Nalco Q4 net declines 7.59 pc to Rs 282.10 cr

Mumbai

State-owned National Aluminium Company (Nalco) on Monday reported a decline of 7.59 pc in net profit at Rs 282.10 crore for the quarter ended March 31, 2012, largely due to higher fuel costs and lower realisations on aluminium sales.

The Bhubaneswar-based aluminium major had reported a net profit of Rs 305.26 crore during the corresponding period last fiscal.

Net sales also declined marginally by about 2 pc to Rs 1,753.41 crore during the quarter.

The company's realisations on aluminium sales were down by about 11.50 pc to Rs 1,262.71 crore, largely due to lower prices on the London Metal Exchange.

Its expenses on power and fuel rose by over 4 pc to Rs 508.92 crore in the reported quarter.

However, Nalco's total expenditure shot up over 21 pc to Rs 3,092.21 crore in the last fiscal 2011-12. Of this, expenses on power and fuel alone accounted for Rs 2,196.88 crore, an increase of over 24 pc over the previous year.

Shares of the company closed at Rs 60.80 apiece on the BSE, up 1.50 pc from the previous close.
एनएमडीसी की ऑस्ट्रेलिया फर्म
खरीदेगी छह कोयला खदान

सार्वजनिक क्षेत्र की एनएमडीसी की ऑस्ट्रेलिया फर्म लोगों की आवश्यक चाह को बीते प्रारंभी खदान ने की चुनौती को खरीदते जा रही है।

यह आज़ाद सीएससी के द्वारा (सीएससी) एवं लोगों ने दी।

एनएमडीसी ने फ्रांस में 50 पेकड़ों मिलियन एरिया का अवस्थान किया था।

लागू ने बताया कि सीएससी की लोगों को कोक्स एवं थर्मल कोक्स में प्रांत मिलान की पहचान करने के लिए काम का है।

सीएससी का यह सबसे बड़ा कार्यक्रम विशेष रूप से चाहिए कि इसके कारण में ही अवधारण की हो जाए।

उनके बताया कि यह समूह का रणनीत उन्हें स्कॉटलैंड की टीले के निर्माण में व्यय शुद्ध निवेश हासिल करने की रणनीत करेगा।

एनएमडीसी के एक अन्य अधिकारी ने बताया कि लोगों ने टीले फ्लॉगेन में इस चार प्रौद्योगिकी का अवस्थान करने के लिए तीन संगठन के साथ समझौते कर लिए हैं।

साथ ही तीन संगठन हैं युक्ति तीनों के लिए एनएससी, टीले और लोगों को निर्माण नियोजन करने के लिए कुल मिलाकर 60 लाख ऑस्ट्रेलियाई डॉलर का मिलान किया।

इसके अलावा, लोगों को एनएमडीसी स्फरण टिम्लिन्ड के संयुक्त उद्देश्य में जीवन एयरलाइंह एवं विवरण के लिए समझौते किया जा रहा।
Nalco annual net declines 21%

Bhubaneswar: State-owned National Aluminium Co. Ltd’s (Nalco’s) net profit plunged by 21% to ₹849.50 crore in 2011-12 from ₹1069.30 crore achieved during the previous year mainly due to rising cost of fuel and input materials.

The ‘Navaratna’ public sector unit, however, achieved sales turnover of ₹6500.27 crore during the year, up 9% over ₹5998.98 crore registered in the previous fiscal. PTI
NMDC arm’s acquisition
HYDERABAD, 22 MAY: State-owned mining major NMDC’s Australian arm Legacy Iron is set to acquire six coal tenements in Queensland, a top official of the PSU has said. The move to acquire coal assets is part of the company’s strategy to become strong in steel making related fields, NDMC director (finance) S Thilagarajan said. pti
CoalMin hires Crisil as consultant for 54 blocks evaluation

ANIMESH SINGH • NEW DELHI

The Government is learnt to have finalised rating agency Crisil as a consultant, which would fix the methodology to determine the reserve price of 54 coal blocks, which the Ministry of Coal plans to auction during this fiscal, according to sources close to the development.

Sources confirmed to The Pioneer that Crisil’s bid met the required criterion and a formal announcement regarding the firm’s selection would be made “very soon”.

The appointed consultant would have to fix the methodology to determine the reserve price of 54 blocks, which the Government plans to auction later this year.

Other firms which were in contention for the consultant’s job were PricewaterhouseCoopers (PwC), SBI Caps and Deloitte. Crisil’s bid was found suitable after the financial bids were opened, official sources said, adding that the size of the financial bid was ₹50 lakh.

Coal Ministry, which has almost finalised the rules for bidding of blocks, had decided to go in for the competitive bidding route, in order to bring in greater transparency in the entire process.

The development also assumes significance in the aftermath of a preliminary report of the Comptroller and Auditor (CAG), which appeared in the media alleging that undue benefits of over ₹1.8 lakh crore were accrued to private companies in the dry fuel block allocation conducted by the Government without bidding.

Opposition uproar over the delay in tabling of the CAG report also led to adjournment of both Houses of Parliament earlier in the day, even as Coal Minister Sriprakash Jaiswal denied receiving any such report. “We have not received any such report,” Jaiswal told reporters, when asked for his comments on the CAG report’s contents, which were leaked in the media.

In February, Coal India Ltd’s subsidiary - Central Mine Planning and Design Institute (CMPDI) - on behalf of the Coal Ministry had invited an expression of interest from interested firms for providing consultancy services.

A Coal Ministry official had earlier said that the ministry will put 54 blocks on auction in the first tranche, once the methodology is fixed. “Of the 54 coal blocks to be auctioned, 18 would be for power sector, two for steel sector, 12 for commercial mining and rest for sponge iron and cement sector,” the official said.

In March, Jaiswal had said that the Government is almost ready to auction coal blocks through competitive bidding and the guidelines for this are expected to come within a couple of months.

Currently coal blocks are offered to the end-users on a preferential basis by an interministerial screening committee.

The Coal Ministry, last year had sought suggestions from stakeholders on draft guidelines on competitive bidding, though the proposal for auctioning coal blocks through competitive bidding was mooted for the first time about three years ago.

Parliament had also approved the auction of coal blocks by amending the Mines and Minerals (Development and Regulation) MMDR Act to facilitate this process.

The need for competitive bidding route was being felt in the wake of slow progress in mining operations in coal blocks.
Weak outlook for Nalco
Aluminium business will continue to be a drag for the company

Nalco's stock has seen high volatility during FY12, trading between 52-week high of ₹94 (June 2, 2011) and 52-week low of ₹48 (November 24). While international aluminium prices have been under pressure due to the global crisis, lack of backward integration (coal) added to the woes. Coal availability in India has not been good, and imports are also proving costly despite the decline in global prices, thanks to the rupee's depreciation. The company was forced to close 12 of its 930 pots due to non-availability of coal during the September 2011 quarter, which have not restarted yet. It hopes to restart these after coal availability improves and aluminium prices support profitability.

While these events impacted Nalco's profitability in 2011-12, there is some solace that the March 2012 quarter numbers were better on a sequential basis.

Nalco added 525,000 tonnes to alumina capacity during September 2011 quarter that pushed annual alumina capacity to 2.1 million tonnes and boosted volumes in March quarter. Alumina production at 50,000 tonnes was 30 per cent higher, as compared to the December quarter. Aluminium sales volume at 104,000 tonnes, too, increased six per cent sequentially.

Profitability and revenues were further helped by a marginal improvement in average alumina and aluminium prices (at ₹777 and ₹2,226 a tonne, respectively) up more than five per cent sequentially. Thus, revenues (₹1753.4 crore) were up 22.6 per cent sequentially. Better availability of linkage coal and lower use of e-auction coal (seven to eight per cent in the quarter versus 15 per cent in the December quarter) saw power and fuel costs fall thereby boosting profitability. Employee expenses too reduced, aided by some reversals. This helped Ebitda margins improve sharply from 3.2 per cent in December 2011 quarter to 13.7 per cent in March; net profit jumped 450 per cent to ₹238 crore.

The expanded alumina capacity will run to optimum levels pushing Nalco's profitability. Cost of production for alumina is around $250 a tonne (average quarterly alumina prices during FY12 ranged $358-488). However, cost of production for aluminium is around $2,250-2,300 a tonne for Nalco, whereas aluminium prices on LME are likely to hover between $2,100-2,300 a tonne in the near term, say analysts. After assuming the typical premium of about $300 a tonne that companies garner for their produce, the aluminium business will continue to be a drag for Nalco. Further, benefits from Utkal coal blocks will take time to accrue. Hence, most analysts remain bearish on the stock, even as it (at ₹59.55) is closer to its 52-week low levels.

UDDAL MAHARI
No CAG report on coal mines received: Jaiswal

ENS ECONOMIC BUREAU
NEW DELHI, MAY 22

The coal ministry on Tuesday denied having received any report from the Comptroller and Auditor General (CAG) on irregularities to the tune of over Rs 1.80 lakh crore in coal block allocations and said that all coal blocks were allocated in a transparent manner.

“The media has been asking me, but we have not received any report on the CAG’s latest version,” said coal minister Sriprakash Jaiswal when asked for a statement on reports that the CAG had toned down its assessment on irregularities from the earlier figure of Rs 10.60 lakh crore.

Both Houses of Parliament were adjourned till noon after the Opposition created furore over the delay in tabling the CAG report on allocation of coal blocks.

Jaiswal said that the blocks are allocated through a Screening Committee chaired by the coal secretary.

“The blocks are allocated based on the recommendations of this committee and after due consultations and concurrence of the state governments. Are the critics trying to suggest that there are irregularities that we have committed in collusion with the state governments?” asked Jaiswal.
LEGACY TO ACQUIRE 6 COAL ASSETS IN QUEENSLAND

Hyderabad: State-owned mining major NMDC’s Australian arm Legacy Iron is set to acquire six coal tenements in Queensland, a top official of the PSU has said.

The move to acquire coal assets is part of company’s strategy to become strong in steelmaking-related fields, NMDC director (Finance) S. Thirarajan said.

“We have asked them (Legacy) to identify certain properties both in cooking as well as thermal coal. All the tenements are either under investigation or detailed study. We will take a decision after we get complete results,” Mr Thirarajan said.

Recently, National Mineral Development Corporation had acquired 50 per cent stake in Australia’s Legacy Iron. Legacy has entered into an agreement with three companies to acquire six highly prospective coal assets in Queensland, according to an NMDC official.
NALCO FY’12 net plunges 21%  

BHUBANESWAR: State-owned aluminium major NALCO’s net profit plunged by 21 per cent to Rs 849.50 crore in 2011-12 from Rs 1069.30 crore achieved during the previous year mainly due to rising cost of fuel and input materials. The ‘Navaratna’ PSU, however, achieved sales turnover of Rs 6500.27 crore during the year, up nine per cent over Rs 5958.98 crore registered in the previous fiscal, company sources said here on Tuesday.
The Politics of Bauxite Mining

Green Hurdles Cut Short India’s Aluminium Story

Bauxite-rich East Coast region hasn’t seen a single mine open in 30 years

NAGESHWAR PATNAIK
BHUBANESWAR

The East Coast region, home to 74% of the total bauxite reserves, continues to be one of the most-neglected regions in the country, as not a single bauxite mine has been opened in the past three decades.

The East Coast region, part of Andhra Pradesh and Odisha, where a staggering 2,600 million tonnes of in-situ reserves of bauxite was discovered way back in 1976, that virtually promised to become a game changer in the world of aluminium, with India becoming the fifth-highest bauxite reserves nation in the world with deposits of about 3.5 billion tonnes, or 5%, of global deposits.

“It is unfortunate that India could not leverage its strength by emerging as the epicentre of an aluminium revolution and that too at the lowest cost quartile. It is ridiculous not to utilise huge bauxite deposits in the name of environment and indigenous tribals,” says PK Jena, former director general, Council of Scientific and Industrial Research and chairman of city-based Institute of Advance Technology and Environmental Studies (IATES).

Odisha’s poorest Kalahandi and Koraput districts have 10 bauxite deposits, accounting for a whopping 1,064 million tonnes while Andhra Pradesh has nine deposits having 800 million tonnes proven reserves. PSU Nalco operates only Fanchapatmai bauxite mine in Koraput district— one of the biggest deposits in the world against nearly 200 operating mines in the country.

Consequently the Indian aluminium industry today produces only a nominal 1.338 million tonnes of metal with a very low per capita consumption of 1.3 kg against the world production of 40 million tonnes and per capita consumption of 30-50 kg in the developed countries like Germany, Japan, Italy, Canada, the US etc, experts said.

Jena further asserts that bauxite deposits are always available at the top of the plateau, which have sparse vegetation as the mineral is porous in nature and does not hold water which trickles down the mountain slopes.

“...It is ridiculous not to utilise huge bauxite deposits in the name of environment and indigenous tribals...”

Sitting on Unexplored Wealth Reserves

India has the fifth-largest bauxite reserves in the world with deposits of about 3.5 billion tonnes, or 5%, of world’s deposits.

India’s share is only 3% of world’s aluminium capacity.

Most Bauxite Deposits Found in Four Regions

The Eastern Coast Bauxite Belt, including Orissa and Andhra Pradesh

Plateau bordering Bihar and Madhya Pradesh

Amarkantak deposits of Madhya Pradesh

Western Ghats

Andhra Pradesh in the past three years has been negligible while there is an increase in bauxite production from 0.5 mt to 1 mt in Madhya Pradesh.

However, there has been a sharp fall in bauxite production in other states, mainly Gujarat and Maharastra, due to some restriction imposed on exports.

Curiously enough, till the time bauxite was being exported, neither environmental activist/non-government organisation, nor any other politician had ever opposed bauxite mining.

The latest controversy on bauxite mining has been sparked off by the Union tribal welfare minister V Kishore Chandra Deo, who in a letter to AP governor ESL Narasimhan sought his intervention for a total ban on bauxite mining in the tribal area in AP.

Deo has linked the bauxite mining with increased Maoist attacks in AP and Odisha.

Jindal Aluminium of JSW Group has closed its proposed refinery project in AP recently. Anarac Aluminium is putting up 1.4 mt EOU refinery unit in AP and has entered into an agreement APMDC for sourcing of bauxite.

However, this project faces uncertainties, post Deo’s move for banning bauxite mining.
Copper steady on China move

Reuters
London, May 22
Copper steadied on Tuesday as reports that top metals consumer China will fast-track infrastructure investments offset a firmer dollar and uncertainty about Europe's ability to resolve its debt crisis.

Three-month copper on the London Metal Exchange touched a week-high of $7,816 a tonne in the session, before easing to $7,741 in official rings from Monday's $7,731 close.

One of the price supports for copper on Tuesday was a report in the state-backed China Securities Journal that Beijing will speed up approval of infrastructure investments to combat slowing growth and a sluggish property sector. Copper is used extensively in construction.

Copper is on track to lose more than 7.5 per cent this month, sharply cutting its year-to-date gains to around 2 percent from as much as 15 per cent in February. Tin was $19,500 in official rings from $19,250 while zinc, used in galvanizing, was $1,910 from $1,905 at Monday's close.

Battery material lead was $1,940 from $1,941 and aluminium was $2,038 from $2,047. Nickel was $17,050 from $17,185.
अधिसूचित क्षेत्र में खनन लीज पर रोक

समाचार। सुनिश्चित करें जानकारी में अधिसूचित क्षेत्र के आसपास समुदाय को अपने खनन नियमों का अनुरोध करें।

सुनिश्चित करें कि समुदाय के अनुरोध का पालन करता है।

अधिसूचित क्षेत्र में खनन का अनुरोध करें।

प्रशंसित कोष का पालन करें।

अधिसूचित क्षेत्र में खनन का अनुरोध करें।

समुदाय के अनुरोध का पालन करें।