Raise duty on aluminium, scrap: Industry

To protect the interest of homegrown companies from rising imports of aluminium metal and its scrap, the aluminium industry has demanded that the Centre increase import duty on these products.

As per statistics of Aluminium Association of India, Indian aluminium industry has seen a huge surge in imports in recent years from 8.81 lakh tonne in the year 2010-11 to 15.63 lakh tonne in 2014-15, primarily from Middle East and China.

There are four primary aluminium producers in the country — Balco, Nalco, Hindalco and Vedanta Aluminium.

In London Metal Exchange, aluminium prices have fallen to $1685/MT in June 2015 which has significantly affected the global aluminium market. The production cost of Balco itself is $1900/MT.
UPS & DOWNS
THIS WEEK @ DALAL STREET

Foreign factors drove markets in the July 6-10 week, with the crisis in Greece and the rout in Chinese stocks impacting India. Volatility dominated markets during the week.

Essar Oil
₹189.55
8.9%
Shares rose after the company's board approved the sale of 49% promoter stake to Rosneft, which could likely lead to an open offer to retail shareholders.

Torrent Power
₹147.75
3.9%
The stock surged on plans to merge group company Torrent Cables with the power firm. Torrent Power shareholders stand to gain.

Vedanta
₹146.00
10.4%
Most of the share price fall was attributed to the sharp plunge in prices of metals, mining, commodity stocks after rout in China.

Shriram City
₹1,701.85
5.3%
Shares fell after major brokerages said the stock was steeply overvalued, following the prolonged bull run in the past year.

Jindal Steel
₹84.80
1.3%
Hopes that the company's overseas plans could improve the fortunes of the Indian operations boosted the stock.

Oil India
₹438.15
2.5%
Overall bearish sentiment for commodities and crude oil globally hit the oil company's shares.

*Figures in boxes indicate Friday's closing price on the Bombay Stock Exchange.
Sequentially, May marks the seventh straight month of growth

Industrial growth slows in May

TCA Sharad Raghavan

Industrial production seems to be growing slower than earlier thought, with provisional figures for May 2015 showing the index of industrial production’s (IIP) growth at 2.7 per cent, down from 3.4 per cent in April. However, May marks the seventh straight month of growth.

The IIP for April too has been revised downwards to 3.4 per cent from the earlier estimate of 4.1 per cent, with core industries such as manufacturing and mining growing slower than earlier thought.

The capital goods industry saw the biggest fall in May with usage growth at 1.8 per cent compared to a robust 6.8 per cent in April. “However, it wasn’t all bad news as capital goods registered expansion for seventh consecutive month. Basic goods and intermediate goods production continues to remain positive,” said Rishi Shah, an Economist with Deloitte.

Even manufacturing slowed considerably, with May growth at 2.2 per cent. This is slower than the provisional figures for April, at 5.1 per cent, and even the revised figures for that month of 4.2 per cent. Manufacturing constitutes more than 75 per cent of the weightage in the overall IIP.

However, manufacturing output has been growing consistently since October 2014, and is seen to be slowly picking up. “Manufacturing sector growth seems to be picking up though it remains sluggish. With capital goods sector registering positive growth it indicates a turnaround in investments in the economy,” said Dr Jyotsna Suri, President, FICCI.

Electricity production saw the biggest gains in May, growing six per cent compared to a contraction of -0.5 per cent in April. Mining and quarrying grew at 2.8 per cent in May, compared to 0.2 per cent in April. “The consumer goods industry contracted -1.6 per cent in May, with consumer durables contracting -3.9 per cent and consumer non-durables contracting -0.1 per cent, as an indication of subdued demand, an issue flagged by Reserve Bank of India Governor Raghuram Rajan earlier in the year. “The (consumer goods) sector has once again entered the negative territory after showing a positive growth last month thereby signalling a decline in purchasing power, particularly in the rural area. We are hopeful that better monsoons than expected would help rural demand and would create an improved environment for revival of the consumer goods sector,” said Chandrakirt Banerjee, Director General, CII.

WITH CAPITAL GOODS SECTOR REGISTERING POSITIVE GROWTH, IT INDICATES A TURNAROUND IN INVESTMENTS IN THE ECONOMY.

— JYOTSNA SURI, PRESIDENT, FICCI.
Rajasthan to close 30k mines

Rajasthan would begin closing 30,000 mines operating without green clearances after the Supreme Court decided not to stay the state High Court orders for the same, DHNS reports from Jaipur.

Rajasthan government and the state’s mining federation had filed a special leave petition challenging the H/C order, but the three-judge bench refused to stay the order and asked the petitioner to present his case on August 20. Following the decision, mines operating in less than 3 acres of land and without environment clearance will be considered illegal.

The High Court order came in response to a PIL filed by Dinesh Bothra pointing out that several mines in the state have been operating without proper environmental clearances.
NGT pulls up Raj on illegal sand mining

PRESS TRUST OF INDIA
New Delhi, 10 July

In a stern warning to the Rajasthan government, the National Green Tribunal today said its accounts might be attached and its officials could face punitive action, as they have not been able to stop illegal sand mining in the state.

A bench headed by NGT chairperson Justice Swatanter Kumar appointed a local commissioner and asked him to pay a surprise visit to Udaipur district where illegal sand mining was allegedly taking place and file a report.

"We make it clear that if the orders of tribunal are not complied with, then accounts of the state government may be attached and disobeying and defying officials may face punitive action. Local commissioner is at liberty to make a surprise visit to the area and file a report," the bench said.

The tribunal also asked the state government to pay a fee to local commissioner, advocate Daleep Kumar Dhyani, and provide necessary security to him during the visit.

The bench after perusing the photographs of illegal sand mining in the area directed the deputy commissioner, senior superintendent of police and director (mining) to ensure that no illegal mining will be carried out in the area. The green panel also asked the state government to serve notices against whom cases have been lodged for illegal mining to appear before NGT and show cause them as to why they should not be asked to pay compensation for degrading environment.

Taking note of the fact, that department of mining has returned the seized sands and other minerals to the offenders after imposing and collecting the penalty, the bench asked the mining secretary of Rajasthan under what policy the minerals were returned.

"You have been rewarding the thieves. Secretary mining should tell us under what provisions and policy the minerals have been returned to the offenders, particularly when they do not have licence to do mining," the bench said.

The bench, while posting the matter for August 6, asked the state to file a comprehensive report regarding quantum of illegal mining done in Udaipur district and other areas from January 1 to June 30 and what action has been taken so far.

During the hearing, state government submitted that no illegal mining is being done after 26 June and since April 2015, 93 cases have been registered against various people.

Counsel appearing for the state said that in April-May - June total of 500 metric tonne of sand was seized and Rs 25.7 lakh penalty was imposed on them.

The tribunal was hearing a petition filed by one Nanga Ram Dangi who alleged that illegal sand mining was taking place in and around Jaisamand lake in Udaipur district of Rajasthan due to which several villages of the areas were affected.
Auction coal from Chhattisgarh mines and let JPL bid: HC to CIL

NEW DELHI: Delhi High Court on Friday directed Coal India Ltd (CIL) to dispose of the coal it was mining from two Chhattisgarh mines through a fresh e-auction in which Jindal Power Ltd (JPL) was permitted to participate. A bench of justices Badar Durrez Ahmed and Sanjeev Sachdeva issued the direction on the plea of CIL seeking direction for disposal of coal being mined by it from Gare Palma IV/2 and IV/3 mines.

The court also issued notice to JPL and the Centre and sought their responses by August 11 on CIL’s plea which has also sought permission to sell coal mined by it to National Thermal Power Corporation (NTPC) or others with whom it has a fuel supply agreement. CIL sought permission to dispose of coal being mined by it from the two mines, saying it does not have space to store the mineral. The PSU moved the application as the high court on May 27 had kept in abeyance its letter cancelling the e-auction in which JPL had won 49,000 metric tonnes of coal to be mined from the two mines. Senior advocate Sandeep Sethi, appearing for CIL, told the court the problem was that after it received environmental clearance, it had commenced mining and now the mineral was accumulating at the site with no space to store it.

CIL’s application was filed in the main petition of JPL which has challenged a May 16 letter by which the PSU had cancelled the e-auction. CIL had said it had cancelled the e-auction as it was yet to get the consent to operate the mines and therefore, mining had not commenced. It had also submitted that as of now it has not entered into any arrangement with NTPC to supply coal for the PSU’s Patna unit.

Earlier, the court had termed as ‘absurd’ CIL’s reason for cancelling the e-auction due to delay in getting consent to operate the two mines. JPL had initially challenged the decision by way of an affidavit for quashing of a March 20 order of the government cancelling the bids of the company and Bharat Aluminium Company (Balco) for four coal blocks, amid speculation of cartelisation.

Thereafter, it had filed a fresh petition on the court’s direction. JPL had in its affidavit contended that while 49,000 mt of non-coking coal won by it was cancelled citing production issues at Gare Palma IV/2 and IV/3 mines, 2.5 lakh tonnes per month of coal from same area was offered to NTPC on ‘as is where is basis’.

PFI
भरोसा उठने से खस्ताहाल सोना

सोने की कीमत घटती जा रही है, जबकि मौजूदा हालात में तेजी आनी चाहिए थी।

एक्स्प्रेस (एजेंट)। इस किसी कारोबारी काफी भूमिका के हालात सोने के बारे में है। फिर भी इसकी कीमत में लगातार घटाव नहीं है। अलंकार में लोगों को लग रहा है कि फिस्ट भरमार में सोने की कीमत और स्थायी, हिमालय के समस्त अन्य पारंपरिक उद्योगों पर पड़ रहा है।

सोने के कभी-कभी अतिक्रमण की जगह है। सोना से निर्मिति के बाद वे हाल क्षतिग्रस्त होते हैं। बहुत परिश्रम में बनते हैं जो पहली बार पढ़े लोगों के हालात के लिए नहीं किया जाता। इन सभी उद्योगों की महत्व के लिए सोने की一项 विशेष गुणवत्ता है।

सोने की चमक शीशी पहनने के कारण

अन्य असंतोष के लिए सोना योग्यता से में है। अन्य असंतोष के रूप में सोना के लिए विभिन्न प्रकार के निर्देश भरमार पर लिखा गया। अन्य असंतोष के रूप में सोने के लिए विभिन्न प्रकार के निर्देश भरमार पर लिखा गया। अन्य असंतोष के रूप में सोने के लिए विभिन्न प्रकार के निर्देश भरमार पर लिखा गया।

सोने के लिए सोने का अन्तर्दृष्टी ध्यान में रखता है। सोने के लिए सोने का अन्तर्दृष्टी ध्यान में रखता है। सोने के लिए सोने का अन्तर्दृष्टी ध्यान में रखता है।

सोने का अन्तर्दृष्टी ध्यान में

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सोने का अन्तर्दृष्टी ध्यान में
Govt to make 40.2 cr people skillful by 2022

PTI • NEW DELHI

The Government has set a target of skilling 40.2 crore people by 2022, under the new National Policy for Skill Development, slated to be unveiled by Prime Minister Narendra Modi on July 15.

Modi will also launch the Pradhan Mantri Kaushal Vikas Yojana on the same day, at a mega event to mark the World Youth Skills Day.

The previous National Skill Policy, which was announced in 2009 during the UPA regime, had targeted skilling 50 crore people by 2022 but the present Government has revised it downwards.

"Target of the Government is to train 402 million people by 2022. Fifty four per cent of that is in agriculture sector, that leaves us with 215 million people," Union Skills Development & Entrepreneurship Minister Rajiv Pratap Rudy said.

The minister said this after the Ministry of Skills Development & Entrepreneurship on Friday inked an agreement with Ministry of Steel & Mines for training of its workforce.

"402 million people are already working somewhere, that has to come under the purview of Recognition of Prior Learning, Incremental requirement (of workforce by 2022) is 112 million which is being assessed and given out sector-wise by ministries," the minister added.

Rudy said the Prime Minister will formally launch the Rashtriya Kaushal Vikas Yojana and the National Skills Mission on July 15 under which all the pacts are being inked with various ministries and their PSUs.

"This agreement is an overarching agreement which will provide the mandate to PSUs belonging to Ministry of Steel & Mines to work with subsidiaries related to Skills Ministry."

"All the public sector undertakings under the Ministry of Steel and Mines will be involved in this. This would involve utilisation of spare infrastructure under the PSUs, training manpower and financial resources for training."

"The specific modalities will be worked out between the concerned public sector undertakings for locating the infrastructure, resources, manpower, training requirement and identifying the people for Recognition of Prior Learning," Rudy said. Union Minister of Steel & Mines Narendra Singh Tomar said: "We will try to identify the gaps in PSUs in the steel & mines sector. We will also direct the PSUs to set aside a sum for funding skill development activities from their CSR Budget."

Secretary in the Steel Ministry Rakesh Singh informed that there are 9 PSUs under the Steel Ministry and National Skills Development Corporation (NSDC) will sign individual MoUs with these PSUs. "The first such MoU will be signed between Steel Authority of India Limited (SAIL) and NSDC on Monday. Under this MoU, 92,000 regular and 90,000 contractual workers of SAIL will be trained," Singh said.
MINING

Fresh setback to JSPL as HC asks CIL to sell coal

SUBHASH NARAYAN
New Delhi

IN yet another setback for the Naveen Jindal-promoted Jindal Steel and Power (JSPL), the Delhi High Court on Friday directed Coal India (CIL) to dispose of the coal it was mining from Gare Palma IV 2 & 3 blocks in Chhattisgarh through a fresh e-auction in which Jindal Power (JPL) was permitted to participate. JPL had won 49,000 tonne of coal from the two Chhattisgarh blocks in an e-auction conducted by CIL in May.

But CIL later cancelled the e-auction, saying it was yet to get the consent to operate the mines and therefore, mining had not commenced. In a May 27 order, the court kept CIL’s decision to cancel the e-auction in abeyance.

The Friday’s direction from the court came on an application moved by CIL seeking permission to dispose off coal from Gare Palma IV/2 & 3, as the mineral was accumulating at the site with no space to store it. The fresh e-auction of coal will mean JSPL would again have to place its bid and compete with other entities to get the fuel required for its 2,200 MW Tamnar power project in Chhattisgarh.

The court also issued notices to JSPL and the centre and sought their responses by August 11 on CIL’s plea seeking permission to sell coal mined by it to NTPC or others with whom it has a fuel supply agreement. If this is allowed, JSPL would find it even more difficult to get the required fuel for its power plant from the blocks.

JSPL had moved an application earlier seeking revocation of the CIL order to cancel e-auction and had alleged that this was done to provide 2.5 lakh tonne of coal to NTPC under a long-term arrangement.

@mydigitalfc.com
MINING

Govt to impart skill training

To address the need of skilled manpower or the growing infrastructure sector, ministry of skill development and entrepreneurship has joined hands with the ministry of steel and ministry of mines to offer standardised vocational training for steel and mining sectors that will require eight lakh trained workforce over the next decade.
Provision in New Mining Law May Hit Cash-rich Cos

Rakhi Mazumdar
@timesgroup.com

Kolkata: Earnings of cash-rich miners such as NMDC and Hindustan Zinc are likely to be hit by the provision in the new mining law to provide higher funds for the District Mineral Foundation (DMF).

Although the DMF payout structure has not been spelt out in detail, mining companies are likely to see their margins shrink, a concern that also seems to be affecting mining stocks. While the contribution to the DMF is proposed to be an amount not exceeding the royalty paid by existing miners, an increase in royalty rates in September 2014 has made things difficult. Existing miners are supposed to pay an amount equal to the royalty to the fund while new mines need to pay one-third of the royalty to the DMF.

Analysts said this is a negative development for existing miners and will have a significant impact on the profitability of the companies, especially the captive players, in the short to medium term.

“Mining companies are likely to see their margins shrink due to contribution to DMF under new mining laws amid low demand and weak metal prices,” said Akhilesh Joshi, CEO of Hindustan Zinc. Hindustan Zinc has decided to go in for 100% provisioning, which combined with a lower-than-expected volume profile keeps year-on-year EBIDTA accretion minimal for the company, ICICI Securities said in its latest report.

It further said that falling aluminium prices have led to moderation in ferrous earnings expectations while headwinds in commodity prices will temper earnings of National Aluminium Company, Tata Steel and NMDC. Hindalco is likely to see a 18% quarter-on-quarter EBIDTA drop, the report said. In its quarterly results preview for the metals sector, NMDC could see a sharp 30% drop in margins in April-June, compared to that in the previous quarter; due to price cuts on iron ore in April, the report said. In the quarter to June, NMDC produced 5.93 million tonnes of iron ore, with sales of 6.65 mt. This represents a 25.3% drop from its production level of 7.94 mt and a 22.5% dip in sales of 8.59 mt in April-June 2014.

“Demand remained weak in Q1 FY15 and we have cut down prices substantially,” NMDC chairman and managing director Narendra Kothari said. The details of the DMF contribution are yet to be intimated but it will definitely have an impact on NMDC’s financials.