



खनिज समाचार

**KHANIJ SAMACHAR**

**Vol. 4, No-18**

**(As appeared in National/Local Newspapers Received in Central Library, IBM, Nagpur)**

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# खनिज समाचार

# KHANIJ SAMACHAR



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VOL. 4, NO-18 , 16<sup>th</sup> – 30<sup>th</sup> SEPTEMBER , 2020

## IBM में राजभाषा पखवाड़ा

व्यापार प्रतिनिधि



नागपुर, भारतीय खान ब्यूरो मुख्यालय में हिंदी पखवाड़ा मुख्य खान नियंत्रक पी.एन. शर्मा की अध्यक्षता में आयोजित किया गया. ऑनलाइन उद्घाटन किया गया. ब्यूरो से शीर्ष अधिकारी वेब लिंक के माध्यम से जुड़े. शर्मा ने कहा कि दैनिक कामकाज हिंदी में ही किया जाना चाहिए. यह अपनी भावनाओं को व्यक्त करने का सशक्त माध्यम है. हिंदी ने देश में कभी अन्य भाषाओं से संघर्ष नहीं किया बल्कि इसने अन्य भाषाओं को भी बल प्रदान किया. राजभाषा अधिकारी डॉ. पी.के. जैन ने कार्यालय ही हिंदी प्रगति रिपोर्ट प्रस्तुत की. इस दौरान विभिन्न प्रतियोगिताओं के आयोजन की जानकारी दी. इस अवसर पर निदेशक संध्या लाल, एस.के. अधिकारी, अभय अग्रवाल, क्षेत्रीय खान नियंत्रक वाय.जी. काले, अभिनय शर्मा प्रमुखता से उपस्थित थे.

## Exports Down for 6th Straight Month in Aug, Gold Imports Rise

Our Bureau

**New Delhi:** India's exports declined for the sixth straight month in August and fell 12.66% on year to \$22.7 billion, pulled by a decline in shipments of petroleum, leather, engineering goods and man-made yarns, data released by the commerce and industry ministry showed on Tuesday. A surge in gold imports led to a five-month high trade deficit of \$6.77 billion in August. The trade gap was in \$4.83 billion in July.

Gold imports jumped to \$3.7 billion last month as against \$1.36 billion in August 2019.

India's total imports declined 26.04% to \$29.47 billion.

"The merchandise trade data for August reveals some unpalatable trends," said Aditi Nayar, principal economist at ICRA, adding that the recovery in merchandise imports lost steam with only a mild narrowing in the pace of contraction to 26% from 28.4% in July which benefited from the spike in gold imports.

Oil imports declined 41.62% to \$6.42 billion in the month under review.

15 out of the 30 selected major commodities of export declined last month with certain employment generating sectors including leather, gems and jewellery and readymade garments showing a fall in out-

### Deficit Narrows

**\$22.7 billion**

Exports in August

**\$29.47 billion**

Imports in August

**\$6.77 billion**

Trade Deficit



bound shipments. During the April-August period, exports declined 26.65% to \$97.66 billion, while imports fell 43.73% to \$118.38 billion. Trade deficit in the first five months of the fiscal was \$20.72 billion.

Non-oil, non-gold imports-an indicator of the strength of domestic demand-shrank 29.61% last month. Imports of machinery, transport equipment, project goods and machine tools shrank.

"With consumption trends likely to adjust to a new normal with the further reopening of the Indian economy, imports of gold may increase further in the run up to the festive and marriage season," Nayar said.

She added that a relapse of the healthy recovery recorded since May is a reminder of the likely hiccups ahead before the economy normalises from the impact of the ongoing crisis.

## सोने की खान दुर्घटना में 50 के मरने की आशंका

**किनशासा** | अफ्रीकी देश डेमोक्रेटिक रिपब्लिक ऑफ कांगो में सोने की खान धसक जाने से कम से कम 50 लोगों के मरने की आशंका है। स्थानीय अधिकारियों ने शनिवार को यह जानकारी दी। मीडिया रिपोर्ट के मुताबिक साउथ किवू प्रांत के कामितुगा शहर में मूस्लाधार बारिश के कारण शुक्रवार को मेकशिफ्ट सोने की खान धसक गई। प्रांतीय गवर्नर थेव नगवाबिदुजे कासी ने बताया कि मृतकों में सबसे अधिक संख्या युवाओं की है। कामितुगा के मेयर अलेक्जेंडर बुंडी ने कहा, "हम अभी मृतकों की वास्तविक संख्या को लेकर सुनिश्चित नहीं हैं।"



PLAYERS SUCH AS VEDANTA, NMDC, HINDALCO, NALCO LIKELY TO BENEFIT

# Local Metal Cos Set to Gain on Surging Demand in China

Some steel makers have already posted strong jump in exports at over 50% of total sales in Q1

Jwalit.Vyas@timesgroup.com

**ET Intelligence Group:** China has turned into a net importer of steel, aluminium, copper and iron ore for the third consecutive month in August. This was the first time in 11 years since the country's infrastructure binge in 2009 after the financial crisis. If sustained, the trend may boost India's metals and mining sector.

Historically, Chinese demand has shown cascading effect on Indian metal companies. After the bout of strong demand in 2009 from China, the Nifty Metal index had more than tripled to 4800 in March 2010 within a year.

Metal companies such as Vedanta, NMDC, Hindalco, JSW Steel, Jindal Steel, NALCO and Hindustan Copper are expected to benefit from the current trend in the Chi-

nese demand. Steel companies such as JSW Steel, Jindal Steel and Tata Steel have reported a strong jump in exports at over 50% of total sales in the first quarter largely due to upbeat demand from China.

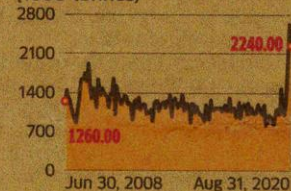
The demand uptick in China is at a time when demand elsewhere in the world is subdued. A major reason for the contrasting trend is the economic push in China. In May, the dragon country, which accounts for nearly half of the world's commodity capacities and demand announced its largest ever economic rescue package worth four trillion yuan or \$560 billion. In addition, it also announced that the local governments will be issuing \$525 billion worth bonds to boost the infrastructure. Record low interest rate of 3.8% is also holding the property demand.

"China's economic recovery post Covid-19 has turned out to be faster than expected. Growth in infrastructure is likely to accelerate in the coming quarters amid continued support from both central and local governments," noted Qu Hongbin, chief China economist, HSBC, in a recent report.

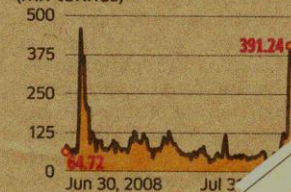
**China's Copper Imports**  
(1000 tonnes)



**China's steel Imports**  
(1000 tonnes)



**China's Aluminium imports**  
(mn tonnes)



# शिकंजा रेत तस्करों पर खापरखेड़ा पुलिस की कार्रवाई

## जेसीबी व 7 ट्रक सहित करोड़ों का माल जब्त

### घाट से अवैध उत्खनन व रेत चोरी कर रहे 8 पर मामला दर्ज

संवाददाता | खापरखेड़ा

पोटा घाट से बड़ी संख्या में रेत उत्खनन करने की गुप्त सूचना के आधार पर छापा मारते हुए खापरखेड़ा पुलिस ने रेत चोरी के मामले में 8 लोगों पर मामला दर्ज किया। पुलिस सूत्रों से प्राप्त जानकारी के अनुसार मंगलवार व बुधवार की रात करीब 3 बजे के दौरान खापरखेड़ा के थानेदार जयपालसिंह गिरासे पेट्रोलिंग कर रहे थे। इस बीच कृष्णा यादव व उसके अन्य साथी मौजा पोटा रेतघाट से अवैध रूप से रेत उत्खनन करने की सूचना मिली।

इसके आधार पर थानेदार गिरासे ने मौके पर छापा मारा। जहां ट्रक क्रमांक एमएच- 40, एके-0025 का चालक संतोष प्रभुजी वासनिक (30), वार्ड नंबर- 4 न्यू भानेगांव, ट्रक क्रमांक एमएच -40-6750 का चालक मातादीन मुखिया वर्मा (30), वार्ड क्रमांक- 2, सिल्लेवाड़ा, ट्रक क्रमांक एमएच- 40, एके-6566 का चालक उमराव बबन उके (27), कालाफाटा, ट्रक क्रमांक एमएच-40, एटी-4379 का चालक सोनू महेश यादव (20), वलनी रोड, झोपड़पट्टी, चनकापुर, ट्रक क्रमांक- एमएच-40, एके-7747 का चालक चंद्रकीर्ति घोनुडे (34), साहुली कालाफाटा, ट्रक क्रमांक एमएच-40,



फाइल फोटो

एके-7748 का चालक प्रदीप चुन्नीलाल खोब्रागड़े (30), कालाफाटा व ट्रक क्रमांक एमएच-36, एफ-2360 का चालक संकेत सुरेश कोल्हे (24), वार्ड क्रमांक- 2, पारडी, पारशिवनी निवासी नदी तट पर जमा रेत जेसीबी की सहायता से ट्रकों में रेत भरते नजर आए। पुलिस ने एक जेसीबी व 7 ट्रक सहित तकरीबन 1,75,53,500 रुपए का माल जब्त किया। अवैध उत्खनन व रेत चोरी कृष्णा रामनाथ यादव (30)

चनकापुर निवासी के बोलने पर किए जाने की जानकारी ट्रक चालकों ने दी। सभी आरोपियों के खिलाफ खापरखेड़ा पुलिस स्टेशन में भादवि की धारा 379, 109 व सहधारा 130, 177 मोटर अधिनियम के तहत मामला दर्ज किया गया। कार्रवाई पुलिस निरीक्षक जयपालसिंह गिरासे, पुलिस हवालदार मेथ्राम, बंडू कोकाटे, आशीष भुरे, शेख, अलीम खान कासेकर, रिजवान अंसारी, शुभम सोनी आदि ने अंजाम दिया।



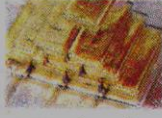
# पितृपक्षातही वधारताहेत सोने-चांदीचे दर

लोकमत न्यूज नेटवर्क

**जळगाव :** कोरोनाच्या पार्श्वभूमीवर गेल्या पाच महिन्यांपासून अस्थिर झालेल्या सुवर्ण बाजारात अजूनही अस्थिरता कायम आहे. त्यामुळेच एरव्ही पितृपक्षात कमी होणारे सोने-चांदीचे दर यंदा मात्र वाढत आहे. याचाच परिणाम म्हणजे आठवडाभरात चांदीचे दर दीड हजार रुपयांनी वाढून ते ६६ हजार ५०० रुपये प्रतिकिलो, तर सोने ७०० रुपयांनी वाढून ५२ हजार २०० रुपये प्रतिकिलोवर पोहोचले आहेत.

गेल्या दोन महिन्यांपासून सातत्याने दरवाढ होत असलेल्या सोने-चांदीच्या दरात एक महिन्यापासून मात्र घसरण पहायला मिळाली. मध्यंतरी ३१ ऑगस्ट रोजी चांदीच्या दरात दोन हजार रुपयांनी वाढ होऊन ती ६८

## दरामध्ये सतत होत आहे वाढ-घट



◆ २४ ऑगस्ट रोजी चांदी ६६ हजार रुपये प्रतिकिलोवर आली होती. त्यानंतर पुन्हा २६ ऑगस्ट रोजी चांदीच्या दरात दोन हजार रुपयांनी घसरण होऊन ती ६४ हजार रुपये प्रतिकिलोवर आली होती.

◆ मात्र सोमवारी ३१ ऑगस्ट रोजी दरवाढ होऊन ती ६८ हजार रुपये प्रतिकिलोवर पोहोचली होती. त्यानंतर पुन्हा घसरण होत जाऊन ती ७ सप्टेंबर रोजी ६६ हजार रुपयांवर आली. पुन्हा ९ सप्टेंबर रोजी आणखी एक हजार रुपयांनी घसरण होऊन ती ६५ हजार रुपये प्रतिकिलोवर आली होती. आता पुन्हा आठवडाभरात चांदी दीड हजार रुपये रुपयांनी वाढून ६६ हजार ५०० रुपये प्रतिकिलो वर पोहोचली.

हजार रुपयांवर पोहोचली होती. त्यानंतर मात्र पुन्हा घसरण सुरू झाली होती.

मात्र गेल्या आठवड्यापासून पुन्हा दरात वाढ होत आहे. गेल्या आठवड्यात ९ सप्टेंबर रोजी ६५ हजार रुपयांवर असलेल्या चांदीच्या दरात वाढ होत जाऊन ती आता

६६ हजार ५०० रुपये प्रतिकिलोवर पोहोचली आहे. अशाच प्रकारे गेल्या आठवड्यात ९ सप्टेंबर रोजी ५१ हजार ५०० रुपये प्रतिकिलोवर असलेल्या सोन्याच्या दरात ७०० रुपयांनी वाढ होऊन ते पुन्हा ५२ हजार रुपयांच्या पुढे जाऊन ५२ हजार २०० रुपये प्रतिकिलो झाले आहे.

THE HITAVADA DATE : 19/9/2020 P.N.5

## Gold rises Rs 224; silver gains Rs 620

NEW DELHI, Sept 18 (PTI)

GOLD prices rose Rs 224 to Rs 52,672 per 10 grams in the national capital on Friday in line with strong international prices of the precious metal, according to HDFC Securities. The precious metal had closed at Rs 52,448 per 10 grams in the previous trade.

Silver also went up by Rs 620 to Rs 69,841 per kg, from the

previous close of Rs 69,221 per kg. "Spot gold prices for 24 karat in Delhi rose Rs 224 in line with strong international prices limiting upside on rupee appreciation," HDFC Securities Senior Analyst (Commodities) Tapan Patel said. In the international market, gold quoted with gains at USD 1,954 per ounce and silver was flat at USD 27.13 per ounce.

NAVBHARAT DATE : 22/9/2020 P.N.11

## बढ़ा इस्पात निर्यात

मुंबई. क्रिसिल रिसर्च के मुताबिक भारतीय इस्पात विनिर्माता कई सालों में पहली बार अप्रैल-अगस्त के दौरान चीन को शुद्ध निर्यातक बने हैं. कोरोना वायरस महामारी के चलते कमजोर घरेलू मांग के कारण ऐसा हुआ. एजेंसी ने कहा कि अप्रैल और अगस्त के दौरान अर्द्ध रूप से तैयार इस्पात के 69 प्रतिशत और तैयार इस्पात के 28 प्रतिशत के साथ भारत कई वर्षों में पहली बार चीन को शुद्ध निर्यातक बन गया है. प्राथमिक इस्पात निर्माताओं ने चालू वित्त वर्ष में अप्रैल-अगस्त के बीच अपने कुल उत्पादन का 60-80 प्रतिशत निर्यात किया और निर्यात में चीन अग्रणी रहा.



# 'Coal India output may fall below 600 MT in FY21 on low demand'

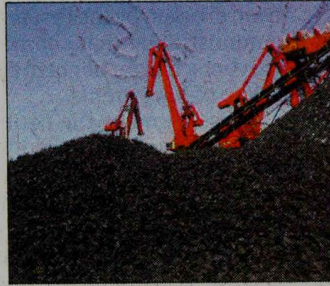
KOLKATA, Sept 20 (PTI)

STATE-RUN Coal India Ltd may witness de-growth in production during the current fiscal as its output is likely to fall below 600 million tonnes amid subdued demand, analysts said.

The miner could end the current year with the production of around 580 million tonnes of coal as against its revised target of 650-660 million tonnes, they said.

Analysts of brokerage firm Motilal Oswal projected production of 582 million tonne for Coal India and off-take of 565 million tonnes in FY2021 while ICI- CI Securities had estimated an output of 580 million tonne and sales of 550 million tonne this year.

However, the miner is hopeful of achieving a 10 per cent



growth in 2020-21 over 602 million tonne of coal produced last year, notwithstanding the disruptions caused by the COVID-19 pandemic, a Coal India official said.

The coal behemoth had earlier set a production target of 710 million tonne for the current fiscal.

"Coal India has to match with the demand and can't keep on producing even if it has the

capacity. Demand for coal remains subdued. In FY20, production was at 602 million tonne but offtake remained at 581 million tonne," an analyst said on condition of anonymity.

The brokerage firms also projected a lower EBITDA (earnings before interest, taxes, depreciation, and amortisation) of 17-18 per cent for Coal India in the current fiscal.

The analysts are not optimistic on sales demand even though the miner has introduced a new category of spot e-auction for importers only and aimed at replacing 150 million tonne of the fuel sourced from abroad with domestic supply.

The coal procured under the "special spot e-auction scheme 2020 for import substitution" will be for use within the country.

THE ECONOMIC TIMES DATE : 22/9/2020 P.N.4

# JSW Steel to Raise up to \$1 billion

To use offshore bonds, loans route for funds, which will be used to buy assets, meet working capital needs and refinance debt

Saiikat Das &amp; Bhavya Dilipkumar

**Mumbai:** JSW Steel, among India's top two steelmakers, will raise up to \$1 billion through a combination of offshore bonds and loans, a corpus that could be handy if the pandemic were to hasten consolidation in the industry.

So, besides M&A, the proceeds could be used for a combination of factors as the company seeks to acquire new assets, meet working capital needs and refinance debt, multiple sources with direct knowledge of the matter told ET.

JSW Steel plans to bid for the insolvent Gontermann Peipers (India), owned by Pramod and Vinod Mittal, younger brothers of Lakshmi Mittal, promoter of ArcelorMittal.

The steelmaker held a cash balance of about ₹12,000 crore at the end of FY20. JSW's cash levels are now around ₹8,754 crore, said a top official from JSW Steel, which is in the

## Future Plans

**BID** JSW Steel plans to bid for the insolvent Gontermann Peipers, is acquiring at least 3 assets

Co's in talks with Standard Chartered, Deutsche Bank, Credit Suisse, Citi, Barclays, and Mashreq Bank for funds

₹12,000cr  
JSW Steel's cash balance at FY20-end

₹8,754cr  
cash level of JSW Steel

process of acquiring at least three new assets. The company is in talks with Standard Chartered, Deutsche Bank, Credit Suisse, Citi, Barclays, and Mashreq Bank for raising funds.

JSW did not reply to ET's email.

Individual banks could not be contacted immediately for comments. "There is no pressing need to raise funds," a senior executive told ET on condition of anonymity.

The bond issue comes amid record low interest rates worldwide.

While the US treasury benchmark dropped by 338 basis points to 0.70 percent this year, the six-month LIBOR plunged about 782 basis points to 0.31 percent. Both the global gauges are used to price overseas bonds and loans.

A proposed bond sale of at least \$500 million may be launched as early as this week. Bonds would have maturities in the range of three-five years.

The company has obtained necessary shareholder approvals through enabling resolutions for raising funds.

The company has approached its traditional bankers for a foreign currency loan as well. About half a dozen bankers could be arranging a "club loan", which is generally arranged by core relationship banks and executed faster than any syndicated loan. "Each relationship bank should extend about \$25-35 million dollars in such loans," said an executive.

Steel demand has taken a hit as

construction activities have slowed down following a nearly quarter percent plunge in the country's first quarter economic growth. "It is likely to fall by around 10%, also affected by the weak outlook for property development," Fitch Ratings said a report on September 16. "We expect these producers to see a larger drop in volume than for larger steel manufacturers."

The international rating company has graded JSW Steel with BB- with negative outlook, a third rank in the non-investment category.

JSW Steel reported a 5% rise in crude steel production at 13.17 lakh tonnes in the month of August, as against 12.53 lakh tonnes in the same month last year.



## JNARDDC to join hands with ALCOA of USA for R&D in aluminium sector

■ Staff Reporter

JAWAHARLAL Nehru Aluminium Research Development and Design Centre (JNARDDC), Nagpur and ALCOA-USA conducted a virtual meeting recently to affiliate for exploring potential opportunities in R&D and technology exchange programme.

JNARDDC is approaching the international organisation for exploring the possibility of suitable MoU between organisations with ultimate aim of contributing to betterment of aluminium industry around the globe.

Initially joint video conference with a few key members of ALCOA and JNARDDC shared introductory information about respective organisations and capabilities. The two are interested in equitable and mutually beneficial co-

operation in development of aluminium technology.

Initiation of a global dialogue for mutual interest in areas of alumina refining, bauxite mining, aluminium smelting and aluminium downstream was done. JNARDDC intend to build relations based on principles of mutually beneficial co-operation and common interests. The co-operation is for promoting exchange of experience in field of aluminium technology. This will help in information exchange and communications between representatives of ALCOA and JNARDDC. The co-operation will look into promoting development of direct partnerships between aluminium processing facilities, as well as between research and development institutes, educational centres and relevant associations.

Agreement with aluminium

giant will support JNARDDC in promoting contacts and information exchange in the field of new and high technologies in the aluminium industry.

Exchanging experience in the field of environmental and greenhouse gas emissions regulation relating to the aluminium industry will be part of tie-up. Stephenson Ian, Director, Refining; Azevedo Eugenio, Vice President, Continuous Improvement; Chris Baker, Quality Inspector; Francis Caron, Alloys and Technology Development Manager (Casting); Pascal Lavoie, Director, Global Smelting Technology; Dr Travis Baroni, Business Development Manager; Anupam Agnihotri, Director, JNARDDC; M T Nimje; M J Chaddha; R N Chouhan; Upendra Singh; R J Sharma and VK Jha attended the virtual meet.



**Q2 NET PROFIT** up over twofold on debt reduction and benign fuel prices; demand from rural areas, affordable housing and infrastructure segments key contributors to revenues

# UltraTech's Strong Show Cements India's Hopes of a Quick Recovery

Rajesh Naidu &  
Bhavya Dilipkumar

**Mumbai:** UltraTech Cement, India's biggest manufacturer of the primary building material, beat consensus estimates of operating performance in the September quarter, lending credence to the assessment of a section of economists that believe the pace of recovery in the broader economy is more likely to be V-shaped than otherwise.

Through a quarter that coincided with the monsoon rains, which traditionally affect construction activity across virtually the entire country, UltraTech reported about 8% sales growth at ₹10,354 crore, higher than Bloomberg's consensus revenue estimate of ₹9,140 crore. Net profit more than doubled to ₹1,235 crore, thanks to effective debt reduction and benign fuel expenses.

Net debt to EBIDTA in the quarter under review fell to 1.1 from 2 in the same quarter last year, un-

derscoring the pace of deleveraging of the balance sheet at the company, which has a dominant pan-India presence.

In the earnings call, the management explained that improved demand from rural areas, the infrastructure segment, and mid-income or affordable housing boosted revenue in the quarter under review. Of the total retail volumes (70-71%), 35-40% came from the rural market where demand is steady.

UltraTech said availability of labo-

ur and the government's focus on infrastructure projects will improve construction activity in the coming quarters. For FY21, the Ministry of Road Transport and Highways (MoRTH) has set a target of constructing 15,000 kms of highways. This is 46% higher than what was constructed last year.

This provides strong opportunities for the sector leader. Besides this, the company has fully integrated its acquired assets, with capacity utilisation at 66%. Amid rising de-

mand, UltraTech stands to gain from fully integrated acquired assets harnessing the biggest brand in the industry. In the second half of the present fiscal, analysts expect cement demand to grow at least 10%. They are quite optimistic that the recent growth in volume and cement price will sustain in the second half of the present fiscal.

If this momentum continues, the stock could get re-rated given its dominant market share (25%) and diversified geographical presence. "Better realisation and resilient operations helped the company to report strong performance. Further, Operating Cash Flow (OCF) was also healthy for the company as it generated ₹5,100 crore of OCF in the first half of FY21 as against ₹3,600 crore in the first half of FY20," said Reliance Securities senior research analyst, Binod Modi.

Considering UltraTech's FY22 estimated earnings, the company's stock is trading at EV/EBIDTA of 13.6. This is quite attractive when compared to its past three-year average EV/EBIDTA of 16.7.

## Financial Snapshot

	Sep-19	Sep-20	YoY %
Net Revenues	9,486	10,231	8
EBIDTA	2,065	2,830	37
EBIDTA Margins (%)	22	28	-
Net Profit	579	1,234	113
EBITDA (₹/tonne)	1,159	1,449	25
Net Debt to EBIDTA	2	1.11	-

(₹ crore)

Source: Investor presentation





Pulling out the Tanishq ad wasn't cowardly; having it aired at all showed corporate courage

# We Also Make Jewellery



**Arun Maira**

**T**itan, a Tata company, posted an advertisement for their popular jewellery brand, Tanishq, on social media to promote communal harmony. Earlier this month, the anti-harmony brigades noticed it, and after pouring outrage against the ad's display of inter-faith marriage and purported endorsement of 'love jihad' — a supposed Muslim ploy to marry and convert Hindu women — reportedly threatened a manager inside a Tanishq store in Gujarat. Fearing harm to its employees, Titan withdrew the advertisement.

Liberals have since expressed their indignation with the Tatas. They say the Tatas should not have been cowed down by threats of violence. But what about Tatas' courage in putting out the ad in the first place? It was an unusual ad, promoting communal harmony, not just Tanishq jewellery. Wasn't the company courageous to do this?

How many other companies who spend millions on advertising use their budgets to promote social harmony in these troubled times? Experts in advertising are debating whether the ad, and its withdrawal, helped the company's sales. Social activists, on the other hand, say the company did not do its duty as a 'good citizen' of society.

This incident has again raised the question: what is the purpose of a business corporation? This came up in 2011 in a debate in Delhi organised by NGOs protesting against companies

acquiring land for projects. The moderator asked how many present owned shares through mutual funds. Almost all hands went up. How many would like their investments to produce greater returns for them? Again, all hands up. 'Therefore, what are you charging the users of your funds — corporate managers — to do for you?' was the last question. This was not easy for the NGOs to answer.

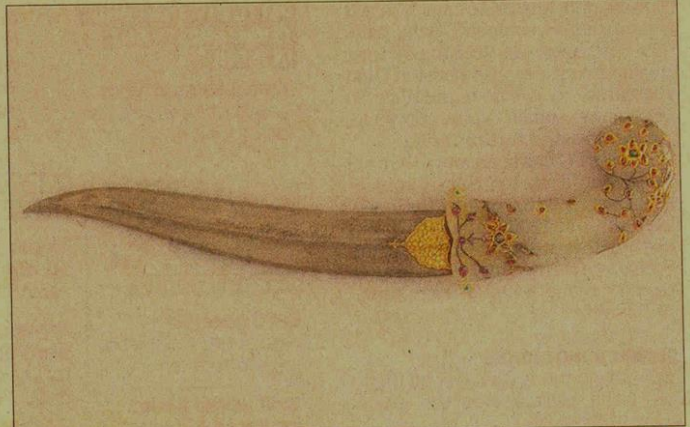
These questions about business responsibility had also come up after the riots in Gujarat in 2002. Some business leaders had spoken up then. Reacting to them, a political leader wondered why industry was making a noise then when it had remained silent when Hindus were driven out of Kashmir earlier.

Similarly, Royal Dutch Shell was accused of complicity by remaining silent when the Nigerian government executed the activist and author Ken Saro-Wiwa in 1995. According to Blair Gibb and Peter Schwartz, authors of the book, *When Good Companies Do Bad Things: Responsibility and Risk in an Age of Globalisation*, Shell was in a quandary at the time.

## Come Out of Your Shell

Shell's business philosophy was to be a good corporate citizen by working in partnership with national governments everywhere. But what if the government is not effective in protecting human rights, or was downright violating them? According to Shell's critics, the company should have stood up for what was right in Nigeria even if its business suffered.

Jamsetji Tata, founder of the Tata Group 150 years ago, envisioned a business enterprise that cared for the community and the environment. One hundred years after it was founded, Tata Steel advertised, 'We also make steel.' When Indian businesses joined global markets in this century, a business analyst in New York asked the CEO of



**It's still nothing personal: Mughal khanjar (dagger), 19th c**

Tata Steel when Tatas would stop being a 'socialist' enterprise!

India began to adopt the principles of liberal economics with the 'liberalisation' of the Indian economy in 1991. India was influenced by the 'Washington Consensus', which was founded on the principles of the Chicago School. In 'liberal' economics, business managers must act purely rationally, and in the interests of their shareholders only.

This is an extension of a foundational premise driving 20th-century economics that human beings are purely rational and self-interested. Another foundational premise of economic policy, expressed as 'The Tragedy of the Commons', says that humans will care for only what they own: they will not take responsibility for the public interest.

The values of liberal economics can clash with the creation of an inclusive society. In spite of large amounts of evidence to the contrary, liberal economics suggests that people cannot care for others. Liberal economists recommend that economic institutions should be designed accordingly — the business of business must be only business.

Economic policies must be designed to enable businesses to pursue their self-interest by making it easier for them to 'do business'. Therefore, labour unions must be silenced because they speak on behalf of workers. And envi-

ronmentalists must be subdued too, because they make it harder for businesses to profit from natural resources.

The controversy about the Tanishq advertisement has highlighted again the difficulties responsible business leaders, like the Tatas, have in meeting their wide range of responsibilities, of managing their bottomlines, while also fulfilling their loftier responsibilities as citizens of societies.

## New Rules of the Game

21st-century challenges, described in the UN's Sustainable Development Goals (SDGs), require 21st-century institutions fit for purpose. The discipline of economics must be recoupled with human society from which it has strayed too far. Countries need new scorecards of citizen well-being — GDP is an incomplete measure.

The contract between limited liability corporations and society must be redefined too. The old corporate scorecard — of bottomlines and shareholder wealth — has passed its sell-by date. The creation of new scorecards for corporations, as well as countries, requires fresh, cooperative conversations among all stakeholders.

*The writer is author of *The Learning Factory: How the Leaders of Tata Became Nation Builders**

The Tanishq ad controversy highlights the difficulties responsible business leaders face while also fulfilling their loftier responsibilities as citizens of societies



# Adhunik Metaliks and Zion Steel Restart Production

**Our Bureau**

**Mumbai:** The first phase of production at Adhunik Metaliks and Zion Steel will begin on Thursday after almost three years of shutdown and subsequent acquisition by Sanjeev Gupta's Liberty Steel through the insolvency process in February of this year.

"The journey to get to this stage has not been without challenges, especially as we continue to manage the Covid-19 pandemic. The myriad of challenges in starting up the plant and machinery was overcome through the work of Adhunik's team," said the company's managing director Uday Gupta.

Adhunik and Zion Steel were

taken to the insolvency courts and had an admitted debt of around ₹5,000 crore, according to court filings in 2017. Billionaire Sanjeev Gupta-led GFG Alliance through the steel business Liberty Steel in February, announced the acquisition of Adhunik Metaliks and its arm Zion Steel for about ₹425 crore.

Adhunik Metaliks was GFG Alliance's first entry into India as the group was eyeing the Indian market for long after having failed to acquire Amtek Auto, ABG Shipyard and Bhushan Power through the insolvency and bankruptcy process.

"The Adhunik sites produce alloy steel products for the automotive, energy, engineering and oil & gas sectors besides participating in the commodity market of sponge iron and billets," the company said in a statement.

# Greens rage against limestone mining in wildlife corridor

Mazhar Ali | TNN

**Chandrapur:** Objections were raised over the clearance to the proposed Parsoda limestone mine of Reliance Cement Company Private Limited, a wholly owned subsidiary of Birla Corporation Limited, during a public hearing held here on Tuesday.

While NGOs strongly objected to the mine coming up in 756 hectares of land adjacent to Painganga river in Korpana tehsil, saying it was located on the wildlife corridor to Tipeswar Wildlife Sanctuary in Yavatmal and Kawal Wildlife Sanctuary in

## CORRIDOR OF CONTENTION

► RCCPL building cement plant in Mukutban over 756ha of land

► Four villages to be directly affected by limestone excavation mine

► NGOs object saying mine falls on wildlife corridor

► Villagers seek compensation for WCL land and jobs



Telangana, villagers demanded compensation for the land on Western Coal Fields

(WCL) grounds and jobs against each 7/12 document.

RCCPL is building a mega cement plant in Mukutban in Yavatmal district and has applied for acquisition of 756 hectares of land for excavation of limestone — basic raw material for cement production — in Korpana tehsil. Four villages — Parsoda, Kothoda (Khurd), Kothoda (Buruk) and Govindpur — are going to be directly affected by the mine. Painganga river, which is located just 250 meters from the mine, separates the cement plant from the proposed mine.

► Continued on P 4

# Protection of corridors must for conservation of wildlife: Greens

► Continued from P 1

The NGOs pitched high resistance to the mine during the hearing, claiming that wildlife dispersing from Tadoba to Tipeswar, Kawal and the Kanhalgaon sanctuary used the land earmarked for mining.

State wildlife board member and honorary wildlife warden, Bandu Dhole said although there is no forest area under the proposed mining site, it acts as a regular corridor as there is forest on either side within one kilometre distance. "We are pursuing the matter with the forest department and would press it with higher officials to ensure that the precious corridor remains undisturbed. Protection of corridors is a must for conservation of wildlife and hence we are going to raise the demand of re-survey of the project site from the wildlife point of view," he told TOI.

Member of regional empo-

Activists demanded fair compensation for the land on WCL ground, and jobs against each 7/12 document

wered committee of ministry of environment, forest and climate change, Suresh Chopne said the company had prepared no wildlife management plan, overlooking the cumulative impact on the forest and wildlife in the area. "While the mine will disturb the corridor, it will also severely deplete the water level in adjacent area. The farmers whose lands have not been acquired will face grave paucity if the mine comes up," he warned.

NCP leader from Korpana, Abid Ali pointed out that district administration had said all four villages being affected by the mine fall under forest land in an affidavit submitted to high court in public interest litigation — Gomewad vs

state government. He claimed the government had provided the patta (Class-2) of the land to the villagers back in year 1978.

Ali also demanded fair compensation for the land on WCL ground, and jobs against each 7/12 document. He sought direct negotiation with villagers over the rates, instead of sticking to the rates given in the ready reckoner.

Environment activist Sudhir Paliwal raised objection claiming that the proposed mine will have adverse impact on physical characteristics. He pointed out that there is no plan to protect the river from bank and bed erosion beyond its stable profile.

Paliwal raised several objections in e-mails to Maharashtra Pollution Control Board (MPCB) regional office, but neither MPCB nor the company answered his queries and said the answers would be sent to their board headquarters.

Full report on [www.toi.in](http://www.toi.in)



# तीन दिवसात सोने १,२०० तर चांदीत तब्बल ६ हजारांची घसरण

**आंतरराष्ट्रीय बाजाराचा परिणाम : दरकपात ग्राहकांसाठी खुशखबर**

लोकमत न्यूज नेटवर्क

नागपूर : सोने आणि चांदीच्या किमतीत सतत चढउतार होत आहे. तीन दिवसांत दहा ग्रॅम शुद्ध सोने १,२०० रुपये आणि प्रति किलो चांदीत तब्बल ६ हजार रुपयांची घसरण झाली. बुधवार, २३ सप्टेंबरला दोन्ही मौल्यवान धातूंचे भाव पुन्हा खाली आल्याने ग्राहकांना दिलासा मिळाला आहे. बुधवारी सोने ५०,९०० रुपये तर चांदीचे भाव ५९,५०० रुपयांवर स्थिरावले. पुढे भाव कमी होतील वा वाढतील, यावर अनिश्चितता असल्याने प्रत्येक दिवस खरेदीसाठी शुभ असल्याचे व्यापाऱ्यांनी सांगितले. बुधवारी सराफा बाजारात पुन्हा एकदा नफा वसुलीचा दबाव दिसून आला. कमोडिट बाजारात सोने आणि चांदीच्या दरात घसरण झाली. कोरोनावर लस येणार असल्याचे



वृत्ताने जागतिक स्तरावरील बाजारपेठांमध्ये अनिश्चितता आहे. गेल्या तीन दिवसांत सोने आणि चांदी स्वस्त झाले आहे. ग्राहकांना सध्या सुरु असलेल्या अधिक मास आणि दिवाळीचे वेध लागले आहेत. या महिन्यात सोने खरेदी करणे शुभ असल्याने सध्या सोने बाजारात ग्राहकांची वर्दळ दिसत आहे.

जुलै महिन्यात शुद्ध सोन्याचे दर ४९ हजार रुपयांवर होते. दर पुन्हा वाढण्याच्या शक्यतेने ग्राहक खरेदीसाठी घराबाहेर पडले होते.

**सोने-चांदीचा दर तक्ता**

तारीख	सोने	चांदी
११ ऑ.	५५,६००	७४,५००
१५ सप्टें.	५२,१००	६६,५००
१६ सप्टें.	५२,१००	६५,५००
१७ सप्टें.	५१,८००	६५,०००
१८ सप्टें.	५२,०००	६५,५००
१९ सप्टें.	५२,१००	६५,५००
२१ सप्टें.	५२,१००	६५,५००
२२ सप्टें.	५१,१००	६१,५००
२३ सप्टें.	५०,९००	५९,५००

(३ टक्के जीएसटी अतिरिक्त)

दरवाढ ऑगस्टमध्येही सुरु च होती. मात्र, ऑगस्टच्या चौथ्या आठवड्यात आणि सप्टेंबरमध्ये भाव पुन्हा कमी होण्याच्या अपेक्षेने लोकांनी सोने खरेदी थांबविली होती. खरेदी भावावर ३ टक्के जीएसटी आकारण्यात येतो.

## कच्चे इस्पात का उत्पादन घटा

दिल्ली. भारत का कच्चे इस्पात का उत्पादन अगस्त, 2020 में 4 प्रतिशत घटकर 84.78 लाख टन रह गया. पिछले साल के समान महीने में देश का कच्चे इस्पात का उत्पादन 88.69 लाख टन रहा था. वर्ल्डस्टील की ताजा रिपोर्ट में कहा गया है कि वैश्विक इस्पात उत्पादन में अब सकारात्मक रुख दिखने लगा है. आंकड़ों के अनुसार, अगस्त में वैश्विक स्तर पर 64 देशों का इस्पात उत्पादन 0.6 प्रतिशत बढ़कर 15.62 करोड़ टन पर पहुंच गया.

# चीन में बड़े पैमाने पर निर्माण कार्य शुरू, धातुओं के मूल्य बढ़े

सरकार ने पुलों, सड़कों, सार्वजनिक भवनों और रेल मार्ग बनाने पर काफी पैसा लगाया, कारोबार बढ़ेगा  
मैट फिलिप्स



कोरोना वायरस प्रकोप के कारण चीन में औद्योगिक गतिविधियां ठप पड़ गई थीं। देश में अब बड़े पैमाने पर निर्माण और अन्य काम शुरू हो गए हैं। इसका प्रभाव विश्व में धातुओं के मूल्यों में बढ़ोतरी के रूप में दिखाई पड़ रहा है। विश्लेषकों के अनुसार चीन में दुनिया की आधी औद्योगिक धातुओं की खपत होती है। सरकार ने पुलों, सड़कों, सार्वजनिक सुविधा के स्थानों, सड़कों और रेल मार्ग के निर्माण में काफी पैसा लगाया है।

बुनियादी ढांचे में उपयोग की वजह से लौह अयस्क, निकल, तांबा, जस्ता और अन्य धातुओं की कीमतें अभी हाल के महीनों में बढ़ गई हैं। इस्पात के मुख्य तत्व लौह अयस्क के दाम 40 प्रतिशत से अधिक बढ़े हैं। निकल और जस्ते के मूल्यों में 25 प्रतिशत की वृद्धि हुई है। बिजली के तार, कंस्ट्रक्शन और कार निर्माण में लगने वाले तांबे के मूल्य 35 प्रतिशत के आसपास उछले हैं। कैपिटल इकोनॉमिक्स, लंदन में वस्तु बाजार विश्लेषक केरोलिन बैन कहते हैं, चीन ने धातुओं पर आधारित इंफ्रास्ट्रक्चर में बहुत पैसा लगाया है।

पिछले माह चीन की सरकारी रेलवे ने अगले

पांच साल में हाई स्पीड रेल नेटवर्क को दोगुना करने की घोषणा की है। स्टैंडर्ड पुअर्स विश्लेषकों के मुताबिक चीन की सरकारी कंपनियों का निवेश जुलाई में पिछले साल की तुलना में 14 प्रतिशत बढ़ गया है। निजी निवेश में केवल 3 प्रतिशत वृद्धि हुई है। देश के सबसे अधिक आबादी वाले प्रांत गुआंगडोंग में सार्वजनिक स्वास्थ्य सेवाओं, 5 जी नेटवर्क और परिवहन ढांचे पर 7.36 लाख करोड़ रुपए खर्च करने की योजना है। वायरस प्रकोप के बाद चीन में अधिकतर गतिविधियां रुक गई थीं। इससे तांबा, अल्यूमीनियम, लौह अयस्क के मूल्य 20 से 15 प्रतिशत गिर गए थे। चीन आस्ट्रेलिया, ब्राजील और चिली से धातुओं का आयात करता है।

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THE INDIAN EXPRESS

DATE : 28/9/2020 P.N.13

## Copper tube, pipe imports: Probe opened

New Delhi: India is investigating imports of copper tubes and pipes from Malaysia, Vietnam and Thailand, to determine whether producers in these countries were receiving unfair subsidies, the government said. The investigation by the Directorate General of Trade Remedies, the investigative arm of the Commerce Ministry, could result in these imports facing countervailing duties, said a government circular. The probe covers imports shipped between April 1, 2019 and March 31, 2020.



# 'India's crude steel output falls over 4 pc to 8.48 MT in August'

■ The US produced 5.588 MT of crude steel in August 2020, registering a fall of 24.4 per cent as compared to 7.396 MT output in August 2019

## ■ Business Bureau

INDIA'S crude steel production fell over 4 per cent to 8.478 million tonnes (MT) in August 2020, according to the World Steel Association (worldsteel).

The country had produced 8.869 MT of crude steel during the same month last year, the global industry body said in its latest report.

However, global steel output has started showing a positive trend, the data showed.

"World crude steel production

for 64 countries reporting to the worldsteel was 156.244 MT in August 2020, registering a rise of 0.6 per cent compared to August 2019," the worldsteel said.

"Due to the ongoing difficulties presented by the COVID-19 pandemic, many of this month's figures are estimates that may be revised with next month's production update," it added.

Global steel production was at 155.374 MT in August 2019. China registered a 8.4 per cent year-on-year growth in steel output at 94.845 MT during August 2020 as compared to 87.499 MT in August 2019.

The US produced 5.588 MT of crude steel in August 2020, registering a fall of 24.4 per cent as compared to 7.396 MT output in August 2019.

Japan produced 6.446 MT of crude steel in August 2020, down

20.6 per cent from 8.120 MT a year ago. South Korea's steel production for the month stood at 5.800 MT, down 1.8 per cent as compared to 5.905 MT in August 2019, the data showed.

Germany produced 2.830 MT of crude steel in August 2020, down 13.4 per cent from August 2019, while Italy produced 0.939 MT of crude steel in the month, up 9.7 per cent from a year ago.

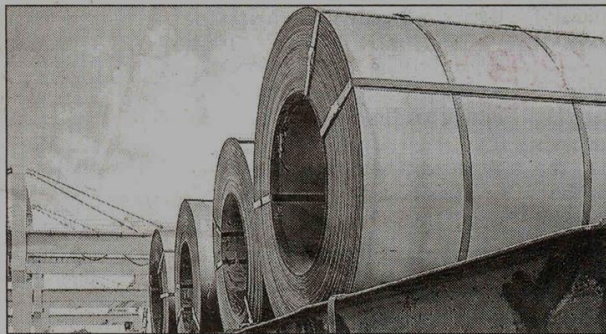
France produced 0.722 MT of crude steel in August 2020, down 31.2 per cent over August 2019. Spain's steel production for August 2020 stood at 0.696 MT, down 32.5 per cent year-on-year.

"Brazil produced 2.7 MT of crude steel in August 2020, up by 6.5 per cent from August 2019. Turkey's crude steel production for August 2020 was at 3.2 MT, up 22.9 per cent from August 2019," worldsteel said.

THE INDIAN EXPRESS DATE : 28/9/2020 P.N.13

## 'Crude steel output falls over 4% to 8.48 MT in August'

India's crude steel production fell more than 4 per cent to 8.478 million tonnes (MT) in August 2020, according to the World Steel Association (worldsteel)



### CRUDE STEEL PRODUCTION BY OTHER MAJOR WORLDSTEEL MEMBERS THIS AUGUST

2.830 MT	0.722 MT	0.696 MT	6.5%	22.9%	9.7%
-13.4%	-31.2%	-32.5%	2.7 MT	3.2 MT	0.939 MT
Germany	France	Spain	Brazil	Turkey	Italy

8.869 MT: Crude steel output by India in August last year

to 5.800 MT last month

8.4%: Growth in China's crude steel output, from 87.499 MT in August 2019 to 94.845 MT last month

20.6%: Fall in Japan's output, from 8.120 MT in August 2019 to 6.446 MT of crude steel in same period this year

1.8%: Decline in production of crude steel by South Korea, from 5.905 MT in August 2019

24.4%: Fall in crude steel produced by the United States, from 7.396 MT in August 2019 to 5.588 MT this August

Why this is important: Due to difficulties presented by Covid-19, many of this month's figures are estimates that may be revised with next month's production update

0.6%: Rise in global crude steel output for 64 nations reporting to worldsteel, from 155.374 MT in August 2019 to 156.244 MT this August

Source: worldsteel/PTI



## राजस्थान के भूगर्भ में देश की 98% चांदी सरकार देगी खनन की अनुमति

नवभारत न्यूज नेटवर्क

जयपुर. कोरोना संक्रमण काल में जहां देश-प्रदेश में रोजगार के अवसर घट रहे हैं. वहीं राजस्थान में रोजगार से जुड़ी बड़ी



खुशखबरी सामने आई है. दरअसल नीति आयोग और इंडिया अकाउंट्स की ओर से राजस्थान के संबंध में बड़ा खुलासा किया गया है. नीति आयोग और इंडिया अकाउंट्स की मानें, तो देश में 30,000 टन चांदी के भंडार के लिए, 98% जो राजस्थान में है. यह जानकारी उन्होंने वेदांत रिसोर्सेज और हिंदुस्तान जिंक की ओर से आयोजित एक वेबिनार में दी. इस कार्यक्रम में सीएम गहलोत बतौर मुख्य अतिथि शामिल थे. इस वेबिनार में खनिज खनन से जुड़े कई विषयों पर बात हुई. इस दौरान सीएम गहलोत ने खुशी जताते हुए निवेशकों को इस क्षेत्र में कार्य करने के लिए आमंत्रित किया.

### हम खनन क्षेत्र को विकसित

### करने के लिए प्रतिबद्ध : गहलोत

1 इस दौरान सीएम गहलोत ने अपना दृष्टिकोण साझा करते हुए कहा कि राजस्थान उद्योगों को बढ़ावा देने और प्रदेश की प्रगति के लिए प्रतिबद्ध है. इस दौरान उन्होंने निवेशकों को इस क्षेत्र में बढ़ावा देने के लिए भी आमंत्रित किया. साथ ही सरकार की ओर से पूरा सहयोग देने का वादा किया. उन्होंने कहा कि राज्य में चांदी की अर्थव्यवस्था का विकास होगा. इसके लिए सरकार अपनी तरफ से हर संभव प्रयास करेगी.

2 मुख्यमंत्री ने कहा, राजस्थान राज्य में खनन पारिस्थितिकी तंत्र में सुधार के लिए राजस्थान स्टेट मिनरल एक्सप्लोरेशन ट्रस्ट का गठन किया गया है. कुछ वर्ष पहले राजस्थान में हुई तेल और प्राकृतिक गैस की खोज का यह ट्रस्ट काम कर रहा था. वहीं अब इसके जरिए यदि चांदी के खनिज का खनन शुरू होता है, तो प्रदेश विकास के रास्ते पर तेज गति से आगे बढ़ सकेगा.



# US POLLS and stimulus package key price triggers for the metal Jewellers Expect Gold Prices to Stay Volatile in Festive Season

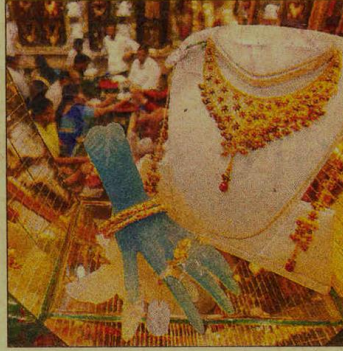
**Sutanuka Ghosal**  
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**Kolkata:** Gold prices are likely to remain choppy during the upcoming festive season owing to the US presidential election, which is scheduled to be held on November 3. Analysts and bullion dealers said that though the broader outlook remains bullish for gold, international events in the run-up to the election may make the yellow metal prices volatile.

Volatile gold prices do not augur well for the jewellery trade, which has pinned its hopes on the festive season sales. "Prices should remain steady during the festive season so that buyers get some confidence," said Anantha Padmanabhan, chairman, All India Gems & Jewellery Domestic Council.

On Tuesday, gold October future contracts at MCX were trading about 0.5% up at ₹50,409 per 10 grams. The dollar index traded weak, increasing gold prices ahead of the US presidential election debate and uncertainty over the US stimulus package.

Bullion has had a great run for much of the year, before taking a breather recently as market participants took some profits off the table. By the start of August, gold had given more than 40% returns in 2020. Prices went up to ₹56,000 per 10 gm in August. From September onwards,



prices started falling and were down more than ₹6,000 per 10 gm, pulling gold to below ₹50,000 per 10 gm.

Navneet Damani, vice-president (commodities) at Motilal Oswal said the recent volatility witnessed in gold

**Analysts have a bullish outlook on gold and project prices to reach levels of ₹65,000-68,000 per 10 gm by end of 2021**

prices had more to do with the speed of the move rather than its direction. The rally in gold prices was so steep it overshot the fundamentals, prompting investors to book profits.

Such volatility is normal when the market becomes too one-sided and even a small event triggers a large sell-off. At the same time, the speed at which the prices

are coming up from every such dip also reinforces investor interest in the metal.

"Election in the US is around the corner and some liquidity is definitely going off the table and moving towards other purposes. So some profit-taking in gold could be assigned to that as well. However, volatility is going to continue over the next couple of months as we approach the election," said Damani.

The current situation of central banks across the world pushing unprecedented amounts of liquidity and the expanded government spending to keep the economy moving would cause significant stress on currencies as well as raise concerns of rising inflation.

"We remain bullish on gold, with a target of close to \$2,450 by the end of 2021. In rupee terms it could be ₹65,000-68,000 per 10 gm. In the short term till Diwali or year-end prices are likely to stay volatile with a positive bias and can inch towards ₹53,000-54,000," said Damani.

Prithviraj Kothari, president, India Bullion & Jewellers Association, said that though profit-taking has happened in gold, bringing down prices, the bullion will remain volatile till the results of the US election are announced. "The broader outlook remains bullish for gold," he said.



Silver business now contributes 47-50% to total earnings; co defers plan to hive off ops

# HZL Aims to Maximise Valuation of Silver Business as Metal Shines

Bhavya Dilipkumar & Jwalit Vyas

**Mumbai:** The biggest interim dividend payout in more than a decade overshadowed a 7% on-year fall in the second-quarter earnings at billionaire Anil Agarwal-owned Hindustan Zinc (HZL), which is seeking to maximise the value of its silver business by benefiting from the high global prices of the precious white metal.

"We will be maximising the valuation of our silver business by increasing the recovery in the processing plants and also by increasing the smelting recovery," the group's newly appointed chief executive officer Arun Misra told ET.

The company's silver business, which historically contributes around 25-30% to total earnings, is yielding around 47-50% since the first quarter of FY21, buttressed by high prices and better-grade recoveries.

HZL in 2018 had considered a plan to hive off its profitable silver business into a separate company and in July 2020, appointed a new chief executive officer, Ruchika Jha, exclusively for its silver business. However, Misra

## Sales Volumes Recover

September quarter performance (in ₹ cr)

	Q2FY21	YoY chg	QoQ chg
Net Sales	5,660	25%	42%
Ebitda	2,952	43%	87%
Net profit	1,940	-7%	43%
<b>Segment-wise Break-up of sales volume</b>			
Zinc (kt)	181	8%	11%
Lead (kt)	56	30%	27%
Silver (tons)	203	51%	39%



said the focus now is to increase the business valuation.

"As of now, we are not hiving off the business as a separate entity," he said.

A dividend yield of around 9% at current prices, reasonable growth visibility and inexpensive valuations offer Hindustan Zinc investors an attractive risk-reward ratio, according to analysts. That was reflected in the 5%-plus gains for the stock Wednesday, after the earnings were announced late Tuesday. Consolidated net profit declined 7% to ₹1,940 crore, mainly on account of higher deprecia-

tion and finance costs, but the recovery in sales volumes of zinc, silver and lead was also better than estimates.

Misra said that the company is also discussing several strategies to increase the consumption of silver in India and ways to reduce silver imports, currently at around 90%.

"Typically in India, silver is consumed in the jewellery business and hardly 20-30% goes into the engineering or electrical goods segments, whereas in other countries, 40-50% goes into engineering businesses," Misra said. The company is eyeing

opportunities in solar power projects and the electrical goods segment.

But the highlight of the earnings was a dividend payout of ₹21.3 a share, amounting to ₹9,000 crore. The announcement came just days after the failure of its parent company's delisting offer.

HZL has a dividend policy to pay a minimum dividend of 30% of profit after tax, or 5% of opening net worth, whichever is higher.

"Even after the announced dividend payout, HZL will have a significant cash balance to be used for ongoing expansion and returning cash to shareholders," CLSA said in a report on Wednesday.

Latest shareholding data showed that HZL's parent, Vedanta Ltd, held 64.92% stake in the company. This translates to the holding company securing a dividend of ₹5,843 crore.

"We have a very healthy cash balance as far as the expansions are concerned and all our expansions are around 1.2-1.5 mt. The company would strike a balance between preserving its balance sheet and giving out dividends to maximise return to its shareholders," Misra said.

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