Hindustan Copper to raise $250 million from overseas

New Delhi, Apr 8: State-owned Hindustan Copper is planning to raise $250 million (₹1,250 crore) in the current quarter through overseas borrowings to part-finance its expansion activities.

"We are looking to raise $250 million through the external commercial borrowings (ECB) route and have initiated discussions. This should get completed by the end of this quarter," a senior company official said.

The company, which has projected production of 3.45 million tonnes of copper in 2011-12, has set an ambitious target of producing 12.41 mt of red metal by 2015-17.

The company is currently sitting at a cash reserve of about ₹550 crore and is on the disinvestment radar of the government in the current fiscal.

"For us, ECB is an attractive route to raise the funds and given the company’s credentials, there will not be any issue in raising the money. The money will be invested on our expansion activities, which are planned to be funded through debt and internal reserves," the official said.  

PTI
Hindustan Copper to raise $250 million

New Delhi: State-owned Hindustan Copper Ltd is planning to raise $250 million ($1,250 crore) in the current quarter through overseas borrowings to part-finance its expansion activities.

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Hindustan Copper plans to raise $250 mn overseas

NEW DELHI: Hindustan Copper plans to raise $250 million ($1.290 crore) in the current quarter through overseas borrowings to part-finance expansion activities. The company, which has projected a production of 3.46 million tonnes (MT) of copper in 2011-12, has set an ambitious target of producing 12.41 MT of red metal by 2016-17.
HINDUSTAN COPPER TO RAISE $250M VIA ECBs

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The company, which has projected a production of 3.45 million tonnes (MT) of copper in 2011-12, has set an ambitious target of producing 12.41 MT of red metal by 2016-17.

The company is currently sitting at cash reserves of about ₹500 crore and is on the disinvestment radar of the government in the current fiscal. “For us, ECB is an attractive route to raise the funds and there will not be any issue in raising the money,” it said. — PTI
Hind Copper to raise $250m from overseas

Press Trust of India

New Delhi

STATE-OWNED Hindustan Copper is planning to raise $250 million (Rs 1,250 crore) in the current quarter through overseas borrowings to part-finance its expansion activities.

“We are looking to raise $250 million through external commercial borrowings (ECB) route and have initiated discussions. This should get completed by the end of this quarter,” a senior company official said.

The company, which has projected a production of 3.45 mt of copper in 2011-12, has set an ambitious target of producing 12.41 mt by 2016-17.

The company is currently sitting at cash reserves of about Rs 750 crore and is on the disinvestment radar of the government in the current financial year. “For us, ECB is an attractive route to raise the funds and given the company’s credentials, there will not be any issue in raising the money. The money will be invested on our expansion activities, which are planned to be funded through debt and internal reserves,” the official said.

As per its expansion plan, Hindustan Copper will be investing over Rs 3,000 crore on eight projects across the country to increase its production.
आदिवासियों के लिए सबसे बड़ा खतरा: मंत्री

हैदराबाद (एजेंसी)। आदिवासी गणना के मंत्री विजया चंद्रेश ने खतरा आदिवासियों के समन्वय में दिया जा रहा ‘सलबसल खाद्रा’ का उपहार दिया और महत्वपूर्ण वक्तव्य के तहत पुनः एक सूचना की जिसे में रह रहे लोगों में समीक्षा पर उनके सार्वजनिक अध्यक्ष के बारे में कार्यक्षमता प्रदान करने के लिए रहा।

देश के फ़्रांसीसी सर्वे यापण की बिल्कुल पूरी होने के तहत पुनः एक सूचना से बाहर: “वार्षिक में आदिवासियों और वन में रह रहे लोगों के लिए सबसे बड़ा खतरा खाद्रा का खतरा है।” मंत्री ने कहा कि पृथ्वी का जन्म जैसे जन्म है जिसके तहत आदिवासी जनजाति के लोग आदिवासी बहुत स्तरों में अभी खरोट या लोहर पर ले सकते हैं।
Hindustan Copper to raise $250 mn

State-owned Hindustan Copper is planning to raise $250 million (₹1,250 crore) in the current quarter through foreign borrowings to part-finance its expansion activities. “We have initiated discussions. This should get completed by the end of this quarter,” a senior company official said.

PTI
ओडिशा स्टील कारखाने में सात हजार करोड़ निवेश करेगा एक्शन समूह

उन्होंने कहा कि कंपनी की पारंपरिक तट पर 20 लाख टन धमता की स्टील इमाई लगाने की योजना है। इसके लिए 500 एकर जमीन की पहचान ही घोषित की जा चुकी है।

बहराइच, उन्होंने परीक्षण तट पर निवेश के बारे में कुछ भी बताने से मना कर दिया। एक्शन समूह विविध कारोबार से जुड़ा है। कंपनी ने नवभूमि जुड़ा-चयन बनाने की वारिस्ती।

समूह को रद्दी इमाई एक्शन हर्षाल एंड पाहर (प्राइवेट) लिट. के मुख्य कार्यकारी न्यायाधीश अधीक्षक ने कहा कि ओडिशा संघर्ष की योजना बढ़ाकर 25 लाख टन करने के लिए 2015-16 तक 7,000 करोड़ रुपए निवेश करेंगे। हम निवेश वाही का कुछ हिस्सा उपयोग करेंगे।

उन्होंने कहा कि कंपनी को धमता के लिए ओडिशा वाही से संगठन के लिए खास अयोग्य खाने मिला गया है। बंधदर का पता लगाने के लिए उत्तर अयोग्य जारी है।
ANTI-VEDANTA RALLY FAILS TO PULL CROWDS

AKSHAYA KUMAR SAHOO
BHUBANESWAR, APRIL 8

The movement against Vedanta Aluminium Ltd on Sunday received a setback with low turnout at a rally organised by the opponents of refinery expansion at Jaganathpur village near Lanjigarh in Kalahandi district.

A subsidiary of the newly-announced Sesa Sterlite, VAL had planned to expand its refinery in Lanjigarh from one million-tonne to six million tonne, but it was asked to stop in October 2010 by the ministry of environment and forest because of environmental concerns.

The Supreme Court is scheduled to take up the case for final disposal of bauxite deposits at Niyamgiri hills allotted to a joint venture of the state-owned Odisha Mining Corporation and VAL on Monday.

The presence of an Amnesty International representative in the rally had sparked off a row with the district authorities taking extra caution to ensure peace in the area.

The state had asked all district collectors regulating the visit of foreign tourists and researchers to the tribal areas.
Hindustan Copper Plans to Raise $250 m through ECBs

State-owned Hindustan Copper is planning to raise $250 million (Rs 1,250 crore) in the current quarter through overseas borrowings to part-finance its expansion activities. "We are looking to raise $250 million through external commercial borrowings (ECB) route and have initiated discussions. This should get completed by the end of this quarter," a senior company official said. The company, which has projected a production of 3.45 million tonnes (MT) of copper in 2011-12, has set an ambitious target of producing 12.41 MT of red metal by 2016-17. The company is currently sitting on cash reserves of about Rs 550 crore and is on the disinvestment radar of the government in the current fiscal.
Changing dynamics of steel prices

Ajay Desouza

The amount of steel consumed by a country has a strong correlation with its GDP growth and is a sound indicator of its stage of economic development. Numerous studies that reveal far greater per capita consumption of steel in developed countries compared with developing countries corroborate this.

India is no exception to this phenomenon. In the past decade, the rapid growth in GDP has been reflected in an equally vigorous increase in steel consumption.

There were some exceptions, however, to this generally buoyant trend: demand slumps were seen in 2008-09, due to the global financial crisis, and more recently in 2011-12, again due to the global economic slowdown, which, in turn, had an adverse bearing on domestic GDP growth.

Consequently, in 2011-12, domestic steel demand is estimated to have grown at 5-7 per cent, a far cry from the strong double-digit growth experienced in the five years prior to that. Due to lingering uncertainty over the pace of economic recovery in the short-to-medium term, Crisil Research reckons that domestic steel demand will grow by 6-8 per cent in 2012-13 compared with 2011-12. This means that demand for flat and long steel products is likely to rise marginally during the year. Long steel is a critical input in construction, both industrial and residential, whereas flat steel is used, for example, in cars and other consumer durables.

DIVERGENT TREND IN FLAT AND LONG STEEL PRICES

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<tr>
<td>HR Coil (Rs/tonne)</td>
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<td>36,544</td>
<td>36,500</td>
<td>39,075</td>
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<td>TMT</td>
<td>31,750</td>
<td>31,833</td>
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<tr>
<td>50,000</td>
<td>34,330</td>
<td>37,810</td>
<td>42,500</td>
<td>44,300</td>
<td>44,900</td>
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Note: Prices are inclusive of excise and cess
Source: CRISIL research

So, what does this projection of demand portend for steel prices? Something interesting — hitherto unseen, at least over the past few years — is on the anvil in domestic steel prices in 2012-13, due to a combination of disparate patterns in raw material prices and pick-up in demand for large producers.

Long and flat steel products

In the past few years, up to 2011-12, prices of long steel and flat steel products have always moved in tandem. But, we expect a departure from this trend in 2012-13.

Domestic prices of flat steel products are likely to slip by up to 5-7 per cent during the year, in line with the fall in the cost of production of flat steel and in the landed price of imported flat steel products. By contrast, prices of long products are poised to rise by 4-6 per cent. The key contributing factor to this is the dichotomy in prices of coking coal and non-coking coal.

The price of coking coal, which is used as an input in the manufacture of steel by large producers, shot up to historical highs of $330/tonne in the early part of 2011-12 due to the floods in Queensland, Australia (which is the world’s dominant exporter of coking coal) in January 2011. But with the gradual recovery in production, Crisil Research expects average coking coal prices in 2012-13 to be $250-$240/tonne, over 20 per cent lower year-on-year.

For large producers, the cost of production of steel will decline in 2012-13 compared with the previous year. On the other hand, the cost of production will go up for small and mid-size steel producers, who use non-coking coal as an input.

In India, non-coking coal has, historically, been cheaper than coking coal because Coal India Ltd (CIL), the only domestic supplier of coal, kept domestic prices of non-coking coal lower than international prices. Because of this, small and mid-size steel producers were able to produce steel at lower cost compared with large producers.

In 2011-12, however, prices of non-coking coal spurred by 20 per cent as CIL hiked prices to narrow the difference between domestic and global prices. This increased the cost of production in 2011-12 for small and mid-size producers by about 22 per cent, although they still enjoyed a cost advantage because of high coking coal prices due to the floods in Australia.

In 2012-13, non-coking coal prices are expected to remain firm due to healthy demand and domestic coal shortage, which will necessitate continued imports. Hence, for small and mid-size producers, the cost of production will continue to either remain firm or even rise further in 2012-13.

The higher cost of production will force small and mid-size producers to increase the prices of long products, to provide a cushion to their operating margins.

Their dominant presence in the long products market and negligible imports will enable them to pass-through the entire increase in the cost. Small and mid-size producers account for about 60 per cent of the domestic production of long products, catering largely to a fragmented base of small, regional construction and infrastructure companies. Large producers, too, will follow suit with price increases in long products.

By contrast, prices of flat steel, made in India by large producers, will fall in 2012-13 due to lower production cost arising from the year-on-year fall in coking coal prices.

The price of the other critical input, iron ore, too, is expected to be firm in the domestic market in 2012-13 as supply constraints continue to plague the market.

Also, the ban on mining in Karnataka, coupled with the government’s drive to close illegal mines, will continue to support high domestic iron ore prices.

The net effect of all this is that constructing homes, dams and power plants will become costlier, while car and consumer durable manufacturers will benefit from a decline in the price of flat steel.

The author is Director, Crisil Research, a division of CRISIL.
Feed back to msumar@crisil.com
Ore inflow to ports has reduced to a thin trickle.

**Illegal mining ban hits iron ore exports**

All iron-ore exporting ports took a big hit in 2011-12 due to various reasons, the most important being the restriction on illegal mining in major ore-producing States. The flow of the mineral from the mines to the ports has reduced to a thin trickle. The Mormugao port, the country's largest ore-exporting port, suffered an estimated 22 per cent decline in throughput as supplies from mines located in Goa and Karnataka dropped sharply. Iron ore accounts for nearly 80 per cent of the port's total traffic. In 2011-12, the port handled a total of 39 million tonnes (mt) of traffic including 29.37 mt of iron-ore exports. The corresponding figures for 2010-11 were 50.02 mt and 40.63 mt respectively. More than the ban, what is reportedly causing concern is the lack of accountability on the part of some of the non-major ports in the neighbourhood with regard to handling of illegally mined ore even as the Mormugao port authorities go strictly by the no-objection certificates (NOC) issued by the State Government prior to allowing exports of the ore from the port. What is more, the Mormugao port authorities insist on the inclusion of the name of the shipper in the NOC as an additional safeguard. The State Government is yet to respond to it.