HCL FPO roadshow next week

THE FIVE-NATION international roadshow for the proposed ₹4,000-crore FPO of Hindustan Copper Ltd (HCL) will begin next week, a top company official said. HCL chairman and MD, Mr Shakeel Ahmed, said the roadshow starting next week would take place in the US, UK, Australia, Hong Kong and Singapore. The pre-issue roadshow was held in the UK, Singapore, Australia, Hong Kong and Mumbai.

The follow-on public offer (FPO) is scheduled to open on December 6 and close on December 9. Asked about the company’s plan on anchor investor, Mr Ahmed said it would be decided a week before the issue opens.
Meghalayans unmoved by Centre’s bargaining chip

By Patricia Mukhim

There is no trick in the trade that the Department of Atomic Energy, the Uranium Corporation of India Limited and other pro-nuclear lobby groups in India have not used to woo-swap the Meghalaya government. During its most recent visit to the state, the DAE said it was willing to wait until Meghalayans were convinced uranium should be mined. New Delhi has dangled a Rs 300-crore development package before the doomsday-sea government which, left to itself, would have allowed uranium to be mined years ago.

Where the DAE and UCL have failed miserably is to convince the people of Meghalaya that uranium mining is to their benefit. Barring some nuclear physicists in the North Eastern Hill University, who have time and again disbelieved the NGOs for their stiff stance against uranium mining, and a few public representatives who feel the state could use its uranium as leverage for rapid development, Meghalaya’s civil society is unsure if uranium mining is a safe proposition.

The only reason why many intellectuals have stayed away from commenting on this issue is because they claim they do not know enough. True, we are not scientists and nuclear physicists but we are well aware of the hazards of mining this ore, which is listed as a “strategic” mineral in the inventory of important and priceless minerals. There are enough write-ups on the internet and books and journals galore that give us an independent view of the pros and cons of uranium mining. We are also aware enough to understand that the dangers far outweigh the gains. The mantra in which India handled the Bhapal gas leak is a story that is better not repeated. Our politicians, bureaucrats and police all connived and bungled things so badly that we looked like a banana republic.

The victims of the tragedy have recoiled their sad narratives and still await justice after a quarter century. We can only wish we do not suffer a similar fate.

And this wish is what provokes strong statements from different NGOs and individuals. The UCL had tried to woo the Khali hills District Council and paid an astronomical sum to build a 50-km road to Chakab-Mastihal, where uranium is located. The same amount (Rs 54 crore) would have built a super highway of 50 km if the money was judiciously spent. However, for the UCL, money is not the issue. Attention, getting closer to the uranium mines is.

Coming back to the point of whether or not uranium mining can alleviate Meghalaya’s hunger for nuclear energy as an alternate source of power will be galloping over the next few decades. Nuclear energy is hardly going to suffer as it is also dependent on uranium—a mineral resource that is not renewable but is finite, like coal and limestone. One shudders to think what the landscape of the West Khali Hills will look like once the mining project is over and done with. Let us not fool ourselves that the environment would turn green, as promised by the UCL. Uranium mining certainly defies the Clean Development Mechanism of the Kyoto Protocol.

There are far too many unknown variables and unpredictable outcomes. Not even the best scientists in the world can guarantee us a hazard-free uranium mining technique and perhaps a developing country like India might find it too expensive to put such mechanisms in place.

An article in Tehelka (25 September 2010) magazine reports on the uranium mines in Jharkhand and how they are worked. The reporter who visited Bandhakopirang said there were no prohibitory signs, or adequate warnings about radiation. The mines are not fenced in and neither is the mining area clearly demarcated. There is a sense of disregard for the lives and health of the workers. At noon, when blast waves are carried out, several workers could be spotted in casual clothing, wearing ocelot helmets or breathing masks, the basic prevention equipment. Even the Central Industrial Security Force personnel were guarding the site were no protective gear. The Tehelka report said, “Contrary to UCL claims, the open-cast mine is not being managed any better than an illegal coal mine in private hands. The waste lies scattered in mounds of radioactive rocks and dust, sometimes inside the villages surrounding the mine. The radioactive water released from the mines simply joins a stream flowing through the villages where children were found bathig and women washing clothes. One can see tracks carrying uranium ore loosely covered with plastic sheets, radioactive dust flying in the wind.”

Some from Meghalaya who have visited the vicinities of the mines report that it is easy for the public to access a “tailing pond” (dumping ground for liquid radioactive waste) of a major mine. The public is unaware that such waste emits radon, a gas that contains alpha particles. If inhaled, these particles radiate inside the human body, especially the lungs, invade the cells and cause cancer. Scientists say that though radon has a radioactive lifecycle of just three days, the constant flow of slurry into the pond makes it a perpetual health hazard. The locals are ignorant of the consequences and go about their daily routine close to these tailing ponds, not knowing they are courting disease and death. It is unbelievable that the UCL should be so haphazard in mining in an ore with the potential for causing great human tragedy.

Uranium is found in several parts of Andhra Pradesh and some in Karnataka. In Meghalaya, the UCL has, with great interest, been eyeing Kelingpong, Pyntawongshong, and Mastihal. While there is no public resistance to uranium mining in Andhra Pradesh and Karnataka, in Meghalaya the UCL has encountered stiff resistance from NGOs and the legislator of the uranium-based district of West Khali Hills. In every interaction with the state it has encountered a defiant posture, almost as if they are challenging the people of Meghalaya to an endgame to see “who will give up first.”

UCL officials are always, repeat, always dismissive of the allegations of health hazards due to radiation. The corporation’s chairman, Ramendra Gupta, even states that the uranium in India is of very low grade and that the mines here have a density of only about 0.4 per cent. But Gupta insists that uranium should be mined because of the country’s energy needs. He has a rebuttal for every allegation of bad mining practices.

A group of doctors under the banner of Indian Doctors for Peace and Development, an affiliate of the 1985 Nobel Peace Prize recipient International Physicians for the Prevention of Nuclear War, had conducted a health survey in 2007 that looked at 2,118 families within 2.5 km of the mines and found that 9.3 per cent of newborns die each year due to extreme physical deformities. They have found that primary sterility is alarmingly common, with 9.6 per cent of women not able to conceive even after three years of marriage.

Now coming to the question of uranium and who owns it, it is now clear that the public is the same with coal, limestone and other minerals. The Khali, Jaintia and Gizo tribes are an indigenous lot and have inalienable rights over their land and resources. They can and have formed solidarity groups with other indigenous people around the world who are today resisting all forms of exploitative and extractive mining by corporate mining agencies and individuals with climate change threatening to destroy our natural habitat and with coal and limestone mining having poisoned our forests, it is time we stand and speak. Let us understand that we have failed to listen to our own exploitation mafia of coal and limestone mine-owners. Our chances of ever standing up to the UCL and its haphazard mining practices are dismal. Once the mining starts, we will have absolutely no control over how the waste is disposed of nor can we stop the violence over the tailings ponds or the dust particles that will be let loose on the human environment. NGOs have made their stand clear. They will continue to resist uranium mining forever. Is the UCL and the DAE listening?

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रिकार्ड ऊंचाई सूने के बाद नरम पड़ा सर्राफा

नई दिल्ली। वैश्विक मंदी के बीच राजकीय ढांचे की गयी विकासवादी के चलते सर्विकालिन संगठन के दौरान दिल्ली सर्राफा बाजार में सोने, चाँदी को जताने वालों ने सर्राफा ऊंचाई सूने के बाद कुछ टटकर खंड हुए।

सोने के भाव 20, 600 रुपये प्रति दस ग्राम और चाँदी के भाव 41,700 रुपये प्रति किलो रहे। सर्राफा ऊंचाई सूने के बाद खरीदारों के हाथ में कम हुआ।

सर्राफा के अतिरिक्त दो राज्यों में विकासवादी दबाव के चलते सोने के भाव कुछ गंभीर आए। धातु भर नौकरियों की तेजी के साथ सप्ताह में 16,400 रुपये प्रति दस ग्राम जम गई।

चाँदी तैयार के भाव में बढ़ चुके हैं। लेकिन भारतीय तेल के साथ 41,700 रुपये प्रति किलो रहे। सर्राफा ऊंचाई सूने के बाद विकासवादी दबाव के चलते कुछ नौकरियों का आकार 1050 रुपये प्रति किलो की तेजी के साथ सप्ताह में 39,900 रुपये प्रति किलो में बढ़ रही है।
Fulfilling his Bombay dreams

Sudip Dutta sits behind a huge desk on the top floor of the three-storey Dan Dee house in Kandivali, Mumbai, the chairman and managing director of Dan Dee Aluminium Ltd, with a market cap of €14,000 crore.

Twenty-one years ago, as a 15-year-old junior grant from Durgapur, with no money, job or foreseeable future, he lived in Mira Road, sharing with over 20 people a space not larger than his cabin now.

His father, Vijay Shankar Dutta, retired from the army after sustaining battle wounds in the 1971 war and took up a job as a security guard around the time Sudip was born—his salary and a small pension barely enough to feed the family of eight, including four boys and two girls.

A tragic turning point in the younger Dutta's life was the death of an elder brother, whose tuition could not be treated with the family's meagre resources. After his father too died a few months later, the family was left in the middle of a crisis.

Dutta finished his Class XII exam and the joint common entrance test (CET) before leaving for Mumbai. He says it was difficult to earn in Durgapur and friends suggested that one could always get a job in Mumbai. "When you have nothing else, the only way to go is forward," he says.

He later found out that he got a respectable 57th rank in CET; he still holds on to that achievement.

In May 1989, after spending a night at Dinker railway station, he found accommodation in Mira Road. He got a job as a loader in a firm in Jogeshwari that made sachets, alone in the city and still an emotional week recovering from the death in his family.

Two years later, when the owners wanted to sell the low-making ventures, Dutta, with savings and help from friends, bought the company for €14,000, with a promise of sharing profits for two years with the former owners. In 1995, not yet 20 years old, Dutta was the proprietor of his own company with a workforce of seven people.

He soon started supplying to pharmaceutical companies, entered the packaging business by buying a sick aluminium foil printing unit in 1993, became a distributor for Indian aluminium Co Ltd (IIL), set up units between 1994 and 1996 starting with the first one in Vasai. In 2004, he stepped into manufacturing with his own aluminium rolling and conversion unit, and then bought a struggling India Nis in 2006.

Today, the man referred to as "Nana Hairy of packaging" by a client, has two sons with wife Aarti, lives with his mother and father-in-law in a neighbourhood in Lakhnadvil, Andheri, that he has got his own home in. He runs a team that helps promising young people with education. His other weakness is cars—he has a BMW and an Audi.

Dutta says education helps earn respect: "You can't work just because you have read a few books." He does not believe much in destiny either: "Everyone has luck, you should just know how to use it."

Sudip Dutta

Comments are welcome at vijay@dandealuminium.com
October gold imports soar

Mumbai, Nov. 14: Gold imports went up by 65 per cent to 43 tonnes for the month of October over the corresponding month last year following rise in the festive demand despite high prices.

The imports during October 2009 stood at 26 tonnes, according to data given by the Bombay Bullion Association.

According to trade analysts, the signs of global economic recovery and good monsoon boosted the appeal of the yellow metal despite the ruling high prices.

Gold on Saturday ruled at ₹20,440 per 10 grams, while on the international market it was trading at $1,368.80 an ounce.

The country had faced its worst drought in 2009, which badly affected agriculture production, particularly paddy, coupled with world economic crisis made people conserve their savings.

With increasing consumer confidence the imports are steadily rising and stood 8.2 tonnes more than in September, which was 34.8 tonnes.

"This year the demand during the festivals were very high as compared to the year ago period, which resulted in high imports," industry expert Mr Suresh Hundia, said.

However, after the festive season there is hardly any demand for the precious metal which is likely to affect the November imports, he said.

Analysts feel that, in short term the gold prices will decline by 30-40 dollars in the global market and ₹500-600 in the domestic markets due to profit taking.

"However, for medium and long term the gold prices remained bullish on the back of weak US dollar and global inflationary concern," analysts said.

From January to October, gold imports stood at 278.5 tonnes, up 92 per cent from 144.7 tonnes in the corresponding period last year, data from BBA shows.

— PTI
सेज नियमों में ढील मिले

रायन्स नियम वेबसाइट समूह की
कंपनी ने अपने बिकली पर के
फ्राम्स के लिए सेज नियमों में ढील की मांग
जी है। इस बिकली पर को देखता आश्चर्य की आचरण क्षेत्र के
राजस्व कोष की जुलाई को जारी है।

कार्यवाह मंत्री के एक अधिकारी ने यह
वक्ता कहा था कि आत्मक से प्रेम का
कार्यवाह मंत्री के नियमों
के तहत सेज आचरण क्षेत्र (सेज) से जुड़ी
समस्या परिवर्तित अधिकार पर उनके
परिचालन से जुड़ी हेरों चाहिए।
Gold import soars 65% to 43 tonnes

GOLD imports went up by 65% to 43 tonnes during October over the corresponding month last year following rise in festive demand due to good monsoon despite the ruling high prices. The import during October 2009 stood at 26 tonnes, according to data given by the Bombay Bullion Association.

According to trade analysts, the signs of global economic recovery and good monsoon has given a dues customers to the appeal of the yellow metal despite the ruling high prices. Gold on Saturday ruled at ₹20,440 per 10 grams, while on the international market it was trading at $1,368.80 an ounce.

The country had faced its worst drought in 2009, which badly affected agriculture production, particularly paddy, coupled with world economic crisis made people conserve their savings. With increasing consumer confidence the imports are steadily rising and stood 8.2 tonnes more than in September, which was 34.8 tonnes.

"This year the demand during the festivities were very high as compared to the year-ago period, which resulted in high imports," industry expert Suresh Hundia told PTI here.

However, after the festive season there is hardly any demand for the precious metal which, is likely to affect the November imports, he said. Analysts feel that, in short term the gold prices will decline by ₹30-40 in the global market and ₹500-600 in the domestic markets due to profit taking.

"However, for medium and long term the gold prices remained bullish on the back of weak US dollar and global inflationary concern," analysts said. From January to October, gold imports stood at 278.5 tonnes, up 92% from 144.7 tonnes in the corresponding period last year, data from BBA shows. The current gold demand trend in the country indicated a robust year-on-year recovery in imports from the 2009 levels, World Gold Council said in a recent report here.

"As consumers have adjusted their price expectations upwards, a further rise in gold jewellery and investment demand is anticipated and this trend is projected to continue over the long run as local investors are buying gold driven by wealth accumulation motives," it said.
BEML Limited, the country’s largest manufacturer of earth moving equipment for the mining sector, is now diversifying into a whole new business to cater to railways’ needs. While it has been supplying coaches to Delhi Metro, BEML is eyeing business from the hi-speed dedicated freight corridor project and now plans to get into laying rail tracks. ET’s Rakhul Mazumdar caught up with the company’s chairman and managing director VRS Natarajan to get an idea on BEML’s road map for the future.

How do you plan to grow your presence in the mining sector, the mainstay of your business?

The mining sector contributes 60-70% of our revenues. We have decided to set up a mine consultancy business which will supplement our core business of supplying and making mining equipment. Initially, we will set it up as a division of BEML itself. For this, we have tied up with Mineral Exploration Corporation Limited (MECL) for consultancy in mine and equipment planning. To start with, we have decided to manufacture drilling rigs used in mine exploration projects. We are also looking at tapping into the market for high-end equipment for developing dumpers and excavators and are in the process of tying up with some key customers for this. We will spend ₹300 crore over the next two years to modernise and expand capacity for dumpers and excavators in our factory in Bangalore.

What is the status of your international business?

BEML has international subsidiaries in Brazil and Indonesia. We are planning to assemble mining equipment in Brazil and Indonesia to cater to the international market. From PT BEML Indonesia our subsidiary in Indonesia we would like to service the Australian market. Incidentally we have some ₹150 crore worth of orders from Australia which has one of the largest and most specialised mining industries. We now want to take it forward by having a local presence and increase our market share in those countries.

BEML has been building up a presence in manufacturing for railways. You had started out by supplying coaches for Delhi Metro. Do you plan to grow it?

In the domestic market, the Railways business is poised to emerge as a big business for us going forward. Railways contributed 15-20% to our total turnover earlier. It is slated to go up 40% this year. We have already acquired the expertise to manufacture one coach per day which we will be doing at our Bangalore facility from January 2011. Our total capacity will be 300 cars per annum. We have already produced aluminium wagons and stainless steel wagons. With the high speed dedicated freight corridor project coming up, we are keen to now get into track laying business for the railways. While we already make equipment for rail road construction. We also make equipment used in laying rail tracks. For us it is just the question of combining the two skill sets. In fact, we are keen to set up a dedicated plant for catering to the railways' business for the high speed corridor. Depending on how the business takes shape we may even consider spinning off the railways business into a separate company.

What is your turnover target in the current year and the next year?

This year we hope to achieve a turnover of ₹4,000 crore. Next year, in 2011-12, we aim to cross a turnover of ₹5,000 crore. We have appointed IIM Bangalore as consultants to create Corporate Plan that will chart out a roadmap for doubling BEML’s turnover to ₹10,000 crore by 2016-17.
Commodity hell turns investor heaven

Nidhi Nath Srinivas

The global shortage in commodities seems to have suddenly taken over our lives. And there is only one way to profit from it. Go long on commodity producers. Go short on commodity users. Commodity producers have had an image makeover. Madonna would be proud of. No longer are they seen as the lethal combo of boring product and dangerously volatile prices.

The frenzy of the Coal India IPO shows how clearly the aam aadmi today understands the dynamics of commodity demand and supply. People have figured that miners, refiners, fabricators are in the business of handling raw materials necessary to build everything from cities and infrastructure to cars and kitchen appliances. As demand grows, it will squeeze supply that is increasingly expensive to expand. Each investor in Coal India is betting on the company charging a fancy price that customers will pay monthly out of lack of choice. As demand and prices climb, Coal India's revenue and margins will balloon. And in the stock market, the larger any company's long-term profits, the higher its share price. Within days of listing, Coal India joined the top five companies on the basis of market cap.

This new-found understanding of commodity market dynamics won't remain restricted to Coal India. In the last three months, share price of Orissa Mineral Development Company is up 250%, while profit of copper and aluminum producer Hindalco is up 26%. Sensing the change in investor sentiment, a slew of state-run commodity companies will hit the market over next couple of months. Hindustan Copper alone intends to mop up ₹4,000 crore for a 200% increase in mining capacity. Soft commodities — planted and harvested every year — are becoming equally scarce. In theory, a farmer could plant more of a crop next year that should cool prices. But with fixed cultivable land, acreage added to one crop is always subtracted from another. So, more cotton next season will come at the cost of soybeans and corn. Half the world's population now belongs to the middle class. These are families with a third of their cash left over to spend on consumer goods, health care, and children's education. This explosion of new consumers has fundamentally altered the demand-supply equation of all commodities, especially energy and base metals. Investing in raw material producers is the only way to profit from it. The flip side is that companies buying raw material — metals, energy, food, fibre — are in trouble. They have three problems. One, input costs are unexpectedly higher. Two, competition and stretched household incomes limit their ability to pass on to consumers.
Rare earths & China's hi-tech ambitions

China’s whatever-it-takes attitude towards moving up the value chain poses challenges for India

Indian government officials recently announced plans to restart India’s dormant rare earth metals production programme with the aim of reducing dependence on Chinese imports of the materials, which are critical for a variety of high-tech products, from missile guidance systems to LCDs, to electric car batteries. RN Patra, chairman of the government-run Indian Rare Earths Limited, recently told Reuters that the firm would invest Rs 1.4 billion on a 5,000 tonne capacity rare earths production plant in Orissa, with the goal of becoming an exporter of the minerals within the next two years.

The announcement comes amid an ongoing controversy surrounding China’s strategy of steadily reducing export quotas for rare earth metals. China’s stranglehold over global rare earth supplies—it produces more than 95% of the world’s output—was thrown into sharp relief in September when Beijing “unofficially” suspended rare earths exports to Japan.

Unfortunately India’s new rare earths initiative is too little, too late.

China became the world’s dominant rare earths producer in the last two decades after other major suppliers ceased production for safety, cost and environmental reasons. The US, whose Mountain Pass, California, mine made it the world’s largest rare earth producer through the mid-1980s, stopped production altogether in 2002. India stopped two years later.

India’s resource and technological base is too shallow to break China’s near-monopoly over rare earths production. India has rare earth oxide reserves of just 3.7 million tonnes, less than a tenth of China’s 36 million tonnes, according to the US Geological Survey. Worse, India’s reserves are in monazite deposits found in Orissa beach sands, the processing of which creates highly radioactive daughter products, such as radium, which are difficult to handle. Most rare earths are sourced from low radioactive minerals, particularly bastnasite, which China has in abundance.

China has successfully transitioned over the last 40 years from being an exporter of rare earth oxides in their raw form to exporting intermediate and finished products like metal compounds, magnets, polishing powders and batteries. India lacks the expertise to replicate China’s achievements. So even if India is able to produce rare earth oxides in significant quantities, it may end up having to ship them back to China for processing into higher value-added products.

More importantly, restarting India’s rare earths production does not address the real challenge implicit in China’s rare earths policy. Beijing’s industrial strategy is focused on shifting production away from labour-intensive sectors towards more capital-intensive and technologically sophisticated industries. China’s policy on rare earths exports is part of that strategy. The limits on exports of rare earths is intended primarily to force foreign high-technology firms to move production and R&D to China and help the country transition to higher value-added exports and develop into a high-tech powerhouse. The rapid growth in China’s R&D expenditure—already the world’s fastest—and increased localisation of international high-tech R&D are also part of the overall push to boost China’s competitiveness.

China’s reduction in rare earths export quotas has forced international high-tech firms to source production and R&D to China. Beijing has been telling US companies that if they want access to rare earth oxides they will have to co-locate in China and share their manufacturing technology. Deng Xiaoping once said that rare earths could be to China as oil is to OPEC. Decades later that strategy is showing dividends: China’s share of global high-tech exports increased to 20% in 2006 from just 5% in 1996.

India’s ambitions are not only to build on its lead in IT but also to develop other advanced industries, including biotech, pharmaceuticals and telecom equipment. China is increasingly vulnerable to India’s growing high-tech prowess. Not only does India trail China in terms of R&D expenditure, at approximately 1% of GDP compared to China’s 1.5%, it is also way behind in terms of patents. India received just 648 patents in 2008, compared to China’s 2,432, according to the Academy of Sciences for the Developing World. Despite India’s reputation as a scientific giant, it has fewer workers in science and technology than China: 120 million workers vs China’s 715.

India is faced with a challenge it may not be able to meet. It is not in a good enough position to copy China’s strong-arm tactics and it will be reluctant to take any action that may affect its relationship with the US, which it values highly. And India’s weak track record of policy implementation means that it is unlikely to make the investments in manufacturing and know-how required to become a leading high-technology power. That mantle may end up being China’s for the taking.

The author is global markets director of the research service, Trusted Sources.
India’s fundamental role in global gold market

Gold is an integral part of Indian society and a foundation of wealth

The Indian consumer’s affinity and appetite for gold has continued over the years and statistics from a report published by the World Gold Council (WGC) indicate that in 2009 Indian demand accounted for 15 per cent of the global gold market.

The WGC report, titled “India: Heart of Gold”, addresses recent developments in the market in the context of the revival of Indian demand for gold in 2010. The report indicates that in 2009, total Indian gold demand reached $19 billion (Rs.97,400 crore), which accounts for 15 per cent of the global gold market.

Over the past ten years, the value of gold demand in India has increased at an average rate of 15 per cent a year, outpacing the country’s real gross domestic product (GDP) by 6 per cent, inflation by 8 per cent and population by 12 per cent.

Gold jewellery demand in India, the world’s largest gold jewellery market, rose 67 per cent year-on-year in the first half of 2010.

Over the same period, the average domestic gold price surged to almost Rs.52,800 an ounce (Rs.18,625 per 10 gram) before hitting a new high of Rs.60,460 (Rs.21,325 per 10 gram) on October 15, 2010.

Despite higher gold prices, market sentiment remains positive, especially with the local gold market also benefiting from the strengthening of the rupee against the U.S. dollar.

In India, gold often represents a large percentage of the family assets and during the first six months of 2010, the Indian retail investment market was one of the strongest in the world. Demand increased substantially to 93 tonnes in this period (from 25 tonnes in the first-half of 2009) and accounted for 25 per cent of domestic gold demand. The recovery in Indian demand for gold investment has stemmed from an increased appetite for capital preservation among local investors, as well as for gold's properties as a dollar hedge, heightened risk aversion and higher inflation expectations.

WGC estimates that India owns over 18,000 tonnes of above-ground gold stocks worth about $800 billion at today’s gold price and representing at least 11 per cent of global stock. This is equivalent to nearly half an ounce (over 15 gram) of gold ownership per capita, a figure which is significantly below consumption in western markets, representing scope for additional future growth.

The report says that the country at present has one of the highest savings rates in the world, estimated at around 30 per cent of total income, of which 10 per cent is already invested in gold.

According to Elly Ong, Investment Research Manager, WGC, “India is the largest gold market in the world and as such, the likely recovery of local gold demand to pre-crisis levels is of considerable strategic importance to the wider gold market.”

“Gold is an integral part of Indian society and a foundation of wealth and savings in India. As consumers have adjusted their price expectations upwards, a further rise in gold jewellery and investment demand is anticipated and this trend is expected to continue over the long-run as local investors are buying gold driven by wealth accumulation motives.”

RAMNATH SUBBU
‘Rajasthan can become ceramic hub’

Special Correspondent

JAIPUR: Saint-Gobain India director S.N. Eisenhower is of the view that Rajasthan can be the hub of ceramic industry in the world as the State has nearly 80 per cent of the raw material for making glass. “Silica sand, which is a major constituent of glass, is present in abundance in Rajasthan besides nearly 80 per cent of the other raw materials,” he noted.

Mr. Eisenhower was delivering the keynote address on “Ceramics and glass raw material from Rajasthan” at Ceral glass India 2010 here over the week-end. “What is needed is proper value addition to the available raw material,” he said. He also stressed on “responsible mining” taking due care of environmental aspects.

The other experts who spoke were of the view that an environment friendly approach and judicious use of raw materials was the key to the growth of the industry Rajasthan.

Till March 2008, the State had received an investment of Rs 5,000 crores in the ceramic and glass industry and its allied products. About 1,500 processing units are in the State in both the organized and unorganized sector.

The experts at Ceral glass India 2010, said to be India’s first ever comprehensive ceramics, glass and allied products show, organized by Rajasthan State Industrial Development & Investment Corporation (RIICO), Confederation of Indian Industry (CII) and Indian Ceramic Society (ICS) with the support of the Union Ministry of Commerce and Industry, also stressed on adoption of latest technology in mining and production.

H S Maiti, Senior Advisor, CSIR advocated the use of Hydro Cyclone and High intensity wet magnetic separator for better productivity along with an environment friendly approach.

L K Maheshwari, Chief General Manager, RIICO, highlighting the strong position that Rajasthan occupies in terms of abundant availability of raw material, noted that the State is the sole producer of jasper and wollastonite and is a leading producer of silica sand, soapstone, ball clay, china clay, calcite, felspar, natural gypsum, kaolin, rock phosphate and ochre.
ED may attach 100 cr. worth Koda property

NEW DELHI: The Enforcement Directorate is all set to attach properties worth a whopping Rs 100 crore belonging to former Jharkhand Chief Minister Madhu Koda and his associates as part of its probe into the multi-crore illegal investment and hawala transactions case against him.

Official sources said the Directorate has received permission from the court to attach various identified properties belonging to Mr. Koda and his close associates, mainly Bimal Sinha and Sanjay Chowdhary. While Mr. Sinha is in judicial custody, Mr. Chowdhary is said to have escaped abroad.

Incidentally, the ED had recently attached properties worth Rs 200 crore in connection with the same case.

Sources said while the earlier properties were primarily in Jharkhand and Bihar, the new identified properties are spread across the country, including in Maharashtra.

The properties will be sealed and a complete embargo would be issued by the Directorate against their sale and purchase as an inquiry is on against the owners – Mr. Koda and his associates.

The attachment and sealing of property would be in force for at least three months, subject to adjudication of courts and investigation under the Prevention of Money Laundering Act (PMLA) by the ED and other agencies like the Income Tax department and CBI.

Mr. Koda and his associates are facing an onslaught of inquiries by various probe agencies. -- PTI
निरस्त होगा खदान का पट्टा

सिटी रिपोर्टर @ मोघल

राजस्थान प्रिंसपल बांध खिलाड का अवधें प्रतिवेदन करना एक खदान संचालक को महंगा पड़ा गया। कलेक्टर ने इस खदान में उत्खनन पर रोक लगा दी है और पढ़ा निरस्त करने के लिए नोटिस जारी किया है। कलेक्टर एवं खिलाड दंडकार्याधीन निर्माण श्रीमती ने यह कारकवाई बराबर खाना गाव में संचालित कुणाल सूद की खदान के मामले में की है। सूद को जारी आदेश में सहयोग मेट्रिस के नाम से संचालित क्रेडिट और खदान से किसी भी तरह के उत्खनन का कार्य पूरा तथा संरक्षण करने के आदेश दिए गए हैं। कलेक्टर ने यह कारकवाई खाने अधिकारी को और से प्रस्तुत प्रतिवेदन की सुनकार के बाद की है। इसे लेकर खदान संचालक कुणाल सूद को कारण बताया नोटिस जारी किया गया है। चार हेक्टेयर क्षेत्र में संचालित इस खदान का खसरा नुमा 448 है। आदेश में कहा गया है कि तहसीलदार हुजूर ने इस खदान में तीन टुकड़े बने जो सरकारी सिंह, राष्ट्रीय सिंह और भिंड विभाग के हैं। इन दोनों में खदान से गिलिय और खिलाड का परिवार दिया जा रहा है जिसमें राजस्थान से नहीं है जिसमें राजस्थान नहीं जाना गया था। इस संग्रह में टुकड़े मालिकों से पुरस्कार की गई तो उन्होंने कुणाल सूद की खदान से प्रतिवेदन करना बताया। इसलिए खदान में उत्खनन का विरोध की गई है। सूद के विरुद्ध अन्य मामलों में भी नोटिस जारी कर कारवाई का जा रही है।

छह माह में तीन लाख का अर्थवंड़क

जून से नवंबर तक 13 लाख से अधिक का अर्थवंड़क पारित हुआ। जून में 33 मामलों में लाख लाख 40 हजार, जुलाई में 13 मामलों में एक लाख चार हजार, अगस्त में 34 मामलों में तीन लाख 53 हजार, सितंबर में 33 मामलों में 70 हजार, अक्टूबर में 20 मामलों में लाख लाख 38 हजार और नवंबर में आठ लाख लाख 15 मामलों में एक लाख 41 हजार का अर्थवंड़क पारित हुआ।
Final draft of Mines Bill ready

THE MINES ministry on Friday said it is ready with the final draft of the new Mines Bill and a Group of Ministers will meet soon to review the proposed law amid protests by the industry over provisions mandating 26 per cent profit-sharing with project-affected persons. The MMDR Act will be introduced in the ongoing Winter Session of Parliament, mines minister, Mr B. K. Handique, said. “The draft has been finalised, but changes will be introduced in the Winter Session,” Mr Handique said. Asked about changes in the final draft, he said there were modifications, but said the clause for 26 per cent profit sharing by miners with affected people was retained in the final draft.
Saga of a Star Performer:

NMDC

NMDC for the past 20 years has been paying dividend consistently to its shareholders. So far, NMDC has paid approximately Rs.3,533 crore as dividend to Government of India. For the year 2009-10 NMDC has declared dividend of 175%.

Also NMDC has made a policy by allocating almost 90% of its iron ore production for supplying to the domestic steel industry. This includes industries like RINL, NINL, KIOCL etc. in addition to private players like JSW, Welspun and Sponge iron industries.

To turn out wastage into useful products, NMDC has put in efforts to convert the slimes and Banded Hematite Jasper (BHQ) and Bandied Hematite Quartz (BHQ) (termed as waste earlier) into pellets for utilization by steel manufacturers by setting up state of the art beneficiation / pellet plants.

Recent Achievements

Disinvestment: NMDC recently concluded a disinvestment process in a record time of 64 days which falls under "faster than fast track". The Government of India disinvested about 33.20 crore shares of face value of Re.1/- each which generated around Rs.10,000 crore for the Government.

Merger of SII: NMDC-Sponge Iron India Limited (SIIL) merger got regulatory approval on 1st July 2010. SIIL, which as an annual capacity to produce 60,000 tonnes of Sponge Iron, NMDC is planning to add value by producing pellets which have about 96% iron content and is in demand for steel making. For this NMDC is in talks with Japanese firms for the technical know-how.

A brief profile of NMDC

NMDC, Single largest producer of Iron Ore in the Country, produces around 30 million tonnes of iron ore annually. This is around 15% of India's iron ore production. Out of the total production, only about 15% is exported while the rest is used for domestic consumption. Also NMDC operates the only mechanized diamond mine in Asia with an annual capacity to produce one lakh carats from its Panna Diamond Mine, Madhya Pradesh.

The present market capitalization of NMDC shares is about Rs.1,13,000 crore which is one of the highest in public sector enterprises category. The EBITDA margin as on 31st March 2010 is 80% which is once again the highest in any sector.

NMDC follows scientific methods of mine planning and mining for which it is known in mining industry, because of this NMDC has the unique distinction of being one of the lowest cost producer of iron ore in the world.

The output per man shift is 28.27 tonnes and value addition per employee (2008-09) is Rs.1.22 crore which is the best in the industry.