रोक दिए थे सीईसी के रास्ते
प्रदेश में अवधार खानन का गाला, सर्वोच्च न्यायालय में पेश रिपोर्ट में खुलासा

शीक्षा

राजस्थान प्रांत, जयपुर
वर्ष 2012, अगस्त 23, पृष्ठ: 10

राजस्थान प्रधान न्यायालय में पेश की गई रिपोर्ट में रिपोर्ट के अंतर्गत न्यायालय के सात व्यक्तियों को सीईसी के रास्ते रोक दिया गया है। इसके प्रति न्यायालय ने अपनी रिपोर्ट में दर्शाया है कि रोक के बाद से खानन का गाला स्वस्थ हो गया है।

राजस्थान प्रधान न्यायालय के न्यायिक अंतर्गत, राजस्थान सरकार का क्रिया करने वाले व्यक्तियों को सीईसी के रास्ते रोक दिया गया। इसके कारण सीईसी के रास्ते रोक की गई गानी है।

50 मिलियन टन जमीली
राजस्थान में 50 मिलियन टन जमीली के बाहर है, लेकिन इसके लिए न्यायालय को समस्या नहीं है। बाहरी नियन्त्रण के लिए न्यायालय का इस्तेमाल हो सकता है।
P&H JOY MINING BECOMES 2ND-LARGEST US INVESTOR IN STATE AFTER PEPSICO

PLUMBING THE DEPTHS

THE resource-rich East has always been home to the country’s mining industry. Recently, West Bengal’s manufacturing sector received a fillip with P & H Joy Mining Equipment, a wholly owned subsidiary of US-based Joy Global Inc, deciding to invest in a $25 million facility for high-end mining equipment near Durgapur in West Bengal.

It will be the second-largest US investment in West Bengal ever since Pepsico’s Frito-Lay set up its unit in the state back in 2004. Joy Global Inc, a $5.5-billion US mining company, is a world leader in surface and underground mining equipment. The new manufacturing and servicing facility will cater to the company’s diversified customer base in the metals and mining space spread over states like Jharkhand, Orissa and West Bengal. While P&H’s biggest customers include Coal India and Reliance Power, it also serves the likes of Singareni Collieries, Hindustan Zinc, Hindustan Copper and Tata Steel.

P&H has taken up 25 acres for its facility inside an industrial park being set up by Bengal Aerotropolis Projects Ltd (BAPL) in the Asansol-Durgapur area. Co-promoted by Singapore’s Changi Airport, the ₹ 5,000-crore BAPL project is an airport city with a logistics hub, IT and industrial parks around it.

“We expect a significant spurt in mining activity in the eastern region, with projects like JSW Steel at Salboni and expansion of mining activity by Steel Authority of India Ltd (SAIL), both in coal and iron ore,” Anirudha Gupta, director at P&H Joy Mining said.

“We have set a target date of commissioning the first phase of the project by 2013. Initially, we will set up a fabrication unit for mechanical structures. To start with, we will manufacture the smallest machines in our catalogue,” he added.

“In the second stage, we will start making transmission equipment and finally in the third phase we take up electrical parts. However, we are yet to firm up our investment road map for the second and third phase of our project,” Gupta said.

For the first time in India, P&H Joy Mining will also offer a ‘smart’ service out of its new facility using a satellite-based system for remote monitoring of mining equipment on real time. “The service is popular among Joy’s global clients in South Africa, Australia and the US and it helps reduce machine down-time significantly. Since these machines cost upwards of ₹20 million, this adds to productivity too. The service will be based on ‘Prevail’, a proprietary software developed by Joy Global Inc.” Gupta said.

TEAM ET
CEC team visits Bellary mining areas

The Supreme Court appointed Central Empowered Committee, visited the mining areas in Tumutl in Bellary on Monday.
Fluctuations in world aluminium capacity

ANALYST'S VIEW
KUNAL BOSE

For its size and multi-country production facilities, frequent technology updates and a balance sheet making it a "confident company in a nervous world," Alcoa of the US is seen as bellwether of the world aluminium industry. Therefore, when Alcoa reported a loss in the final quarter of 2011, the first since 2009 second quarter, due to falling demand from packaging to construction to automobile sectors, our expectation of working of local aluminium makers during October-December period gets adequately moderated. The industry had to contend with a 12 per cent drop in aluminium prices in the December quarter and 27 per cent fall from the peak in April 2011.

B L. Bagra, chairman of the National Aluminium Company (Nalco), says, "Smelting costs rise particularly on energy account are proving hurtful, but luckily demand for the white metal here is seeing steady demand growth of 9-10 per cent. The power sector will continue to generate strong demand for aluminium and we expect better buying soon from the construction and transport sectors." The country is targeting additional power capacity creation of 100,000 Mw both in the 12th and 13th Plan. Renewal and building of transmission lines for power evacuation will call for large use of aluminium. Whatever that may be, local aluminium prices are settled by rates at the London Metal Exchange (LME).

Unlike in India where inventories of primary aluminium at the producer end have remained low, stocks with LME warehouses are now close to 5 million tonnes (mt). Europe, besieged by sovereign debt problems, is playing spoilsport for the aluminium market. Alcoa and leading research house CRU are ruling out any demand growth there for aluminium in 2012.

Debates are on as to whether Europe will be in the grip of a recession. But European traders are encountering higher financing costs. Banks, badly mauled during 2008-09 crisis and not inclined to take risks like in the past, are asking for adequate margins and also charging higher rates of interest. So, at every point in Europe — the trade, stockists and actual users — the attempt is to do with minimum inventory of aluminium. Combinations of near-term backsaturation and higher financing costs are causing inflows of off warrant aluminium holdings into LME warehouses.

The answer to setbacks in aluminium prices in last year's final quarter will be largely found in a report of Bloomberg Industries that in the earlier three quarters smelter production outpaced demand by 953,516 tonnes causing inventories to rise. As correctly anticipated by Nalco commercial director Ansuman Das, the three-month forward price has now made some fast recovery from a December-end-January beginning low. "At that level of $2,000 a tonne, close to half the global aluminium capacity was found in the red zone. Some demand improvement will boost prices. That, I think, is happening outside Europe. The market has to recognise at some point that because of incremental production cost, aluminium has to have a higher floor," says Das. So, the three month price now is over $2,160 a tonne.

According to Alcoa CEO Klaus Kleinfeld, despite European economic gloom, world demand will grow seven per cent this year against 10 per cent in 2011. But if China, where demand is set to rise 12 per cent, down from 15 per cent last year, is excluded, then aluminium use by the rest of the world will see growth of only four per cent. This, besides, is his forecast that the world will have an aluminium deficit of 600,000 tonnes in 2012 — this could be even more if China decides to go long in scrapping high cost smelters — should warm the cockles of the industry's heart. The global deficit is based on the assumption that 1.1 mt of China's 5.7 mt of unprofitable capacity will be taken offline. Industry officials will not rule out the possibility of another 1.2 mt of Chinese inefficient capacity being gullionted.

In case aluminium prices don't rise fast enough. Doing away with such capacity will be to China's advantage, since the industry there is import-dependent for raw materials, particularly alumina, has to put up with a rising energy bill and is frowned upon for environment fouling. Das says if China turns ruthless in getting rid of much of its unprofitable smelting capacity, that would give a leg-up to aluminium prices.

Rising energy and other input costs are to cause considerable churning in the world aluminium industry. Alcoa is to decommission 331,000 tonnes of smelting capacity, amounting to 12 per cent of its total. Rio Tinto is waiting for an "opportunity moment" for divestment of 13 aluminium assets. Parallel to Chinese moves to shed unprofitable capacity, Shandong has announced plans to build an 800,000-tonne smelter for Chalco and also a 400,000-tonne smelter. Emirates Aluminium is to raise the Al Taweelah smelter to 1.3 mt by 2014 to make it the world's largest single site smelter. Here Hindalco will have 1.7 mt capacity and Vedanta, including Balco, 2.5 mt capacity. Expect Nalco to build two new smelters of 500,000 tonnes capacity each. "You will see new power efficient smelters replacing inefficient capacity across the globe. After all, global aluminium demand is likely to double by 2020," says Bagra.
IN LESS than a decade, Odisha, once mocked at as a sluggish state and debt-ridden, has managed to turnaround its fortunes. The state now boasts of a high growth rate and is emerging as a major destination for foreign investment. The state government has been successful in attracting large number of investment proposals, especially in the power sector, and the state is now regarded as a major hub for investment in India.

The state government has been able to attract a number of large-scale projects, including the proposed Sambalpur Thermal Power Project, which is expected to generate 2,000 MW of power. The state government has also been successful in attracting investment in the renewable energy sector, with several renewable energy projects under various stages of development. The state government has also been successful in attracting investment in the tourism sector, with several new tourist projects under development, including the proposed Odisha Tourism Development Corporation (OTDC) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the steel sector, with several new steel projects under development, including the proposed Odisha Steel Plant (OSP) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the petrochemical sector, with several new petrochemical projects under development, including the proposed Odisha Petrochemical Complex (OPC) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the pharma sector, with several new pharma projects under development, including the proposed Odisha Pharmaceutical Park (OPP) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the automobile sector, with several new automobile projects under development, including the proposed Odisha Automobile Park (OAP) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the electronics sector, with several new electronics projects under development, including the proposed Odisha Electronics Park (OEP) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the food processing sector, with several new food processing projects under development, including the proposed Odisha Food Park (OFP) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the tourism sector, with several new tourism projects under development, including the proposed Odisha Tourism Development Corporation (OTDC) project, which is expected to generate 2,000 MW of power.

The state government has also been successful in attracting investment in the renewable energy sector, with several new renewable energy projects under development, including the proposed Odisha Renewable Energy Park (OREP) project, which is expected to generate 2,000 MW of power.
झटका \ खनिज निगम को छोड़नी चाही 61 हेक्टेयर जमीन
dफल रहेगा टनों कोयला

कोल मिनिस्ट्री के अधिकारियों से मिलने के समय 12 जनवरी को अधिकारियों का असीमित सहयोग का विषय बनाकर सभी मंत्री ने केंद्रीय मिनिस्ट्री के अधिकारियों को चेताया था। इसकी अपनी व्यवस्था तैयार करने और चाहिए। जब पर्यावरण विभाग को छोड़ना चाहिए तो निराश होते हैं।

भोपाल में स्रोतों के रूप में कोल के अधिकारियों को चेताया था। कोल के अधिकारियों के अधिकारियों के साथ 12 जनवरी को हुई मेले में खनिज निगम के कार्यकर्ता निर्देशक एक बार भी समस्या को समझ सकना चाहिए। केंद्रीय मिनिस्ट्री के अधिकारियों की तरह के कार्यकर्ता ने तैयारी में जानकारी करने का आश्वासन दिया।

पर्यावरण विभाग ने 27 दिसंबर को खनिज निगम के केंद्रीय मंत्री के साथ बाहर रखा था कि नए कार्यकर्ता की जमीन को चेताया था। पर्यावरण मंत्री ने खनिज निगम को यह कहा कि दो कोल मिनिस्ट्री के अधिकारियों का अधिकारियों के साथ बाहर हो घर। सरकार के अधिकारियों के साथ विषय का विषय बनाकर सभी मंत्री ने अपनी व्यवस्था तैयार करने का आश्वासन दिया।

एक साल बाद बकर बना
भोपाल में स्रोतों के रूप में कोल के अधिकारियों को चेताया था। जब पर्यावरण मंत्री ने 2010 में कोल को छोड़ने का आश्वासन दिया जब पर्यावरण मंत्री ने खनिज निगम को यह कहा कि दो कोल मिनिस्ट्री के अधिकारियों का अधिकारियों के साथ बाहर हो जा सकता है।

सरकार के अधिकारियों के साथ विषय का विषय बनाकर सभी मंत्री ने अपनी व्यवस्था तैयार करने का आश्वासन दिया।
Industry pitches for more reforms in coal

OUR CORRESPONDENT

New Delhi, Jan. 22: Indian industry is demanding greater freedom in coal mining operations to plug the supply gap that has affected the functioning of power plants. Current rules allow industry to operate mines solely for captive purposes.

"There is a need for serious privatisation of coal sector ... to solve the problem of shortages in the key raw material," R.V. Kanoria, the newly elected president of the Federation of Indian Chambers of Commerce and Industry (Ficci), said in an interview to The Telegraph.

At present, the government allows only state-run entities such as Coal India to run mines. Steel, power and cement plants are allowed to run smaller captive coalfields, which do not produce enough to meet demand.

Expert groups have recommended that independent coal miners be allowed and foreign investments brought in for improved technology in mining. According to Kanoria, changing environmental norms are among "the biggest hurdle ... and the government should do more in allowing private partners in the (coal) sector to push for growth."

The division of forest areas into "go" and "no-go" zones has barred mining in many allotted coal mines. "The government needs to take bold decision as the people these days vote for growth. I agree that environment is a trade-off for development but if we need to move forward such decisions have to be taken. It would be ideal if nothing is done to harm the environment, but we should work to ensure that (industry and mining's) impact on environment is kept at a minimum," said Kanoria.

Ficci representatives are planning to meet the environment and other concerned ministries to submit proposals on sustainable mining, Kanoria said.

Wish list

Kanoria said almost all sectors were suffering from shortages and high prices of raw materials. The industry association will ask the government to either lower taxes or give concessions.

"Ficci is also rooting for FDI in retail as this can "be a major game-changer," "We have to bring in FDI in retail. It is the only way forward. If FDI is brought in, we can even modernise our food processing industry which needs to be completely revamped. If foreign companies come in, we will have the investment and infrastructure to achieve it," said Kanoria.

The Congress-led government has put on the back-burner plans to open up FDI for global retailers such as Wal-mart and Tesco following opposition by political parties such as the BJP as well as allies such as the Trinamul Congress.

The industry association also believes that the European crisis will not have a major impact on the economy. "A Greek default should not have much effect on India ... but it could have an impact on FDI," said Kanoria.

According to the new Ficci chief, though the automobile, FMCG and aviation sectors have suffered in 2011, the companies catering to the rural market have done well. "Hero MotoCorp is riding high on success, thanks to the rural belt, and so are a few other companies. The industries catering to the urban middle class are, however, suffering as they are the ones who are facing problems caused by inflation."
Karnataka steel cos await report on mining ban

Parul Chhaparia

New Delhi, Jan 23: The report of the Central Empowered Committee (CEC) on Karnataka's mining sector, expected to be submitted to the Supreme Court this week, has the state steel industry on the tenterhooks.

Steel companies in the state, including Kirloskar Ferrous Industries and BMM Ispat, are worried over the prospect of the apex court deciding to continue the ban on iron ore mining in the state imposed in October last year.

Sources said the court will take up the CEC report on Friday. The SC had appointed the committee to look into allegations of illegal mining in the state.

"We are not very optimistic. I do not see an immediate lifting of the ban on mining. We are buying iron ore through e-auctioning of whatever quality is available, which is affecting everyone's (other steel companies) product competitiveness," said Kirloskar Ferrous Industries MD RV Gumaste.

The company produces around 5 lakh tonne of products, including pig iron and castings. It has already announced its plans to install a new high-pressure moulding line at the existing plant in Karnataka, to enhance the production capacity of castings by 72,000 metric tonnes per annum, with an estimated investment of around ₹200 crore.

However, with the continuing mining mess, Gumaste said it was difficult to focus on expansion at the moment.

"Though, with the e-auctioning, the supply of iron ore has improved, there is no assurance on the quality of the raw material. With the current supply, our blast furnaces can run for the next few months, but after that, the mining has to be opened up," he said.

The company's net profit fell from ₹13.45 crore in the April-June quarter to ₹7.33 crore in the July-September quarter.

Similarly for Karnataka-based BMM Ispat, its expansion plans have almost been put on the back burner due to unavailability of the raw material.

"Our stocks are depleting. We can not transport it (iron ore) from other states due to high logistic cost. If the ban continues, we'll have to shut down our plant," said BMM Ispat MD Dinesh Kumar Singh.

The company, at present, produces 75,000 TMT bars annually. It has plans to set up a two mtpa integrated plant in future.

JSW Steel said it will not comment as the matter is sub-judice. The company's margins have been hit severely.

Its third quarter (October-December) profits dipped 56% year-on-year at ₹168.2 crore from ₹382.3 crore a year before.

Karnataka is the country's second largest iron ore producing state.

The Karnataka government has received a proposal to set up 57 million tonne per annum (mtpa) of fresh steel production capacity with an investment of ₹55 billion from including the investors like Arcelor Mittal, Posco and Severstal.
Sterlite Q3 net dips 17% on forex loss

Mumbai, Jan 23: London-based billionaire Anil Agarwal’s Vedanta group firm Sterlite Industries reported a 17% drop in its consolidated net profit for the fiscal third quarter, largely due to increased costs and foreign exchange loss of ₹425.39 crore.

Net profit for the quarter stood at ₹913.52 crore as against ₹1,101.06 crore in the corresponding quarter last year. Net sales rose 23.5% to ₹10,246 crore against ₹8,294.33 crore in the same quarter last year.

The company incurred a forex loss of ₹425.39 during the quarter against ₹21.25 crore last year. Total costs on operations also shot up by 28% to ₹8,442.88 crore in the third quarter.

Sterlite Industries’ results include the performance of its subsidiaries Hindustan Zinc and unlisted Vedanta Aluminium.

Hindustan Zinc, whose standalone net profit had dropped marginally to ₹1,074 crore during the quarter, had said, “The positive impact of increased volumes and rupee depreciation was partially offset by the decline in LME prices.”

During the quarter, company's revenues from copper and aluminium businesses increased marginally to ₹4,593.11 crore and ₹600.98 crore, respectively. However, its zinc, lead and silver businesses (including of international operations) increased by about 37% to ₹3,755.34 crore.

THE COMPANY INCURRED A FOREX LOSS OF ₹425.39 CR DURING Q3

For the quarter, Vedanta Aluminium (VAL), an associate firm of Sterlite Industries, incurred a net loss of ₹883 crore, while aluminium production by Balco posted a net loss of ₹17 crore.

The company said that VAL is examining the Orissa High Court order of last week for further action as its review petition for reconsideration of the decision on not permitting the company to expand its refinery’s capacity to 6 million tonnes a year was rejected.

Regarding its expansion plans, Sterlite said that the it will commission the fourth unit of the 600MW capacity at the 2400MW Jharsuguda power plant in Orissa. The Sterlite scrip closed at ₹197.80 on the BSE on Monday, down 5.36% from the previous close.
Copper rises ahead of EU finance ministers’ meet

Bloomberg
Jan. 23

Copper rose in London, extending a second weekly gain, before European Union finance ministers meet to craft a plan to tackle the region’s sovereign-debt crisis.

Copper for three-month delivery increased 0.8 per cent to $8,289 a tonne by 10.08 a.m. on the London Metal Exchange, gaining for a fifth session in six. Copper for March delivery rose 0.6 per cent to $3,768.5 a pound on the COMEX in New York.

Hedge funds and other money managers had a net-long position of 4,775 copper contracts last week after betting on lower prices for 17 consecutive weeks, the longest bearish stretch since July 2009, according to data from the US Commodity Futures Trading Commission.

Copper inventories monitored by the LME declined for a 14th session to 345,775 tonnes, the lowest level since Oct. 5, 2009, daily exchange figures showed. Orders to draw the metal from inventories, or cancelled warrants, rose 4.7 per cent to 71,850 tonnes, the highest since May 2009, on bookings in Chicago.

Nickel for three-month delivery on the LME gained 1 per cent to $20,658 a tonne.

Aluminium was unchanged at $2,217 a tonne and lead gained 0.6 per cent to $2,197 a tonne. Zinc rose 0.6 per cent to $2,024.50 a tonne and tin advanced 0.5 per cent to $21,970 a tonne.
Strong Rupee, Prices May Help Sterlite Leave Worst Behind

Q3 has been the worst in the past nine quarters

**Earnings Analysis**

**CRYSTAL BARRETTO**
*ET INTELLIGENCE GROUP*

The October-December 2011 quarter has turned out to be the worst in nine quarters for Sterlite Industries due to the sharp drop in base metal prices coupled with a 13% decline in the local currency.

The country's largest diversified metals manufacturer reported a 17% decline in earnings. For now, the negativity seems to be factored into the share price of Sterlite Industries. If base metal prices move northwards and the rupee stabilises as has been the case since the beginning of January, a re-rating of the stock could be on the cards.

Aluminium, copper, lead and zinc prices were 11-18% lower than in October-December 2010 on an average on the London Metal Exchange (LME). As a result, increased production from recently commissioned plants added little to the company's overall performance. For instance, refined lead production during the December quarter was the highest ever at 29,804 tonnes, up 102%, compared to a year ago on account of contribution from the newly-commissioned 100kt Dariba smelter. But operating profit was lower on account of lower LME prices and higher coal costs. LME lead has declined almost 3% since the beginning of this month. If this trend continues, it could lead to a significant improvement in sales considering the volume growth from the Dariba smelter.

Its copper business, which contributes a major part of its revenues, registered an 11% increase in sales and 76% increase in profits as the company benefitted from the sharp rise in treatment and refining charges and better margins on phosphoric acid sales. However, net profit was impacted by the ₹72-crore foreign exchange loss the company had to account for on its foreign currency convertible bonds.

Though it is not possible to quantify this loss for the next quarter, any appreciation in the rupee would come as a relief. The rupee is currently trading at around 50 to a US dollar, significantly lower than its peak of 53.7 in the middle of December 2011.
With demand stabilizing, metal sector to remain flat

VIEW OF
ARIHANT CAPITAL

The country’s steel consumption for December was 6.4% year-on-year (y-o-y) and 7.6% sequentially to 5.66 million tonnes (mt) thereby taking the consumption for the first nine months of FY12 to 49 mt at 3.3% y-o-y growth rate. After witnessing declining trend during most of FY12, imports have once again started inching up and have jumped around two times on a y-o-y basis.

Domestic steel producers have hiked prices of steel by Rs500-1,500 per tonne on higher demand from end users and hike in steel prices globally. World hot-rolled coil prices rose on expectation of improved demand emanating from improved economic scenarios in the European Union, the US and China.

Iron ore prices remained flat at $142-145 per tonne range. We expect iron ore price to remain stable at current levels albeit with upward bias as daily crude steel production in China have improved for December. Also recent hike in export duty by Indian government could also push prices further.

The base metal prices jumped on the London Metal Exchange on expectation of favourable outcome of the European debt crisis. Further, better-than-estimated gross domestic product data, declining inflation and positive consumption data from China has further improved the market sentiment and aided to the expectation of possible revival in demand of base metals.

Edited excerpts from a report by Arhant Capital Markets Ltd. Comment at minmoney@livemint.com