Metals to philanthropy, Jindal Aluminium looks to expand

Rasmi Sanyal & H Ramachandran  NEW DELHI

To be rich is not everything, but it certainly helps, says a Jewish proverb.

These words have proved prophetic in the case of 78-year-old S R Jindal, chairman and managing director, Jindal Aluminium Ltd, who has embarked on a path to help the underprivileged with the riches he has accumulated from running a four-decade-old profitable venture.

Born to a landlord in a remote village in Haryana, the industry veteran is going strong and plans to expand his existing business besides diversifying into new projects.

“We are planning a second aluminium extrusion plant in Karnataka, which is 30 km from our existing factory at Tumkur,” Jindal said.

The land and plant machinery has already been bought and operations at the unit are likely to begin by December 2011, he said. Jindal said the company itself would fund the ₹500 crore project as it has enough cash reserves.

“We are totally debt-free, never in the history of 42 years we have taken any loans,” said an elated Jindal adding, “I started from scratch, I know this business.”

The parent company, Jindal India, was formed in 1968. In 1970, the Jindal brothers parted ways and Jindal Aluminium was born.

Besides, employing over 1,100 people in its factories, Jindal Aluminium employs 500 people in charitable bodies that include a Naturecure Institute on the outskirts of Bangalore, 113 schools in villages in Karnataka and for external support to 500 charitable organisations countrywide.

Pained by the growing number of scams and corruption, Jindal recalls Subhash Chandra Bose had once said the country needed a benevolent dictator for five years.

“Now I say, it needs a benevolent dictator for 10 years”,

Reverting to his latest business venture, Jindal said the new Karnataka plant will have a capacity of 50,000 tonnes per year and once operative, total manufacturing capacity of the company will go up to 125,000 tonnes per annum.

Jindal Aluminium’s Tumkur plant in Karnataka has a manufacturing capacity of 75,000 tonnes.

Jindal Aluminium’s extrusions cater to 35% of the domestic market and their products command a 10-15% premium over the market rates due to better quality.

India’s total extrusion manufacturing capacity is around 350,000 tonnes and is mainly concentrated among the small and one-man units which mostly recycle scrap.

Jindal Aluminium and Hindalco Industries are the largest extrusion manufacturers in the country. Hindalco’s current capacity is only 40,000 tonnes per annum, making Jindal the market leader.

A self-confessed “conservative businessman”, Jindal says he “does not take risks... whatever steps we take we ensure we succeed.”

The company has also decided to set up an aluminium die-casting unit in Gujarat for ₹800 crore.

With huge demand from the automobile industry, Jindal said he is fairly sure of the project’s success.

“We are already in talks with the government (Gujarat) and plan to start construction work by March 2011... We will finish construction within a year as all the sophisticated machinery required has already been imported,” he said.

The Gujarat die-casting plant will have a capacity of 80,000 tonnes per year.

Though it plans to list on the bourses, the company is in no tearing hurry. “We may think (of listing) after the Gujarat project... We do not need public funds,” Jindal said, adding, “I do not want to play with public money.” The company is also in the process of developing a copper mine in Muscat in partnership with local companies there. “We have a 30% share in the project and Al Bahja has around 50% with the rest being shared by two more companies,” Jindal said. NewsWeek
एलएमई में कॉपर रिकॉर्ड स्तर पर

चिली की कॉपर उत्पादक कंपनी कोलेहोसी भारत से सर्वाधिक 150 पाक्के के पालन के लिए अल्पशंका दीली कमांडर होने से लेंस अफेक्ट एस्टेज में कॉपर रिकॉर्ड स्तर पर पहुंच गया। एलएमई में तीन चक्कर के दौरान कॉपर 9295 डॉलर प्रति टन के स्तर पर था। इसके पहले भाग 9327 डॉलर तक पहुंच गया था। समकाल को इसका भाग 9201 डॉलर प्रति टन पर रखा था।

चालु वर्ष के होस्पिटल वार्ष के दौरान 26 घंटों में यह दिखा है जबकि अर्थ 2009 में 140 घंटों की तेजी आई थी। केडिट एडाउंट के मिस्लिंग रेप्लिक भारत ने कहा कि निजी की दिवाली से सर्वाधिक रूप से कारण मुल्य में यह तेजी आई है। कोलेहोसी दुनिया तीसरी सबसे बड़ी कॉपर उत्पादक कंपनी है। दुनिया रोजगार के कारण सर्वाधिक रेप्लिक देखी गई है। इस वर्ष से सर्वाधिक को सस्तर लेने में मिला पैदा हो गई।
अवैध खानन मामले में
प्रमुख सचिव तुलब

दिल्ली भारत रत्न | आत्मनन्द | गुलाम
हाईकोर्ट ने राज्य में अवैध खानन के मामले पर खान एवं पानी विभाग के प्रमुख सचिव को दर्ज की।
जनसत्र को हांटकर होने का आरोप है।

संयमकर के अभाव के बावजूद ने यह भी जानना चाहा कि अवैध खान को रोकने के लिए निपटने,
अधिकारियों के निर्देशों संसाधन ने कार्यरत करेंगे?

जनसत्र की हालत है? खान में शायद दफ्न बनाने मुख्य सचिव
परंपरा अब तक की अवधी ने रोकना की
प्रवृति गणित एवं विश्लेषण भारतीय एच.एच.एस
अवधि जेल की विशेषता विभाग पर सुनाई के
भैरव उनका व्यक्ति।

उल्लेख, जेल की वर्तमान पर सुनाई के बैठक एवं शिक्षा पर
कोर्ट राज्य सचिव के बाएं से
उठाया गया कि अभियंता को अपने
का प्रमाण दिखा। इस पर अभियंता ने जवाबी
कमान उठाए।
PSU quintet enters fray for Aussie mine

NEW DELHI: A consortium of five public sector undertakings, International Coal Ventures Ltd (ICVL), on Tuesday threw its hat in the ring to acquire Australia’s Riversdale Mining company in a global battle.

The consortium consists of steelmakers Steel Authority of India Ltd and Rashtriya Ispat Nigam Ltd, miners National Mineral Development Corporation and Coal India Ltd and power company National Thermal Power Corporation, and has a war chest of over $2 billion ($1000 crore) at its disposal for overseas acquisitions but with a track record of no success since 2009 when it was set up, it may draw a blank here as well.

“We have discussed the proposal and put it before the board for examination,” said Rana Som, chairman, NMDC, country largest iron ore miner. “A final call will be taken by end January”.

It may be too late by then. The front runner Rio Tinto has already upped its bid to $8.6 billion and the reports suggested it may go well beyond $4 billion in the days to come. Others in the fray include Tata Steel, which has a 24% stake in the firm. Rio’s Brazilian rival Vale is also expected to join the battle as would world’s largest steelmaker ArcelorMittal.

Riversdale’s coal reserves in Benza and Zambaza are among world’s largest reserves of untapped coking and thermal coal. Tata Steel has a 35% in Riversdale’s Benga Coal project in Mozambique with a 40% off-take agreement. The company has always maintained it was a strategic investment but is widely expected to make a counter bid to the Rio offer.
Bullion prices reduce on low demand

New Delhi, Dec. 21: Both the precious metals, silver and gold, crashed on the bullion market on Tuesday, as traders reduced offtake at existing high levels due to easing demand.

While gold prices fell by ₹30 to ₹20,790 per 10 grams, silver dropped by ₹300 to ₹45,000 per kg.

Market analysts said retail customers and stockists refrained from buying on anticipation of a further fall in prices of precious metals, which added to the bearish market sentiments.

Sovereign remained stable at ₹16,800 per piece of eight grams. — PTI
Copper hits record high on supply woes, Chinese data

By 1117 GMT, copper for three-month delivery on the London Metal Exchange traded at $9,205 a tonne from $9,201 at the close on Monday.

The red metal used in power and construction, has gained around 28 per cent this year, compared with a 140 per cent rise in 2009.

"Record high driven by new longs coming in, spurred on by the Collahuasi mine halting deliveries," said Robin Bhar, analyst at Credit Agricole. "It's reasonable because next year is slated to be tight — each month we will probably see the deficit growing."

The world's No. 3 copper mine, Chile's Collahuasi, said on Monday it halted shipments of copper concentrate after a weekend accident shut its key sea port terminal, fueling global supply worries.
52-week high to low

MUKUL PAL

Fifty two-week highs could be used as a reallocation exit strategy back into assets quoting near 52-week lows.

Highs are more visible than lows. So we buy what is visible, remaining what is struggling at the lows. I know two experts who have a 52-week strategy. One talks about buying stocks that break above 52-week highs. The other expert is Gupta uncle (a veteran investor), who sells stocks when they reach 52-week highs.

Momentum investing is easy. This is why there are more people buying stocks than selling stocks at 52-week highs. Actually, I know very few people who sell at 52-week highs. We have more trend watchers among us who get excited about new highs than getting worried about them. Gupta uncle never looks at charts. He keeps a track of the prices and exits when they reach 52-week highs. Another reason why he is able to do it is because he works with a portfolio. He has a large portfolio, so he is not in love with stocks and his detached approach helps him get out. He has a similar approach to entry. When things get too subdued, he buys.

Overconfidence makes us believe that we can trade our way to richness with a single Nifty. One asset trading is the biggest illusion of “modern” investment. There are courses and books on trading built around one asset trading. Master swing on E mini S&P 500 futures. Abandoning a portfolio at the expense of higher risk (single asset) strategy invariably turns against the trader, sooner or later. We have already showcased that Nifty sleeps (under-performing periods) in a previous article (see ATMA website: Chart of the week). One asset trading is suicidal and absolutism built around that asset dead. One has to really ask the question, whether he is in the business of making money consistently in the long run or feeling great about doubling in a week? I understand that the kick of doubling money in a week is high, but believe me, in the long run you are heading into karma punishments, not rewards.

Stock markets are like any other enterprise where you are going to make big deals only 20 per cent of the time. So, if you are not going to contain the risk in the rest 80 per cent of the time, you will never reach the 20 per cent opportunity. You have to avoid the burnout. This of course is not what they teach you at Dalal Street.

Markets are about managing risk more than generating return. Rather markets are all about managing risks. The more you attack risk the more you can generate a consistent return. Humans are shortsighted. They will always be and this is why we have forgotten the idea of buying stocks without margin at 52-week lows, holding them for a year and booking partial gains by selling the stocks when they hit a 52-week high and start all over again.

The author is a CMT and co-founder, Orpheus CAPITALS, a global alternative research firm.
RIO TINTO MAKES $3.8-BN OFFER FOR RIVERSDALE

BLOOMBERG
Melbourne, 21 December

Rio Tinto Mining Ltd, developing coal mines in Africa, was halted from trading in Sydney after the Telegraph newspaper reported Rio Tinto Group had raised an earlier A$3.5 billion ($3.49 billion) takeover offer.

Riversdale shares will be halted pending a statement about a “possible control transaction,” the Sydney-based company said today in a statement.

London-based Rio submitted a new proposal, the Telegraph newspaper said, without saying what the offer was. Rio may offer about A$16 a share, the Australian newspaper reported, without saying where it got the information.

Buying Riversdale would increase Rio’s production of steel-making coal as demand for the commodity grows. Coal deals this year have more than doubled to A$35 billion. Rio spokesman Bruce Tobin and Bill Kemmery, a Riversdale spokesman, declined to comment.

“Rio are very forward looking,” Mark Pervan, head of commodity research at Australia & New Zealand Banking Group Ltd said in an interview in Bloomberg’s Melbourne bureau. “Demand is picking up quite strongly, but it is going to get a lot stronger.”

Global deals
Riversdale shares closed at A$16.30 yesterday, up 18 per cent from December 5, the day before it disclosed talks with Rio. Kemmery of Fortbridge Consulting Pty, which handles

Rio Tinto media communications, wasn’t able to provide any further information. Rio gained 1.5 per cent to A$86.70 at the 4.10 pm Sydney time close on the Australian stock exchange.

Global mining deals have more than doubled this year to A$37 billion, the highest level since 2007, according to data compiled by Bloomberg. Metal prices, as measured by the London Metals Index which tracks six commodities, have gained 34 per cent in the past six months.

Sojitz Corp, a Japanese trading company, today paid ¥17 billion ($305 million) to raise its stake in Australia’s Minerva coal mine to 96 per cent from 45 per cent, spokesman Yoshikazu Ichikawa said by phone.

Rio held talks with Riversdale for a possible deal at A$15 a share, Riversdale said on December 6. Rio noted the statement, though declined further comment. Rio may need to boost its offer by 25 per cent to A$4.9 billion to win control of Riversdale, Royal Bank of Scotland Plc said in a December 6 report.

Initial premium
The initial proposal was a 16 per cent premium to Riversdale’s average share price over the 20 days through December 3. The average premium for coal-industry deals announced this year is 26 per cent, according to data compiled by Bloomberg.

Rio is studying small-to-medium-sized acquisitions that are likely to be in the low “single-digit billion dollar range,” Chief Financial Officer Guy Elliott said on November 26. A bid for Riversdale fits with the company’s mergers and acquisitions strategy, Liberum Capital Ltd said this month.

Riversdale’s coal resources in Mozambique total 13 billion metric tonnes, split between the S2 billion Zambesi project and the Benga license, according to the company’s website.

Rio would need to win the support of Riversdale’s major holders, including Tata Steel Ltd, which holds a 24.16 per cent stake and a 35 per cent interest in the Benga project.

Benga may produce about 1.7 million tonnes a year of coking coal and 300,000 tonnes of thermal coal, with first exports expected in the second half of next year.
जिस एक्सचेंजों का कारोबार 53 फीसद बढ़ा

25-25

नई दिल्ली, 21 दिसंबर (भाषा)। जिस एक्सचेंजों का वापस कराने के बाद सभी लाख के लिए रूपए पर पहुंच गया। पिछले महीने से ज्यादा करोड़ रुपए के एक्सचेंज एसोसिएशन ने उत्तर-पश्चिम तट के में 9,05,899 करोड़ रुपए का कारोबार किया। इसके बाद एक्सचेंज एसोसिएशन ने 1,33,718 करोड़ रुपए और आईसीएससे 34,803 करोड़ रुपए का कारोबार किया।

दो साल में मिलेगी पूंजी तथा देशी माफिल कार

नई दिल्ली, 21 दिसंबर (भाषा)। पेड़ का सबसे बड़ा कार कंपनी माफिल सुधुरी इंडिया की पूंजी तथा देशी कार 2012 तक जीवंत रहेगी। कंपनी, अब उस तक जीवंत रहेगी। इसकी बारे में इसकी विवेचना करने के लिए एक्सवर्ल एसोसिएशन ने 32,81 लाख करोड़ रुपए पर पहुंच गया। जिसकी विल सभी को हर समय में सुनाम दी गई। अभी के नवंबर की अवधि के दौरान सभी का वापस कराने के लिए 29 फीसद रुपयेकर 80 फीसद बढ़कर 29.81 लाख करोड़ रुपए पर पहुंच गया। इसी बाद जो कंपनी आती थी उसी तरह उसी तरह के दौरान सभी के साथ 18.25 लाख करोड़ रुपए ही था। इसी नवंबर का राजनीति का वापस कराने के 67 फीसद के अवधि के साथ 17.26 लाख करोड़ रुपए पर पहुंच गया। जो पूरे फिल्टर रुपये की समझ में आता था।

इस दौरान कम समय बाद सभी का कारोबार नया करोड़ के कारोबार हुआ और यह 10.94 लाख करोड़ रुपए पर पहुंच गया। इस बाद सभी ज्यादा करोड़ रुपए के एक्सचेंज एसोसिएशन ने 9,05,899 करोड़ रुपए का कारोबार किया। इसके बाद एक्सचेंज एसोसिएशन ने 1,33,718 करोड़ रुपए और आईसीएससे 34,803 करोड़ रुपए का कारोबार किया।
गायब फाइलों पर हलफनामा
दायर करेगी उड़ीसा सरकार

कठक (पटना)। उड़ीसा सरकार राष्ट्रीय उद्योग न्यायालय में हलफनामा दायर करके, उन्होंने पेड़हाल राजस्थानी अधिकारियों के साथ समझौता में अपने बूढ़े मिलाकर के बाद साक्षात्कार में उन्हें पूछतांट करने के बारे में जानकारी दी। राजस्थान में वर्तमान में बी.बी.एस. के खाने पोशाकों की जीवित आदि की मांग हो कर दायर मूल जज्जदी।

मामूली वारूद में उन्होंने दिनरात्तर दिन के हलफनामे को ही शोधने के उद्योग न्यायालय द्वारा उद्योग न्यायालय को स्वीकार कर दिया है जो बाद राजस्थान सरकार ने लागू करने को पहुंचा है। वारूद में उन्होंने दिनरात्तर दिन के हलफनामे को शर्माने में ली जा रही थी। जज्जदी के हलफनामे की गणना की गई है।

हालांकि उद्योग न्यायालय में गायब
फाइलों का समाप्त फ़ूलकों के एक दिन बाद
पुलिस ने इसी सफलता से बूढ़े मिलाकर।

यावक्षार के कूलतन पूर्व कारण पत्रों और
पीएम नेत्र नरसिम्ह हिंदी ने गुजरात न्यायालय
द्वारा उद्यम नीति और नागरिकता की दुर्गति की दुर्गति को स्वीकार किया कि यावक्षार की ओर से दायर नहीं हलफनामा मूल लिपियाँ के
साथ नहीं जीता गया है। उन्होंने नैने ही पश्चिमी वारूद में
हलफनामा जोड़ने के लिए
कहा, शर्माने में उद्योग न्यायालय द्वारा राजस्थान
सरकार की इस निर्देश में पहले एक और हलफनामा
दापन करने का इंकार जारी। उन्होंने साथ ही
पीड़ा से इस निर्देश को स्वीकार नहीं करने का अनुभूत किया क्योंकि नया निर्देश आंशिक
राहत की अवसरों में जनित कंडी नहीं है। उन्होंने नैने इस निर्देश का 11
जनवरी तक स्वीकार करे हुए उनसे आदेश में
कहा कि राजस्थान सरकार के फाइलों के बाद
उन्हें बूढ़े मिलाकर के बांटे में हलफनामा दापन
करने की आदेश की है।
The Economic Times, Delhi  
Wednesday, 22nd December 2010, Page: 19

Width: 7.32 cms Height: 25.36 cms, Ref: pmin.2010-12-22.41.97

Ispat a good buy for investors despite debt pile

Abhineet Singh
ET INTELLIGENCE GROUP

Ispat's shareholders on the other hand will have to settle for an offer price of ₹199 per share which was at least 30% lower than the Street's expectation. The stock fell by 15% after the announcement of the deal. But, in the long term, they can expect higher operating efficiency given the experience of JSW's management. Also, a reduced debt burden after the financial restructuring will help in reducing interest costs, supporting profitability.

During the September 2010 quarter, Ispat reported a loss of ₹330 crore due to higher raw material prices and delay in its plans to reduce input costs through backward integration. JSW's management has stated that it would pursue the ongoing plans of Ispat to improve efficiencies. One of the projects is the 110 mw power plant at Dolvi, Maharashtra. Once commissioned, it would bring down Ispat's power cost by 40%.

JSW Steel uses iron ore beneficiation model where iron ore is processed to increase iron content. It is cost-effective since low-grade iron ore is cheaper. The same model can be replicated to improve Ispat's profitability. JSW also plans to restart Ispat's 3.3 million tonne steel plant in Maharashtra, which was closed due to working capital problems.

Ispat's investors may have to wait for four more quarters to see the benefits of the restructuring. The deal is expected to turn the company around into a leaner and more efficient steel maker. While its stock may see some selling pressure in the near term, its long-term outlook is promising.

abhineet.singh@timesgroup.com
NALCO has received the Best Listed CPSE Award for its excellent performance in significant value addition to its shareholders. The award was received by NALCO Chairman and Managing Director Dr. Srinivas from Prime Minister Dr. Manmohan Singh in New Delhi recently.
JSW to buy controlling stake in Ispat for Rs. 2,157 crore

New measures to bring down operating cost

Special Correspondent

MUMBAI: JSW Steel on Tuesday agreed to pick up 41.29 per cent stake in loss-making Ispat Industries for Rs.2,157 crore.

According to the deal, Ispat Industries will issue to JSW, on a preferential basis, 108.66 crore equity shares at Rs.19.85 a share for a consideration of Rs.2,157 crore. In addition, JSW will make an open offer to minority shareholders of Ispat Industries according to SEBI guidelines.

The deal will add an enterprise value of about $3 billion to JSW's combined capacity to 14.3 million tonnes annually (tpa) by March 2011. On completion of the preferential allotment, JSW stake can go up based on the outcome of the open offer. The existing promoters of Ispat will hold 26 per cent stake on completion of the transaction. The lender's holding will come down from 12 per cent to around 4 per cent.

Jindal Group Vice-Chairman Sajjan Jindal said Ispat's debt was about Rs.7,500 crore and Rs.2,157 crore would go towards lenders, improve cash flow and liquidity of Ispat.

Lenders include IDBI (Rs.3,000 crore), ICICI Bank (Rs.1,800 crore), IFCI (Rs.1,400 crore) and around 8-10 banks (Rs.1,300 crore). JSW will refinance the debt and had asked lenders till September, 2011, to bring down the debt cost. “The average interest of the debt is 9.9 per cent. New debt will be raised at around 4 per cent lower than this,” he said adding that Ispat would take 12 months to get back in black.

Ruling out a merger, Mr. Jindal said Ispat Industries would be renamed JSW Ispat Steel. Mr. Jindal will be the non-Executive Chairman.

Mr. Vinod Mittal of Ispat would continue as Executive Vice-Chairman during the transition period and later as non-Executive Vice-Chairman.

On JSW's financing the deal, Mr. Jindal said, the money would come from the surplus cash on JSW books besides hitherto unavailed sanctioned loans. JSW's net worth is Rs.16,000 crore and it has a net debt of Rs.12,000 crore.

Mr. Mittal said Ispat's capital expenditure plans of Rs.3,100 crore were on schedule, which include debottlenecking and raising capacity from 3.3 million tpa to 4.2 million tpa. This is besides a power plant, a pelletising plant, a one-million tpa coke oven and mining development.

Ispat's difficulties emerged from a financial imbalance and lack of integration of key inputs of coke, pellet and power. For the September quarter, Ispat posted Rs.377 crore loss. Accumulated losses total Rs.2,470 crore. The plant, shutdown on November 7, has been restarted on December 21.

Speaking on the short-term measures for turning around Ispat, Mr. Jindal, said “since both companies focus on western and southern India, henceforth, Ispat will sell only in a 200-km radius from its Maharashtra plant and JSW will withdraw from Maharashtra.

This will reduce Ispat's average freight from Rs.1,400 to Rs.1,325 a tonne and for JSW from Rs.1,550 to Rs.1,400 a tonne.”

Ispat has huge undeveloped assets in terms of coking coal and iron ore. “Ispat's major problem was power which it procured at Rs.5.50-6 a unit. We will supply power from our Ratnagiri power plant. Ispat imports coke and pellets but from April, 2011, JSW's four million tpa pelletisation plant will come on stream in Vijayanagar and we can make some coking coal available to Ispat also. All these measures will bring down operating costs in the short-term.”

DEBT REDUCTION: JSW Steel Vice Chairman Sajjan Jindal (left) with Ispat Industries Executive Chairman Vinod Mittal at a press conference to announce the strategic alliance in Mumbai on Tuesday. – PHOTO: PAUL NORONHA
Copper surges on higher Chinese imports

Bloomberg
Dec. 21

Copper jumped to its highest price since at least 1988 in New York after China's imports gained for the first month in three and supplies were disrupted at the Collahuasi copper mine in Chile.

The New York futures for March delivery climbed as much as 2 per cent to $4.2895 a pound, the highest price for a most-active contract since at least December 1988, and were at $4.2805 a pound at 9:03 a.m. local time.

Copper for delivery in three months on the London Metal Exchange jumped as much as 2.1 per cent to the all-time high of 89,292 a tonne, and was at 89,372.25 in London.

The International Copper Study Group is expecting a 435,000-tonne deficit in the refined metal next year.

OTHER METALS

Tin for three-month delivery on the LME was little-changed at $26,200 a tonne, while nickel gained 0.5 per cent to $24,670 a tonne. Aluminium rose 0.8 per cent to $2,397 a tonne, lead gained 1 per cent to $2,465 a tonne and zinc added 1.4 per cent to $2,330 a tonne.
Australian study backs miners on resources tax
Moots credits for iron ore, coal royalties

Agence France-Presse
Sydney, Dec. 21
Australia's major miners scored a victory in their clash with the government over a controversial new mining tax on Tuesday, when an official study backed their stance on the levy.

BACKLASH
The tax triggered an angry backlash from the nation's most valuable export industry when it was first suggested in May, and was a key factor in toppling the then Prime Minister, Mr Kevin Rudd, in a Labour Party coup the following month.

A compromise agreed between Mr Rudd's successor, Ms Julia Gillard, and BHP Billiton, Rio Tinto and Xstrata has since appeared shaky after the miners accused the Government of reneging on a deal to refund all state royalty payments.

But the government-commissioned report into the Mineral Rent Resources Tax (MRRT) supported the miners' view, saying they should receive tax credits for all state mineral and gas royalties paid.

"The MRRT should not be used as a mechanism to enable States and Territories to increase inefficient royalties on MRRT taxable commodities," it said.

ROYALTIES
"All current and future State and Territory royalties on coal and iron ore should, therefore, be credited."

The report is at odds with the government's stance, which sets royalty rebates at their May 2010 level and does not factor in any future increases.

The Treasurer, Mr Wayne Swan, said he would not endorse or reject any of the recommendations in the report immediately, and would respond early next year.

"But I can say this: there is a lot of common sense in this report, a lot of common sense in these recommendations," he told reporters in Canberra.

He said he would work through all the 94 recommendations in the report, which said that Australia's coal and iron ore industries needed certainty.

MINING TAX
The mining tax, set to apply to iron ore and coal from mid-2012, will fund infrastructure, pensions and tax cuts for small businesses, Mr Swan said.

"This type of reform is absolutely critical to the future strength and prosperity of our country," he said.
Hindustan Copper FPO likely in January

Hindustan Copper’s follow on public offer is expected to hit the capital market in January, mines minister BK Handique said on Tuesday. “Not before Christmas. Hopefully, it should take place in January,” Handique said. Through Hindustan Copper’s 20% FPO, the government will offload 10% of its stake and the remaining from the company.
NALCO pays increased advance tax of Rs 187 crore

BHUBANESWAR, Dec 17: Navratna PSU Nalco has paid advance income tax of Rs 187 crore for the third quarter of 2010-11, as against Rs 68 crore paid during the corresponding period last fiscal, a release said today. NALCO has paid a higher amount of Rs 356 crore for advance tax of the current financial year, as compared to Rs 140 crore paid during the corresponding period of 2009-10, it said. The increased tax pay-out was primarily due to the turnaround by the company and improved market conditions, which have now recovered from global recessionary impact. (PTI)
अदैश खनन के खिलाफ अभियान चलेगा

जयपुर (बूटू)। राजस्थान में अदैश खनन रोकने के लिए सरकार की ओर से आगामी तीन जुलाई से 15 फ़रवरी तक एक विशेष अभियान चलाया जाएगा। राजस्थान के खान्जिब गंडी ग्रामपंचायत ने सालाना कि अदैश खनन के खिलाफ पाए जाने वाले कान तथा अदैश खनन में काम में आने वाले वाहनों एवं सामग्री का जल्दी करने के लिए अधिकारियों को विद्यमान वांछित न होने की आवश्यकता है।