खनिज समाचार

KHANIJ SAMACHAR

VOL 1 NO-15

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

The Central Library, IBM, Nagpur provided the Classified Mineral News Service since many years on monthly basis in the print form. To expand this service to the IBM Offices all over India i.e. H.Q., Zonal & Regional Offices and to take a call of time, the Controller General, IBM desired to make this service online on fortnightly basis. The library staff made efforts to make it successful. This is the 15th Issue of this service named **Khanij Samachar Vol. 1, No-15** for the period from **16th - 30th Nov 2017**. The previous issue of Khanij Samachar Vol. 1, No-14 is uploaded on IBM Website.

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.

It will be highly appreciated if the valuable feedback is reciprocated.

Mrs. D. H. Vairagare

Asstt. Library & Information Officer

खनिज समाचार

KHANIJ SAMACHAR

A FORTNIGHTLY NEWS CLIPPING SERVICE

FROM

CENTRAL LIBRARY

INDIAN BUREAU OF MINES

VOL. 1, NO-15, 16th – 30th NOVEMBER 2017

THE TIMES OF INDIA DATE: 16/11/2017 P.N.10

ArcelorMittal, Tatas step up Essar & Bhushan Steel bids

Vie With Promoters Ruias, Singals | Mittal Co Ropes In Goldman

Boby Kurian &
Reeba Zachariah | TNN

Mumbai: Lakshmi Mittal-spearheaded ArcelorMittal and Tata Steel have intensified efforts to place takeover bids for Essar Steel and Bhushan Steel, pitching them against the beleaguered promoters who would make offers to re-acquire the debt-laden companies under the Insolvency and Bankruptcy Code proceedings.

ArcelorMittal is working with Goldman Sachs to prepare bids for the two assets, with a team visiting the sites in recent days as part of the due diligence process. The Tatas visited Bhushan Steel and followed it up with Essar as well. The Tatas would stay focused on chasing the two biggest steel assets referred to the National Company Law Tribunal (NCLT) as part of the bankruptcy resolution process.

Earlier, the Tatas were also seen as a strong contender for Electrosteel. Tata chairman N Chandrasekaran and group CFO Saurabh Agrawal are keenly assessing a renewed domestic build-out for Tata Steel as the sector shows signs of a cyclical recovery, though a final decision on bidding is not yet taken. Five among the 12 companies referred to the NCLT by the Reserve Bank of India (RBI) for resolution proceedings are steelmakers.

While eight suitors had submitted expression of interest and collected preliminary information from Essar Steel, the race is essentially among ArcelorMittal, Tatas and the promoter Ruia family, which is partnering second-largest Russian bank VTB to retain an asset with 10-million-tonne capacity and Rs 42,000-crore debt. The other suitors who showed early interest include Anil Agarwal's Vedanta, distressed asset buyers SSG Capital and AION, Steel Authority of India and Japan's Nippon Steel.

For Bhushan Steel, the fray of serious bidders is wider with a consortium of JSW, Piramal and Bain Capital also emerging as a strong contender. The promoter Singal family is likely to make efforts to keep the integrated steelmaker with 5.6mt capacity and about Rs 45,000-crore debt.

There has been intense lobbying in recent weeks to disallow defaulting promoters from re-acquiring assets with a haircut on the lenders. However, promoters like Ruias and Singals would argue that they were done in by a sectoral downturn caused by cheaper Chinese exports and global overcapacity. The Ruias, for instance, have pointed out in the past that the previous government's abrupt decision to stop gas citing lack of adequate supplies from KG Basin was a key reason that landed the company in the RBI-mandated bankruptcy list.

The Ruia and Singal families could not be reached for immediate comments.

JSW STRONG CONTENDER FOR BHUSHAN

- In the case of **Bhushan Steel**, a consortium of JSW, Piramal & Bain Cap is a strong contender
- This consortium may have to take on the **promoter Singal family** which is expected to hold on to the 5.6mt capacity biz with ₹45,000cr debt
- For **Essar Steel, promoter Ruias** are roping in Russia's VTB to keep ArcelorMittal & Tatas at bay for the 10mt asset with ₹42,000cr debt

YOU READ IT HERE FIRST

ArcelorMittal, Nippon, Tata eye Essar Steel

The Times of India dated Oct 24, 2017

Essar closing in $310m BPO unit sale

Essar is set to finalise a $310-million sale of business process outsourcing (BPO) unit Aegis to Capital Square Partners in the next few days. This is part of Essar's monetisation plan focused on non-core assets. The closure of this transaction will see Essar exiting the BPO business completely. In 2014, Aegis sold its US, Philippines and Costa Rica operations to Teleperformance for $610 million. The Ruias of Essar have reduced group debt by $11 billion following the closure of the $12.9-billion Essar Oil sale, which is expected to help access fresh funding to reacquire the steel business. TNN

THE HINDU DATE: 16/11/2017 P.N.14

'Steel slowing forgings output'

Need price parity on steel supplies with rest of the world, says industry official

SPECIAL CORRESPONDENT
CHENNAI

The forging Industry, a major source of supplies to the country's automobile sector, is at a crossroads due to a shortage of steel and an anticipated increase in the commodity's prices, said a top executive.

"In the short term, we are facing problems on these two fronts," said S. Muralishankar, president, Association of Indian Forging Industry (AIFI).

Annually, the forging industry needs about three million tonnes of steel. India manufactures about 2.8 million tonnes. "So the net deficit is two lakh tonnes," said Vidyashankar Krishnan, MD, MM Forgings and former AIFI president. "Till recently, one million tonnes of non-forging steel were imported. This has been stopped, adding to the demand pressure."

S. Muralishankar

"[For] the last three quarters, the forging industry has been showing a growth trend. However, the steel requirement of the forging industry is not being met by steel manufacturers. Reasons that can be attributed to the demand supply gap include major players reeling under high debt, low coal production by Coal India and a significant rise in prices of graphite electrodes," said Mr. Muralishankar.

As of 2016-17, there were 378 forging units in the country with an installed capacity of 38.5 lakh tonnes, accounting for an annual turnover of ₹31,389 crore.

"It was growing at the rate of 10% per annum. This year, it would be about 7%-8%," Mr. Muralishankar said.

The AIFI has sought the Centre's help by way of interest subvention and through the Technology Upgradation Fund, Mr. Muralishankar said.

'Job cuts imminent'

"Steel is now sold at ₹43,000 per tonne and steel manufacturers are expected to increase it by ₹3,000 per tonne," Mr. Krishnan said. "We are requesting them to maintain the price in parity with the rest of the world at ₹43,000 a tonne, otherwise it will be difficult to survive. This will lead to job cuts and closure of units," he added.

Given that AIFI catered to 60% of India's automobile firms, Mr. Muralishankar said the introduction of electric vehicles – 'a disruptive innovation' – would be a big blow to the sector.

"Currently, we have some time, but not much. For the next five years, we have to wait and watch. We have to see what the carmakers are going to do. We are asking the Centre to be assertive and provide a level-playing field to Indian manufacturers to become competitive globally," he said.

"The Centre should increase the turnover limit for a company to be considered an MSME, from ₹5 crore to ₹20 crore," said K. Vinoth Kumar, chairman-Southern region, AIFI.

BUSINESS LINE DATE: 16/11/2017 P.N.15

Corrective rally possible in MCX Nickel

GURUMURTHY K
BL Research Bureau

It was a bad week for the Nickel futures contract on the Multi Commodity Exchange (MCX). The contract has plummeted 9 per cent in the past week.

The sharp fall dragged the contract well below the key ₹800-780 per kg support zone, which was expected to hold. The long positions recommended last week have been stopped out in the sudden fall.

The down-move can extend to ₹740 in the near-term. Strong support is seen in the ₹740-730 region, which is likely to halt the

A bounce-back from this level can take the contract higher to ₹770 and ₹780 again.

The inability to break above ₹780 can drag the contract lower and keep it range-bound between ₹730 and ₹780 for some time.

But if the contract manages to breach above ₹780 decisively, the relief rally can extend to ₹800 or ₹810.

Short-term traders with a high-risk appetite can go long on dips at ₹741. Accumulate long positions at ₹735.

Keep the stop-loss at ₹720 for the target of ₹780. Revise the

as the contract moves up to ₹755.

On the other hand, the contract will come under more selling pressure if it breaks below ₹730. Such a break can drag the contract lower to ₹705 or ₹700 thereafter.

But since the contract has fallen sharply in a short span of time, the above mentioned fall to ₹700 is less probable.

As such there is a strong likelihood for a corrective rally from ₹740-730 region targeting ₹770-780 levels.

Note: The recommendations are based on technical analysis. There

BUSINESS LINE

DATE: 16/11/2017 P.N.15

Gold glitters after US inflation data

London, November 15

Gold prices rose for a third day on Wednesday as the dollar weakened and US bond yields fell despite solid economic data that reinforced expectations that the Federal Reserve will press ahead with increases to US interest rates. Spot gold was up 0.4 per cent at $1,286.18 an ounce after touching $1,289.09, the highest since October 20. The metal has gained 0.8 per cent this week. US gold futures for December delivery were up 0.3 per cent at $1,286.60. Silver was up 0.8 per cent at $17.14/ounce, platinum rose 0.9 per cent to $934.30 and palladium slipped by 0.5 per cent to $980.75 after touching a two-week low of $974.25. REUTERS

THE INDIAN EXPRESS

DATE: 16/11/2017 P.N.14

Singh urges start-ups to invest in steel sector

New Delhi: Domestic steel sector offers immense business opportunities for start-ups, steel minister Chaudhary Birender Singh said on Wednesday.

"The steel industry has a huge potential to generate opportunities for start-ups, and as production capacity increases, newer avenues will emerge," the minister said at the inauguration of the steel ministry's pavilion at India International Trade Fair (IITF) 2017 at Pragati Maidan here.

He also announced a Rs 10 lakh contest #myLOVESTEELidea challenge. The best three ideas on steel-related innovation, deployment or commercialisation of new product, processes or services or intellectual property would get reward of Rs 5 lakh, Rs 3 lakh and Rs 2 lakh. **PTI**

BUSINESS LINE DATE: 17/11/2017 P.N.14

TECHNICAL ANALYSIS

Sell gold if it rules below $1,268/ounce

GNANASEKAAR T

Comex gold futures edged lower on Thursday, as upbeat US economic data bolstered the possibility of the Federal Reserve raising interest rates next month and beyond.

Comex gold futures have been moving in line with our expectations so far, but the road ahead still does not look friendly. There is a lot of choppiness and it typically tends to happen before a trending move begins and in this case a down-move.

As mentioned in the previous update, failure to follow-through higher above $1,290 per ounce could once again dent the confidence of the bull camp. So far, price action indicates a possible intermediate bottom at $1,260 levels. But any unexpected fall below $1,267 could easily drag prices to $1,245-50 levels. Strong initial resistances are around $1,287-92 levels. A close above $1,300 could suddenly open the upside again to $1,330-35 levels.

Unexpected declines below $1,265, on the other hand, could revive bearish expectations and longs to be abandoned strictly. Such a fall could see prices heading towards our potential bearish near-term targets around $1,240-45 levels again.

The $1,240-45 is a very strong medium-term support and, therefore, we can expect a strong bounce or a retracement from those levels in the coming weeks.

The favoured view expects prices to find strong resistance around the resistance levels mentioned above in the very short-term.

Wave counts: It is most likely that the fall from the record $1,925 to the recent low of $1,088 so far, was either a possible corrective wave "A", with a possibility to even extend towards $1,025-30 levels or a complete correction of A-B-C ending with this decline. Subsequently, a corrective wave "B" could unfold with targets near $1375 or even higher. After that, a wave "C" could begin lower again.

Alternatively, we can also expect wave "B" to extend to $1,476 levels. If the current decline as a whole from $1,920 can be considered as a fourth wave, then the fifth wave could begin and cross $1,700 in the long-term. But, failure to follow-through above $1,355 has dashed any hopes of any impulsive up move. As prices have broken certain important supports and shows weakness targeting $1,100 levels. But, a sustained move above $1,200 has once again revived bullish hopes and will make the necessary adjustments to the wave counts, as the prices break key resistance above.

RSI is in the neutral zone now indicating that it is neither overbought nor oversold. The averages in MACD are still below the zero line of the indicator again, indicating a bearish reversal. Only a cross over again above the zero line could hint at a reversal in trend to bullish.

Therefore, sell Comex gold below $1,268 with the stop-loss placed at $1,287 targeting $1,245.

Supports are at $1,270, 1,255 and 1,245. Resistances are at $1,292, 1,305 and 1,335.

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

THE ECONOMIC TIMES DATE: 17/11/2017 P.N.15

Jewellers Expect Muted Gold Demand this Wedding Season

Vigil on cash deals in poll-bound Gujarat, GST impact on prices main reasons, they say

Sutanuka.Ghosal
@timesgroup.com

FILE PHOTO

Kolkata: Demand for gold is set to remain subdued this wedding season as restrictions on cash movement in Gujarat due to the ensuing assembly election and the impact of GST have slowed down consumption of the yellow metal.

Traders and jewellers said they do not expect purchases to surpass last year's offtake.

"The administration is keeping a close vigil on the movement of money," Haresh Acharya, secretary of Ahmedabad-based Bullion Federation, told **ET**. "Cash transactions over ₹50,000 are under government scanner. Invoices are being asked for on the spot. This has slowed down the movement of gold in Gujarat." Voting for the Gujarat Assembly will take place on December 9 and 14.

Some jewellers in Ahmedabad are taking orders and delivering jewellery at the doorstep of customers. "We are delivering the jewellery to customers and collecting the cash from them, so that they do not face any problem," said Kalpanik Choksi, director of Ishwarlal Harjivandas Jewellers.

Jewellery demand in July and August was down 25% to 114.9 tonnes, which pulled down the overall gold consumption in the quarter to September to 145.9 tonnes, a decline of 45% from the year-ago quarter.

Incidentally, jewellery demand fell a sharp 22.4% at 514 tonnes in 2016 from 662.3 tonnes in 2015.

Gold demand in the fourth quarter of 2016 grew 3% to 244 tonnes due to softening of prices, coinciding with Diwali and the wedding season. "This year, gold demand in the wedding season or Q4 of 2017 will be more or less similar to last year," said Surendra Mehta, national secretary at Indian Bullion & Jewellers Association. "The situation is better than the Dhanteras-Diwali period. People are purchasing jewellery for meeting the marriage season demand. But it is unlikely to cross last year's wedding season offtake."

Jewellery demand during the September quarter declined 45% year-on-year

But Nitin Khandelwal, chairman at All India Gems & Jewellery Trade Federation, said gold offtake will fall 20% on-year. Traders said consumers are not yet prepared to accept the rise in gold prices due to 3% goods & services tax (GST) on gold.

Gold edged lower on Thursday as upbeat US economic data bolstered the possibility of the Federal Reserve raising interest rates next month and beyond. Spot gold was down 0.1% at $1,276.95 per ounce, slipping from Wednesday's three-and-a-half week high of $1,289.09.

Mukesh Kotahri, director at RiddiSiddhi Bullions, said gold is available in the market at a discount of $1. "There is very little demand for the bullion now," he added.

BUSINESS LINE DATE: 17/11/2017 P.N.14

Near-term view remains negative for MCX Lead

GURUMURTHY K
BL Research Bureau

It has been a volatile week for the Lead futures contract traded on the Multi Commodity Exchange (MCX). The contract rose to a high of ₹167.35 per kg last Friday and has reversed sharply lower from there.

This downward reversal has dragged the contract breaking below the key support level of ₹160. The long positions recommended last week has been stopped-out during this fall. It is currently trading at ₹158.5.

The near-term view is negative. Resistance is at ₹161 which can cap the upside. The contract will gain fresh momentum only if it breaks above ₹161 decisively.

Such a break can take the contract higher to ₹165-167 or even ₹170 levels again.

As long as the contract trades below ₹161, it is more likely to extend its down move to test the next support at ₹154 in the coming days. If it manages to bounce from the support level of ₹154, the downside pressure may ease. In such a scenario, a relief rally to ₹160 or ₹161 is possible.

But if the contract breaks below ₹154, it can fall further to ₹152. The level of ₹152 is a key medium-term trend-line support which is likely to halt the fall.

An immediate fall below ₹152 is less probable. A strong upward reversal from this support may have the potential to take the contract higher to ₹160 or more.

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

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

NMDC produces record 7.18 MT iron ore in FY Q2

NEW DELHI, Nov 16 (PTI)

THE State-owned miner NMDC on Thursday reported a record iron ore production of 7.18 million tonnes (MT) during the quarter ending September this year.

The production in July-September 2017 was 14 per cent more compared to 6.31 million tonnes of iron ore produced by the company during the same quarter of 2016-17, NMDC said in a statement. The country's largest iron ore producer said it had achieved this record "in spite of volatile situation in global iron and steel market".

The sales of iron ore during the said quarter were at 8.30 million tonnes, 3.62 per cent higher from 8.01 million tonnes during the three-month period a year ago.

"NMDC's production of iron ore for the first half (financial) year 2017-18 is 15.67 MT registering a rise of 13 per cent over CPLY (corresponding period last year) and sales of iron ore is 17.48 MT which is up by 11 per cent over the CPLY," it said.

Steel Minister Chaudhary Birender Singh has congratulated the PSU under his ministry for achieving the numbers.

"From overall net profit jump to increase in iron ore production output, these are some really positive numbers. Congratulations to @nmdclimited," he said in a tweet.

State-owned iron ore miner NMDC has reported a 9.54 per cent rise in net profit at Rs 844.30 crore for the quarter ended September 30, 2017.

NAVBHARAT DATE: 18/11/2017 P.N.7

तोमर ने किया 'खनिज गवेषण' का विमोचन

नवभारत समाचार सेवा

दिल्ली. केंद्रीय खान, ग्रामीण विकास एवं पंचायती राज मंत्री नरेंद्रसिंह तोमर ने हिंदी सलाहकार समिति की बैठक में एमईसीएल की पुस्तक 'खनिज गवेषण' का विमोचन किया. 'खनिज गवेषण' का संपादन एमईसीएल के अध्यक्ष डा. गोपाल धवन ने किया था. इसमें एमईसीएल द्वारा संचालित की जा रही खनिज गवेषण की प्रक्रिया सम्मिलित की गई है. इसमें अत्यंत शुद्धता के साथ इस विषय पर रेखाचित्र और पाठ्य-सामग्री सम्मिलित है. हिंदी सलाहकार समिति की बैठक हर तिमाही होती है. सलाहकार समिति के सदस्य, सचिव और अपर सचिव (खान), खान मंत्रालय के संयुक्त सचिव, जीएसआई, आईबीएम, नालको, एचसीएल, एमईसीएल, जेएनआरडीडीसी और एनआईआरएम के प्रमुखों ने भी बैठक में भाग लिया. केंद्रीय खान, ग्रामीण विकास एवं पंचायती राज मंत्री और समिति के सभी सदस्यों ने हिंदी में खनिज गवेषण पर पुस्तक तैयार करने संबंधी डा. धवन के प्रयासों की सराहना की.

BUSINESS LINE DATE: 18/11/2017 P.N.16

Diamond miners plan $7-m campaign platform

OUR BUREAU
Mumbai, November 17

The world's seven largest diamond mining companies have come together for the first time in India to launch an association and spend $7 million (about ₹45 crore) over the next year to promote and widen the market base for diamond.

The competing mining companies — Alrosa, De Beers, Rio Tinto, Dominion Diamond, Gem Diamond, Lucara Diamond and Petra Diamonds — have decided to join hands when the demand for diamond jewellery in India has slowed down considerably after demonetisation. These seven mining companies account for 75 per cent of global rough diamond supply.

India's share in global diamond market, which is valued at $80 billion, has stagnated at 7 per cent since DeBeers, one of the largest diamond suppliers, stopped diamond promotional activities in 2008. Jean-Marc Lieberherr, CEO, Diamond Producers Association, said though India has emerged as a manufacturing hub for cut and polish diamond by processing 90 per cent of the rough diamonds produced in the world, the demand has not really picked up due to economic slowdown and currency demonetisation.

"Our marketing initiative will try to shift the focus on diamond being a luxury and aspirational product to reflect the bonding and emotional connect. We have already prepared two commercials which will be aired soon," he added.

DPA will also start similar marketing exercise in China with an investment of $10 million and will invest another $50 million in the US. With a market share of 47 per cent, US is the largest diamond consumer followed by China with market share of 16 per cent.

Like India, Lieberherr said the demand in China has also hit a bump due to economic slowdown and their government cracked down on corruption.

DPA will also be working closely with the Gem and Jewellery Export Promotion Council to build trade relationships, best practices and a strong consumer connect through various market development initiatives. The first of such, is the launch of the India diamond marketing campaign under the global umbrella "Real is Rare, Real is a Diamond", which is promoting a new message about diamonds, he said.

To protect consumers' interest, DPA plans to work closely with the trade and install equipment at the retail outlets to differentiate between real and synthetic diamonds.

NAVBHARAT DATE: 18/11/2017 P.N.7

NMDC का रिकार्ड प्रदर्शन

व्यापार संवाददाता

नागपुर. वर्ष दर वर्ष आधार पर 2017-18 की दूसरी तिमाही में सरकारी खदान कम्पनी एनएमडीसी के उत्पादन और बिक्री में बढ़ोतरी दर्ज की गयी. पिछले कारोबारी वर्ष की समान तिमाही के मुकाबले कम्पनी ने 14% से अधिक वृद्धि के साथ 7.18 मीट्रिक टन लौह अयस्क का उत्पादन किया. साथ ही वैश्विक लोहा और स्टील बाजार में अस्थिरता के बावजूद एनएमडीसी की बिक्री 4% से अधिक इजाफा हुआ है. पिछले वर्ष (2016-17) की इसी अवधि में लौह अयस्क उत्पादन जहां 6.31 मीट्रिक टन रहा वहीं, इस वर्ष की दूसरी तिमाही (2017-18) में बढ़कर 7.18 मीट्रिक टन रहा. पिछले वर्ष की तुलना में लौह अयस्क की बिक्री 8.01 थी, जो कि इस वर्ष बढ़कर 8.30 मीट्रिक टन हो गई. कम्पनी का टर्न ओवर इसी अवधि (2016-17) में जहां 1,044 करोड़ रहा, जो कि इस वर्ष की दूसरी तिमाही में बढ़कर 2,421 करोड़ हो गया. प्राफिट बिफोर टैक्स बढ़कर 1,241 करोड़ हुआ. वहीं प्राफिट आफ्टर टैक्स 771 से बढ़कर 844 करोड़ रहा. 2017-18 के लिए 2 तिमाही परिणामों को देखते हुए आईएएस एन. बलजिंदर कुमार की अध्यक्षता में हुई बैठक में उत्पादन, बिक्री और कारोबार के उच्चतम रिकार्ड प्राप्त करने में कर्मचारियों के प्रयासों की सराहना की गई.

BUSINESS LINE DATE: 18/11/2017 P.N.9

'Digitisation will benefit steel industry'

Earnings may rise up to 15%, but lack of expertise is a major challenge

SHOBHA ROY

Kolkata, November 17

Adopting digital technology, particularly in the areas of core operations and supply chain management, can boost the EBIDTA margins of steel makers.

According to Atanu Mukherjee, President, MN Dastur & Co, digitisation is likely to bring down costs by 5-15 per cent, depending on the segment where it is implemented.

"It is not unusual to get up to 25 per cent cost reduction in certain areas such as operations. In case of supply chain it is slightly less. Probably in the range of 8-10 per cent. Overall, cost reduction across the entire plant could be 5-15 per cent, translating into higher EBIDTA of 4-10 per cent," Mukherjee told *BusinessLine*.

The steel industry, in general, unlike banking and retail, has been slow to adopt digital technologies. However, supply chain management and general automation of business processes remain notable exclusions for the sector.

According to Mukherjee, future capital expenditure in steel will be backed by matching investments in digital technology. But investments that have already happened seem to hold a bigger potential.

"If existing players do not adopt, they will be at a competitive disadvantage," he said.

Capital investment

Application of digital technology in the area of capital investment will help cash flows to improve. Capital investment cycles in the steel industry are fraught with risks and delays. Understanding the capital investment cycle and managing it by using digital technologies will help companies to look at plants even before they are built by using virtual stimulations. This could help cut down the actual cycle time and improve cash flows. "The project viability also becomes better. There is also an opportunity cost; instead of five or seven years which it takes right now, companies might complete the project in four years.. So they will be able to sell steel earlier, which adds to the cash flows," said Mukherjee.

Atanu Mukherjee, President, MN Dastur & Co DEBASISH BHADURI

There is a lot to be done on the operational front of steel plants. The productivity of most steel plants in India is close to 300 tonnes per person a year, while it is as high as 2,500 tonnes per person in the US.

Improving other core operations such as productivity of blast furnace and reducing cycle time and energy consumption will also be money translators for companies.

Digital technology will also come in handy in designing new products so as to garner better and profitable markets.

Steel makers should try to enhance their production processes by opting for Internet of Things or Artificial Intelligence to leverage production process in terms of quality, cost and cycle time, he said.

Challenges

The biggest challengeis the lack of expertise. "The expertise required is different from the general IT kind of stuff. It is do with the manufacturing process, advanced algorithms in which we have limited expertise," said Mukherjee.

More importantly, people are still not able to collate the returns in terms of EBIDTA per tonne on adoption of such technology.

"The risk-taking ability of the industry at this point in time is limited. So there is little bit of coyness in terms of going forward and making actual investments," he said.

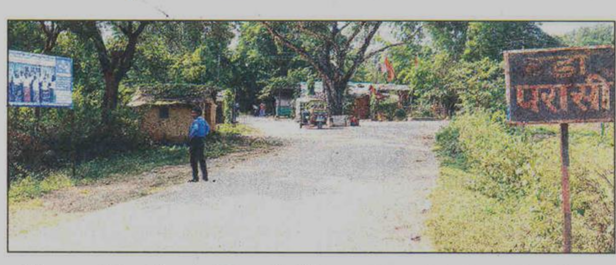
THE TELEGRAPH DATE: 19/11/2017 P.N.11

Jharkhand gold rush worry

A.S.R.P. MUKESH

Ranchi: A Jharkhand government decision to auction an area to a gold mining company has left a cluster of villages near Ranchi worried about compensation and relocation.

A nondescript area of hills and lush green fields off NH 33, it hit the headlines when the state government auctioned the Parasi gold block to Runga Mines for around Rs 1,200 crore. According to an estimate by the Mineral Exploration Corporation Limited, the area has reserves of around 800 million tonnes of gold.



The road leading to Parasi village. Picture by Manob Chowdhary

"The map shows that not just Parasi, but panchayats like Amlesha, Ulidih, Tamar, Kundula, Kurkutta, among others, will come under the mines area. Entire Tamar will be erased slowly from the map," said the president of the Adivasi Jan Parishad, Prem Singh Munda, as another villager held out a map of Tamar, accessed from the MECL website.

Prem wondered where the displaced villagers would be accommodated. "What will be the amount of compensation? Will the money be enough? We have so many questions, but there are no answers," he said.

State mines commissioner Abu Bakr Siddique said:"The auction clause mentions that land cannot be taken without the consent of the gram sabhas. The company will have to first submit 10 per cent of the auction amount within 30 days. Then, we will issue letter of intent."

THE HITAVADA
DATE: 19/11/2017 P.N.9

NAVBHARAT
DATE: 19/11/2017 P.N.14

Gold soars on wedding season demand; silver recaptures 41K-mark

NEW DELHI, Nov 18 (PTI)

GOLD prices on Saturday jumped by Rs 325 to Rs 30,775 per 10 grams at the bullion market on the back of wedding season demand and strong global cues.

Silver also recaptured the Rs 41,000-mark by recovering Rs 600 to Rs 41,150 per kg on increased offtake by industrial units and coin makers. Traders said brisk buying by local jewellers to meet ongoing wedding season demand lifted the gold prices.

Moreover, a firm trend in global markets amid a weak dollar boosted the sentiment. Globally, gold rose by 0.04 per cent to SGD 1,755.62 per ounce in Singapore, while in New York the metal climbed 1.18 per cent to USD 1,293.40 an ounce and silver by 1.32 per cent to Rs 17.28 an ounce.

In the National Capital, gold of 99.9 per cent and 99.5 per cent purity zoomed by Rs 325 each to Rs 30,775 and Rs 30,625 per ten grams respectively.

The precious metal had lost Rs 175 in last two days.

Sovereign, however, remained flat at Rs 24,700 per piece of eight grams in limited deals.

SC ने दिया था आदेश

एजेंसियां

रांची. सुप्रीम कोर्ट के कॉमन काज आदेश के बाद खान विभाग ने अब तक विभिन्न खदान संचालकों पर 4800 करोड़ से अधिक की पेनाल्टी लगायी है. चाईबासा स्थित खदानों की गणना कर 2706 करोड़ की पेनाल्टी लगायी है. सेल की सिर्फ चार माइंस पर ही लगभग 1328 करोड़ की पेनाल्टी लगायी गयी है. चतरा स्थित सीसीएल की कोयला खदानों पर 886 करोड़, हजारीबाग स्थित कोयला खदानों पर 620 करोड़ और गुमला व लोहरदगा स्थित बॉक्साइट खदानों पर 290 करोड़ की पेनाल्टी लगायी गयी है.

NAVBHARAT DATE: 20/11/2017 P.N.3

खनन कारोबारियों को राहत

CM राजे ने कहा, अब देनी होगी 10% रायल्टी

एजेंसियां

जयपुर. मुख्यमंत्री वसुंधरा राजे ने प्रदेश के मार्बल, ग्रेनाइट और कोटा स्टोन एसोसिएशनों की मांग पर खनिज मार्बल, ग्रेनाइट व लाइमस्टोन पर रॉयल्टी की दरों में की गई 30 प्रतिशत तक की वृद्धि को घटाकर दस प्रतिशत तक करने की घोषणा की है. जीएसटी की दरों में कमी के लिए मुख्यमंत्री का आभार व्यक्त करने सीएम निवास पर आए प्रदेश के विभिन्न क्षेत्रों के मार्बल, ग्रेनाइट और कोटा स्टोन्स एसोसिएशनों के पदाधिकारियों ने सीएम राजे से मार्बल के बढ़ते आयात, फ्लोरिंग में विट्रीफाइड टाइल्स के बढ़ते उपयोग व पड़ोसी राज्यों की दरों को ध्यान में रखते हुए रॉयल्टी की बढ़ी दरों को कम करने की मांग की थी.

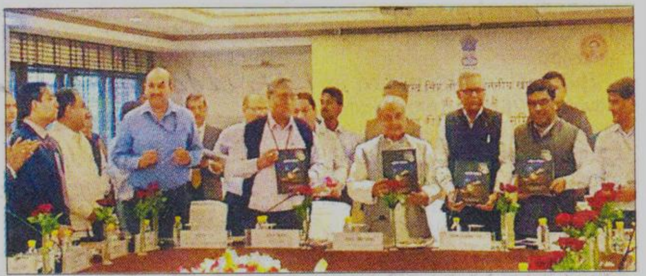
इस पर मुख्यमंत्री ने खनिज मार्बल (स्लैब्स, टाइल्स एवं अनियमित आकार के ब्लॉक), ग्रेनाइट एवं लाइमस्टोन (डाइमेंशनल-कोटा एवं झालावाड़) पर रॉयल्टी की दरों में की गई 30 प्रतिशत तक की वृद्धि को घटाकर दस प्रतिशत तक करने की घोषणा की.

THE HITAVADA (CITYLINE) DATE: 20/11/2017 P.N.10

Minister Tomar launches book on MECL's mineral exploration

■ **Business Bureau**

NARENDRA Singh Tomar, Union Minister for Mines, Rural Development and Panchayati Raj, launched 'KhanijGaweshan', a detailed book on mineral exploration at the Hindi Salahkaar Samiti Baithak held at New Delhi on November 15, 2017.



Narendra Singh Tomar, Union Minister for Mines, Rural Development and Panchayati Raj releasing the book 'KhanijGaweshan' edited by Dr Gopal Dhawan, CMD of MECL while others look on.

The book 'Gaweshan' was edited by Dr Gopal Dhawan, CMD of MECL in which the processes of mineral exploration, being carried out by MECL has been encapsulated. It includes intricate graphics and vast coverage on the subject with utmost precision.

The meeting of Hindi Salahkaar Samiti is held every quarterly, under the chairmanship of Minister for Mines, Rural Development and Panchayati Raj. Apart from the Minister, the members of the Hindi Salahkaar Samiti, Secretary and Additional Secretary (Mines); Joint Secretaries of the Ministry of Mines, heads of GSI, IBM, NALCO, HCL, MECL, JNARDDC, and NIRM also attended the meeting.

Minister (Mines) and all the members of the Samiti appreciated the efforts of Dr Gopal Dhawan in his endeavor for preparing a book on Mineral Exploration in Hindi.

MECL has made noteworthy contributions in development of the nation by exploration of coal, lignite, base metals, gold, bauxite, limestone etc. and has achieved several distinctions. It has a manpower force of around 1500 dedicated executives and non-executives.

MECL, with the developed infrastructure and expertise, is committed to execute cost and time effective comprehensive programmes.

BUSINESS LINE
DATE: 20/11/2017 P.N.8

GLOBAL		Change in %			52-Week	
	Price	Weekly	Monthly	Yearly	High	Low
Metals ($/tonne)						
Aluminium	2087	0.1	-1.4	23.1	2188	1692
Copper	6744	-0.2	-3.6	22.9	7122	5412
Iron Ore	61	0.1	-1.8	-18.1	95	54
Lead	2424	-3.6	-2.1	12.5	2585	1984
Zinc	3216	-1.6	3.4	27.8	3370	2087
Tin	19555	0.2	-4.3	-3.9	21609	18750
Nickel	11519	-4.5	-1.6	2.8	12830	8710

BUSINESS LINE DATE: 20/11/2017 P.N.8

Spotlight

Steel fortunes to shape nickel outlook

Stainless steel production forecast to grow at 2.7 per cent this year

G CHANDRASHEKHAR

The world nickel market is currently buffeted by demand and supply forces; but the demand side seems to have an edge.

Although nearly two-thirds of global consumption demand for nickel is from the stainless steel industry, nickel prices have surged recently following strong demand prospects for electric vehicles (EVs). The big question is whether the recent price gains are sustainable.

The best thing to have happened to metals demand, nickel demand in particular, is the introduction of electric cars, which typically have more metal content than IC (internal combustion engine) vehicles. So, EVs are going to have high nickel content, including in batteries that power them. In most lithium-ion batteries, nickel is used as a cathode.

Yet, demand for the base metal is even now significantly driven by the stainless steel market, which will remain the key to the outlook for nickel demand in the foreseeable future.

PETER SOBOLEV/SHUTTERSTOCK.COM

After a stellar growth of 10 per cent in 2016, stainless steel production is forecast to grow at 2.7 per cent this year. Although China's (largest player) stainless production has improved, concerns about the sustainability of the revival remain. There is a proposal to cut the steel capacity in the Asian major.

Supply outlook

The nickel supply situation is comfortable. Stocks are high. According to a report, LME stocks have eased back since their peak in 2015, but they remain high by any measure at 40,000 tonnes or 30 per cent of annual usage. These stocks have to be worked off and it is going to take time. This is precisely why EVs have come as a shot in the arm for the market.

The market, however, is not without supply concerns. There is less clarity on the mining and ore export policy of the Philippines and Indonesia, two major suppliers to China's NPI (nickel pig iron) industry. NPI production, which accounts for nearly a third of total nickel supply, is growing moderately in China amid uncertainty about nickel ore imports from its two major source countries.

Earlier this year, the Philippines imposed restrictions on nickel mining — it suspended 17 of 28 nickel mines — on environmental grounds following an audit and there is fear it may ban ore export.

Indonesia has, of course, eased the ore export policy this year, but uncertainties loom. In China, pollution has emerged as a big issue and the NPI sector is closely monitored.

What drives demand?

To be sure, at the moment, nickel demand through the EV sector is minuscule — less than 3 per cent of nickel output; but this demand is expected to accelerate over time as more countries and markets encourage EVs.

However, given the large inventory of nickel, additional demand (through EVs) can be absorbed without much difficulty. In other words, EV is a medium to long-term story, rather than a short-term trading call.

Without doubt, the fortunes of the stainless steel industry will continue to dictate the outlook for nickel prices in 2018.

The refined nickel market, which went into annual deficit in 2016, is likely to face increased deficits in the next three years which will help overcome the accumulated inventory of about 470,000 tonnes till 2015. China has had an impressive reduction of inventory in 2016 and 2017 so far.

Global refined nickel production in 2017 is estimated at 2.06 million tonnes(1.98 mt) while consumption is rated as 2.11 mt (2.03 mt), a deficit of 0.5 mt.

The deficit is forecast to gradually widen over the next three years. China accounts for a little over half of the global consumption.

On current reckoning, on the LME, nickel is forecast to trade at an average price of $11,300/t in the first quarter of 2018, moving higher to $12,000/t in Q2 next year. In the second half of 2018, prices may average $12,500/t.

The upside risks to prices include more robust global demand and/or accentuated supply shortage.

The writer is a commodities market specialist

BUSINESS LINE DATE: 20/11/2017 P.N.8

Bullion Cues

Weak dollar boosts gold prices

The short-term outlook is bullish; the yellow metal can breach the $1,300 level

GURUMURTHY K

The struggle to break the resistance at $1,280 per ounce came to an end last week. After hovering around this hurdle for three continuous weeks, the global spot gold rose sharply breaching $1,280 last week.

Though the yellow metal oscillated around $1,280 for most part of the week, it gained momentum on the final trading day and surged to a high of $1,297 before closing the week at $1,292.42 per ounce, up 1.4 per cent for the week. Weakness in the US dollar aided gold prices move higher last week.

Silver outperformed gold by surging over 2 per cent last week. Global spot silver rose sharply breaking and also closing decisively above the psychological hurdle of $17 per ounce. Silver closed at $17.31 per ounce, up 2.5 per cent for the week.

On the domestic front, gold and silver futures contracts on the Multi Commodity Exchange (MCX) moved in tandem with the global spot prices. MCX-Gold was up 0.67 per cent for the week and closed at ₹29,690 per 10 gm. The silver futures contract on the MCX closed at ₹40,013 per kg, up 1.28 per cent for the week.

Watch the dollar

The US dollar index (93.66) fell in the past week, breaking below the crucial 94-93.85 support zone. The bounce-back move from the week's low of 93.40, which failed to break above 94, indicates lack of strength. As long as the index trades below 94, it can test the next crucial support level of 93.30. A break below this support can drag the index lower to 92.70. Such a fall can push gold prices above $1,300 in the coming days.

The dollar index will have to rise past 94 in order to gain momentum. Such a break will pave the way for the next targets of 94.4 and 95. Such a rally will ease the downside pressure and bring back the medium-term bullish view of targeting 96 and 96.5 levels.

Gold outlook

The short-term outlook is bullish for gold ($1,292 per ounce). Immediate support is in the $1,287-$1,285 region, which can limit the downside in the near term. Dips to this support zone may find fresh buyers.

As long as gold trades above $1,285, a rally breaking above $1,300 to $1,305 and $1,310 is likely in the coming days. Inability to break above $1,310 can trigger a pull-back move to $1,305 and $1,300 again. But a decisive break above $1,310 will give an initial sign that the corrective fall that has been in place since the September high of $1,357 has ended.

It will also indicate that the uptrend that has been in place since the beginning of this year has resumed. In such a scenario, there is a strong likelihood of gold rallying to $1,350 and $1,365 over the medium term.

On the domestic front, the MCX-Gold (₹29,690 per 10 gm) futures contract is getting strong support from the 21-day moving average at ₹29,434. The contract has been range-bound between ₹29,350 and ₹29,750 for more than a week. Within the range, the bias is bullish. The contract is likely to break above ₹29,750 and target ₹30,000 in the short term. A further break above ₹30,000 will increase the likelihood of the rally extending to ₹30,300 or even ₹30,500.

The near-term view will turn negative only if the contract declines below ₹29,350. The next targets are ₹29,200 and ₹29,000.

Silver outlook

The decisive close above $17 per ounce leaves the global spot silver ($17.31) much stronger than gold. Immediate support is at $17.15, which can limit the downside in the near term. A rise to $17.55 is likely in the coming days. Inability to break above $17.55 can drag silver lower to $17.25. But a strong rise past $17.55 will pave the way for the next targets of $17.80 and $18.

MCX-Silver (₹40,013 per kg) is managing to sustain above the support at ₹39,500. As long as it trades above ₹39,500, a rally to ₹40,540 or ₹40,745 is likely in the short term. The contract will come under pressure if it breaks below ₹39,500. Such a break can take it lower to ₹39,150 initially. A further break below ₹39,150 can drag the contract lower to ₹38,700.

AFRICA STUDIO/SHUTTERSTOCK.COM

THE TELEGRAPH DATE: 20/11/2017 P.N.8

Gold use in mobile parts up

A STAFF REPORTER

Calcutta: Gold consumption in technology has bounced back after six years, led by a growing demand of the precious metal from smartphone makers.

A good conductor of electricity, gold has found its application in the electronics industry and is among the key metals used in the manufacture of internal components of high-end mobile devices.

Apple in its latest environment responsibility report estimates the robot Liam, which disassembles its iPhones, can potentially recover 0.3 kg of gold from every 100,000 iPhone6 devices.

Data from the World Gold Council show the volume of gold in electronics grew 3 per cent to 67.3 tonnes compared with 65.3 tonnes in the corresponding quarter previous year. "Continued strength in the memory sector — where supply remained very tight and demand high — underpinned a 12-15 per cent increase in demand for gold bonding wire in the third quarter," the council said in its quarterly demand trend report.

The report added the trend will persist in 2018 with factories looking to increase output sufficiently to meet the demand for high-end smartphones. "We believe this bodes well for the short-term outlook for gold bonding wire," the report added.

"After years of decline (last growth in 2010), we saw an increased use of gold in technology, supported by the demand of high-end smartphones," said Alistair Hewitt, head of market intelligence, the World Gold Council.

Samsung and Apple, which constituted 20.6 per cent and 11.7 per cent of the total global smartphone shipments, respectively, recorded growth of 9 per cent and 3 per cent respectively (in million units shipped) during the third quarter of 2017 over the previous year, Counterpoint Research said in its report.

Overall gold demand in technology sector comprising both electronics as well as other industries such as automobile and healthcare stood at 84.2 tonnes during the quarter, recording a 2 per cent growth compared with the same period of 2016.

METAL MAGIC

2017 figures	Q3	Growth
Gold used in electronics (tonnes)	67.3	3%
Smartphone shipment (in million)	400.5	5%

Source: World Gold Council; Counterpoint Research

BUSINESS LINE DATE: 20/11/2017 P.N.8

GETTING STRONGER

Restructuring moves in Europe, rising steel prices and expansion in India have helped this steel major

SATYA SONTANAM

After staying in the market doghouse for a long time, Tata Steel came back roaring since late 2015 — the stock has been on a steady rise, nearly tripling over the past two years. A few factors fuelled this rally — the company's exit from a portion of its loss-making European business, strong growth and expansion of its Indian business, import protection measures by the Indian government and rising steel prices.

At ₹701, the stock now trades at more than 50 times its trailing 12-month earnings. But this seemingly high valuation is largely due to the write-offs and losses in the European business that dragged down consolidated earnings. With restructuring and the proposed joint venture with Thyssenkrupp AG likely to take off in the next fiscal, the European business should do much better in the coming years.

Tata Steel should also continue doing well in India with the company well-positioned to capture an increasing share of the growing market. The threat of steel exports from China also seems to be waning. On FY-18 estimated earnings, the stock trades at a reasonable 11.5 times. While higher than the three-year average of forward earnings of 10 times, the current valuation does not seem expensive, given the company's healthy growth prospects. Investors with a long-term perspective can buy the Tata Steel stock. The recent weakness in the stock after the lower-than-expected September quarter results provides a good entry point for investors.

Europe solution

Over the past two years, Tata Steel has been hiving off parts of its debt-laden, loss-making European business that was bleeding the consolidated financials. While biting the bullet has meant financial pain, the company's decision to cut losses and focus more on profitable businesses such as India has improved investor sentiment.

The efforts at restructuring its European business have got a shot in the arm from the proposed 50:50 joint venture (JV) with Germany's Thyssenkrupp AG. The non-cash deal, expected to be closed in the next fiscal, will see the flat steel business of the two companies being merged.

The JV will take over significant debt from the books of the two companies and is expected to have cost synergies of about €400-600 million per annum. While the company's consolidated sales will come down, the JV is also expected to cut the consolidated debt burden of Tata Steel by about €2.5 billion and improve leverage levels.

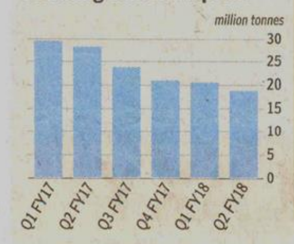
The prospects of the merger going through have brightened with the separation of British Steel Pension Scheme (BSPS) from Tata Steel UK.

While this entails payment of £550 million and offer of 33 per cent stake in Tata Steel UK to BSPS Trustees, it frees Tata Steel UK from pension liabilities of about £15 billion and improves the company's prospects.

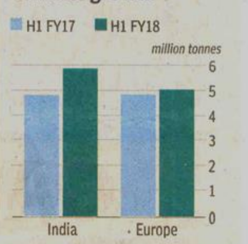
India growing strong

Meanwhile, Tata Steel's India business, the major profit contributor, is on a strong footing with good growth in volumes and price realisations. The first phase (3 mtpa) of the technologically-efficient Kalinganagar steel plant, that started commercial operations in May 2016, is now operating at full capacity. The company's domestic capacity is now around 10 mtpa and 3 mtpa at Jamshedpur and Kalinganagar, respectively. Further expansion of the Kalinganagar plant's capacity to 6 mtpa or 8 mtpa, likely the latter, has been planned. Also, there are plans to increase the Jamshedpur plant's capacity by 1 mtpa. These expansions over the next few years will add to Tata Steel's heft in the domestic steel market which is expected to continue growing at a good pace. The company is also exploring

Declining Chinese exports



Volumes growth



Contd.. on Page 17

BUSINESS LINE DATE: 20 /11/2017 P.N.8

Contd.. from Page 16

opportunities of acquiring distressed debt-laden steel companies that are now on the block. The restructuring of the European operations should give the company more scope for leverage to fund its expansion plans in India.

While private investment activity in the country remains sluggish, the government's thrust on infrastructure development should keep demand for steel ticking. The company's volumes have been growing much faster than domestic consumption, helping it up its market share. The uptrend in steel prices has also helped revenue growth. There seems to be more scope for improvement in realisations for Indian steel-makers with prices still relatively low compared with international prices. The government's moves to contain cheap steel imports from China have also helped. With significant closure of steel capacity reported in China, the threat from Chinese imports seems to have receded.

Besides, unlike many of its domestic peers, Tata Steel's India operation has an advantage of meeting its major iron ore requirements from captive mines.

Improving financials

After deterioration for many years, primarily due to its woes in Europe, Tata Steel's financials have been improving over the past year or so, thanks to restructuring and cost-control efforts in Europe, and improving realisations and volumes in the domestic market. On a consolidated basis, revenue grew about 10 per cent y-o-y in 2016-17 to about ₹1.1 lakh crore, while adjusted loss (after extraordinary items) reduced about 17 per cent in 2016-17 to ₹2,622 crore.

There has been a marked improvement in the half-year ended September 2017, with consolidated revenue growing 22 per cent y-o-y to about ₹62,000 crore and the company posting adjusted profit of about ₹2,300 crore compared with loss of ₹3,200 crore in the year-ago period. In the recent September quarter, Tata Steel's consolidated revenue rose about 24 per cent y-o-y and the company posted adjusted profit of ₹1,038 crore from loss of ₹63 crore in the year-ago period. EBITDA per tonne rose 32 per cent y-o-y in the September quarter and consolidated operating margin increased to 14.6 per cent from 11.4 per cent in the year-ago period. This was driven by increased deliveries (up 15 per cent y-o-y) and better realisations in the Indian market.

The September quarter results, while good, were below market expectations due to lower realisations in Europe and higher-than-expected costs in India. The management expects the company to post better results in the second half of the year and deliveries in India to be around 12.4 million tonnes for the full year 2017-18 from 10.97 mt in 2016-17. Lower coking coal prices should also help.

Why

- Proposed JV in Europe to help
- Expansion in India to aid volumes
- Improving price realisation

Did you know?

Tata Steel is the second most geographically diversified steel producer globally

THE TELEGRAPH DATE: 21 /11/2017 P.N.8

Defaulter steel trio in demand

JAYANTA ROY CHOWDHURY

New Delhi: The three steel companies — Monnet Ispat, Bhushan and Essar Steel — which have been put up for sale as part of an insolvency resolution drive are attracting interest among both private equity funds as well as their industry peers.

PSU banks who have put up the companies for insolvency resolution hope the growing interest in the trio will ensure they will have to make lower sacrifices of 30-40 per cent on their loans (haircuts).

However, the process may be delayed on two counts — first, the government has ordered a committee to look into the insolvency act to remove loopholes which could allow the original promoters of the failed firms to bid without any checks.

Second, forensic audits are necessary in a few cases where the bankers after initial due diligence feel there could have been diversion of funds to related parties.

With more than 300 stressed assets being taken up for resolution, the government is keen on bringing in changes in the bankruptcy code.

A committee has been set up to examine the code and suggest changes. Officials said there was a move to either disallow the promoters of failed companies to bid for their own assets or allow them to bid under strict conditions such as making them pay their bid price upfront.

- Insolvency resolution to be delayed by a review exercise of existing rules

- Delay may also occur because of forensic audit on some companies
- Objections raised against letting promoters bid for their assets — necessitating review
- Allegations made against promoters diverting funds — requiring forensic audit

"A moral hazard is created if we allow them to bid and buy back their own firms," the officials said.

They consider it as a moral dilemma as it could be seen as rewarding a promoter who is unable to pay back loans.

"Also the question arises that if he has money stashed away to bid for his own asset then why could he not pay back the loan in the first place," said the officials.

"The forensic audit route will also be used in some cases where bankers have felt that there could have been diversion of funds through related party transfers or through various sales or purchase deals. We cannot allow a criminal breach of trust to continue," said the officials.

Banking sources claimed that besides Blackstone, Edelweiss and TPG Capital, several steel majors, including JSW, Tata Steel, Vedanta and Arcelor-Mittal, were interested in Monnet Ispat whose, debts total about Rs 12,115 crore.

Similarly, Bhushan Steel, which has a default of Rs 44,478 crore to banks, is being eyed by Arcelor Mittal, Tata Steel, the Bhushan Steel promoters and a raft of financial companies, which include Ambit Flowers, according to sources.

Essar Steel, with a default of Rs 37,284 crore, has been in the eye of a controversy as its promoters have openly declared their intent to bid for the 10-million-tonne capacity steel firm.

any coercive action against Gorkha Janmukti Morcha leader Bimal Gurung.

"Issue notice, returnable in two weeks. In the meantime, no coercive steps shall be taken against the petitioner," a bench of Justices A.K. Sikri and Ashok Bhushan said in an order while seeking the Bengal government's response on the issue within two weeks.

Gurung had invoked the extraordinary jurisdiction of the top court under Article 32 seeking protection against arrest and setting up of an independent investigation team.

Article 32 empowers a citizen to directly approach the Supreme Court for protection of fundamental rights instead of exploring the remedy through a trial court and there-

THE ECONOMIC TIMES DATE: 21 /11/2017 P.N.9

Jewellers Hail GST Revision for Gold Savings Schemes

3% GST now applicable only on redemption, no levy on each monthly instalment

Sutanuka.Ghosal
@timesgroup.com

Kolkata: Jewellers have hailed the GST Council's decision to allow customers to pay 3% goods and services tax on monthly gold savings deposit schemes only when they redeem their investments instead of paying the levy on each instalment.

The chairman of the All India Gems & Jewellery Trade Federation, Nitin Khandelwal, told **ET** that jewellers were finding it difficult to convince their customers in small towns and villages in particular that the advance amount paid by them was subject to 3% GST.

"We had made representations to the government on this issue. The GST Council has now said that 3% GST will be charged when the invoice is raised against purchase of gold," Khandelwal said.

Under the gold saving schemes, the jeweller collects monthly instalments from customers for 11 months. The 12th month instalment is paid by the jeweller and the accumulated amount can be redeemed against gold jewellery by the customer. As per the GST law, these 11 monthly instalments were considered as receipt of advance on which GST was liable to be paid.

Relief from GST Council comes at a time when the wedding season demand is down 20% from the previous year

Chartered accountant Bhavin Mehta from Dee Cee Associates, a GST expert on gems and jewellery industry, said that in the last GST Council meeting held on October 6, the government had announced a relief only for registered persons who had turnover of ₹1.5 crore in the preceding financial year.

"Now, the same has been extended to all class of registered persons (other than composition dealers) irrespective of the turnover limit," Mehta said.

"It was an added compliance for the jewellers who had to issue a receipt voucher every time they collected an advance from the customer. Further, the details of advances received and adjusted had to be reported in the GST returns," he said.

The government has now aligned the GST law with the pre-GST era, where service tax was payable on advance received for services to be rendered, Mehta said. There was no value-added tax or excise levied earlier on the advance received against goods to be supplied. "This will definitely help the industry as gold saving schemes are preferred mode of investments in small towns and villages," he said.

Rajiv Popley, director of Mumbai-based Popley & Sons, said there will be no GST of 3% against any advance made by a customer who takes the jewellery at a later date after paying the full amount.

"This was creating a lot of confusion among consumers. They will now have to pay a GST of 3% once a bill is raised against his purchase. This will definitely give a fillip to the wedding demand," he said.

The relief from the GST Council comes at a time when the wedding season demand is down 20% from the previous year, according to industry estimates. The World Gold Council has said that India's gold demand this year is unlikely to cross 700 tonnes, down from 750 tonnes last year.

Gaining Sheen

HOW THE SCHEME FUNCTIONS

- **A jeweller** collects monthly instalments from customers for 11 months
- **12th instalment** is paid by the jeweler
- **The accumulated** amount can be redeemed against gold jewellery by the customer

The Earlier GST Rule

The 11 monthly instalments were considered as receipt of advance & thus liable for GST

THE REVISED LAW

- **3% GST** on schemes only on redemption instead of on each instalment

BUSINESS LINE DATE: 21/11/2017 P.N.16

WEEKLY OUTLOOK

Near-term view is negative for MCX Aluminium

GURUMURTHY K
BL Research Bureau

The Aluminium futures contract on the Multi Commodity Exchange (MCX) shows signs of weakness.

The contract has declined below a key support level of ₹136 akg which was limiting the downside for more than a month. The contract made a high of ₹138.55 on Thursday and reversed lower sharply breaking below ₹136. It is currently trading at ₹135.

Immediate resistance is in the ₹136-₹137.5 region which is likely to cap the upside in the near term. Intermediate bounce to this resistance zone may find fresh sellers coming into the market.

Short-term traders with a high-risk appetite can go short on rallies at ₹136. Stop-loss can be placed at ₹138 for the target of ₹132. Revise the stop-loss lower to ₹135 as soon as the contract moves down to ₹133.5.

A fall to test ₹132.5 – the 100-day moving average or ₹131.80 – the 50 per cent Fibonacci retracement support is likely in the near-term. If the contract manages to reverse higher from either of these support, a relief rally to ₹135 or ₹136 is possible.

On the other hand, if the contract declines below ₹131.8, it can fall to ₹131 and ₹130. Further break below ₹130 will increase the possibility of the down move extending to ₹128. Cluster of supports are poised in the range between ₹132 and ₹130.

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

BUSINESS LINE DATE: 22/11/2017 P.N.16

WEEKLY OUTLOOK

MCX zinc hovers above key support

GURUMURTHY K
BL Research Bureau

The support at ₹205/kg for the zinc futures contract on the Multi Commodity Exchange (MCX) continues to hold well for the second consecutive week. The contract hit a low of ₹204.5 per kg on November 15 and has been stuck in a narrow range above ₹205 since then. Whether the contract manages to sustain above ₹205 or not will decide the direction of the next move in the coming days. Traders can stay out of the market until the next trend becomes clear.

A strong break and a decisive daily close below ₹205 will be the first sign of weakness in the contract. Such a break will bring fresh selling pressure. In such a scenario, the contract can fall to ₹198 in the coming days.

Short-term traders with a high risk appetite can go short on a break below ₹205 at ₹204. Stop-loss can be placed at ₹206 for a target of ₹200. Revise the stop-loss lower to ₹203 as soon as the contract moves down to ₹202.5. Move the stop-loss lower to ₹202 as soon as the contract moves down to ₹201.

On the other hand, if the contract manages to sustain above ₹205, it can move up in the near term. Immediate resistance is in the ₹209-210 region. A strong break above ₹210 will ease the downside pressure and take the contract higher to ₹213 or ₹215.

As long as the contract remains above ₹205, a range-bound move between ₹205 and ₹215 is seen for some time. A breakout on either side of ₹205 or ₹215 will then determine the next leg of move for the contract.

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

BUSINESS LINE DATE: 22/11/2017 P.N.16

Why the copper crown sits wobbly on Chile

BLOOMBERG
November 21

There was a time when a sneeze in Santiago would cause the global copper market to catch a cold.

Not any more. The first round of Chilean presidential elections on Sunday delivered a surprisingly weak result to front-runner Sebastian Pinera, a conservative billionaire running on a fiscal consolidation platform. On Monday, the country's stock market fell the most in six years and the peso suffered the biggest loss among emerging-market currencies. Copper barely blinked, with a pretty routine 0.75 per cent gain.

That complacent reaction is similar to the way oil more or less shrugged off the palace intrigue in Riyadh earlier this month. Like its Arab peer in the crude market, Chile's role as the Saudi Arabia of copper is weakening. As recently as 2005, Chile accounted for more than a third of the world copper production. The value of exports from Peru, Australia and the Nafta countries came to just 55 per cent of Chile's total in 2001. Nowadays, that trio export 50 per cent more copper by value, and Chilean tonnage has slipped to less than a quarter of the global output.

Part of the reason is geological. Back in the industry's heyday, the average hunk of ore in a miner's underground reserves contained more than 1 per cent copper. That's since declined to not much more than 0.5 per cent, and will fall a further 17 per cent over the coming decade, according to Wood Mackenzie.

Chile, a linchpin of the global market since the 1980s, is starting to look particularly long in the tooth. State-owned miner Codelco — once the undisputed leader — has slipped behind Freeport-McMoRan Inc. in terms of output and has a fight on its hands to avoid being overtaken by BHP Billiton Ltd., too. At Escondida, the biggest deposit of all, controlling shareholder BHP has taken to reporting "grade-adjusted" results to account for the declining quality of the ore available.

For the world, that's probably no bad thing. It's never good for supplies of crucial commodities to be too concentrated, and the more diverse copper market these days provides a degree of protection should industrial action, politics or bad weather interrupt supply in one country or another.

Chile, though, still depends on copper for more than half of its exports, and output is stuck at the 5.5-million-tonnes-a-year level first reached a decade ago. Whoever wins the second round of elections next month will face a future in which copper's traditional support to the economy looks weaker than it has in decades.

HY-X

THE TELEGRAPH DATE: 22/11/2017 P.N.8

SAIL, Mittals close to JV

JAYANTA ROY CHOWDHURY

New Delhi: Steel Authority of India Ltd (SAIL) and ArcelorMittal are likely to sign a joint venture agreement to set up a Rs 5000-crore plant to make steel for automobiles early next year.

The differences between the two companies have narrowed down but remain in areas such as royalty rates and raw material pricing, which need to be sorted out over the next two to three months, say steel ministry officials.

The 1.5-million-tonne plant will be a 50:50 joint venture, with SAIL supplying the raw material from its Rourkela plant. This is part of a plan drawn up by SAIL to improve its topline.

The government is keen the venture (for which a memorandum of understanding was signed in 2015) takes off as it wants to unlock value in successful state-run companies through partnerships with foreign players, who will bring in the latest technology.

In early discussions between the Mittals and SAIL, the tiff was over the equity structure.

SAIL wanted majority holding in a manner similar to Tata's automotive steel venture set up in collaboration with Nippon Steel and Sumitomo, while the Mittals wanted more say.

In a similar joint venture in China with Hunan Valin, Arcelor has a one-third stake.

SAIL's differences with ArcelorMittal are now focused on royalty fees and SAIL's raw material prices.

The plan drawn up by the SAIL top management includes venturing into specialised steel for infrastructure (ports), engineering (ship-building), defence and nuclear power plants, high grade construction steel, specialised steel for capital goods industry such as making pressure vessels and electric grade steel.

SAIL reported a net loss of Rs 539.1 crore in the quarter ended September 2017 against a loss of Rs 731.6 crore a year ago.

Revenue has, however, increased by 21.3 per cent to Rs 13,617 crore against Rs 11,225 crore.

Steel ministry officials said the government wanted SAIL to enter the field of automotive steel as it was a fast-growing sector.

Talks with ArcelorMittal were initiated as technology in this field is at a premium. Even when setting up base abroad, global auto majors used the same steel as used by them in their home country.

BUSINESS LINE DATE: 23/11/2017 P.N.6

MCX Nickel rebounds from key support

YOGANAND D

BL Research Bureau

Following a sharp fall in the previous week, the Nickel futures contract on the Multi Commodity Exchange (MCX) found support in the band between ₹740 and ₹750 a kg.

The contract started to move higher this week, in the first two trading sessions, and the contract has advanced 2 per cent.

On Wednesday's trading session, the contract traded flat at around ₹766. The corrective rally can extend in the upcoming trading sessions and take the contract higher to ₹780 in the near-term.

Further rally beyond this key resistance can push the contract northwards to ₹800 in the short-term. Strong breakthrough of ₹800 is required to alter the short-term downtrend and pave way for an up move to ₹820 and ₹840 levels.

Traders with a short-term perspective should trend with caution in the near-term. Inability to move beyond ₹780 can bring back selling pressure and pull the contract down to re-test the immediate support in the band between ₹740 and ₹750.

That said, an emphatic downward break of this support band can reinforce the downtrend and drag the contract down to ₹720 and ₹700 in the short-term.

Medium-term view: Since taking support at ₹558 in June, the contract has been in a medium-term uptrend, forming higher peaks and troughs.

On November 1, the contract breached a key resistance at ₹780.

However, it encountered resistance at ₹840 and started to decline.

Witnessing a corrective decline, the contract found a key long-term support in the band between ₹740 and ₹750 last week. Only a conclusive plunge below the next key support level of ₹700 will alter the medium-term uptrend and pull the contract down to ₹685 and ₹670 levels.

On the other hand, a strong upward break of significant resistance level of ₹800 can accelerate the contract higher to ₹840 and ₹850 levels.

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

THE ECONOMIC TIMES DATE: 23/11/2017 P.N.15

Lower Farm Income Takes a Toll on Rural Gold Demand

Demand falls by up to 30%; precious metal selling at $4-5 discount in wholesale market

Sutanuka.Ghosal@timesgroup.com

ET ARCHIVES

Kolkata: Demand for gold in rural India has taken a hit this wedding season with kharif crops like soybean, guar, mustard and turmeric not fetching a remunerative price for farmers, said traders. Sales generally pick up around this time after harvesting, but this year, demand has dropped by 25-30%, they said.

Lower demand has also resulted in gold being sold at a $4-5 discount in the wholesale market with bullion dealers offloading their stocks.

"Rural demand is particularly muted in Madhya Pradesh, Chhattisgarh, Maharashtra, Andhra Pradesh, West Bengal and Bihar," said Nitin Khandelwal, chairman of the All India Gems & Jewellery Federation. "Farmers have yet to get good prices for their produce."

Khandelwal also cited recent floods, which, he said, destroyed crops ready for harvest and hurt the purchasing power of the rural community. "There is a discount on gold now," he added.

Soybean futures, which fell almost 10% in September and October, are still trading under pressure. Ritesh Kumar Sahu, research analyst for agri-commodities at Angel Commodities Broking, said: "In November, though the prices have improved, it is still trading lower than the minimum support price as soybean arrivals have increased."

Mustard futures have dropped to a two-and-half-year low in the second half of 2017. Prices are under pressure and are showing volatile trends due to higher production last year as well as stock limits on oilseeds in some states that have resulted in record stocks with farmers. According to trade sources, the country is still holding about 20 lakh tonnes of mustard from last year. Millers estimated to have crushed about 48 lakh tonnes last year against a marketable surplus of 67.8 lakh tonnes.

'Recent floods destroyed crops ready for harvest and hurt the purchasing power of the rural community'

Guar complex (seed and gum) futures ended lower for the second consecutive month in October due to new-season arrivals. Prices may go up in the coming weeks as production was less and export demand is picking up, Sahu said.

Turmeric futures have slumped by about 6.2% due to lower demand and expectation of higher production in the next season. Higher availability of stocks due to a government auction, too, pressurises prices. Castor seed futures have also traded under pressure in October despite reports of lower acreage, crop damage and good export figures for castor seed derivatives. Analysts, however, expect agri-commodity prices to firm up from December.

Meanwhile, the impact on farm income is felt in the jewellery sector. Farmers traditionally are major consumers of gold and their purchase behaviour is influenced by farm output and commodity prices. Jewellers from rural areas said the mood was not upbeat and sales were not picking up. They also cited GST among reasons for the dull demand environment in the market.

"Farmers do not have enough cash as soybean crop had not fetched good price in last two-and-a-half months. Moreover, there is a lot of confusion among rural buyers over GST which is affecting demand," said Mukesh Goyal, founder of Bhopal-based New Market Sarafa Association. In Bengal and Bihar, floods have created problems for farmers. Prabir Dey, owner of a jewellery shop in Burdwan district of Bengal, said: "People have cut down gold jewellery budget as there is not enough cash in their hands."

THE HITAVADA DATE: 24/11/2017 P.N.8

Govt working on data mining of deregistered cos

NEW DELHI, Nov 23 (PTI)

THE Government is continuing the process of data mining of deregistered companies and so far, bank details have been gathered for nearly 50,000 such entities, Union Minister P P Chaudhary said on Thursday.

Amid the clampdown on the black money menace, names of more than 2.24 lakh companies have been struck off from the records and over 3 lakh directors have been barred from directorship for their associations with such firms.

The Minister of State for Corporate Affairs said that based on details gathered from banks, around 50,000 deregistered companies deposited and withdrew about Rs 17,000 crore during demonetisation.

Data mining is continuing with respect to the struck-off entities, Chaudhary said, adding that artificial intelligence could be used to identify illegal activities of companies. He was speaking at an event organised by the Institute of Cost Accountants of India on Thursday.

In efforts to curb illicit funds flows and corruption, the Government had demonetised old Rs 500 and Rs 1,000 currency notes in November last year.

Meanwhile, cash deposits worth over Rs 17,000 crore were made and later withdrawn post demonetisation by as many as 35,000 companies, which are now deregistered, the Government said earlier.

As it steps up the fight against illicit fund flows, so far names of around 2.24 lakh companies that have been inactive for long have been struck off from the official records and 3.09 lakh directors have been disqualified.

BUSINESS LINE DATE: 24/11/2017 P.N.16

MCX Lead faces a key resistance zone ahead

GURUMURTHY K

BL Research Bureau

The bounce back move in the Lead futures contract on the Multi Commodity Exchange (MCX) seems to lack strength. The contract had reversed higher from the low of ₹156.2 a kg made on November 17. This bounce back move faced strong resistance in the ₹160-₹161 region. After attempting to breach above ₹161 several times in the last few days, the contract has reversed lower, and is currently trading at ₹157.

The contract will gain fresh momentum only on a strong break and a decisive close above ₹161. Such a break will ease the downside pressure and take the contract higher to ₹167 or even to ₹170 thereafter.

Short-term traders with a high-risk appetite can go long on a decisive break above ₹161. Stop-loss can be placed at ₹159.5 for the target of ₹166. Revise the stop-loss higher to ₹162 as soon as the contract moves up to ₹164.

On the other hand, if the MCX Lead futures contract continues to trade below ₹161, it can remain under pressure. In such a scenario, there is a strong likelihood of it falling to ₹154.5 in the coming days. A break below ₹154.5 can pull the contract further lower to ₹153. The level of ₹153 is a crucial medium-term trend-line support which can halt the down move. A strong upward reversal from this support level of ₹153 may have the potential to take the contract to ₹160 or even higher levels again.

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

BUSINESS LINE DATE: 24/11/2017 P.N.6

Refractory industry banks on revival of infra projects for demand pick-up

SHOBHA ROY

Kolkata, November 23

Having seen a near flat growth in the last couple of years, the ₹6,000-crore refractory industry is hoping for a 7-8 per cent pick-up in demand "in the coming years".

According to Sameer Nagpal, head of advocacy, Indian Refractory Makers Association (IRMA), the growth will be supported by a pick up in infrastructure projects translating to increased production of steel and cement.

Sameer Nagpal, head of advocacy, Indian Refractory Makers Association DEBASISH BHADURI

Steel industry growth

The steel industry is one of the biggest consumers of refractory products accounting for nearly 60-70 per cent of their total production. Refractory products are vital in all high-temperature processes in the making of metals, cement, glass and ceramics.

"Growth has been flat in the last couple of years. In fact, it also dipped a little when steel production went down. But production of steel is going up, as the government was able to reduce dumping from China. This translated into a pick up in refractory segment," Nagpal told *BusinessLine*.

The National Steel Policy 2017 envisages steel production to increase to 300 million tonnes per annum by 2030, up from the present 90 million tonnes.

This kind of "aggressive" steel growth target may be difficult to achieve unless the refractory industry is well equipped. Though there has been no major jump in projects, steel production has gone up.

Indian refractory industry is currently dependant on China for the supply of raw material, particularly magnesite. To encourage players to set up plants in India, government should focus on supporting the refractory industry with a better mining policy, and allocate funds for research and development of raw material in India.

"Magnesite can be produced from sea water. There are also some Indian mines which have low quality magnesite deposits. With R&D support we can improve the quality of the magnesite for use of the industry," he said.

The refractory industry, Nagpal said, is stuck with dues amounting to more than half of their profits with a number of steel firms facing insolvency process under National Company Law Tribunal (NCLT).

The capital-intensive steel industry has been one of the major contributors to the non-performing assets (NPAs) of banks, which stood at close to ₹8 lakh crore as on March 31, 2017.

'Keep off NCLT purview'

According to him, the refractory industry may have to take haircuts to the tune of ₹400 crore. This would be a death knell for the industry whose profit generation is to the tune of ₹600 crore.

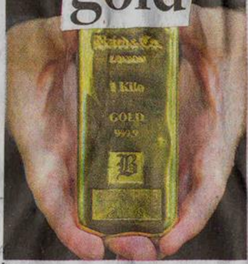
"Given the size of the refractory industry, our ability to take haircut is very small and some players may simply vanish," he pointed out.

Refractory, which is a critical raw material for the steel industry should therefore be kept out of the purview of NCLT.

BUSINESS LINE DATE: 24/11/2017 P.N.16

The road ahead does not look very smooth for Comex gold

T GNANASEKAR



Comex gold futures edged lower on Thursday, with investors taking profits after gains of nearly 1 per cent in the previous session on weaker US economic data, and concerns among some Federal Reserve policymakers over lower inflation. Many Fed policymakers expect that interest rates will have to be raised in the "near term", the minutes of the US central bank's last policy meeting showed on Wednesday.

Yellen's prediction

However, some members expressed concern over the inflation outlook and emphasised they would be looking at upcoming economic data before deciding the timing of future rate rises. Earlier in the week, Fed Chair Janet Yellen stuck by her prediction that US inflation would soon rebound, but offered an unusually strong caveat: she is "very uncertain" about this, and is open to the possibility that prices could remain low for years to come.

Comex gold futures have been grinding higher so far, but the road ahead still does not look very friendly. There is a lot of choppiness, and it typically tends to happen before a trending move begins – in this case, most likely a down move.

Unlike last year when rate hike fears triggered a sell-off, this time around, a consolidation ahead of the event and prices making higher highs, hint at a possible trending move higher rather than lower.

As mentioned in the previous update, failure to follow-through higher above $1,290 could once again dent the confidence of the bull camp. So far, price action indicates a possible intermediate bottom at $1260 levels. But any unexpected fall below $1,267 could easily drag prices sharply lower to $1,245-50 levels. This level should be considered a good level to give up longs. Strong initial resistances are around $1,295/97 levels, followed by $1,306.

A close above $1,300 could suddenly open the upside again to $1,330-35 levels. Unexpected decline below $1,265, on the other hand, could revive bearish expectations and longs to be abandoned strictly. Such a fall could see prices heading towards our potential bearish near-term targets around $1,240-45 levels again.

The $1,240-45 is a very strong medium-term support and, therefore, we can expect a strong bounce or a retracement from those levels in the coming weeks. The picture is quite mixed presently and favoured view expects prices to break the resistance levels on the back of a weaker dollar.

Wave counts

We will take a look at the wave counts now and understand the possible scenarios that can unfold going forward. It is most likely that the fall from the all-time highs at $1,925 to the recent low of $1,088 so far, was either a possible corrective wave A, with a possibility to even extend towards $1,025-30 levels or a complete correction of A-B-C ending with this decline.

Subsequently, to this decline, a corrective wave B could unfold with targets near $1,375 or even higher. After that, a wave C could begin lower again. Alternatively, we can also expect wave B to extend to $1,476 levels. If the current decline as a whole from $1,920 can be considered as a fourth wave, then the fifth wave could begin and cross $1,700 in the long-term. But failure to follow-through above $1,355 has dashed any hopes of any impulsive up move.

As prices have broken certain important supports and shows weakness targeting $1,100 levels. But a sustained move above $1,200 has once again revived bullish hopes, and will make the necessary adjustments to the wave counts, as the prices break key resistance above.

RSI is in the neutral zone now indicating that it is neither overbought nor oversold.

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

Therefore, buy Comex gold around $1,285/87 with stop loss at $1,264 targeting $1306. Supports are at $1,285, $1,267 & $1,255 and resistances are at $1297, 1305 & 1335.

BUSINESS LINE DATE: 25/11/2017 P.N.15

Vizag Steel Plant facing acute shortage of iron ore

Closure of damaged rail track hits supply

OUR BUREAU

Visakhapatnam, November 24

Rashtriya Ispat Nigam Ltd, the corporate entity of Visakhapatnam Steel Plant, is facing severe iron ore shortage as the rail track on the Kothavalasa-Kirandul (K-K) line has been damaged.

Iron ore to the steel plant is sourced from the Bailadila mines of NMDC through the K-K line and there was a landslide at Anathagiri in Visakhapatnam district last month during torrential rains.

The railway bridge and the track were badly damaged in the Eastern Ghats, and repair works are currently going on. Traffic on the line was stopped and iron ore is being supplied to the plant through an alternate route via Rayagada in Odisha.

A view of Visakhapatnam Steel Plant. Iron ore to the plant is sourced from the Bailadila mines of NMDC through the K-K line

Depleting stocks

However, according to plant sources, only two or three rakes are arriving every day and stocks are getting depleted at a very fast rate. The plant needs 5-10 rakes of iron ore daily to maintain its present production levels.

Efforts are being made to replenish the stocks from Odisha or Karnataka. Railway sources say the traffic on the K-K line may be restored only in the second or third week of December and till then the steel plant has to contend with the problem.

THE HITAVADA DATE: 25/11/2017 P.N.8

Bawankule puts WCL officials on mat over closed mines

■ **Staff Reporter**

Guardian Minister Chandrashekhar Bawankule taking review of WCL Mines and Cantonment land transfer at Bijli Nagar rest house of MSEDCL

GUARDIAN Minister Chandrashekhar Bawankule put working of Western Coalfields Limited (WCL) under scanner, questioning latter's decision to shut down Pipla mine although ample coal reserve is located in it. Also the Minister wanted to known as to why Walni mine is not working for last 17-years while the Bina village has not been relocated although WCL is mining in the area. Bawankule first of all directed WCL officials to immediately shift Bina village and then only continue with mining.

The Minister undertook a review of the WCL functioning in the district at Bijli Nagar guest house the other day. Saoner MLA Sunil Kedar and officials of WCL and Revenue Officials were present at the meeting.

The WCL officials offered an explanation as to closure of mines, stating that as the cost of extraction of coal was not feasible they were shut down. As to Walni mine the officials said while extracting coal they were facing difficulty in dewatering the mine and hence that was shut down in year 2000. About this Bawankule asked WCL management to explore using new mining technique for extracting coal. About resettlement of Bina villages, the Guardian Minister directed WCL officials to draw 700 sq.ft. plan for those PAPs whose houses were acquired. WCL team informed the meeting that for PAPs whose farm land and houses were acquired they have been provided 1500 sq.ft. of alternate land and those whose houses were acquired have got 12000 sq.ft. land and all such people have been rehabilitated.

Transfer of Defence Land

THE issue of transferring Defence land in city and district came up for discussion and it was agreed to being the process and complete the same in three stages. District Collector Sachin Kurve and Brigadier of Kamptee Cantonment were present during the discussion. MHADA was directed to look into issue of non allotment of houses to Vinkar community people who had deposited money way back in year 2003 in Kamptee area. Since MHADA is going to construct 888 new houses the Vinkar and Bidi workers be accommodated in the same, Bawankule directed the MHADA officials. Similarly he asked officials of Municipal Council to sanction building plan of MHADA as per old development rules.

THE HINDU DATE: 26/11/2017 P.N.10

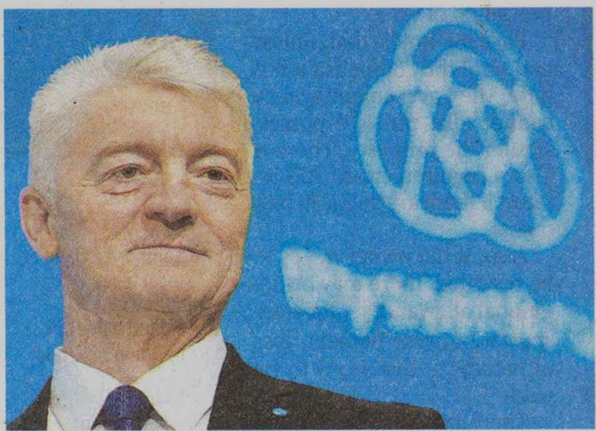
Thyssenkrupp starts talks with union on Tata merger

Conciliatory note comes after 8,000 workers protested, seeking job guarantees

REUTERS
ESSEN, GERMANY

Managers and labour leaders at Germany's Thyssenkrupp have struck a conciliatory tone as they seek to resolve a dispute over job cuts resulting from a planned merger of its steel operations with those of India's Tata Steel.

The de-escalation came after 8,000 steel workers protested on Wednesday, the day the Essen-based company announced improved annual results and a record order book, demanding guarantees to preserve jobs and production sites for 10 years.



Rising prospects: The deal offers the best chance to preserve jobs, says Thyssenkrupp's Hiesinger. ▪ REUTERS

First round of talks

"The negotiations started in a matter-of-fact atmosphere," a company spokesman said late on Friday after a working group held a first round of talks.

A spokesman for the IG Metall trade union said the two sides had agreed on two of its demands – for an independent appraisal of the deal, as well as a study of the risks arising from Tata Steel's pension obligations to its British workers. Managers from both companies will inspect each other's production sites over the next two weeks to examine their respective operational fitness.

Thyssenkrupp and Tata Steel in September announced plans for a joint venture that would create Europe's second-largest steelmaker after ArcelorMittal. The merger would result in up to 4,000 job cuts, although workers fear the toll could end up higher.

Chief executive Heinrich Hiesinger has said the deal actually offers the best chance to preserve jobs as Thyssenkrupp, which employs 27,000 people in its steel division, seeks to diversify into more promising businesses like high-tech elevators and car components.

SAIL targets 16% market share

To raise share from 14%, steel major reworks marketing plan, mulls new brands

INDRANI DUTTA
KOLKATA

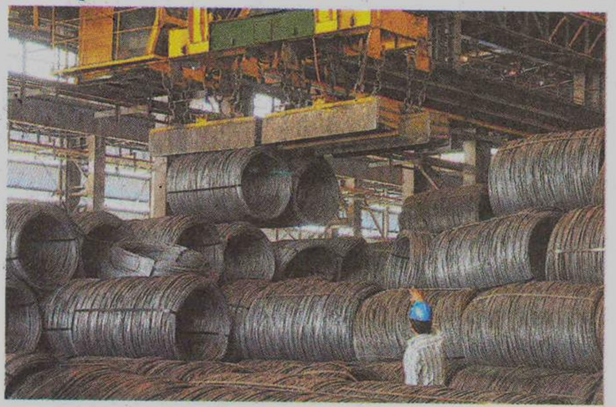
With an eye on grabbing a larger share of the market, Steel Authority of India Ltd. is putting in place a revamped marketing policy which rests on distributor-centric sales, increased share of value-added and customised steel in the product basket and a wider global footprint.

"For SAIL, the new marketing strategy, with customer-retention through enhanced customer experience as its mantra, is a way-forward to consolidate its market leadership," Chairman P.K. Singh said.

The government's 'growth-oriented policies and its focus on augmenting infrastructure through improved rail, road and air connectivity, and investment in ports and inland waterways, as well as the Make-in-India drive' all translate into increased demand, said SAIL officials.

Harnessing this opportunity through an aggressive customer-centric marketing policy, SAIL is aiming to increase its market share, by volume, from 14% to 16% by 2018-19."With stabilisation of most of our new and modernised mills, we are diversifying our product basket with value-added and ready-to-use products. SAIL will introduce new and niche brands also," Mr. Singh said after interacting with SAIL's marketing team.

The marketing strategy would be focussed on increasing share of value-added steel in the basket from 37% now to 50% by next fiscal. It would also see the recast of the marketing model from the present dealership-based mode to a distributor-based model with focus on key-account management and increases in export volume and reach.



Long arm: SAIL's value-added products target construction, including roads, bridges, tunnels, housing and railways.

Domestic demand

SAIL's present capacity of 17 million tonnes of saleable steel production will increase to 21.4 million tonnes on completion of its more than ₹60,000 crore modernisation programme by this fiscal.

"SAIL is aiming to seize the growing opportunities in the domestic steel market where demand is set to rise due to the thrust on infrastructure, housing and smart cities," SAIL executive director R.K. Singhal said.

Products from the modernised facilities such as universal rail mill at Bhilai, new plate mill at Rourkela, structural mills and wire-rod mill at Burnpur and Durgapur and the cold-rolling mill at Bokaro will contribute to SAIL's value-added product basket.

These products mainly target the construction sector including roads, bridges, tunnels, housing, railways, industrial usage like power transmission boilers, pipes and also niche segments like defence and space research, company officials said.

On the distributor-based marketing model , officials said that while SAIL already has a 2100-strong dealer network, it is planning to revamp the network into a two-tier distributor channel which will enable it to put in place a system of key account management for customer-satisfaction. It also sees this model as an enabler to help double its rural sales to one million by next fiscal.

LOKMAT DATE: 27/11/2017 P.N.9

वाणिज्यमंत्री सुरेश प्रभू यांची ग्वाही : सरकार करतेय योजनेवर काम

रत्न-आभूषण उद्योगाला प्रोत्साहन

लोकमत न्यूज नेटवर्क

नवी दिल्ली : रत्न आणि आभूषण या श्रमप्रधान उद्योग क्षेत्रात रोजगार निर्माण करण्यासह निर्यातीला प्रोत्साहन देण्यासाठी रत्न व आभूषण उद्योग क्षेत्रासोबत सल्लामसलत करून वाणिज्य मंत्रालय एका योजनेवर काम करीत आहे, असे केंद्रीय वाणिज्यमंत्री सुरेश प्रभू यांनी सांगितले.

या क्षेत्राच्या वृद्धीसाठी एक संयुक्तिक योजना तयार करावी, असे वाणिज्य मंत्रालयाने रत्न आणि आभूषण उद्योग क्षेत्राला सांगण्यात आले आहे. केंद्रीय अर्थसंकल्पाला अंतिम स्वरूप देण्यासाठी आणखी काही आठवडे आहेत. तेव्हा कमी वेळ असल्याने या दिशेने लवकरात लवकर काम करून प्रस्तावित योजना तयार करावी लागेल, असे सुरेश प्रभू म्हणाले.

समस्या सोडविण्यासाठी प्रोत्साहन योजनांची आवश्यकता

- पीसी ज्वेलर्सचे व्यवस्थापकीय संचालक बलराम गर्ग यांनीही सोन्यावरील आयात शुल्क कमी करणे गरजेचे असल्याचे मत मांडले आहे. छोट्या रत्न-आभूषण क्षेत्रातील छोट्या निर्यातदारांना सोने खरेदीत मोठ्या समस्यांना सामोरे जावे लागत आहे.
- या क्षेत्राचा निर्यात व्यापार वाढविण्यासाठी प्रोत्साहनाची गरज आहे. वाणिज्य आणि उद्योग मंत्रालयही या मुद्द्यावर सकारात्मक आहे. निर्यात स्थिती बरी नाही. प्रोत्साहन योजनेमुळे स्पर्धेसोबत या क्षेत्राची वृद्धीही होईल.

रत्न आणि आभूषण निर्यात संवर्धन परिषदेने सोन्यावरील आयात शुल्क १० टक्क्यांवरून ४ टक्के करण्याची मागणी केली आहे. या परिषदेच्या एका अधिकाऱ्याने सांगितले की, या उद्योग क्षेत्राच्या वृद्धीसाठी काय पावले उचलणे जरुरी आहे, यासाठी शिफारशी तयार करून त्या वाणिज्य मंत्रालयाकडे सादर करण्याच्या दृष्टीने ही परिषद कामाला लागली आहे. सोन्यावरील आयात शुल्क ४ टक्के करण्याची आम्ही मागणी केली आहे. वित्तमंत्रालय आमच्या या मागणीचा जरूर विचार करील, अशी आशा आहे. तंत्रज्ञान अद्ययावत करण्यासाठी, तसेच देशभरात रत्ने आणि आभूषण क्षेत्रासाठी औद्योगिक वसाहत स्थापन करण्यासाठी आम्हाला सहकार्य हवे आहे. कामगार कायदेही या उद्योगाच्या दृष्टीने पूरक असावेत, अशी आमची मागणी आहे, असे या अधिकाऱ्याने सांगितले. सोने आयातीमुळे चालू वित्तीय तुटीच्या दृष्टीने अडचणीचे ठरत असल्याने व्यापार सुस्त आहे.

हिरे क्षेत्राबाबत प्रभू म्हणाले की, कच्चा माल पुरेसा नाही. तेव्हा हिऱ्यांच्या खाणी पुनरुज्जीवित करण्याच्या मुद्द्यावर मध्य प्रदेशच्या मुख्यमंत्र्यांशी चर्चा केली जात आहे. सध्या रशियात हिऱ्यांचे मोठे भांडार आहे. मॉस्को भेटीदरम्यान मी कच्च्या मालाच्या मुद्द्यावर तेथील अधिकाऱ्यांशी चर्चा करू, असेही प्रभू यांनी या वेळी सांगितले.

THE HITAVADA(CITYLINE) DATE: 27/11/2017 P.N.10

India's crude steel output jumps 5 pc to 8.6MT in October: Report

■ **Business Bureau**

INDIA'S crude steel production rose 5.3 per cent to reach 8.629 million tonnes (MT) in October 2017, global steel body worldsteel said in a report.

The country had produced 8.197 million tonnes of steel during the same month last year, the World Steel Association (worldsteel) said.

According to the report, India's steel output during January-October 2017 was 6.4 per cent higher at 84.123 MT, as against 79.073 MT during the corresponding period of 2016.

Japan, the second largest crude steel producing nation, reported a 1 per cent contraction in output at 8.971 MT in October 2017, compared to 9.060 MT during same month last year.

During the first ten months of 2017 too Japan's steel output dipped 0.2 per cent to 87.239 MT from 87.442 MT in the year-ago period. India is already the world leader in stainless steel production and the third largest crude steel producer.

China maintained its position as the world leader in crude steel production, registering a 6.1 per cent rise in output during last month as well as January-October period of 2017.

In October, China produced 72.362 MT of crude steel as against 68.228 MT in the year-ago month.

The country produced 709.500 MT in January-October 2017 compared to 668.459 MT in the year-ago period.

During October 2017, global steel output stood at 145.254 MT, 5.9 per cent higher than 137.214 MT in October 2016.

Worldsteel has 66 member countries, representing approximately 85 per cent of the world's steel production.

"The crude steel capacity utilisation ratio of the 66 countries in October 2017 was 73.0 per cent. This is 3.0 percentage points higher than October 2016. Compared to September 2017, it is 0.6 percentage points lower," it added.

THE ECONOMIC TIMES DATE: 27/11/2017 P.N.9

Top 5 Steel Cos in Bankruptcy Process Face ₹2.09 L Cr Claims

Apart from the lenders, claims are from group firms which have been the suppliers

Sangita.Mehta@timesgroup.com

Mumbai: The five top steel companies referred to the bankruptcy courts as part of the first batch, are seeing more than Rs 2.09 lakh crores of claims with many coming from the group firms which have been suppliers to the defaulted companies. The claims from the nine companies who have made the information public has crossed Rs 3.25 lakh crore, data compiled by ET shows.

Lenders who are set to meet the resolution professionals of the respective companies next week to take a stock of the situation are worried about how the resolution plan would work in backdrop of sharp rise in claims coupled with the recent amendments in the Insolvency and Bankruptcy Code.

Last week, government amended the Insolvency and bankruptcy Code to prevent wilful defaulters and other defaulters with one year overdues from participating in the resolution process.

The outstanding loans of the banking industry to these 12 companies was originally estimated at Rs 2.25 lakh crore, but banker now say that if the claims of operational creditors is factored, the total dues by these companies could easily cross Rs 3.5 lakh crore. With higher than estimated claims and the amendments in recovery law, the resolution will have to finalised keeping in mind interest of all stakeholders, particular the home buyers in one case to prevent any negative repercussions.

Of the 12 companies that Reserve Bank of India mandated banks to refer to Insolvency & Bankruptcy Code, Era Infra Tech is yet not referred to as it is struck due ligations with lenders. The other companies include Essar Steel, Monnet Ispat, Bhushan Power & Steel, Bhushan Steel, Elecetrosteel Steel, Alok Industries, Amtek Auto, Jaypee Infratech, Jyoti Structures and ABG Shipyard.

Of these 11, only nine have made public information about the claims it has received from operational and financial creditors while remaining are in the processes of finalising the numbers. These nine companies have received claims of Rs 2.87 lakh crore from financial creditors and Rs 38,044 crore from operational creditors. The three companies that have yet not disclosed the amount of claims from the operational creditors include Jaypee Infra and Jyoti Structures, while Era Infra is yet to be admitted to bankruptcy court. However, the resolution professional will accept only those claims that can be verified.

All of these 11 companies, the resolution professional had invited resolution plan for the company and were simultaneously working on a standardised evaluation process.

According to insolvency lawyer, Sumant Batra the amendment in the Act will cause disruption all pending insolvency proceedings.

THE ECONOMIC TIMES DATE: 27/11/2017 P.N.7

Jindal Stainless, 2 Others to Invest ₹1,640 cr in Odisha Industrial Parks

Our Bureau

New Delhi: Jindal Stainless Steel, Gitanjali Infratech and Welspun will invest ₹1,640 crore to set up three private industrial parks in Odisha.

The state government, late on Friday, approved the proposals to set up the parks, which are expected to generate 7,900 direct and indirect jobs. The projects were accorded approval at a meeting headed by the state's chief secretary AP Padhi.

Jindal Stainless Steel will set up a downstream stainless steel park at Kalinganagar at an investment of ₹704 crore. The plant will have around 71 small and medium units in sectors like auto manufacturing, kitchenware, light engineering, pipes and tubes and service centres. Land requirement for the said project is 300 acres. This project has the potential to generate 4,800 jobs, including 3,600 direct and 1,200 indirect jobs.

Gitanjali Infratech proposes setting up a gems, jewellery, lifestyle and luxury goods park at Ramdaspur, Cuttack, at over 103 acres with an investment of ₹636 crore. The park will include facilities for processing technologies for cutting and polishing diamonds, precious and semi-precious stones, manufacturing of gold, silver, platinum and imitation jewellery.

These industrial processing facilities have been planned across 60.03 acres. The balance area of 29.23 acres will be leased out to other processing units of the diamond polishing and jewellery manufacturing sector. A total of 20 plots have been provisioned for the other industry players of the sector. Total employment potential of this project will be 4,000 during two years of phase one, followed by 5,500 employment opportunities in the next three years of second phase and 6,500 in the succeeding two years (third phase).

BUSINESS LINE DATE: 27/11/2017 P.N.8

Gold stuck in a range

But the overall bias remains bullish for it to breach $1,300 in the coming days

GURUMURTHY K

It was another volatile and a range-bound week for gold. The yellow metal fell sharply on the first trading day of the week to make a low of $1,274.6 per ounce. However, it recovered most of the loss thereafter and close at $1,288 per ounce, down 0.31 per cent for the week.

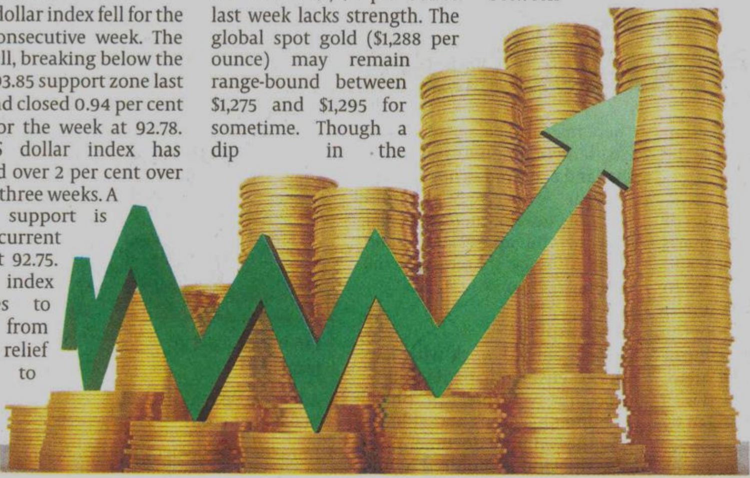
A weak US dollar helped gold prices to reverse higher The subdued recovery from the week's low of $1,274 signals that there is lack of strong and fresh buying interest. However, the broader bias remains bullish for gold to breach the $1,300-$1,310 resistance region in the coming days. Also, the prolonged consolidation above $1,260 for more than two months leaves the possibility high for a swift and sharp move once the $1,310 hurdle is breached.

Silver slumped below $17 per ounce to make a low of $16.85. However, it managed to recover some of the loss and close the week 1.48 per cent lower at $17

On the domestic front, the gold and silver futures contract on the Multi Commodity Exchange (MCX) fell last week in tandem with the global prices. Indeed, the losses were more on the domestic market on the back of a strong rupee. The Indian rupee strengthened breaking above 65 against the dollar last week. This pulled the gold and silver futures contract on the MCX. The gold contract, which has closed at ₹29,380 per 10 gm ,was down 1 per cent and MCX-Silver closing at ₹39,241 per kg was down 1.9 per cent for the week.

Dollar weakens

The US dollar index fell for the third consecutive week. The index fell, breaking below the key 94-93.85 support zone last week and closed 0.94 per cent lower for the week at 92.78. The US dollar index has tumbled over 2 per cent over the last three weeks. A crucial support is near current levels at 92.75. If the index manages to bounce from there, a relief rally to 93.50 or 93.85 is likely. A range-bound move between 92.75 and 93.85 is likely in such a scenario. However, the possibility of the index breaking above 93.85 or 94 again is less at the moment. So, as long as the index trades below 94, the outlook will continue to remain negative for a fall to 92 or even 91.5 in the coming weeks. This suggests that the downside is limited for gold: A fall to 92 or 91.5 in the dollar index may aid the yellow metal to breach $1,300 and surge in the coming weeks.



Gold outlook

The bounce-back move from the low of $1,274 per ounce last week lacks strength. The global spot gold ($1,288 per ounce) may remain range-bound between $1,275 and $1,295 for sometime. Though a dip in the near term to test $1,280 or $1,275 again cannot be ruled out, the overall bias is bullish to see gold breaking above $1,295 eventually. Such a break can take the prices higher to $1,300 initially. A break above $1,300 can take the price higher to $1,310 - a crucial resistance. A strong rise past this hurdle will clear the way for gold to revisit $1,350 or even higher levels.

The near-term view will turn negative only if gold declines below $1,275. The next targets are $1,265 and $1,260.

On the domestic front, the MCX-Gold (₹29,380 per 10 gm) has cluster of supports between ₹29,200 and ₹29,000. A dip to test ₹29,200 or even lower levels is likely in the near term. However, the outlook will turn bearish only if the contract breaks below ₹29,000 decisively, which looks less probable at the moment. Resistance is at ₹29,750. A strong break above this hurdle can take the contract higher to ₹29,900 or ₹30,000 initially. Further break above ₹30,000 will clear the way for the next targets of ₹30,200 and ₹30,500 over the medium-term.

Silver outlook

The global spot silver ($17 per ounce) has an immediate support at $16.90. A break below it can drag the prices lower to $16.75 or $16.60. On the other hand, if silver sustains above $16.90, it can test the resistance in the $17.25-$17.30 region. A strong break above $17.30 is needed for silver to gain momentum and target $17.60 thereafter.

The MCX-Silver (₹39,241 per kg) hovers above a key support level of ₹39,200. A break below it can take the contract lower to ₹38,635.

On the other hand, if the contract manages to sustain above ₹39,200 and breaks above ₹39,600 decisively, it can rally to ₹39,900 or even ₹40,200 in the coming days.

BUSINESS LINE DATE: 27/11/2017 P.N.8

GLOBAL		Change in %			52-Week	
	Price	Weekly	Monthly	Yearly	High	Low
Metals ($/tonne)						
Aluminium	2117	1.5	-1.3	19.4	2188	1700
Copper	6980	3.5	-0.4	19.2	7122	5426
Iron Ore	65	7.2	7.5	-14.2	95	54
Lead	2472	2.0	0.5	10.8	2585	1984
Zinc	3263	1.5	0.5	20.4	3370	2087
Tin	19573	0.1	-1.5	-9.3	21609	18750
Nickel	11979	4.0	0.3	3.9	12830	8710

BUSINESS LINE DATE: 28/11/2017 P.N.4

Jewellery industry seeks lower import duty on gold

GST, low global demand and introduction of VAT in Dubai to hit exports, says GJEPC

OUR BUREAU

New Delhi, November 27

The gems & jewellery industry has asked the government to pare import duties on gold from 10 per cent to 4-5 per cent and extend the benefits of the merchandise export from India scheme (MEIS) to the sector to offset the impact of value added tax in Dubai, set to be introduced from January 2018.

"We expect our exports to stagnate at $43 billion this year because of the existing high customs duty on gold, the implementation of the Goods and Services Tax, low global demand situation and the value-added tax to be introduced by Dubai in January. Exports can increase only if the government brings down import duty and gives the industry an incentives package," said Praveenshankar Pandya, Chairman, Gems & Jewellery Export Promotion Council, at a press conference on Monday.

The Council, however, is expecting gold imports to to be higher at over 700 tonnes in the current fiscal, against 500 tonnes in 2016-17.

While the industry was earlier estimating a 10 per cent growth in exports in 2017-18 compared with the previous fiscal, Pandya said it will not happen without government intervention. The GJEPC has already made its representation to the Finance Ministry and the Commerce Ministry and is hopeful of some favourable action on the import duty front before or as part of the Union Budget for 2018-19.

Praveenshankar Pandya, Chairman, GJEPC

The Commerce Ministry, too, has been making a case for lowering of import duty on gold from 10 per cent to 2 per cent.

Gold policy

The GJEPC has also called for a five-year comprehensive gold policy and a single regulator for the sector. "We want a five-year gold policy on the lines of the foreign trade policy. While all departments concerned should pitch in to formulate the policy, the regulation should be done by only one, preferably the Commerce & Industry Ministry," Pandya said.

Pandya said a single regulator would also take care of complex issues arising from free trade agreements (FTAs), like the problem witnessed recently related to increase in imports from South Korea and Indonesia because of the existing FTAs and the new GST regime.

The 5 per cent VAT that Dubai plans to introduce from January 2018 will deal a blow to Indian jewellers as around 43 per cent of the country's gold jewellery exports goes to the country. "We want the government to extend the benefits of the MEIS to us to off-set the effect of the VAT in Dubai," said Sabyasachi Ray, Chief Executive Director, GJEPC.

GJEPC is holding a two-day gems and jewellery summit beginning on December 1, to bring all stakeholders of the industry on a common platform and share their opinion on the current status and challenges of the Indian bullion industry both nationally and internationally.

THE HITAVADA DATE: 28/11/2017 P.N.11

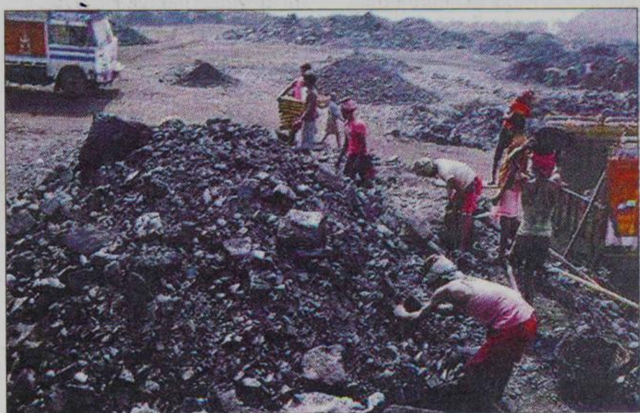
'Coal import may see further dip on self-sufficiency push'

NEW DELHI, Nov 27 (PTI)

GLOBAL rating agency Fitch has said India's dependency on imported coal may continue to decline as the government moves ahead on the path of self- sufficiency. "We expect India's thermal coal imports to continue to fall as the government maintains its push for self-sufficiency and as renewable energy output increases," the global rating agency said.

"This is amid lower-than-expected demand because of reduced offtake from financially stressed power distribution companies and subdued industrial performance," Fitch Ratings said.

In September, the import went up temporarily as generators stocked up the fossil fuel ahead of winter, it said.



Coal import for October came in flat at 16.65 million tonnes, underpinned by cautious buying by consumers due to high prices in the overseas market, according to the data from mjunction services, a leading name in the e-auction space.

The figure for October 2016 was 16.68 million tonnes (mt).

Import of coal declined 6.37 per cent to 191.95 mt in 2016-17, mainly because of higher production by Coal India Ltd (CIL).

THE HITAVADA DATE: 28/11/2017 P.N.11

India's gold imports to jump to over 700 tonnes in FY18: GJEPC

NEW DELHI, Nov 27 (PTI)

INDIA'S gold imports will jump to over 700 tonnes in the current fiscal as against 500 tonnes in 2016-17, a top industry association said on Monday.

Addressing a press conference here, Gems and Jewellery Export Promotion Council (GJEPC) Chairman Praveenshankar Pandya demanded that the Import Duty on gold be brought down to 4-5 per cent in the Budget, asserting that the prevailing 10 per cent Import Duty on the yellow metal gives rise to smuggling.

"The degree of difficulty of doing business in India and the import duty of 10 per cent is hampering our growth," he said. However, Sabyasachi Ray, Chief Executive Director, GJEPC, said, "We imported 500 tonnes of gold in 2016-17. This year, we will import around 700 tonnes."

According to GJEPC, the introduction of 5 per cent VAT in Dubai from January 2018 and the imposition of 5 per cent import duty on gold and diamond jewellery by the Gulf nation in January this year, are bound to hit India's exports from the sector.

Dubai acts as a major transit point and accounts for over 50 per cent of the USD 7.5 billion gold jewellery exports from India.

The Council expects gems and jewellery exports to remain flat at USD 43 billion in the current fiscal, on account of sluggish demand in international market, proposed introduction of VAT and imposition of imports duty by Dubai, and teething problems under the GST regime.

Besides, Ray said the Niti Aayog and Department of Economic Affairs are working on a gold policy, and "most probably it will be announced in the Budget".

He said that post the announcement, there will be a uniform policy for gold and a regulator will be in place to implement it. The policy, he said, will address issues including standardisation, imports, exchange mechanism for gold and refineries, etc.

THE HINDU DATE: 28/11/2017 P.N.15

Gems and jewellery sector calls for comprehensive gold policy

Seeks import duty cut on yellow metal as part of a package

SPECIAL CORRESPONDENT
NEW DELHI

The Gems and Jewellery Export Promotion Council (GJEPC) on Monday called for a comprehensive gold policy framework to make India a global hub for the industry as well as boost exports from the segment.

Precious focus: The policy will make India a global hub for the industry as well as boost exports. ▪ AFP

'Need of the hour'

"A comprehensive gold policy framework is the need of the hour to make India a global hub for gems and jewellery, and increase exports therein," said K. Srinivasan, convener, Jewellery Panel, GJEPC, in a statement.

"The policy will also ensure transparency and trust amongst key stakeholders including consumers. Such a policy will improve the supply chain efficiency and facilitate requisite delivery standards," he said.

Praveenkumar Pandya, chairman, GJEPC, called for a package for the sector. This, he said, should include the formulation of a comprehensive gold policy with one authority, reduction of import duty on gold from 10% to 4% to make the fragmented gold jewellery sector more organised.

The proposals come days before the country's first-ever gold and jewellery summit is to be held on December 1-2 in New Delhi.

DAINIK BHASKAR DATE: 28/11/2017 P.N.9

सोना, चांदी में 100 रुपए की तेजी

नई दिल्ली। वैश्विक स्तर कीमती धातुओं में आई तेजी के बल पर आज दिल्ली सर्राफा बाजार में सोना 100 रुपये चमक कर 30550 रुपये प्रति दस ग्राम पर पहुंच गया और चांदी 100 रुपए की बढ़त लेकर 40400 रुपये प्रति किलोग्राम बोली गयी। अंतरराष्ट्रीय स्तर पर सोना हाजिर 0.49 प्रतिशत की बढ़त लेकर 1294.12 डॉलर प्रति औंस पर रहा। इस दौरान अमेरिकी सोना वायदा 6.3 डॉलर चढ़कर 1293.60 डॉलर पर रहा। विश्लेषकों का कहना है कि अमेरिकी मुद्रा डॉलर पर बने दबाव की वजह से कीमती धातुओं में तेजी आयी है। अभी यह नहीं कहा जा सकता है इन धातुओं में तेजी का रूख कायम रहेगा या गिरावट आ सकती है। हालांकि उनका कहना है कि यदि सोना 1300 डॉलर के स्तर को पार करता है तब इसमें कुछ करेक्शन देखने को मिल सकता है। इस दौरान चांदी 0.78 प्रतिशत की बढ़त लेकर 17.11 डॉलर प्रति औंस पर रही। अंतरराष्ट्रीय बाजार से मिले सकारात्मक संकेतों के बल पर स्थानीय बाजार में सोना 100 रुपये चमककर 30550 रुपये प्रति दस ग्राम पर पहुंच गया। सोना बिटुर में भी इनती ही की तेजी रही। हालांकि गिन्नी में कोई बदलाव नहीं हुआ और यह 24700 रुपये प्रति आठ ग्राम पर स्थिर रही। पीली धातु की तरह सफेद धातु में भी तेजी दर्ज की गयी। चांदी 100 रुपये बढ़कर 40400 रुपये प्रति किलोग्राम बोली गयी।

नागपुर में सोना ₹25 चांदी ₹150 घटी

व्यापार प्रतिनिधि, नागपुर. सोमवार को नागपुर सराफा बाजार में सोने के दाम में 25 रुपए और चांदी के दाम में 130 रुपए की बढ़त दर्ज की है। सराफा बाजार में सोना 24 कैरेट (प्रति 10 ग्राम) 30,625 रुपए, 23 कैरेट 30,375 रुपए और 22 कैरेट 30,125 रुपए बिका। वहीं चांदी कच्ची 40,430 और पक्की 40,930 रुपए प्रति किलो बिकी।

THE TELEGRAPH DATE:29/11/2017 P.N.8

Coal import under check

A STAFF REPORTER

Calcutta: Coal import for power is expected to remain subdued in the coming months of 2017-18 on the back of high shipment in September and October as both public and private generators have stocked up ahead of winter.

Imported coal arriving at thermal power stations during September and October was 5.17 million tonnes (mt) and 5.25mt, respectively, against 4.1mt and 3.92mt in July and August.

Tata Power, Adani, JSW Energy and Torrent were among the private players to import coal. State-owned generators such as GSECL (Gujarat State Electricity Corporation) and APPDCL (Andhra Pradesh Power Development Corporation) have also imported coal in the last two months, according to data from the Central Electricity Authority.

Total imported coal received by the power plants in the first seven months of the financial year was 33mt against a target of 46mt for the year.

"In September 2017, imports rose temporarily as generators stocked up ahead of winter," said Fitch Ratings in a report on coal import trend in the Asia Pacific region.

"We expect India's thermal coal imports to continue to fall as the government maintains its push for self-sufficiency and as renewable energy output increases. This is amid lower-than-expected demand because of reduced off-take from financially stressed power distribution companies and subdued industrial performance," the report said.

Plant load factor, an efficiency parameter for thermal power generators, has declined to 59.69 per cent in October 2017 from 66.86 per cent in October 2015.

India Ratings and Research (Fitch's local arm) in a report said PLF was likely to remain low given the significant capacity addition and lower than expected demand growth.

The Niti Aayog, in its draft National Electricity Policy, has estimated coal-based generation capacity to go up to more than 251-266GW by 2022 from 125GW in 2012. By 2040, it is estimated to hit 330-441GW.

WINTER EFFECT

Coal imports (in million tonnes)

April	4.79
May	5.33
June	5.06
July	4.1
Aug	3.92
Sept	5.17
Oct	5.25

BUSINESS LINE DATE:29/11/2017 P.N.16

MCX Zinc hovers above a crucial support base

GURUMURTHY K

BL Research Bureau

The Zinc futures contract on the Multi Commodity Exchange has come off the high of ₹212 per kg it hit last Wednesday. The contract has tumbled over 3 per cent from this high and is currently trading at ₹204.5.

A key near-term support is at ₹202, which is likely to be tested in the near-term. If the contract bounces higher and manages to sustain above ₹202, a rally to ₹210 or ₹212 is possible again.

But if the zinc futures contract breaks below ₹202, it can fall to test the key short-term support level of ₹199 — the 100-day moving average.

Whether the contract reverses higher from ₹199 or not will determine the next trend. A strong bounce from ₹199 can take the contract higher to ₹205 or ₹207 thereafter. But a break below ₹199 can drag the contract to ₹195 initially. Further break below ₹195 will increase the likelihood of the fall extending to ₹190 or ₹188.

Traders can stay out of the market for the moment. Watch the price action in the coming days to get a clear cue on the next trend.

The bias is negative on the charts for the contract to break below ₹199 eventually and fall to ₹195 or even lower in the coming days.

However, it is too early to take a call on this. The price action in the coming days needs to watched to get a confirmation on this fall.

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

BUSINESS LINE DATE:30/11/2017 P.N.17

IDCOL, IREL form JV for beach sand mining

PRESS TRUST OF INDIA

Bhubaneswar, November 29

The State-run Industrial Development Corporation of Odisha Ltd (IDCOL) on Wednesday signed a joint venture agreement with Indian Rare Earth Ltd (IREL) for implementation of ₹450-crore beach sand mining project.

The joint venture company with 49 per cent share of IDCOL and 51 per cent equity of IREL will be named IREL-IDCOL Ltd. It will apply for the fresh lease of beach sand, said Odisha Industries Secretary Sanjeev Chopra.

Job potential

He said the joint venture company would provide employment to about 400 people. As per the pre-feasibility report, development and construction period is about 24 months and payback period is about five years.

It will also open an area for new downstream units using the product of the project, Chopra said.

IDCOL had earlier signed an MoU with IREL in 2015 regarding the formation of this JV company.

The joint venture company will apply for lease of beach sand from Gopalpur in Ganjam district to Brahmagiri area in Puri district. A mineral separation plant will be set up with an estimated project cost of ₹450 crore.

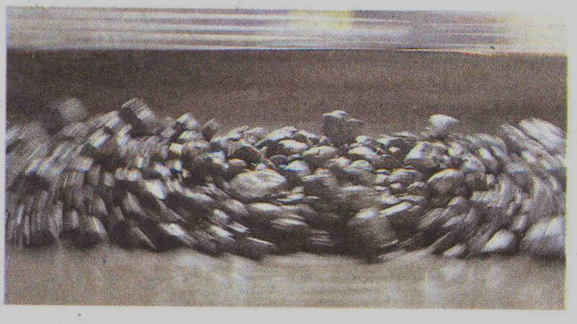
Mineral deposits

Stating that Odisha has a large reserve of beach sand minerals in its coastal stretches, Chopra said ilmenite is the largest constituent of the deposit and most of them remain untapped in the State.

According to 2011 report of the Ministry of Mines, Odisha has the third largest deposit of ilmenite in the country. Andhra Pradesh has the biggest deposit followed by Kerala and Tamil Nadu at the second spot.

BUSINESS LINE DATE: 30/11/2017 P.N.16

Prospects turn bearish for MCX Nickel



GURUMURTHY K

BL Research Bureau

The resistance around ₹780 per kg has held well for the Nickel futures contract on the Multi Commodity Exchange (MCX).

The contract tested this resistance last week by making a high of ₹778.9 per kg on Friday and has reversed sharply lower from there. It has tumbled over 6 per cent from this high and is currently trading around ₹726/kg.

The sharp fall in the past week has dragged the contract well below the key support level of ₹740.

Immediate support is at ₹718 (100-day moving average) which is likely to be tested in the coming days. If the contract manages to bounce from this support, a relief rally to ₹730 and ₹740 is possible.

However, further break above ₹740 is unlikely at the moment as rallies to ₹730 and ₹740 levels may find fresh sellers coming into the market.

Also there is a head and shoulder reversal pattern on the daily chart. This is a bearish pattern.

The neckline resistance of this pattern is at ₹740 which is likely to cap the upside in the short-term.

So,as long as the contract trades below ₹740, the outlook will remain bearish. An eventual break below the 100-day moving average support level of ₹718 will increase the likelihood of the contract falling to ₹700 and ₹680 in the coming weeks.

Traders with a medium-term perspective can go short at current levels and also on rallies at ₹735.

Stop-loss can be placed at ₹748 for the target of ₹685. Revise the stop-loss lower to ₹715 as soon as the contract moves down to ₹705.

The outlook will turn positive only if the contract breaks above ₹740 decisively. The next targets are ₹755 and ₹770.

But such a strong rally looks unlikely at the moment.

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

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

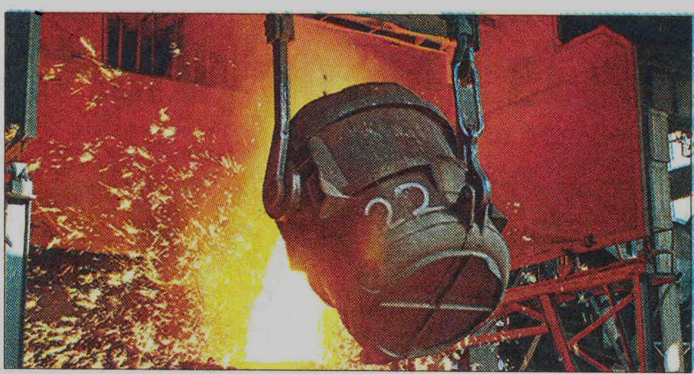
Moody's upbeat on steel sector, says Tata Steel to benefit most

MUMBAI, Nov 29 (PTI)

ROBUST domestic demand and protectionist measures by the Government will help the domestic steel industry going forward and earnings of major players like Tata Steel will increase significantly due to newly-added capacity, says a report.

"Among the major steel-producing Asian countries, operating conditions will be the most supportive in India, because of the robust domestic demand and protectionist measures. This is despite an increase in raw material prices and new capacity additions," international rating agency Moody's said on Wednesday in its 'Asia Steel Outlook 2018' report.

The agency said the earnings of Tata Steel will increase significantly due to newly-added capacity, and the same will remain steady for JSW Steel.



Moody's has given a stable outlook with Ba3 rating for both Tata Steel and JSW steel.

"The likely stable profitability for Asian steelmakers is underpinned by the removal of excess production capacity in China and broadly steady demand in Asia as a whole," Moody's Senior Vice-President Kai Hu said.

"Overall Asian steel demand will remain stable, with robust demand growth in South and Southeast Asia, and flat in China as it sees Chinese capacity to continue to decline, due to its Government's supply-side reforms and environmental protection measures, the factors which will reduce the supply glut in Asia," Hu said.

China drives the outlook for steel companies in Asia because the country represents the region's largest steel consumer as well as producer.

THE HITAVADA DATE: 30/11/2017 P.N.4

Steel demand in India set to rise, profitability of cos to improve: Moody's

OUR BUREAU
Mumbai, November 29

Profitability of Indian steel companies is likely to improve next year despite an increase in raw material prices, according to Moody's Investors Service.

In its latest report 'Steel — Asia, 2018 outlook', the rating agency said that among major steel-producing Asian countries, operating conditions will be most supportive in India because of robust domestic demand and protectionist measures, and despite an increase in raw material prices and new capacity.

Moody's has also revised the outlook of Asian steel companies to stable as it expects the profitability of these companies to be steady compared to 2017.

"The likely stable profitability for Asian steelmakers that we rate is underpinned by the removal of excess steel-production capacity in China and broadly steady demand in Asia as a whole," says Kai Hu, a Moody's Senior Vice-President.

Steel production capacity in China will continue to decline, due to its government's supply-side reforms and environmental protection measures.

These factors will reduce the supply glut in Asia, Moody's said in a statement on Wednesday.

China outlook

China drives the outlook for steel companies in Asia because the country represents the region's largest steel consumer as well as producer.

"Overall steel demand in Asia will remain stable, with robust demand growth in South and South-East Asia, and flat growth in China," said Hu.

A likely slowdown in China's property sector sales will have a limited effect on overall demand and industry fundamentals over the next 12 months, because the strong fall in sales since 2016 will support new construction and steel demand over the next several quarters.

Domestic demand will be steady in Japan and Korea, which, together with the steelmakers' efforts to cut costs and increase production of premium products, should push up earnings of companies in these two countries, it added.

ACHIEVEMENTS & LAURELS

THE HITAVADA(CITYLINE)
DATE: 20/11/2017 P.N.9

P L Meshram

P L MESHRAM, an employee of Indian Bureau of Mines, Nagpur, has been awarded with PhD in Communication and Journalism by the University of Mumbai recently. The topic for his research was 'Mass Media and Tribal Transformation with Special Reference to Gond Community in Gadchiroli Tehsil of Maharashtra'. He carried out the research under the guidance of Dr Sunder Rajdeep, Department of Communication and Journalism, University of Mumbai. He has completed MSc from RTM Nagpur University, Master of Journalism and Communication from Dr Hari Singh Gour University, Sagar and Master of Philosophy in Journalism and Communication from Madurai Kamaraj University, Tamil Nadu. He gives the credit of his success to colleagues, friends and family.