A menu for all palates

Spares corporates from heavy tax dose; raises individual IT exemption limit to Rs 1.8 lakh

Our Bureau
New Delhi, Feb 28

Looking calm and composed as he presented the Budget for 2011-12 — his sixth — the Finance Minister, Mr Pranab Mukherjee, today served up a warm salad. It was a steady-as-she-goes effort that left almost everyone better off than before and so no one really woke up.

The major surprise came in the form of a rest dividend that he handed to the MPs — they doubled the amount they can invest in Indian corporate bonds. Earlier they could invest Rs 30 billion, of which Rs 15 billion was in bonds issued by infrastructure companies; now they can invest Rs 60 billion, of which a whopping Rs 20 billion is for infrastructure bonds issued by infrastructure companies.

It will be recalled that the Prime Minister, when he met the editors of the electronic media, had spoken about the need to boost the corporate bond market which is consid-
ered crucial for encouraging private investment in Infrastructure.

REAL GROWTH

But the Finance Minister’s real gift was reserved for those above 60. He said income up to Rs 500,000 from tax-free senior citizens entitlement to 65 from 60. Mr Mukherjee said the total threshold limits for individual taxpayers and that they can now hope to save around Rs 2,000, in tax.

He also allowed foreign investors to invest in Indian mutual funds. Until now only FIs and others registered with SEBI could do so.

The stock market responded positively and extended a late 132-point rise after having bounced upwards by over 650 points at one stage. Persisting with the infra-
structure-fueled growth model, Mr Mukherjee also announced a large number of cash breaks for augmenting long-term, low-cost funds from abroad. This is to be done through dedicated debt funds.

He also announced a Rs 40,000-crore disinvestment programme which will pro-
tide some more avenues for investment and hand out Rs 5,000 core to small and medium enterprises that have been finding hard to access credit.

TAGLINER: TINDER, TINDER

For the next, he removed extra-
cise duty exemptions, brought ILD developers into the Minimum Alternative Tax fold, made some minor changes to the tax rate that will leave individuals better off and some firms slightly.

He reduced the corporate surcharge from 7.5 per cent to 5 per cent, increased the MAT to 39.5 per cent from 19 per cent. There was some good news for Indian firms with subsidiaries abroad. They will now be able to repatriate dividends under a lower 15 per cent tax rate, rather than the 30 per cent rate. The surcharge on one will continue.

The fiscal balance was the usual North Block rope trick as he claimed to bring down the fiscal deficit to 4.8 per cent while generating only Rs 11,000 core of revenue and spending up Rs 61,000 core additionally.

FOR ART

In what many consider a strange move, Mr Mukher-
jee held out a new art connoisseurs, he expanded the Customs duty exemption to works of art and antiques imports meant for exhi-

bition or display in private art galleries, provided they are open to the general public.

The only bad news was on the service tax side. Domestic air travel by business class will become a bit more expensive because of the standard 10 per cent levy.

NEGATIVE FOR ICT

The Finance Minister has delivered a blow to expec-
tioned IT services industry, particularly small and medium-sized firms, who stand to benefit under the STP scheme have not been ex-
tended beyond March 2011. The other big negative is in account of imposition of MAT on MSE units. Manufacturers — which had so far been pushing for continuations of the scheme beyond March 2011 — have been disappointed with the “double negatives”.

BUDGET ON THE GO FOR...

THE CONSUMER

- No change in fuel prices
- Inflation to ease next year
- Housing interest rate becomes cheaper with ceiling fixed from Rs 20 lakh to Rs 25 lakh

THE TAX PAYER

- Personal tax rates: Minimum exemption raised to Rs 1,50,000 from Rs 1,00,000
- Windfall for seniors. For those above 80, income up to Rs 5,00,000 free from tax
- Dollarised self-employment out of 60 to 62
- Direct Tax Code implementation from April 1, 2012
- Rs 30,000-crore tax-free bonds this year: exemptions for individual investors extended by one year

THE ECONOMY

- Government expects economy to grow at 9% in 2011-12
- Fiscal deficit cut in 2010-11 from original estimate; further reduction planned
- Government debt: About 44.2% of GDP, well below Finance Commission target

THE CORPORATE

- IT surcharge: Reduced to 5% from 7.5% but MAT taxed to 18.5% from 18%
- Air travel: Conductor by Rs 50-250 with hike in service tax
- Excise duty unchanged at 10 per cent

THE COMPANY

- No import duty on 20 per cent
- Auto parts: Duty concession on import of batteries of electric vehicles and critical parts
- 'National-ubiquity' subsidy scheme for aera

- Fertiliser investment in new fertilizer plants get tax concession
- Self-assessment scheme for Customs duty payments
- Goods and Services Tax may come in 2011-12

INSIDE

- 50-plus and super tool
- Cement prices may go up
- Subsidy payout provision for all firms
- More power to electric vehicle makers
- Boost for home loan segment
- Fertilisers set to cost more
- Social sector gets added thrust

The Budget meets all the challenges that are currently facing the economy. We need to sustain a high growth rate. The Budget will play a big role in this. The measures announced are a good sign for the economy. The budget is a very, very disappointing budget. It is not seen as if it is the worst budget. It is not seen as if it is the best budget.
Hike in iron ore duty will hit exports, hurt China

Exemption to pelletised fines to boost value-addition

**COMMODITY COMMENTARY**

G. Chandrashhekhar
Mumbai, Feb 28

It was widely expected and Mr Pranab Mukherjee did not disappoint the domestic steel industry. In the Union Budget 2011-12, the Finance Minister proposed to raise the customs duty on export of all types of iron ore to a unified rate of 20 per cent ad valorem from the earlier 15 per cent on lumps and 5 per cent on fines export.

In order to encourage domestic value addition and export of fines in value-added pelletised form, he has granted full exemption from export duty to iron ore pellets. This is sure to provide a boost to pelletisation and help capture value within the country.

In recent years, iron ore exports have been in excess of 100 million tonnes and ensured foreign exchange earnings of about Rs 34,000 crore. After Karnataka banned exports from the State, there has been a slight slowdown in volume.

On the other hand, iron ore export prices have spurted and recently touched $200 a tonne.

The spot market for iron ore is expected to stay firm because of global supply disruption.

The latest hike in export duty on all types of iron ore will make the Indian material more expensive in the export market. China is going to be hit as a very substantial volume of shipments (over 90 million tonnes) from India are destined for Chinese shores.

**EXPORT VOLUMES**

Consequent to duty hike, a slowdown in export volumes is inevitable. If 75-80 million tonnes are exported after the duty hike and assuming price stays around $200 a tonne equivalent to Rs 9,000 a tonne, levy of 20 per cent duty would generate revenue for the exchequer in the range of Rs 13,500 crore to Rs 14,500 crore.

In the long-term interest of Indian mining, mine safety, environment protection and mine workers welfare, it is necessary to earmark a part of this revenue for sector’s developmental and welfare programmes.

The government should be complimented for using the tariff mechanism to discourage export of iron ore and at the same time raise substantial revenue. The Finance Minister has now effectively put iron ore mining companies and exporters on notice. They must now start working for meeting domestic needs in the coming years rather than be dependent on overseas markets.

This is a welcome step from the perspective of conservation of finite natural resources for domestic use in future.

In recent years, the country’s steel production and consumption has been rising.

The strong positive correlation between economic growth and steel consumption is of course well known. The National Steel Policy projections have been revised and by 2019-20, steel capacity would 295 million tonnes for which about 470 million tonnes of iron ore would be required.

India’s iron ore resources are finite and are estimated at 2,500 million tonnes at present.
Green incentives for a balance between environment, growth

The budget has incentives for a number of green technologies while making a special allocation for launching programmes to reduce pollution. Finance Minister Pranab Mukherjee said the government was trying its best to strike a balance between environmental concerns and growth objectives.

"We have to reconcile legitimate environmental concerns with necessary developmental needs... A Group of Ministers has been set up to consider all issues relating to reconciliation of environmental concerns emanating from various departmental activities including those related to infrastructure and mining. This Group will also suggest changes in the existing statutes, regulations and guidelines and make recommendations in a time-bound manner," he said.

The budget has made an allocation of Rs 200 crore from the National Clean Energy Development Fund for protection and regeneration of forests through the recently launched Green India Mission. Another Rs 200 crore from the fund has been earmarked for new programmes to reduce pollution levels.

The fund was set up last year through a levy of Rs 50 on the sale of every tonne of coal, either produced domestically or imported. The fund is meant to finance renewable and clean energy projects.

The Finance Minister also gave Rs 200 crore for cleaning of important rivers and lakes of "cultural and historical significance" other than the Ganga which already has a separate authority.

The environment budget is Rs 2,300 crore, Rs 100 crore higher than last year's.

The Minister announced a slew of tax concessions for products using green technologies, including batteries that power electrical vehicles and accessory parts for hybrid vehicles. Customs duty on solar lanterns has been reduced from 10 per cent to 5 while that on crude palm stearin, used in the manufacture of laundry soaps, has been exempted.

The leather tanning industry has been given full exemption from basic excise duty on enzyme-based preparations for pre-tanning to encourage them to use greener technologies.
More cash in NALCO chief’s Noida locker

NEW DELHI: Three days after the CBI seized gold bricks and cash from now suspended CMD of National Aluminium Company Ltd (NALCO) Abhay Kumar Srivastava and his wife Chandni Srivastava, the agency found Rs 21 lakh cash stashed away at another bank locker. Raids were conducted at the office of the Indore-based company that was allegedly being favoured by Srivastava. “We have seized cash from a third locker found at a Noida bank. During the search at the Indore-based Bhutia Group of Companies, several crucial documents were seized,” said a CBI spokesperson.
Miners fume, steel makers smile

barely a year ago when top steel makers demanded curbs on exports of iron ore the government seemed to be unimpressed. Much to the delight of the steel makers and to the chagrin of the mining community, finance minister Pranab Mukherjee today announced a flat 20 per cent ad valorem duty in the Budget 2011-12.

Mukherjee reasoned that the “natural resource needs to be conserved” and announced the imposition of export duty. Hitherto, low grade ore attracted a custom duty of 5 per cent and the high grade a 15 per cent, of which most is canalised.

India is considered to be the third largest producer of iron ore, with 218 million tonnes of the mineral mined annually. However, more than half of the mined ore is exported, mostly to China. Although ore exports are understood to have declined in the second half of last year by more than 25 per cent, yet it has failed to enthuse steel makers, especially those without captive ore mines.

Welcoming the move, Tata Steel vice-chairman B Muthuraman said, “There was a need to conserve iron ore and the export duty will increase its availability.” SAIL chairman C S Verma, too, was elated. “Higher export duty on iron ore has been a long-pending demand of the steel industry and the Budget has taken care of it. This should ensure higher availability of iron ore for the steel industry,” he said.

Rashtriya Ispat Nigam Limited’s chairman P K Bishnoi said, “Under the given circumstances, the finance minister has given a wonderful Budget. I have been always said, like the steel ministry, that ore exports should be phased out. So, we are happy. This would lead to moderation in steel prices.”

End-users of steel, like Hero’s Sunil Kant Munjal also welcomed the announcement, saying that it would ease the pressure of input costs and could render automobile prices cheaper.

While the finance minister earned accolades from the steel makers, the mining community fumed, saying that the move could trigger production cuts. Expressing concerns, secretary general of Federation of Indian Mineral Industries, R K Sharma said that the proposal would make Indian ore uncompetitive in the world market. “This will lead to the iron ore production cuts in the country. Then the availability of lumps for domestic market will be affected and the price of lumps will go up because of the demand-supply gap, which will result in higher prices of steel for the domestic consumer.”

Responding to a suggestion of the mines ministry, Mukherjee has withdrawn the export duty on pellets. “Full exemption from export duty is being provided to iron ore pellets to encourage the value-addition process.”
WITH STEEP RISE IN EXPORT DUTY, MINERS WILL HAVE TO DEPEND ON HOME MARKET

IRON ORE
Ore for exports will have to cater to domestic needs

THE GOVERNMENT has increased the ad valorem export duty on iron ore to 20 per cent — from five per cent for fines and 15 per cent for lumps. This has come as a major blow to the miners.

The government’s message, however, is loud and clear — value add or suffer. The move is seen as an attempt to force miners to sell more domestically rather than eye the international market. Advisor, Federation of Indian Minerals and Industries (Fimi) S B S Chauhan said, “This is not good for exporters. Such a high duty cannot be absorbed by the sector and passing it on to the consumer is not an option since prices are a function of demand and supply in the international arena. Clearly, increasing the availability in the domestic market is the agenda and this will now happen.”

India exports close to 100 million tonnes of iron ore, majority of which makes its way to China. NMDC, India’s largest iron ore miner, exports 3 million tonnes to the Japanese and Korean steel mills and Sesa Goa, part of the Vedanta Group, is a major supplier to the Chinese market.

Senior vice-president at Edelweiss Capital Prasad Baji said the duty jump was too steep. “Ore pricing is related to the international market and India is a price-taker. In that sense, India really cannot decide on the price at which it would want to supply. Profitability will be hit if miners continue to export,” he said.

The move will complement steel production in India, which has grown over 6 per cent in 2010 while demand has grown at 9-10 per cent annually.

Chairman of Steel Authority of India (SAIL) C S Verma said, “Higher export duty on iron ore has been a long pending demand of the steel industry and the budget has taken care of the issue.”

Miners, who are investing in setting up pellet and sinter plants, have welcomed the withdrawal of export duty on the value-added iron ore, known as pellets.

STRIKING HARD
- The government has raised the ad valorem export duty on iron ore to 20 per cent, from 5 per cent for fines and 15 per cent for lumps.
- India exports close to 100 million tonnes of iron ore, majority of which makes it way to China.
- Miners, who are investing in setting up pellet and sinter plants, have welcomed the withdrawal of export duty on the value-added iron ore, known as pellets.

“FIMI has been asking the government to remove the export duty on pellets. It is good for miners who are value adding and selling iron ore. Now, we will definitely see more investment in setting up of pellet plants,” said Chauhan. Iron ore, in its powdered form (fines), are fed into the pellet plant and converted into iron ore pellets and sold to steel makers. This product is then directly fed into the blast furnace to make steel, along with other raw materials like coking coal and limestone.

“China buys iron ore fines from India as the country has already invested in setting up of pellet and sinter plants. Therefore, they do not need much of pellets. However, there is some demand for iron ore pellets and this move will have a little positive impact for the companies looking to value add iron ore,” said Baji.
The Indian Express, Delhi
Tuesday, 1st March 2011, Page: 23

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We need to marry tech with political will to improve governance

Immediately after finance minister Pranab Mukherjee delivered his third successive Budget speech for UPA-II, MK Venu of The Financial Express caught up with him on the Lok Sabha Television. Edited excerpts:

When you were preparing this year’s budget, was curbing inflation your primary concern or sustaining high growth rate the priority?

In fact, both were very much on my mind. Today, price rise is a real concern and number of factors are responsible for that. But people are not concerned about factors or reason. It is not an academic issue for them, it is an issue of livelihood, particularly food inflation. Therefore, I decided, we shall have to get on the high growth trajectory, but at the same time address the problems leading to inflation, particularly food inflation.

I found out that there is a serious mismatch and supply bottleneck of the essential food items. So we asked the ministry of agriculture to identify the commodities in short supply such as, pulses, edible oil and rice. We have to ensure that gap between the retail price and wholesale price is reduced. Also, I have to work on narrowing the price at which the producer sells and the price at which the consumer buys. This is why I have deliberately

mains highly erratic and unpredictable. I am not commenting on it now because we yet have to see how the prices shape up eventually.

You have tried to correct a perception on the UPA’s approach towards reforms. Do you hope to put in place the GST, which would have multi-layered impulsive in lowering inflation, potential- tially attacking black money, even cutting expenditure.

There should not be multiple points of taxation, uniformity of the rates should prevail, and arbitrary rate fluctuation shouldn’t take place without consulting each other (Centre and the states). Although there are still divergences in some areas, on many larger points there are convergences. I have helped states build the IT infrastructure for commercial taxes, I am also aligning tax rates keeping in mind that Indian GST would be in place in near future. NSDL would be launching pilot projects in relevant areas. What I am working at now is the political consensus. Reforms in the direct tax through DTC, indirect taxes through GST would stabilise the tax system in this country and with the IT infrastructure in place, compliance and implementation would be easier.

The next round of big reforms, of which GST and land acquisition reforms would be a part, would require political cooperation of state governments and the opposition. Do you have a particular strategy to address the issue?

That is the key. We should have ongoing dialogue. Single party rule across the country is ideal situation for some, not for others who say local aspirations, regional differences don’t get manifested at the centre in such set ups. We should have a mechanism to absorb and accommodate these differences. For that, federalism should be cooperative and contributory as well, not on paper but in reality.

You are depending on growth to generate revenue. But there has been no clarity in policy, more so in last six to seven months, in areas where scaling up is required such as supplies of commodities like steel or others which require mining and areas which require regulatory clarity.

That is why so many Group of Ministers have been appointed in so many areas to address these issues in time bound manner. The climate would have to change. And the productive states and strain would have to be kept behind.

There was an impression among investors, especially global, that in India, the clash between developmental and environmental concerns has not been amicably resolved. I am chairing the concerned GoM. In the area of mines and mineral development, I have had extensive discussion with chief ministers of Chhattisgarh, Orissa and other colleagues. We are working on it.

You said that this Budget marks a transition towards a more transparent form of governance. You are trying to marry the technological capabilities with political will.

We have to marry these two. We have the technological capability. We are starting to give Aadanha numbers. Second area is where technology is changing the story is tax reform, improved realisation, arrears settlement and other settlement disputes which is optimised with aid of tech tools. We have set up a task-force under National Nandan Nilekani to help us in this endeavour and recommendation are expected in June.

Can we expect this marriage of technological strength and political will to tighten the delivery in the flagship anti-poverty schemes?

Undoubtedly, delivery would be much better. But putting a number right to that now may not be the most prudent thing to do. For instance, when a scheme such as MNREGA was contemplated, it was mainly used as a tool to deliver on wage earning of those in need of employment at home, not so much a vehicle to create durable assets although that was also part of it. Before that labour migration had led to social tension in many areas. That was what was addressed. Now through technological tools we can improve the delivery mechanism substantially and once that is done, responsibility can be fixed, a rule based technology backed institutional arrangement can be put in place. With that the element of discretionary power, the main source of corruption can be eliminated.

There are expectations that as part of this process, foreign investment in financial services and retail would be liberalised. Is that a possibility?

We shall have to work on it. When economic reforms was introduced, it was more out of compulsion than choice. So some times an approach that appears difficult today should be adopted for better prospects of a brighter tomorrow. Personally, I feel liberalising the FDI regime in retail can solve the problem of huge inefficiencies.

Your projection on overall inflation in 2011-12. It is a difficult guess, but this year it should be around 7 per cent. Next year it should be lesser than that.
The extra gold may not fill govt’s coffer

GEMS & JEWELLERY

Branded jewellery makers seek rollback of 1 per cent excise duty

THE RAPIDLY growing domestic branded jewellery has received a body blow with the re-imposition of the excise duty.

The finance minister in his budget speech on Monday proposed imposition of 1 per cent excise duty on all branded jewellery and branded articles of precious metals. Experts believe the speed of customers’ conversion towards branded jewellery from unbranded ones will be affected badly. Traders caution that branded jewellery customers may start opting for substitutes as high prices of previous metals and stones have already made buying any luxury items unaffordable for most of the middle class.

“The levy is unlikely to accrue any remarkable fund for the government. Hence, the government must withdraw it immediately if,” said Mehul Choksi, chairman of Gitanjali Gems Ltd, the Rs500 crore Mumbai-based jewellery house with over 20 renowned brands under it.

Choksi sees no reason behind the levying of the duty when the jewellery is manufactured under special economic zone (SEZ) and enjoys all duty sops.

The duty was withdrawn two years ago.

However, the government has reduced excise duty on serially numbered gold bars, other than tola bars, made in the factories from the initial stage of concentrated ore, from Rs280 per 10 gram to Rs200 per 10 grams.

Concessional excise duty rate of Rs200 per 10 grams was extended to serially numbered gold bars manufactured by refining of gold bar also.

Similarly, the government also imposed excise duty of Rs300 per 10 gram on serially numbered gold bars, other than tola bars, manufactured during the process of copper smelting. Also, the excise duty of Rs1,500 per kg was levied on silver manufacture during gold refining starting from ore/concentrate stage or from gold bar or during the process of copper smelting.

Also, exemption from basic customs duty was provided on the value of gold and silver contained in the copper concentrate. The minister has also prescribed an import duty of “nil” basic customs duty, countervailing duty of Rs140 per 10 grams and “nil” SAD for gold bar of up to 80 per cent.

The extra gold may not fill govt’s coffer

Five years ago, GJF had made representations to the government and subsequently the excise duty was withdrawn two years ago. The industry is disappointed and burdened enormously. It believes that while they are working towards ethical, transparent trade practices, these levies and back door licence raj measures will create hardship, litigation and encourage corruption.

“Clearly what the finance minister says on the floor of the House is different from what the excise department will interpret this to be. All jewellery with a mark, whether a house mark or trade mark or brand mark, will be construed as branded and each jeweller will need to fight the battles in court. The gems and jewellery industry is not an excise duty leviable industry,” said Vinod Hayagriv, chairman, all India Gems and Jewellery Trade Federation (GIJ).

Director of RiddiSiddhi Bullions Ltd, Prithviraj Kothari, however, believes the Budget was on expected lines. “The minister has not touched any duties on gold and silver. The other reason on duty on gold and silver has remained unchanged since the prices of bullion have been on all time high. With high inflation, the purchasing power of people towards gold and silver have declined considerably. The imports have also seen a lower side with high prices. On the other hand the interest rates have skyrocketed. Overall the budget is not very impressive for the bullion sector.”
NALCO: CASH RECOVERED

NEW DELHI: The CBI has recovered cash worth ₹12 lakh from a third bank locker allegedly operated by AK Srivastava, former chairman and managing director of public sector undertaking National Aluminium Company, who was arrested by the agency on bribery charges last Friday.
NEW DELHI, 28 FEB: The CBI has recovered an additional Rs 21 lakh from the lockers, allegedly operated by former chairman and managing director of NALCO Mr AK Srivastava who has been arrested by the agency on charges of bribery. A team of CBI officials searched the lockers, allegedly operated by Mr Srivastava and his wife, in Noida and recovered currency worth Rs 21 lakh, official sources said. The searches were also conducted on the MP-based firm Bhatia Group of Companies and some crucial documents were recovered by the sleuths, the sources said. pti
All that glitters

With India’s export of coloured gemstones worth Rs 1,000 crore per annum, Jammu University will start a new certificate course in gemology, writes kavita suri

FROM KOLKATA TO KASHMIR: They all met in Jammu, the “City of Temples,” last week for two days. Perhaps not a single person associated with the field of gemology or geology in India, be it as a academician or a practitioner, an expert or an authority, remained behind and all of them came to participate in a national workshop on “Gemstones: Their Geology and Geology”, organised by the geology department, University of Jammu, in collaboration with the Directorate of Geology and Mining, Jammu and Kashmir government from 21 February and sponsored by the Union ministry of earth sciences, the Council of Scientific and Industrial Research (New Delhi), the Council of Science and Technology (state government) and the South Asian Association of Economic Geologists.

In India, the gems and jewellery scenario is undergoing a positive change with regard to diamonds and coloured stones. The country’s share in the global production of cut and polished diamond alone is about 80 per cent in terms of quantity and about 55 per cent in terms of value, while the other coloured gemstones from India are exported in the order of about Rs 1,000 crore per annum. This trend is set to increase.

Jammu and Kashmir itself has a unique place in the global gemstone resources base because of the top-quality sapphire deposits it has in the Padder area of Kathwara district in Jammu. These deposits were first discovered in 1990 and are now the world’s largest. But the resource now seems to be depleting. Similarly, in Muzaffarabad, which is in Pakistan-occupied Kashmir, a rich ruby deposit is now being explored.

In this backdrop, the hosting of such an important event by the Jammu University was a huge opportunity to benefit from the experience of experts in the field of gemology. Surjeet Singh Sahni, state minister for industries, was the chief guest at the inauguration while Professor Yarun Sahni, vice-chancellor, Jammu University, presided. IA Ashok, director, Directorate of Geology and Mining, Jammu and Kashmir, Professor GM Bhat, renowned geologist and controller examiners, Jammu University, and Prabhat K Sinha, co-convener of the workshop, were also present. Professor BV Karan, an internationally acclaimed gemologist from the Indian Institute of Technology, Mumbai, who is known as the father of gemology in India, attended the workshop.

State industries minister congratulated the organisers for having arranged such an important workshop, the first of its kind in Jammu and Kashmir, and stressed the need for proper characterisation of gemstones. He said that though the state had a very high-quality sapphire deposit, the gemstone-based industries had yet to be developed. Further, the facilities for characterisation of gemstones were also not available in the state. A gem testing laboratory was an urgent requirement, he said, adding that there was a need for updating modern exploration techniques to locate the primary source as well as new areas. Besides, modern state-of-the-art techniques must be employed in identification, grading and valuing gemstones before these are auctioned in order to fetch a good price.

Professor Sahni complemented the department of geology for organising this unique workshop and added that Jammu University had a long institutional history of earth sciences dating back to 1907, when Dr Wada, internationally acclaimed geologist, had set up geology department in the erstwhile Prince of Wales Colleges, Jammu (Now GGM Science College).

This department was now a premier one in the university, working in the areas of seismology, glaciology, energy and economic geology. It was also one of the six academic institutes of the country which had been conducting research on fluid inclusions and working in the field. The Economic Geology Group of the geology department, Jammu University, was conducting research work on ore and mineral deposits, including gemstones.

“We are planning to start courses on hydrology and sediments in the Kathwara campus of Jammu University, which will go to a long way in creating human resources,” said Professor Sahni, adding that gem testing was a matter of considerable priority and it was important to have a gem testing laboratory at the geology department so that “we have the facility that the industry can rely on.”

Dr Sinha said that more than 55 delegates from across the country—a heterogeneous mix of professionals from gemstone mining companies, academics, research scholars and university and college students—took part in the workshop and more than 14 hours of lectures were given, with six hours of practical hand-on training. The topics covered ranged from the properties of gemstones, gemstone enhancement, spectroscopic analysis to gemstone exploration, etc. Apart from this, a special session on gemstone deposits with special reference to Jammu and Kashmir was also organised on 22 February, which provided good opportunity for academic-industry interaction where all the main experts were available for advice.

At the workshop more than a dozen experts, including Professor Karan, Professor MD Saxi and Dr Srijal Das (Gemological Institute of India, Mumbai), JN Das (Geological Survey of India, Bangalore), BB Behl (Gem Testing Laboratory, Delhi) and AR Singh, (MGITC, Jullahpur) and Sandeep Pathak (Gem Testing Laboratory, Chennai) trained participants on the identification, grading, enhancement and exploration of gemstones.

Keeping in view the importance of the state’s gemstone prospects, a special session on gemstone deposits with special reference to Jammu and Kashmir was held in collaboration with the state Directorate of Geology and Mining. Key papers by Professor Karan, Mr Singh, BK Raina and Dr Das were special mention for their suggested there was immense scope of exploration of gemstone deposits in the state, particularly in the Kathwara and Ladhak regions, because of their geological setting. While gemstone deposits on the coast for coloured gemstones, Das said the Ladhak region was one area where there may be the possibility of gems like topaz and aquamarine. RP Singh and BK Raina also stressed that future exploration programmes concentrate on sapphire and ruby in the Kathwara region. During the workshop, an exhibition of natural gemstones and gemological equipment was held. It displayed the many natural uncut gemstones, including diamond, along with other cut coloured gemstones. It was big boost for the university staff. IA Ashok, director, Directorate of Geology and Mining, said the recommendations of the workshop were useful for the department to devise future programmes.

Professor BK Gajria, head of the geology department in 1982, said a new certificate course in gemology would be started by the department in the coming session. This workshop, he added, was the beginning to orient professionals and students in this field. It was also the need for intense exploration strategies in the state for locating new gemstone deposits. The GSI and DGM needed to orient their field season for gemstone prospecting in the new areas as well.
लॉकर से 21 लाख और मिले
सीबीआई ने नालको के पूर्व सीएमडी के पास से बरामद की रकम

नई दिल्ली। प्रधानमंत्री के अंतर्गत मिशन नेतृत्व राजस्व विभाग के अध्यक्ष के पास से नामांकित नालको के पूर्व सीएम बोर्ड की रकम बरामद की गई है। इसके बाद उनके पास 21 लाख 33 हज़ार रुपये की रकम बरामद की गई है।

राजस्व विभाग के मिशन प्रेरित नालको का पाश्चात्य फॉर्म के अनुसार बोर्ड के पास से खुद की रकम भारतीय सीमा पर पेंग डिनार गई थी। राजस्व विभाग के अनुसार नालको के पास 21 लाख 33 हज़ार रुपये की रकम बरामद की गई थी।

राजस्व विभाग के अनुसार, नालको का पाश्चात्य फॉर्म के अनुसार बोर्ड के पास से खुद की रकम भारतीय सीमा पर पेंग डिनार गई थी। राजस्व विभाग के अनुसार नालको के पास 21 लाख 33 हज़ार रुपये की रकम बरामद की गई थी।
Boost to steel sector; hurdles for sericulture

THE STEEL SECTOR, especially in states like Karnataka, could get a much-needed boost with the enhancement of export duty for all types of iron ore, which has been unified at 20% ad valorem. Earlier iron ore lumps attracted export duty of 15% and fines 5%. But at the same time, the Union Budget dealt a massive body blow to the sericulture sector as it has proposed to reduce customs duty on raw silk from 30% to 5%.

Iron ore is also exported in a value-added, pelletized form. Full exemption from export duty has been provided to iron ore pellets to encourage the value addition process for fines. Karnataka accounts for nearly 28% of annual iron exports from India, which ships 200 million tonnes annually. Last year, the Karnataka government had banned iron exports to control illegal mining and encourage value-added activities to create job opportunities in the state. Enhancing export duty will encourage oneself to add value to iron ore mined locally, said K Ranganath, chairman and managing director of KIOCL Ltd, the country’s largest pellet producer.

Meanwhile, the sericulture sector in Karnataka is upset over the cut of customs duty from 30% to 5% on raw silk. Karnataka is the largest silk producer in the country accounting for 60% of total 19,500 tonnes of silk annually produced in the country. This will lead to fall in raw silk price, which in turn will affect the sericulture farmer. Already, anticipating duty cut, the cocoons prices tumbled to Rs 140/kg from Rs 300/kg five days ago, said Ragupathy, Kolar District Reshme Belegarara Abhivrudhi Sangha, the association of sericulture farmers.
वित्त मंत्री ने आम लोगों को थमाया लोलीपॉप

ई. दिल्ली (एसपूर्वी). व्यापारियों व कारोबारियों ने अम बजट को वित्त
मंत्री द्वारा थमाया, कहा था, "लोलीपॉप" स्वागत करना। करोबारियों ने कहा कि एक ओर बजट में किसी और स्टेटस मौल नहीं करके राजनीतिक हिस्से को भत्ता नहीं देना चाहिए, वहाँ दूसरी ओर लोगों का भत्ता नहीं देना चाहिए।

बजट की बड़ी घटक इस वर्ष नहीं है खुशा

देशकेरियों और सदर शहर दिल्ली एस्टेट विकास बैंक ने कहा कि यह कौनसा संगठन है कि लोगों के लिए उपलब्ध यह संस्था।

जब तक कि दिन-बाद लगातार बढ़ते रहे हैं और इस कारण बजट में 130 वर्षों की गंभीरता का आरोप उठा गया है। मोबाइल निर्माताओं के जाने-माने के अनुसार, यदि इसके केवल भीतरी ट्रैफिक की बाहरी संख्या वाली हो जाए, तो इसे हो सकता है कि यह इसके लिए आपूर्ति प्रदाता के लिए उपलब्ध हो जाए।

लोटारिया मोबाइल फोन के ऑर्डर नहीं करते कुमार ने कहा कि इससे दोस्तों या सहयोगी अंतर से नहीं फायदा, लेकिन यह आम आदमी को भी होगा। पूरी बिजली से हार्मोनिया गर्मी के लिए जहां भत्ता दिया जाता है, नम्बर 100 पौधे रूपांतरित किए गए हैं, तो इसके लिए आप उपलब्ध मिलेगा।

उपर, सोना करोबारियों ने कहा कि बजट की उपलब्धी के अनुसार हो सकता है एक नई इंडस्ट्री उत्पादन, जिसे सरकार जितना ज्यादा नुकसान पहुंचने के अवसर से सहारा मतलब है।
Infrastructure spend to boost steel demand, move to preserve resource welcomed

Moreover, aimed at discouraging iron ore exports, the FM has proposed to levy 20% ad valorem duty on all types of outbound shipment of the key steel-making raw material.

"Iron ore attracts an export duty of 15% in the case of lumps and 5% in the case of fines. This is a natural resource, which needs to be conserved. I propose to enhance the rate of export duty for all types of iron ore and unify it at 20% ad valorem," the FM said.

Moreover, export duty on iron ore pellets is also withdrawn in order to encourage exports only after the necessary value-addition.

"Higher export duty on iron ore has been a long pending demand of the steel industry and the Budget has taken care of the issue by increasing the export duty to 20%. This should ensure higher availability of iron ore for the Indian steel industry. Again, withdrawal of export duty on pellets should encourage installation of pellet plants by mining companies. More pellet plants in the country will also benefit the industry," Verma added.

The domestic steel industry is, however, disappointed as its long standing demand of being accorded infrastructure status was not fulfilled. The industry had also requested the finance ministry to raise import duty on HR coils to 10% from the current 5%.
Scams keep retired judges, babus gainfully employed

Ashwini Phadnis
New Delhi, Feb 28

With scams galore, it’s raining jobs for retired judges and babus.

The Civil Aviation Ministry’s plans to set up a three-member panel headed by a retired judge to look into the entire issue of merger of Air India and Indian Airlines is in line with a long string of such appointments in recent months.

The high-profile ones who landed such assignments in the last few months include retired Supreme Court (SC) judge, Justice Shivraj V. Patil, who was roped in by the Department of Telecommunication to probe the 2G spectrum allocation scam.

Prior to that, former Comptroller and Auditor General, Mr V.K. Shunglu, was appointed by the Government to prepare a report on the Commonwealth Games mess, assisted by Mr Shantanu Consul, an IAS officer of the 1974 batch (Karnataka cadre), who retired on October 31 last year as Secretary, Department of Personnel and Training.

ILLEGAL MINING

On the issue of illegal mining, the Government has already constituted a one-man inquiry commission under retired SC judge, Justice M.B. Shah. There’s the promise of more post-retirement jobs, with the proposed Broadcasting Council slated to have a retired judge at the helm.

The draft proposal for having in place a 15-member Broadcasting Content Complaint Council, which is being set up to deal with complaints from people over television content, indicates that it too will be headed by a retired judge of the SC or High Court.

Retired judges are also much in demand for adjudicating in inter-State disputes as well.
Major push to infrastructure
Centre to issue Rs.30,000 crore worth infrastructure bonds

Sujay Mehndia

NEW DELHI: Finance Minister Pranab Mukherjee on Monday announced a big push to the infrastructure sector, giving a major share of the Centre’s Plan outlay to energy and transport sectors.

The Finance Minister also announced the introduction of infrastructure debt funds by floating special purpose vehicles (SPVs) to attract foreign funds.

In the budget, the government has proposed to spend Rs.2.72 lakh crore on the transport and the energy sectors out of Rs.5.92 lakh crore earmarked in the Central Plan for 2011-12. The allocation accounts for 45.96 per cent of the Plan outlay. This marks an increase of 9.68 per cent over the budget estimates of the previous year.

However, since the full outlay of Rs.2.48 lakh crore could not be spent last year, the increase in outlay in 2011-12 was 21.43 per cent compared to the revised estimates for 2010-11.

“Infrastructure is critical for our development,” Mr. Mukherjee said while tabling the budget. The major initiatives include creation of an infrastructure debt fund and raising the limit of foreign institutional investors (FID) in corporate bonds.

He also announced issuance of tax-free bonds worth Rs.30,000 crore and extending income-tax exemption on tax-saving infrastructure bonds up to a maximum of Rs.20,000 for one more year. The budget proposes to take the FIH limit for investment in corporate infrastructure bonds to $25 billion and also permits foreign portfolio investment in SEBI-registered mutual funds. With the new FIH limit, the Finance Minister said they would be eligible to invest up to $40 billion in corporate bonds, including a total of $25 billion in the infrastructure sector. Besides, Mr. Mukherjee said, since most infrastructure companies were organised in the form of SPVs, FIHs would also be permitted to invest in unlisted bonds with a minimum lock-in period of three years.

On introducing special infrastructure debt funds to attract foreign financing in the sector, he said, “the government proposes to create special vehicles in the form of notified infrastructure debt funds and subject interest payment on the borrowings of these funds to a reduced withholding tax rate of 5 per cent instead of the current rate of 20 per cent.”

The government further proposes to exempt the income from the fund from tax. To promote savings and raise funds for infrastructure, an additional deduction of Rs.20,000 for investment in long-term infrastructure bonds as notified by the government in 2010-11 will be extended for one more year.

The Indian Railways Finance Corporation (IRFC) and the National Highways Authority of India Ltd. (NHAI) will issue tax-free bonds of Rs.10,000 crore each, while tax-free bonds worth Rs.5,000 crore each will be issued by HUDCO and the port sector, respectively.

India Infrastructure Finance Company Ltd. (IIFCL), set up to provide long-term financial assistance to projects in the sector, is expected to disburse a cumulative of Rs.20,000 crore by March 2011, and Rs.25,000 crore by March 31, 2012.
Iron ore duty makes no dent on steel

Adarsh Gopalakrishnan
BL Research Bureau

Steel stocks remained unmoved after the Budget, despite the Rs 2.14 lakh crore spend announced for infrastructure and the export duty slapped on iron ore, a key steel input. Worries about other inputs such as coking coal remain, and players may also enjoy limited power to hike steel prices to pass on the input costs. Listed iron ore players such as Sesa Goa and NMDC were down 7.3 per cent and 1.7 per cent respectively, with uncertainty over their ability to pass on the export duty hike to steel producers.

IRON ORE
Sesa Goa, which exports close to 90 per cent of its iron ore produce, is the most impacted by the 20 per cent levy. With the export ban at its Karnataka mines and the closedown at the Odisha mines, the company’s low-grade exports from Goa may not command a 20 per cent price hike in international markets. This is likely to further hurt the miner, which struggles to meet its ambitious growth target of 50 million tonnes, from around 20 million tonnes currently.

NMDC exports a mere 10-15 per cent of its overall volumes. In addition, it sells high-grade lumps to Korean and Japanese steel mills on long-term contracts that are cheaper for the likes of Nippon and POSCO. The more limited 5 per cent hike on iron ore lumps, coupled with a ready-to-buy domestic market, mean a limited impact on NMDC. With eastern States such as Chhattisgarh mulling an export ban, the domestic iron ore market could get a lot more competitive for domestic miners, especially with regard to the more competitive Australian and Brazilian peers.

The hike in iron ore export duty could result in lower domestic prices.

The rather muted response from the major steel stocks owes to the captive iron ore mines of SAIL and Tata Steel, which leaves them untouched by the export duty. JSW Steel is a beneficiary of the hike in duties as it purchases over 80 per cent of its iron ore requirement from the market.

BENEFITS
With more miners of iron ore ‘fines’ looking for customers with local sinter capacity, JSW Steel could snap up domestic iron ore at more competitive prices.

Other moves that pointed to tacit support for the steel industry include the reduction in ferroalloys import duty from 5 to 2.5 per cent and an unchanged excise duty rate of 10 per cent. Stainless steel producers got a shot in the arm with the removal of import duties on stainless steel scrap, which lowers the input cost. This bodes well for producers such as Jindal Stainless who are reeling under escalating raw material costs over the past two quarters.
Copper rises on Chile quake

Reuters
London, Feb. 28

Three-month copper on the London Metal Exchange rose to $9,795 a tonne by 1052 GMT from $9,750. Tin was $31,950 from $32,050 while zinc was at $2,495 from $2,491. Battery material lead was flat at $2,515 and nickel was $28,483 from $28,150.
Agriculture, mining drive GDP to 8.2%

Services sector performance in Q3, a mixed bag

Our Bureau
New Delhi, Feb. 28

Aided by strong growth in agriculture, mining and financial services, the Indian economy grew 8.2 per cent in the third quarter of the current fiscal, up from 7.2 per cent in the corresponding quarter in the previous fiscal.

This third quarter growth performance is, however, lower than the sequential second quarter growth of 8.9 per cent this fiscal, official data released today by the Central Statistics Office (CSO) showed.

The farm sector grew 8.9 per cent in the third quarter of 2010-11 compared to 1.6 per cent decline in the same quarter in the previous fiscal.

While the mining sector output grew 6 per cent (5.2 per cent), manufacturing sector growth slowed down to 5.6 per cent (11.4 per cent). For the third quarter under review, electricity, gas and water supply saw robust growth of 6.4 per cent (4.5 per cent). Construction sector growth moderated to 8 per cent (8.3 per cent).

The services sector performance was a mixed bag, with financing, insurance, real estate recording a growth of 11.2 per cent (8.5 per cent).

While trade, hotels, transport and communications grew 9.4 per cent (10.8 per cent), community, social and personal services grew 4.8 per cent (7.6 per cent). The CSO has, in its advance estimate, pegged India's GDP growth in 2010-11 at 8.6 per cent. Indian economy grew 8.9 per cent in the first half of the current fiscal.

To achieve average growth of 8.6 per cent in 2010-11, the Indian economy must grow by 8.4 per cent in the fourth quarter. This may not be a big task, given the strong growth impulses in the economy.

krarivats@thehindu.co.in
Steel makers content, miners despair over duty hike

Suresh Iyengar
Viswanath Kulkarni
Mumbai/New Delhi, Feb. 28

In a sign of support for the steel industry, the government has hiked the duty on all variants of iron ore. The move comes on the back of rising appeals to conserve India's domestic iron ore reserves for the anticipated boom in domestic steel demand, with capacities expected to double over the next three years.

Sajjan Jindal, head of JSW Steel, said “The hike in export duty for iron ore fines and lumps is most welcome, while the move on pelletisation will lead to greater value-addition at home and encourage the domestic steel industry.” JSW Steel depends on external sources for a large portion of its raw material needs.

Mr H.M. Nerurkar, Managing Director, Tata Steel, which is self-reliant for iron ore, said the increase in export duty on iron ore exports will encourage value addition within the country, which is a step in the right direction. “However, exemption of duty on pellets will reduce the scope for greater value-addition within the country, as the value addition at the pelletisation stage is much less compared to finished steel. The aim should have been to encourage steel production in the country, which would lead to more jobs,” he said.

In the aggrieved corner, are the iron ore miners whose woes following the Karnataka export ban are now compounded by the 20 per cent export duty. India is the third largest exporter of iron ore with over 50 per cent of over 200 million tonnes of iron ore mined domestically destined for China, Japan, South Korea among other countries.

“The duty hike will make Indian iron ore uncompetitive in the international market leading to reduced demand. Further, this would lead to a decline in production, resulting in increased prices,” said Mr R.K. Sharma, Secretary General, FIMI.

Indian iron ore exports for the April-December 2010 period were down 17 per cent compared to the previous year. Iron ore exporters feel that the move to hike duty would turn counterproductive resulting in increased prices of the commodity in the domestic market.

“It is a big dampener on the mining industry,” said Mr Siddharth Runagta, President, Federation of Indian Mineral Industries (FIMI).

“Duty exemption on pellets is to focus on encouraging value addition,” said Mr Sanjeev Jain, Executive Director, Ernst & Young. But the question is who will invest in pelletisation plants — miners or steel plants? This is because the steel companies are being allocated mines on a preferential basis, Mr Jain said.
समाधान दे सरकार

भारत राष्ट्रीय सेवा कार्यकर्ता सुनिश्चित की जाए कि आपको किसी भी समस्या के बारे में सही जानकारी मिले। हम आपके समस्याओं के बारे में जानकारी प्रदान कर सकते हैं और समस्याओं के समाधान की सहायता कर सकते हैं।

जब तक तपाईं और आपकी पालन-पूर्वक कार्य करेंगे, तब तक हमसे अपनी उम्मीदें का संयम नहीं होगा। तब तक हम हमारे आपके साधनों का नित्य प्रयोग करेंगे, तब तक हम हमारे आपके साधनों का संयम नहीं होगा। 

उम्मीद है कि हमारी सरकार का यह ट्राइट आपके साथ रहेगा। तब तक हम सारी अपनी साधनों का संयम नहीं होगा।
High on Promises, but no Instant Remedy for Infra

**Analysts' Picks**

**Bharat Iyer**
Executive Director & Head
India Equity Research, JP Morgan

The budget speech was long on promise for the infrastructure sector. But there were no triggers to change the near-term growth outlook. The overall infrastructure plant allocation was hiked 23.3% to $47 billion.

The domestic power equipment manufacturers had something to cheer about—the excise duty exemption has been extended to goods required for expansion of existing mega projects (1,000MW+) under UMPP. The exemption of CVD (counter-veiling duty) for import of goods for expansion of such projects stays. This reduces the cost advantage of Chinese equipment over domestic players by 45%.

The hike in minimum alternate tax (MAT) to 18.5% is a minor negative for merchant power producers and greenfield infra projects without a tax pass-through in tariff. Applicability of MAT to SEZ developers came as a surprise, though Direct Tax Code (DTC) had already laid this down earlier.

There were measures to ease fund availability for infrastructure projects, notably: (a) fill up limit on investment in corporate bonds with maturity of more than five years was doubled to $40 billion; (b) withholding tax on notified infra debt funds was reduced to 5% from 20% earlier. The government will have enabling power to notify eligible infrastructure debt funds as tax exempt; (c) issue of tax-free bonds, aggregating to about $8.5 billion, by infrastructure bodies like IRFC, NHAI etc.

Conceding the need to balance environmental concerns with growth and speedier implementation of infrastructure projects, the FM announced that a Group of Ministers would be set up to make time-bound recommendations on this debate. Separately, the Land Acquisition (Amendment) Bill and the Mines and Minerals (Development and Regulation) Bill have been tabled in Parliament for discussion. Clarity on the issues will be critical to boost business confidence and ensure a decisive pick-up in the investment cycle. The near-term sector performance will hinge substantially on the progress in policy initiatives.

**STOCKS TO WATCH OUT FOR**

L&T | BHEL | GMR | POWER GRID

We prefer L&T (proxy for India's infra growth), BHEL (confidence in the near-term growth estimates), GMR (value pick), & Power Grid Corp (solid defensive with limited risks to stable growth profile)
Praise the Budget’s growth agenda for manufacturing

The 2011-12 Budget has pleased industry and business and, in some ways, exceeded expectations. I believe the Budget should be judged for its role in creating the environment for sustained growth, and not from the short-term perspective of its impact on individuals.

Everyone is pleased that the fiscal deficit this year would be 5.1% and that the next year’s target is 4.6%, without any significant increase in taxation.

The target for borrowing by the government for 2011-12 is far lower than market expectations. It seems that this would be achieved by the buoyancy of revenues resulting from a 9% growth, better management of subsidies, and more prudent management of expenditure.

On the direct tax front, there is stability, which is vital for industry to take long-term decisions.

The growing current account deficit was mentioned as a cause for worry. On oil prices, action is essential.

More FDI is needed and can come in retail, insurance, defence production and mining. This would help reduce imports, promote manufacturing, increase GDP and employment, and bring in technology. Protection of existing PSUs should not override these larger interests.

The direct transfer of subsidies to the deserving is long overdue. The UID scheme will make this possible. Not only will the quantum of subsidies reduce, but also the extent of corruption. The GOM is considering various reforms to clean the system. State funding of elections holds the key. However, the levels of funding should be realistic, and there should be independent audit.

The target of raising the share of manufacturing to 25% of GDP is progressive. We cannot hope to sustain 9% growth, and provide employment to the new additions to the workforce without a much larger manufacturing sector. States have to become much more industry-friendly and reduce the time and cost of establishing and operating industry.

If Indian industry is to become globally competitive, the government and the private sector must develop greater trust in each other.
High export duty hits mining costs

20% duty on iron ore will fetch the govt an additional ₹ 10,000 crore annually, but render Indian ore uncompetitive

The Budget proposal to impose uniform 20% duty on shipments of iron ore is set to hit mining companies like Sesa Goa, Essel Mining and MSPL.

The proposal by finance minister Pranab Mukherjee comes after the Railway Budget raised freight rates for iron ore meant for exports by about Rs 500 per tonne making the business less profitable for mining firms.

"Iron ore is a natural resource, which needs to be conserved. I propose to enhance the rate of export duty for all types of iron ore and unify it at 20% ad valorem," finance minister Pranab Mukherjee said while presenting the Union Budget.

Iron ore currently attracts an export duty of 10% in the case of lumps and 5% in the case of fines. A uniform 20% duty on iron ore is expected to fetch the government an additional revenue of about ₹10,000 crore annually.

"This increase in export duty would make Indian iron ore completely uncompetitive in the world market. We export iron ore fines since there is no demand for it in the domestic market. Last year, we exported 117 million tonnes of iron ore of which 80% was fines. Levy of 20% export duty is a self-defeating move," Federation of Indian Mineral Industries (FIMI) secretary general RK Sharma said.

India produces nearly 220 million tonnes of iron ore annually, half of which is exported mainly in the spot markets of China. The stock of one of the country's leading iron ore exporters Sesa Goa reflected the depressed industry sentiment following the announcement. It closed at ₹392.30 on the BSE on Monday, 7.31% down over the previous close.

The miners expect their margin to significantly come down as a result of the higher export duty. "The increased duty on export of iron ore would squeeze our margin to 4.5%. It will straightaway affect our bottom line," MSPL executive director Ramesh N Baidota said.

The government in June 2008 shifted iron ore from fixed duty structure to 15% across the board ad valorem export duty on iron ore in response to spiraling steel prices. It, however, brought down the duty thereafter to zero in 2009 following a slowdown in the economy in wake of global economic downturn. The duty level has subsequently been revised taking it to 5-15% range.

The steel ministry has been lobbying with the government for complete ban on export of iron ore to make the key raw material available for primary and secondary steel producers. The export of iron ore from the country has already fallen with Karnataka banning it.

As per industry estimates, iron ore exports fell 17.02% to 64.4 million tonnes in the first nine months of current fiscal as against the corresponding period of 2009-10.
स्वास्थ्य क्षेत्र के बजत में 20 फीसदी की वृद्धि

-नई दिल्ली (वर्तमान)। बजत में इस कार

सरकार ने स्वास्थ्य क्षेत्र के लिए आदेश में 20 प्रतिशत की वृद्धि की है। मात्र चाल लिये साल के 23,530 करोड़ रुपए का बजत इस साल 26,760 करोड़ रुपए हो गया है। बजत में स्वास्थ्य बीमा पर खाता जो देख हुए प्राप्त मूल्यों से इसमें प्रशिक्षण के लक्ष्यविश्वास को भी सुधार किया जाने की घोषणा की। 2012-13 में यह साल खत्म करने एवं इससे जुड़े उद्देश्यों में काम करने वाले कार्यकर्ताओं को भी प्रस्तुत किया। बजत में सरकार के मुख्य स्वास्थ्य कार्यकर्ता राहुल गांधी राष्ट्रीय स्वास्थ्य मिशन अनुसार को 2100 करोड़ से बढ़ा 2356 करोड़ कर दिया गया है।

स्वास्थ्य के कुल आदेश 26,760 करोड़ रुपए में से 23,560 करोड़ रुपए स्वास्थ्य और कल्याण विभाग के लिए, 900 करोड़ रुपए अन्यद्वीप, येरे, प्रशिक्षित अन्वेषण, अन्य तरीके एवं 600 करोड़ रुपए स्वास्थ्य शोध के लिए और 1700 करोड़ रुपए एडवांस निवेशक कल्याण के लिए है। बजत भाग में कहा गया है कि राष्ट्रीय स्वास्थ्य बीमा योजना में भी कामगारों के लिए 23,560 करोड़ रुपए की वृद्धि की है।

23,560 करोड़ स्वास्थ्य कल्याण विभाग को खास तौर पर मिलेगा। इसे देखते हुए मरीज, बीमी एवं अन्य श्रेणी के कामगारों को भी वर्तमान में मिलेगा। अगले साल खत्म करने वाले कार्यकर्ताओं को भी यह समय मिलेगा।

हालांकि शायद निजी कल्याण के बजत को 172 करोड़ रुपए से बढ़कर 203 करोड़ रुपए हो गया है लेकिन प्रमुख नागरिक प्रोंकेत का आदेश भी है।

निर्माण शीर्षक में एक मिला 417 करोड़ से बढ़कर 511 करोड़ रुपए का वित्त दिया गया है। लेकिन पेशेवरों मार्गदर्शिका में भी उन्मादित सरकार ने इस पर पेशेवरों में आदेश में भी 1017 करोड़ रुपए से कटाक्ष 663 करोड़ रुपए का वित्त दिया गया है।