,000 crore. Its consolidated EBIDTA (earnings before interest, depreciation, tax and amortisation) for FY19 was ₹3,200 crore.

Current debt to EBIDTA, a ratio used for measuring the ability to meet debt obligations, is 3.4. Anything below 4 is comfortable. The addition of A$150 million to the EBIDTA would add more than 25% to the current EBIDTA.

THE HINDU DATE : 14/6/2019 P.N 13

Adani gets final nod for mining project

With approval of groundwater plan, group clears last hurdle to its ambitious Carmichael mine venture

MAHESH LANGA
AHMEDABAD

The Adani Group, with interests ranging from infrastructure to energy, has cleared its last regulatory hurdle to commence work on its ambitious but controversy-hit Carmichael coal mine project in Australia with the Queensland State authorities approving its groundwater management plan.

The final and last approval for the Adani Group's long-delayed mega coal mine project came only weeks after a surprise election win of Australia's pro-coal ruling coalition led by Prime Minister Scott Morrison.

Decks cleared: The approval paves way for half a dozen new thermal coal mines to come on line in Australia. ▪GETTY IMAGES

Following the election, Labour Party leader Bill Shorten, who had taken a strong stand against coal and mining, resigned as his party fared poorly in Queensland, especially in mining communities in the north of the State.

"Today, our remarkable journey of conviction, resilience, and commitment in Australia enters a new phase. I'm thankful to the Queensland Government and the Australian Federal Government for believing in Adani's vision to fortify India's energy security and create opportunities for Australians," Gautam Adani Tweeted after the final nod was granted by the local authorities in Australia.

The go-ahead comes after Queensland's Department of Environment and Science said it had approved Adani's Groundwater Dependent Ecosystem Management Plan (GDEMP) following a rigorous assessment "based on the best available science."

The approval potentially paves the way for half a dozen new thermal coal mines to come on line in Australia by opening up Queensland's remote Galilee basin with rail infrastructure to the coast 320 km away at Abbot Point where Adanis operate the port.

Complies with rules

The approval states that the plan complies with all regulatory conditions set by the Australian and State Governments, bringing to close a two-year process of rigorous scientific inquiry, review and approvals.

This includes relevant reviews by Australia's pre-eminent scientific organisations CSIRO and Geoscience Australia.

"The finalisation of the GDEMP and black-throated finch management plan paves the way for construction to commence on the Carmichael project and the delivery of the much-needed jobs for regional Queenslanders. Moving forward, Adani Australia's priority is ensuring the safety of everyone who works on the project and that all construction activity meets the strict environmental requirements we have agreed to meet in our management plans and approvals," Adani Group said in a statement.

It said that after the go ahead, preparatory activities such as finalising contracts, mobilising equipment, recruitment and completing inductions will continue.

These preparatory actions will be followed by starting construction activities, including fencing, bridge and road upgrades, water management and civil earthworks on the mine site.

Earlier, on May 31, came the first approval from the Queensland State Government to protect the endangered black-throated finch bird population as part of its crucial environmental plan at the site of its mine project.

The finch management plan and the groundwater plan were the two persisting stumbling blocks on the path of the company before it begin work on the largest coal mine project in Australia.

(With agency inputs)

THE HINDU DATE : 14/6/2019 P.N 7

Six days on, operations resume at iron ore mines in Chhattisgarh's Bailadila

Adivasis had picketed the entry gates of NMDC against the takeover of a hill they consider sacred; they alleged illicit felling of trees by the Forest Department

SIDHARTH YADAV
DANTEWADA

Operations resumed at five iron ore mines at the Bailadila Range of Dantewada district on Thursday, after remaining suspended for six days as adivasis picketed entry gates against proposed mining on a hill they consider sacred.

Joint venture

The 10-million-tonne-per-annum (MTPA) deposit-13 on the hill, abode of tribal Goddess Pithor Rani, is being developed by NCL, a joint venture of the National Mineral Development Corporation (NMDC) and the Chhattisgarh Mineral Development Corporation (CMDC), and was contracted to Adani Enterprises Limited (AEL) in December last year.

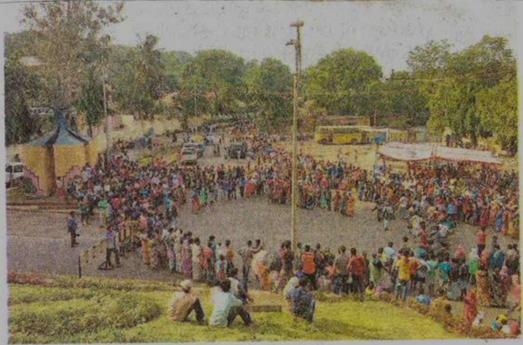
On June 7, as more than 7,000 adivasis from 200 villages in Dantewada, Bijapur and Sukma districts gathered at the mining town of Kirandul under the aegis of Sanyukt Panchayat Jan Sangharsh Samiti, the Chhattisgarh government stalled mining at three mines there. Later, the suspension was extended to two mines at Bacheli, 10 km away, as protesters staged a sit-in there.

Adivasis of Hiroli, one of the affected villages, allege false Gram Sabhas were held for their consent to mining at the hill, that had led to illicit felling of trees by the Forest Department.

On Thursday, protesters acceded to a 15-day window sought by the State government to inquire into the issues and called off the stir. Bastar MP Deepak Baij had led a delegation on Tuesday to Chief Minister Bhupesh Baghel to seek a resolution.

Committees formed

"The State government has decided to form a committee led by the local SDM (Sub-Divisional Magistrate) to look into the issue of the false Gram Sabha. Another three-member committee of the Forest Department will investigate the felling of trees, which the government believes has been illicit. A foolproof inquiry could take more than 15 days. Moreover, the government has decided to stop all pre-mining activities at the deposit and will approach the Centre to reconsider its decision to contract the mine to the AEL," said Mr. Baij.



United we stand: Adivasis protesting against mining in the Dantewada district of Chhattisgarh. ▪SIDHARTH YADAV

A member on the Forest Committee, along with the Additional Principal Chief Conservator of Forests (PCCF, land management) Atul Shukla and the Chief Conservator of Forests (CCF), Jagdalpur Circle, Divisional Forest Officer (DFO) R. K. Jangde, said they would visit the site after the protest subsides and send a report to the Chief Minister.

Workers' unions – the All India Trade Union Congress (AITUC) and the Indian National Trade Union Congress (INTUC) – had joined the protest, demanding revocation of contract to the AEL.

"When the NMDC has been operating the mines here for 60 years, where is the need for a corporate entity?" asked Rajesh Sandhu, Secretary, AITUC Kirandul. "Adivasis are fighting for their faith, we are fighting for our existence. The NMDC's cost of production per tonne of iron ore was ₹727 last year, and it'll be ₹889 per tonne for AEL. ."

Come together

For the first time, adivasis and workers have come together for a cause. Several adivasi employees had felt their faith was in danger and took to the streets, said Alok Shukla, convenor, Chhattisgarh Bachao Andolan. "Deposit-13 is rich in biodiversity, too. In 2011, a Forest Advisory Committee had stalled clearance to mining there owing to the region's undisturbed forests, rich biodiversity and hilly terrain. Yet, the Centre secured a clearance after three attempts," he said.

Stating that the shrine of Pithor Rani would remain untouched once mining began at the deposit, V.S. Prabhakar, CEO, NCL, claimed there had been no illegal tree felling.

BUSINESS LINE DATE : 15/6/2019 P.N 4

Steel firms move Trade Remedy DG seeking 25% safeguard duty on imports

TWESH MISHRA
New Delhi, June 14

Representatives of the domestic steel sector have moved the Directorate-General of Trade Remedy seeking a 25 per cent anticipatory safeguard duty. This request was flagged by the Steel Ministry officials during a meeting held earlier this week between Commerce Minister Piyush Goyal and Steel Minister Dharmendra Pradhan.

The steel sector representatives, through the Indian Steel Association, have sought a safeguard duty on steel imports to curtail cross dumping of products after the US and EU set up tariff and quota barriers. The application for the same was moved in February and the DGTR is currently investigating the case, steel sector representatives said.

The products under the purview of the proposed safeguard duty are semis, flats, longs, pipes and tubes, stainless steel and Railway products. The proposed duty is 25 per cent at ad valorem basis and covers most of the steel products manufactured by the domestic industry.

Steel products that are not substantially manufactured in India, including API grade steel and CRGO, are listed as products excluded from this duty.

Prevent circumvention

To plug instances of circumvention of duty by importing marginally different grades of products, the industry has also sought that the entire value chain of products be brought under the ambit of the safeguard duty.

Highlighting the cross dumping into India, the Steel Ministry officials said that exports to the US from China, Japan and South Korea have fallen by 488,000 tonnes in six months since the imposition of the duty barriers by the Trump administration. During the same period, exports from the three countries to India grew by 561,000 tonnes.

"The blanket duty steel import has boosted domestic production in the US and there is a steel surplus of sorts in the American market. In Europe, a nearly 75 per cent of the permissible steel import quota for the financial year has already been booked," sector representatives told *BusinessLine*.

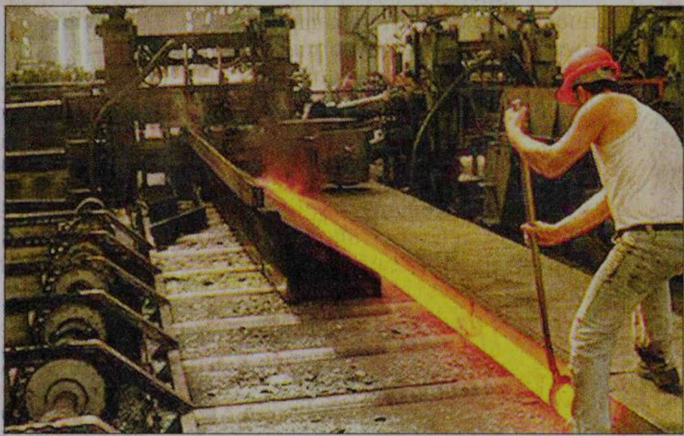
These anticipatory safeguard measures are permissible under the World Trade Organization.

"The window to book the remaining quota will be opened soon and that too will be lapped up. It is then that we will see a surge of dumping from China, South Korea and Japan into India. So the safeguard duty, to protect the domestic industry, must be in place before this situation arises," they said.

THE HITAVADA (CITYLINE) DATE : 15/6/2019 P.N 10

India's crude steel output grows 5%

■ Business Bureau



INDIA'S crude steel output grew 5.2 per cent to 9.235 million tonnes (MT) during May 2019, according to official data.

The country had produced 8.779 MT crude steel during same month in 2018, a steel ministry report said.

During April-May 2019-20, the production stood at 18.020 MT, up 3.4 per cent from 17.432 MT in the corresponding period of the previous fiscal.

Production of finished steel in May rose 1.6 per cent to 10.848 MT from 10.674 MT in the year ago month.

During April-May, the output of finished steel at 21.371 MT was 1 per cent higher than 21.156 MT in same period last year.

The consumption of finished steel in May rose by 6.6 per cent to 8.780 MT from 8.240 MT in May 2018. The consumption in the first two months of the ongoing fiscal was at 16.286 MT, 6.5 per cent higher as compared to 15.286 MT in the same period of the preceding fiscal. During May, both exports and imports of finished steel recorded a fall. Exports in May 2019 declined by 28.5 per cent to 0.318 MT from 0.445 MT earlier. For April-May, the exports were down 29.8 per cent at 0.715 MT as compared to 1.018 MT in April-May 2018-19. In May 2019, the imports fell 13.6 per cent to 0.535 MT from 0.619 MT earlier.

Imports of finished steel during April-May at 1.121 MT were 8 per cent lower than 1.218 MT in the corresponding period of the preceding fiscal.

"Imports of finished steel have shown a mixed trend during January to May, 2019. India remained a net importer of the steel during May, 2019," the report said. India has set an ambitious target of ramping up its steel making capacity to 300 MT by 2030-31.

THE ECONOMIC TIMES DATE : 15/6/2019 P.N 5

Thyssen Appoints Premal Desai as CEO of Steel Unit

Move comes in the wake of EU blocking joint venture with Tata Steel Europe

Our Bureau

COMPANY PHOTO

Premal Desai

Kolkata: Thyssenkrupp Steel Europe on Friday announced Premal Desai (50) will be the new chief executive of the European steel division. The move is part of a larger decision to overhaul the top deck of the management following the European Commission decision on June 11 to block the proposed joint venture between Thyssenkrupp Steel Europe and Tata Steel Europe.

The two companies signed definitive agreements on June 30, 2018, to create a 50:50 joint venture. However, the European Commission raised concerns over high prices for electrical steel, automotive steel and packaging among others in the event of the merger going ahead. In May 2019, the two companies announced they were scrapping the plan.

The elevation of Desai, who has been chief financial officer of Thyssenkrupp Steel Europe AG since 2015 and previously head of strategy at Thyssenkrupp AG, will follow the resignation of Andreas Goss (55) from his position as CEO by mutual agreement on June 15, 2019.

Thyssenkrupp Steel Europe is one of the world's leading suppliers of high-grade flat steel with 27,764 employees and it supplies high-quality steel products for automotive, machinery and plant engineering, packaging and the energy sector. It had net sales of €9,470 million (around ₹74,000 crore) in 2017-18, up 6% over net sales of €8,915 million in 2016-17.

"Shaping the future of steel is a challenging task. We look forward to tackling this together as management team. The market environment is not easy, but we are in a strong position and have a lot of potential. We'll build on that," said Desai, future CEO of Thyssenkrupp Steel Europe AG.

"Our steel business is facing major challenges. We have now put together a strong team that will tackle the tasks at hand quickly and develop a sustainable strategy for steel following the cancellation of the joint venture," said Guido Kerkhoff, CEO, Thyssenkrupp AG.

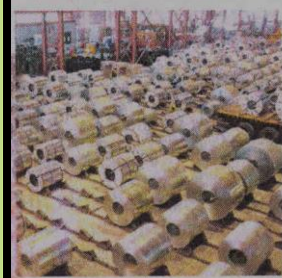
> Desai was earlier CFO of the company's European operations

In addition to Andreas Goss, Heribert Fischer (57), who since 2016 has been responsible for production in the rolling and coating areas, innovation and logistics will also leave the Steel Board on June 15, an official statement said.

However, Fischer will remain in with Thyssenkrupp Steel Europe AG in an advisory capacity at the request of the company. Bernhard Osburg (50), currently responsible for sales management in the steel segment, will join the executive board of Thyssenkrupp Steel Europe AG as chief commercial officer and will be responsible for all sales and innovation activities in the steel business. In the future, Desai will take over the strategy and planning as well as the financial functions and will lead the management board.

THE HINDU
DATE : 15/6/2019 P.N 16

IN BRIEF



Crude steel output grows 5% in May

NEW DELHI

India's crude steel output grew 5.2% to 9.235 million tonnes (MT) in May 2019, according to official data. The country had produced 8.779 MT crude steel in the same month in 2018, a Steel Ministry report said. During April-May 2019-20, the production stood at 18.020 MT, up 3.4% from 17.432 MT in the same period of the previous fiscal. Production of finished steel in May 2019 rose 1.6% to 10.848 MT. PTI

INTERVIEW| ANIL KUMAR JHA

'Coal will remain the dominant source'

We are chasing a 600-million tonne target this fiscal, says Coal India chairman

INDRANI DUTTA

A year after taking charge as chairman at Coal India Ltd., **Anil Kumar Jha** *looks back at the year gone by with a degree of satisfaction. CIL's subsidiaries, spread across India, operate round-the-clock in temperatures that vary between 0 degrees celsius in winter and about 50 in summer. "Our men work round the clock in areas where the police fear to go after dark," he said in an interaction with The Hindu. The company's bugbears remain the same.. land acquisition, delayed forest clearances and law and order issues. Yet, coal is here to stay for the foreseeable future. CIL also has overseas ambitions. Edited excerpts:*

Tell us about your journey since May last year.. To what extent could you fulfil your agenda?

■ It has been challenging, yet amply satisfying. My aim was to take the production to higher level and increase supplies to consuming segments, especially power sector. The 2018-19 figures bear testimony to our success achieved through a unified, concerted team effort.

Coal India for the first time breached the 600 Million Tonne (MT) production and offset mark, clocking growths of 7% and 4.8% respectively. Coal production was 607 MTs against MoU target of 610 MTs.

We have been able to script a new high in coal-supplies to thermal power plants. Most importantly, as of April 1, 2019, there was not a single coal-fired power plant in critical or supercritical list for want of coal.

What are the main challenges before CIL now?

■ Primarily land acquisition, environmental and forestry clearances, law and order situation and R&R issues are major challenges to ramp up our production. We are also beset with evacuation issues.

What are your views on CIL achieving its production target this fiscal. Are last year's growth levels sustainable?

■ Production will pick up gradually. We are chasing a 660-million tonne MoU target. Many of our companies have taken measures to keep production during the monsoon months on an even keel. We face some problems in Mahanadi Coalfields Ltd. (MCL) and in Bharat Coking Coal Ltd. (BCCL). Efforts are on to tackle them.

Some subsidiaries like BCCL are not doing too well. Could you elaborate a little on this? Also, is the OBR satisfactory?

■ BCCL is besieged with land acquisition, R&R, law and order and certain encroachment issues that impeded its production. We are dealing the issues with the appropriate authorities to iron them out. There have been some bottlenecks regarding over burden removal (OBR). Land acquisition is one issue for which we have taken necessary steps making some headway. Timely non-finalisation of contracts issue was a bottleneck because of certain in-built clauses. These are being addressed and tendering for purchase of high capacity. Heavy earth moving machinery has been fast-tracked. Once inducted, things would improve. MCL faces law and order problems.

How did you manage the good numbers for CIL last fiscal?

■ Yes, it was a phenomenal performance by CIL. The bottomline was good for the fourth quarter and the year. Better average realisation in both FSA and e-auction sales, coupled with operational cost-control, propelled CIL to its best-ever financial performance. Importantly, coal quality variance was under control and we have been able to arrest the grade slippage largely.

Bottomline improvement was also due to the major provisioning that you had to make in 2017-18 on account of the enhancement of the gratuity ceiling..

■ Yes. Over 40% of the cost of production is on account of salaries. As of April 2019, CIL's workforce stood at 2.85 lakh, but this is reducing by around 16,000 annually through natural attrition. Induction is around 3,000 on account of employment for land-losers and for statutory jobs. We do expect to protect our profits, this year.

You have commissioned two long-pending rail infrastructure projects. Has it improved evacuation and what more needs to be done?

■ As far as rail logistics is concerned, rake supply has considerably improved. We are refurbishing our sidings for increased loading. Tori-Shivpur rail line (Jharkhand) is already operational. Once road infrastructure linking the pit-head to loading point is further intensified and sidings'capacity is optimised, evacuation will improve. At Jharsuguda-Sardega line (Odisha),rake-loading will increase. The East Corridor in Chhattisgarh linking Kharsia-Dhananjaygarh is expected to become operational soon. All these measures will bring net addition to our loading. We are setting up new sidings and Rapid Loading Systems also.

Going forward, what will be coal's position in India, especially with govt. stress on renewables?

Presently, as base fuel for power generation, coal is the ready answer in India. Around 73% of the power generated is coal-based. Till alternative renewable energy sources come up in a big way, coal-fired power generation will continue to meet India's electricity demand. Amid fast-expanding energy needs, the nation is exploring shift from being a largely fossil-driven energy economy to one that is powered by clean and renewable energy especially solar. This is a welcome step. I feel renewable energy sources, at this juncture, have a supplementary role and cannot substitute coal as energy contributors. Renewables and coal have to co-exist for some time before renewable can significantly contribute to a larger share of India's energy basket. At some point of time in future, this is bound to happen but till such time coal remains the dominant source.