Return of the IPO rush

A record number of companies are entering the market with public issue of shares and investors are being drawn to them like flies to the fire. To play safe, retail buyers must do cherry picking, writes Suresh Nandi

The rush for initial public offerings (IPOs) is back on again, as some of the 'action cycles' of the last 2007 to 2008 period is now reverting. Retail interest in IPOs has picked up again with some recent issues getting money pouring through in a record time of a few days to a few weeks. The reason is the scare in the grey market where shares sold in private deals earlier are trading at a premium, against the IPO price when they get listed.

The recent data of CARE Research and Sebi showcases the revival of the IPO market, with as many as 30 IPOs making a debut, raising total funds to the tune of about Rs 24,696 crore in 2009-10 while at the same time the buoyancy continues in the present fiscal as 14 IPOs hit the market in April-July 2010, raising a total of Rs 1,125 crore.

A study put out by the CARE Research recently expects the IPO pipeline to remain robust on two counts. One, the centre has chalked out an aggressive disinvestment plan to raise up to Rs 40,000 crore by fiscal 2011 and its recent criteria envisages that all listed and profitable PSUs should have a minimum public holding of 10 per cent and all unlisted profitable PSUs should be listed while retaining not less than 51 per cent stake and management control with the government, which would make as many as 50 companies listed in the current fiscal.

Second, the volume of draft offer documents filed with Sebi has seen a substantial recovery in 2010-11. Although the number is not as high as in 2008-09 period, the broad trend signifies a healthy pipeline of IPOs, to the extent that some PSUs also indicate that they have already initiated talks with some of the big banks in the IPOs launched in 2007 and 2008. That was the time when retail investors got their first hand experience about the burst of the IPO bubble due to overpricing done by investment bankers and company promoters.

The price of the issue will be announced on October 18. It is in fact to be seen if there is a rush for IPOs now and instances of good response are also emerging and might induce higher participation from the retail segment. For instance, the response to Coal India IPO roadshow has been so overwhelming that Dharmsinh Mehta, head of Equinomi Securities says, "It is a genuine game changer for comparison for India rather than only for the IPO market because this can bring a lot of retail investors back to the markets which were being away." Leffler adds, "A lot of smaller deals are happening now because it may be harder for them to join alongside bigger names like Coal India which is set to be the market on October 18," says Vantage Corporate Services Director Rajashree Doshi.

Recent listings of IPOs have also been good. Only four IPOs came out in July 2010, while in August 2010, yet all the listings like Prakash Steeling, bajaj Corp and Mafatlal Industries have provided positive returns to the investors. In September, 11 IPOs opened, of which, the reception of two issues - Indusind and Microfinance - most had provided positive returns.

In all, the IPO boom this time ranging from January to September 2010 is better to the extent of Rs 4,190 crore as compared to Rs 12,250 crore collected by 21 companies in all of 2009, says the market tracker Prime Database.

However, in terms of listing gains, 17 firms listed below their offer price, while another 17 companies did not show any gains after listing.

Government’s plan

Moreover, the government has plans to raise 8.6 billion through stake sale in the current fiscal, which is a part of its compulsorily plan to sell stakes in over 60 PSUs in the next few years. Hindustan Copper, perhaps, is one of the lot of PSUs IPOs already ready to hit the markets now, says Konk Investment Banking (DeOdor-Konk).

Even as the BSE Sensex has slipped 347 points or 0.89 per cent for the week ended October 8, 2010, to settle at 26,250.26 points, after witnessing a correction in the previous week, the foreign funds (FII) continue to remain a major buyer of Indian stocks, leading to net inflows in 2010, now standing at a record $23.62 billion, above last year’s $17.45 billion, as per the latest Sebi data. This includes $11 billion through both the primary and secondary market routes.

On the present IPO rush head of Equity at SMC Capital Jagannadh Thannagam has a different tale when he says, "We are in a lot of hope for the market, so now when there is liquidity many issuers want to take advantage of this window of opportunity."

Liquidity crunch

Yet, a section of the market is concerned that a strong equity issuance of (IPOs and FPOs) pipeline ranging from the likes of Coal India, ONGC, Hindustan Copper and SAIL to maintain a few over the next six months would not ease liquidity from the secondary equity markets. Thannagam of SMC Capital says such massive sized issuers, blending both the primary and secondary market routes.

"The concern is that this may be more realistic than what we have seen in the past." Needless to say, valuations in India have been significantly higher in the recent past and participation by retail investors in IPOs is limited because of that. Though the IPO market currently sees lots of action, merchant bankers say that there is no danger of crowding out or bunching up of issues. "They are all small issues and liquidity will not get sucked out due to the number of issues. Also, the total amount raised by all these issuers is not small," says Apurva Shah at Deutsche Equities India.

An easy choice

"There is no rush of money for IPOs. We are in a lot of hope for the market, so now when there is liquidity many issuers want to take advantage of this window of opportunity."

"The only thing about the IPO market is that valuations have been more realistic than what we have seen in the past." Needless to say, valuations in India have been significantly higher in the recent past and participation by retail investors in IPOs is limited because of that. Though the IPO market currently sees lots of action, merchant bankers say that there is no danger of crowding out or bunching up of issues. "They are all small issues and liquidity will not get sucked out due to the number of issues. Also, the total amount raised by all these issuers is not small," says Apurva Shah at Deutsche Equities India.

"Take a look at Reliance Power and Future Capital IPOs, both sheer disasters on listing gains, while Cee & King, Mahindra Hospitality and Julabian Foods have emerged outright winners with impressive returns on the listing day and in terms of medium and long term also."

However, this says the price performance of newly listed IPOs remains to be seen over the next two to three years, as the current (out)performance may be an indication of the low popularity of those issues over the longer term. CARE Research has studied the price performance of about 100 IPOs issued between August 2007 to August 2010 period and the analysis revealed that about 35 per cent IPOs are currently trading higher than the upper IPO price band, while 62 per cent are traded below their IPO price, which effectively means that you would have made losses in three out of five IPOs if you had invested in the offers in the said period. In short, there is no one way (and which is right) to pick out IPOs that may yield good listing gains before hand.

Assuming that if the investment period is extended even beyond the listing, it does not make IPOs any better, as the answer lies in the pricing of IPOs. All the same, the study by CARE Research pointed out that the extent of mispricing is somewhat abated in IPOs issued in 2009 and 2010, with majority of IPOs outperforming their initial pricing. However, it says, the price performance of newly listed IPOs remains to be seen over the next two to three years, as the current (out)performance may be an indication of the low popularity of those issues over the longer term. CARE Research has studied the price performance of about 100 IPOs issued between August 2007 to August 2010 period and the analysis revealed that about 35 per cent IPOs are currently trading higher than the upper IPO price band, while 62 per cent are traded below their IPO price, which effectively means that you would have made losses in three out of five IPOs if you had invested in the offers in the said period. In short, there is no one way (and which is right) to pick out IPOs that may yield good listing gains before hand.
आपनौं ऑफर में नहीं होगी वृद्धि: वेदांता

बुधवार (पहली), वेदांता समूह ने केन्द्रीय इंडिया की अपने स्टडीज के लिए पेशकश की। हालांकि, तथा नये खर्च सामग्री पर विस्तृत विवेचना के साथ मुहर्द करने की घोषणा की।

'वेदांता' के वरिष्ठ अधिकारी अमित अग्रवाल ने संदर्भ में कहा कि 'हीरोी' एक व्यक्ति और उनके प्रति बहुत अधिक प्रतीक्षा रखता है। हालांकि, पेशकश के समय वे विवश रहे थे।

ा, लगभग 95% घरेलू और 85% बाहरी हस्तक्षेप करने वाले जनसभा का पेशकश करने के लिए 355 रुपए प्रति रेश भागी नहीं करते जिसे यह है: एक से दूसरे के अधिकतम लाभ के लिए बड़ी संख्या में नहीं होगी वृद्धि।

आयाम के नहीं वैधता के प्रति इंडिया के लिए 50 रुपए प्रति रेश भागी नहीं होगी। वेदांता एक व्यक्ति के लिए 50 रुपए का पेशकश देने के लिए चाहते हैं। वेदांता एक व्यक्ति के लिए बड़ी संख्या में नहीं होगी वृद्धि।

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INTERVIEW ANIL AGARWAL

“These are initial hiccups... I am sure we will sail through difficult times”

Anupama Aiyer and Sandeep Singh
E-mail: anupama.aiyer@hindustantimes.com

Amid the ongoing controversies surrounding the Vedanta Group, the London-based NRI billionaire Anil Agarwal is presently in India on a four-day visit. He spoke to Hindustan Times on a wide range of issues, from his recent multi-billion dollar deal to acquire a majority stake in Cairn Energy Plc and the tribals of Niyamgiri. Excerpts:

Ever since the Cairn-Vedanta deal was announced in August, there has been negative sentiment surrounding your group’s business in India. Why?

I think it is more coincidental than any particular development leading to it. We are an India-centric company and are doing most of our businesses successfully. As far as our Niyamgiri Hills bauxite mining project goes, Rahul Gandhi has himself said that he is not against the development but the issue was that of the tribals. I fully agree with him that we have to protect our tribals but if there is a complaint they should first verify it properly.

It is a misconception that we are doing mining there... not a blade of grass has moved. These are initial hiccups and I am sure we will sail through such difficult times. Presently, we are buying bauxite and in times to come, the government will give us bauxite and we are prepared to wait.

What about the Cairn deal?

We were to inform the government but the information leaked in the media and we had to close the deal within 24 hours and inform the stock exchange. So we had no option.

Do you think you have paid a higher price for purchasing a majority stake in Cairn India?

Each asset we bought in the past has raised the same questions. In this case too, the price we paid was at a 20 per cent premium on the trading price of Cairn India. The London market does not allow a deal involving change of control to happen if there is premium less than 20-40 per cent. A good asset does not come cheap and this is a good asset. I think we have paid a right price.

After the spate of developments at Niyamgiri, where your company will not be allowed to do any mining, what is the road ahead for Vedanta? Have you discussed any alternative sites with the government?

Of course, the government is very serious and is looking at other resources that can be offered to us. But again, there is a process with clearances from the mines ministry and the environment ministry. So it will take few months till new options are offered to us.

You have been an iron ore producer and there has been talk of your entering the steel production. When are you actually entering the steel sector?

We are very excited about the steel business. We are talking to some 50 steel companies to supply them with raw material. We are manufacturing million tonnes of pig iron. In future, if we go for a steel plant, we will come with a strong partner.

“CONTINUED ON PAGE 27”

“If the deal fails, it will send wrong signals to the market. Bill Gammell P27
‘Our current offer is very lucrative’

CONTINUED FROM PAGE 25
Sesa Goa’s open offer was to open today, but has been delayed due to lack of approval from SEBI. Are you looking at increasing the open offer price to minority shareholders of Cairn India? Our current offer is very lucrative and there is no question of increasing the open offer price. (Vedanta Resources is buying 40-51 per cent stake from Cairn Energy Plc and its subsidiary Sesa Goa has filed the papers for an open offer for an additional 20 per cent stake.)

Why are approvals from SEBI on your open offer taking so long? SEBI has been seeking some normal clarifications on the deal with Cairn Energy Plc and Vedanta is replying to them. We expect the approvals soon.

What are your investment plans and vision for Cairn India? I have met Cairn India’s executives and they have ambitious plans. They have lot of onshore potential (Rajasthan oil fields the largest onshore oil fields in India). They have not invested much in offshore and we want to concentrate there now. The investments would be up to $6 billion.
Cairn hopeful on deal

Vedanta says Sesa Goa not to revisit ₹355 per share open offer price

MUMBAI: London-based Cairn Energy Plc said on Monday that while it expects that its $9.6 billion (about ₹42,800 crore) deal with Vedanta Resources will get completed by the end of this fiscal, it will explore other possibilities if the deal faces any undue clearance hurdles.

"If for whatever reasons things change, then we still own 62 per cent in the company and we can look at sort of possibilities,’’ the Cairn Energy CEO Bill Gammel told Hindustan Times.

Cairn Energy and Vedanta Resources are awaiting approvals from the Indian government and the capital markets regulator Securities and Exchange Board of India (SEBI).

The deal was announced on August 16 under which Vedanta Group will buy up to 60 per cent of Cairn India Ltd for $9.6 billion. Cairn Energy holds a 62.36 per cent in its Indian unit, of which Vedanta Resources will buy 40-61 per cent. Vedanta subsidiary Sesa Goa has filed papers for an open offer for an additional 20 per cent stake.

Sesa Goa’s open offer was to have opened on Monday, but has been delayed due to lack of approval from SEBI.

Vedanta Group Chairman Anil Agarwal said the open offer price for Cairn India’s minority shareholders is the final price and the company is not looking at any revision in the offer price of Rs 355 per share.

“We have given a very lucrative offer and that offer we stand by,” said Agarwal, who said he expects to get regulatory approval in a few days.

Sesa Goa’s Rs 355 per share offer price is Rs 50 less than what Vedanta is paying Cairn Energy for the majority stake.

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CAIRN OFFER...

CONTINUED FROM PAGE 25

The group is offering Cairn Energy ₹405 a share, which includes a fee for not competing with it in India, Sri Lanka and Bhutan for the next three years.

"Non-compete fee (of ₹50 per share) is very important for us because we do not want Cairn Energy Plc to work in our areas," Agarwal said.

Both Cairn Energy Plc and Vedanta Resources made it clear on Monday that they will not pick up the royalty tab, presently being borne by state-owned ONGC for the Rajasthan oil fields. ONGC is the 30 per cent partner along with Cairn in the country’s biggest onshore oil field in Rajasthan.
Mutiny of miners to escape hellhole

A MUTINY broke out among the 33 men trapped for two months in a Chilean mine as a group decided to find their own way out, it was claimed on Sunday night.

With the miners potentially hours from rescue, revelations of an ongoing rift have raised questions over the reported unity in their refuge nearly half a mile underground.

A "code of silence" is said to have been agreed upon among the men to keep the uglier side of their story out of the public eye amid rumours of heated arguments over their plight.

The 33 have been trapped 2,073 feet down since August 5 after a collapse at the San Jose gold and copper mine in northern Chile's Atacama desert.

But as thousands descend on the site ahead of their rescue — set for Wednesday, but which could come as early as tomorrow — attention has turned to talk of rifts among the men.

There had been reports of fist fights, weeping and extreme depression caused by their bleak situation, particularly in the gruelling 17 days before they were found alive.

It is understood that five men, who had been subcontracted to work at the mine and do not have close relations with the others, had "broken away" from the main group.

According to Chile's El Mercurio newspaper, they chose to live in a separate part of the mine even after the workers had made contact with the same refusal to follow the chain of command.

It is claimed that they also refused to appear in the dramatic first video footage of the men. The mutiny is believed to have occurred as recently as a few weeks ago at a time when the miners were being praised for their unity.

According to El País newspaper, as the men awaited decisions on the surface over rescue plans, the group of five decided to defy chosen leader Luis Urzua, 54, and somehow make their own way out.

After frantic intervention from government officials, the men's contracts were transferred to the company in charge of the rescue and they were ordered to fall in line.

The rescue team's chief psychologist, Alberto Iturra, said that solved the problem, although rescue sources told local press the situation has not been "completely sorted".

Health minister Jaime Manalich said: "The miners are in high spirits, there is solidarity and camaraderie. They will tell us when they come out that they have faced difficulties but it's been impressive how they have managed to get around them and keep this enviable spirit."

On Saturday, there were emotional scenes by the mine's edge when one of the three tunnels being drilled by rescue teams finally broke through to the men's location.

Part of the bore hole needs to be lined with steel to protect the transport capsule from rock falls before the men are taken to the surface in a process expected to take up to 48 hours.

THE RESCUE MISSION

1. Experts from mining company Coditic will be sent down in the capsule to check the conditions of the borehole.
2. A paramedic from the Chilean navy's special forces is sent down to evaluate the condition of the miners.
3. The miners deemed the most able will be first to hit winched up, 2,073 feet by one, in a trip lasting 25 minutes.
4. On arrival at the surface, the miners get sunglasses (above) to shield them from the blinding daylight and will be evaluated by a medical team.
5. The men will be sent to a nearby field hospital where they will meet other family members and the President of Chile, before being airlifted to hospital.
6. In 48 hours, all the miners are expected to have been rescued and to have received medical attention.
MinesMin adds clause to draft MMDR Bill in move to empower mineral-rich states

States may get to dig into mining firms’ profits with 10 pc cess

PRAYDARSHI SIDDHANTA
NEW DELHI, OCTOBER 11

The mining community may have to take a further hit on their profit margins if the mining ministry has its way. After securing the Group of Ministers (GoM) approval on mandating mining companies to share 26 per cent of their net profits with people displaced by their projects, the ministry has now sought the GoM’s approval to empower mineral-rich states to levy a cess of up to 10 per cent on minerals extracted in their territorial domain.

In its revised version of the Draft Mines and Minerals (Development & Regulation) Bill, 2010, the ministry has added a clause stating that “the state government, may by notification specify, that there shall be levied and collected a cess on major or minor minerals extracted at a rate not exceeding 10 per cent of the royalty in a manner prescribed by the state government. Provided that the cess shall not be increased more than once during five years.”

The GoM, comprising 10 union ministers and headed by finance minister Pranab Mukherjee, will deliberate these proposed provisions in its meeting this week. Deliberations on the Bill are understood to have reached their last leg and, after approval of the GoM, would be taken to the Cabinet.

Meanwhile, the Planning Commission has asked the GoM to consider—besides the 26 per cent profit sharing formula—imposing a 5 per cent cess on royalty accruals “exclusively for paying compensation to the affected populace till the miner began paying royalty.” On the proposed 26 per cent profit-sharing mechanism, the commission, had earlier argued that it may not be the ideal way, as mining companies might declare less profits/no profits or losses.

Moreover, mining being a location-specific activity, some affected persons might get more compensation than others, it had contended. So, the Panel suggested, an amount equivalent to say 26 per cent of royalty accruals be charged from mining firms instead of profit sharing and allotment of equity shares, and the money be earmarked for contribution to the state’s special fund for distribution to affected persons.

10 per cent of the royalty in a manner prescribed by the state government. Provided that the cess shall not be increased more than once during five years.

Regarding the proposal mandating miners to share their net profits, mines minister B K Handique had suggested that they pay 26 per cent of their net profits for the previous financial year from mining related operations, which was unanimously endorsed by the GoM.

According to the revised Bill, “where the holder of the mining lease is a company, it shall allot at least one share at par for consideration other than cash to each person of the family affected by mining related operations and such shares shall be non-transferable.” It says that the Articles of Association of the firm referred to in the Bill’s sub-section III shall contain articles to allot shares in accordance with the provisions.

Companies holding mining leases have been mandated to provide employment and other assistance “in accordance with the Rehabilitation and Resettlement Policy of the concerned state government”, according to the Bill. Eager to ensure compliance to this provision, the Bill mandates that the companies failing to adhere to the stipulated provisions might have to forfeit their security deposits besides running the risk of being declared ineligible for grant of mineral concessions.
Iron ore swaps may help price risk management

saving energy moves the ore market sharply. So also the fact that in spite of very low iron content in its ore, China pushed average monthly ore production to 100 million tonnes. Experts say the majority of Chinese iron ore mines being underground and the mines run on water, require a lot of water. Thus, the ore market is driven by supply and demand. The country's steelmakers, used to buying good volatility of ore in the spot market, are showing growing interest in swaps. But the privately owned companies have started hedging their exposure to ore through swaps, but a little uncertainly dealing through Singapore exchange. It is, however, not that the steel-own companies are not interested in swaps. What they cannot ignore is the advice from CASA and CISMECA, Chamber of Commerce for Metals and Minerals that they should not be "mired in swaps". At the same time, CASA has conveniently left a window open for swaps to be used in future. Whatever that may be, two things will decide as to how fast ore swaps will grow. Swaps got the first leg up with the ushering in of the new ore price fixing regime and swelling of the spot market beyond fines to lump ore.

First, the agencies offering swaps will have to introduce products needed for large groups like ArcelorMittal, Bao and TSG to hedge ore exposure. Secondly, the ore swaps market will grow exponential and therefore the Chinese authorities are allowing the mills to make use of the instrument for hedging risks. In less than a year, the volume of ore traded in the swap market jumped nearly 125 times from 0.5 million tonnes. From here, the swap market could grow even faster provided Chinese mills are made to participate in the trade openly.

In a mineral where spot trading and not benchmark price system becomes the rule, it is only to be expected that more and more miners and user mills will make use of swaps liberally for price risk management. In a price-uncertain market, swaps will allow miners to lock in ore volumes and at prices they want while users get to hedge for their main raw material.

Where does this leave the middlemen? They find it a way to hedge the price of an uncontrolled volume of ore. Iron ore swaps were followed by Deutsche Bank and Credit Suisse in 2008, with Japanese mills as clients. Morgan Stanley has introduced its set of products since. Now wait for other heavyweights like Goldman Sachs and Citigroup to ride the ore swaps bandwagon.
Business Standard, Delhi

Tuesday, 12th October 2010, Page: 15

I-BANKERS MAKE 'SENSIBLE' BIDS FOR SHIPPING CORP, HIND COPPER

Quote nearly 50 basis points as against near-zero fee for earlier PSU issues

ASHISH RUKHAIYAR
Mumbai, 11 October

Around a fortnight ago, Securities and Exchange Board of India (Sebi) Chairman C B Bhave expressed concern over investment bankers quoting near-zero fee for bagging divestment mandates.

The impact is already visible. Investment bankers say sensible fees have been quoted for the follow-on public offers (FPO) of Shipping Corporation of India (SCI) and Hindustan Copper.

According to people familiar with the development, the selected investment bankers have quoted nearly 50 basis points, or 0.5 per cent, for these issues. While this is still low and the bankers will not be able to make a hefty profit, they will at least break even, they add.

"Both the issues will see the bankers make at least some money," said a banker, on condition of anonymity. "The fee that has been quoted is 0.48 per cent," he added. Incidentally, while this may appear negligible, it is much higher than in the earlier issues. For example, bankers quoted as low as 0.000000001 per cent in Power Grid Corporation's issue.

The lead managers for the SCI issue are SBI Capital Markets, IDFC Capital and ICICI Securities. Hindustan Copper's five bankers are ICICI Securities, Enam, Kotak Mahindra Capital, SBI Capital Markets and UBS Securities.

"We will be paid more than our costs," said the head of an investment banking entity that has bagged the mandate. "While the quantum is still below one per cent, the bankers were sensible this time."

SEBI CHAIRMAN Bhave's admonition to bankers seems to have worked

Low bidding

According to a note by SMC Capital in March, bankers were paid only ₹0.25 crore for raising ₹22,300 crore in four divestment offers. "The merchant banking fees of PSU public issues are as low as 0.05 per cent of the issue size," it noted.

Reports further suggest that six banks together quoted a total fee of just ₹12,500 last month to manage the IPO of Coal India, which will raise around ₹15,000 crore.

While the trend of zero fee was being heavily debated within the banking community, the Sebi chairman questioned the rationale of bankers losing ₹3-4 crore per mandate.

"(Investment bankers) need to introspect whether it is a healthy competition," Bhave said on September 24 while addressing a gathering of investment bankers. He suggested a "code of conduct or ethics" to avoid such competition.

Checks, incentives

Another banker familiar with the process says it is "unfortunate" that the lead managers quote an "abysmally" low number to beg the mandate, but the government is too big an entity to be neglected and the competition is really tight.

"It is not that the government does not want to pay. Unfortunately, banks make bids in a manner the government can do nothing about it. To be associated with the government has a lot of advantages in terms of secondary market trades, research and getting new institutional clients," he said.
Schwarzenegger leads investors to Russia

California Governor Arnold Schwarzenegger compared Russia to a gold mine of economic opportunity as he led a trade mission to Moscow. Schwarzenegger, who met President Dmitry Medvedev for the second time in half a year on Monday, has embraced the 45-year-old Russian leader's plan to recreate a Silicon Valley in the Skolkovo suburb outside Moscow. "I love places where there is an extraordinary potential," Schwarzenegger said before he visited Skolkovo with Medvedev. "It's almost like looking at a gold or diamond mine and saying: all you got to do is go in there and get it."

BLOOMBERG
Hungary takes control of sludge plant

Magyar Aluminium Zrt's CEO has been detained and the Hungarian government will take control of the company after a reservoir burst last week unleashing toxic sludge that killed at least seven people. The government is taking over management of the company and freezing its assets, Prime Minister Viktor Orban told lawmakers on Monday in Budapest. Government oversight will protect jobs, ensure Malays damages and enable authorities to hold accountable those responsible for the accident, Orban said. The reservoir burst on October 4. The sludge, created by the production of alumina, is highly alkaline and contains toxic materials, including arsenic and lead.
Policy on profit sharing soon

statesman news service

KOLKATA, 11 OCT: The policy to share 26 per cent of net profit from mining projects with the displaced tribals and other affected land losers will be finalised within a month, said coal minister Mr Sripriakash Jaiswal here today.

While addressing a seminar on 'Indian Coal Sector: Issues and Prospects' organised by the Merchants' Chamber of Commerce, Mr Jaiswal said a draft mining policy has been prepared that will be finalised and placed before the Cabinet for approval. As per the proposal, 26 per cent of profit or 10 per cent of the royalty, whichever is higher, is to be given to those displaced on account of mining projects.

The minister said steps have to be taken to counter Maoist and Naxalite movements and providing solution to the displaced landlosers is a way. While speaking on the occasion, he said land acquisition, rehabilitation and resettlements are major challenges during the implementation of coal mining projects. It should be the endeavour of coal industries to share profit with the community, he added.

Taking a dig at the state government, Mr Jaiswal said West Bengal and Jharkhand are two states that have failed to prevent illegal mining.

The problem of illegal mining has been tackled in Maharashtra, Chhattisgarh and Madhya Pradesh. Even the Orissa government has handled the problem well and such activities have been reduced significantly.

"It is the state government's responsibility to set up necessary infrastructure to check such activities," said Mr Jaiswal. He urged the state government to strengthen its machinery to counter such problems.

Mr Jaiswal further said that the pace of coal production is very slow. The coal sector has witnessed a growth of five per cent in the last three decades while a seven per cent growth is needed to meet the demand.
सफ-सफ

बैंकिंग भारत • एक्सप्रेस

बेडांता रिसर्च नहीं बढ़ाएगी ऑपन ऑफर की कीमत

अध्ययन ने कहा कि कमर्स पीएलसी की बेहद आकर्षक पेशकश की थी और वह हमारी आत्म पेशकश है। इसलिए, अलग हमारे पास उसे सामने लाने के लिए शुरू में प्रतिपादन किया गया था जो कि हमारी कंपनी के लिए बहुत आकर्षक है।

बेडांता रिसर्च ने मैस पंडार के मालिकों में देश की तीसरी सबसे बड़ी कंपनी का इंडिया के आवश्यक (सुधीर भारती) की शीर्ष शौक बढ़ाने के लिए मैस पंडार को इंडिया की भी है और वह हमारी आत्म पेशकश है।

बेडांता के प्रभाव के अन्य सील्ड नलिन ने सील्ड भारत के नेता सिद्धांतों का बनाया कि कंपनी इंडिया के तेजी से सेवाप्रदायक के लिए 355 रूपये में आधा की कीमत के बहुत कम हो रहा है और 355 रूपये ही कीमत हो रही है। बेडांता ने पहले ही आवश्यक ऑफर के लिए 355 रूपये का आवश्यक बनाया।

बेडांता ने कंपनी को 50 रूपये आवश्यक प्रतियोगी पर लाख में भी प्रतियोगिता सील्ड के लिए निःशुल्क निःशुल्क 405 रूपये हो नजर आए।

बेडांता ने कहा कि कंपनी पीएलसी को बेहद आकर्षक पेशकश की थी और वह हमारी आत्म पेशकश है। इसके अलावा इसका पता लगाने के लिए शुरू में प्रतिपादन किया गया था जो कि हमारी कंपनी के लिए बहुत आकर्षक है।

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खनन के लिए भूमि अधिग्रहण चुनौती

कोयलाओं, जिनमें अर्थनीति: केंद्रीय राज्यों के युवतीय जयस्वाल ने कोयला की महत्वपूर्ण भूमि अधिग्रहण के लिए चुनौती घोषित की। उन्होंने कहा कि कोयला उद्योग के लिए भूमि महत्वपूर्ण है। कोयला की महत्वपूर्ण भूमि की स्थानिक विवरण में है।

इसलिए, खनन संबंधी परियोजनाओं ने मुश्किल के लिए उस भूमि का अधिग्रहण जरूरी है।

सरकार भूमि अधिग्रहण प्रक्रिया को सुनिश्चित करने पर जोर दे रही है। पुर्ण माहिती के पूर्वस्तुओं पर ध्यान दिए जा रहे हैं।

सरकार उन्होंने भूमि अधिग्रहण की क्षेत्रों में मदद की अपील की।
साल के अंत तक केन्य मॉडल होगी वेदांता के नियंत्रण में

पुजारी, (नाम): केन्य इंडिया पर जलवायु शोषण की मुख्य कंपनी वेदांता सिस्टेम ने इस वर्ष के अंत तक नियंत्रण होने की उम्मीद की है। इसी ही संस्थान की कंपनी के पूर्व सम्बन्धित इंडियाको यह नहीं होगा कि इस साल का अप्रेष इंडिया के साथ अनुमोदन से मिलता है।

वेदांता के अध्यक्ष अनिल अधिवक्ता और केन्य इंडिया के मुख्य कार्यालय के चित्र गर्मनेल ने वहाँ से उपस्थित परम्परा से तथ्यात्मक तरीके से बोलते हुए कहा कि इन दोनों के मुख्य कंपनी के लिए उल्लंघन की ओर से कोई नियंत्रण नहीं है।

श्री अध्यक्ष ने केन्य इंडिया की 20 प्रतिशत डिस्कॉन्ट स्थानीय पेशकश के माध्यम से खरीदने के लिए निर्देशित 355 प्रति प्रति एक्स प्रति दर में दखल दिए जाने से इंकार कर रहे हैं कि यह जलवायु प्रभावों की ओर से ही आकर्षक एक्स पेशकश कर सकते हैं।

इससे महत्त्वपूर्ण उम्मीद भी है कि केन्य इंडिया के लिए बढ़ती पेशकश की ओर से जलवायु मामले का समाधान हो सकता है।

भारतीय शीतल केन्य इंडिया के पास यह उम्मीद है कि यह अभियान करेगा और इस शीतल पेशकश का शीर्ष होंगी निगमों की मुख्य मिलने की समस्या को समाधान करेगा।

पुजारी, ने कहा कि यह समय की आवश्यकता है कि इस साल की उपलब्धी का लेकर अनिश्चित बाजार के बाद से इस साल के मुर्मियों का समाधान प्राप्त हो गया है।
कर्नाटक के नाटक के पीछे खनन लॉबी का खेल

नई दिल्ली। कर्नाटक में मुख्यमंत्री बीरेंद्र येडियुरुप्पा के नेतृत्व वाली भाजपा सरकार को बचाने और गिरने के खेल में कर्नाटक की खनन लॉबी के भी शामिल होने के संबंध में मतलब रहे हैं। भाजपा के रेडी बंघूओं से लेकर लोहा बंघूओं तक कर्नाटक में करोड़ों का खनन कराया जा रहा कहना है। कार्यकर्ताओं ने भाजपा सरकार का कई बार लेकर भाजपा सरकार के तहत लोगों को जोर देकर करोड़ों का संग्राम किया।

कर्नाटक की खनन लॉबी का खनन बचाने के लिए भाजपा सरकार ने अपनी सरकार के तहत लोगों को जोर देकर करोड़ों का संग्राम किया है। कर्नाटक के नाटक के पीछे खनन लॉबी का खेल नई दिल्ली। कर्नाटक में मुख्यमंत्री बीरेंद्र येडियुरुप्पा के नेतृत्व वाली भाजपा सरकार को बचाने और गिरने के खेल में कर्नाटक की खनन लॉबी के भी शामिल होने के संबंध में मतलब रहे हैं।

पत्रकारों को खुशखबर बनाने के लिए भाजपा सरकार ने अपनी सरकार के तहत लोगों को जोर देकर करोड़ों का संग्राम किया है। कर्नाटक के नाटक के पीछे खनन लॉबी का खेल
एनएमडीसी पोटाश कार्य के लिए नहीं लगाए गए बोली

नई दिल्ली, (बात): देश में लोह अयस्क खनन क्षेत्र को सबसे बड़ा कंपनी एनएमडीसी का बयान है कि वह काम को पोटाश कार्य के लिए बोली नहीं लगाए। मोहरिया में ऐसी खबर थी कि चीन की कंपनी रिनोशिंग ने एनएमडीसी की पोटाश कार्य के लिए संयुक्त बोली लगाने का प्रस्ताव भेजा था। एनएमडीसी ने इन खबरों का खंडन करते हुए कहा है कि उसे ऐसा कोई प्रस्ताव नहीं मिला है। कंपनी ने कहा कि वह ऐसी बोली के लिए बोली लगाने की इच्छुक नहीं है जबकि पोटाश कार्य बहुत महंगा है।
चांदी 300 रुपये और चमकी

भारत में अंतरराष्ट्रीय बाजार में रुपये की विशेषताओं के लिए रवाना होने वाले स्थानों में ढलें और चांदी को विशेष रूप से विशेषज्ञों के बीच जरूरत में रहे हो। चांदी की मांग अब 300 रुपये की तीव्रता आरक्षण रूप में 35,600 रुपये प्रति किसी और सोने की कीमत में 75 रुपये की तेजी आरक्षण भाव 19,815 रुपये प्रति दस ग्राम हो गया। ऑल इंडिया अंतरराष्ट्रीय सरफ़र एसोसिएशन के अध्यक्ष श्री इन्द्र जैन ने बताया कि चांदी की कमजोरी से लेकर तेज वांछन और चांदी में विविधता बढ़ रही है। इसीलिए अंतरराष्ट्रीय बाजार में चांदी तेज वांछन बनी रही है। अंतरराष्ट्रीय बाजार में सेवायारों को सोने की कीमत में तीन दौरे की तेजी आरक्षण भाव 1,350 डॉलर प्रति आईस रूप में बढ़कर 23.27 डॉलर प्रति आईस पर उड़ान लगाया जा रहा है। इसी तरह से चांदी के दाम भी लगातार बढ़कर 3.27 डॉलर प्रति आईस पर तेजी आरक्षण लगाने का प्रयास किया गया है।
Vedanta open offer for Cairn held up

MUMBAI, OCTOBER 11
UK-based Vedanta Group today ruled out raising the open offer price for Cairn India, even as it deferred the offer for want of clearance from market regulator SEBI.

A group firm of Vedanta, which is paying up to $8.48 billion for 40-51 per cent stake in Cairn India that operates the country’s largest oilfields, was to make an open offer today for an additional 20 per cent stake at Rs 355 a share to minority shareholders of the target firm.

The open offer price is Rs 50 less than what Vedanta is offering to Cairn India’s parent Cairn Energy Plc.

"We have given a very lucrative offer and that offer we stand by," Vedanta Chairman Anil Agarwal told reporters.

Delay may hurt fund flows to India: Cairn

UK’s Cairn Energy today said delay in government approvals for its $8.48 billion deal to sell majority stake in its Indian unit to Vedanta Resources may hurt future foreign investments into India.

“We understand that the process will go its natural course, but it has to have a timeline,” Cairn Energy Chief Executive Officer Bill Gammell said.

The government is closely vetting the transaction as an non-oil company is buying controlling stake in Cairn India, the owner of the nation's largest onland oil discovery. "If it (the deal) is delayed, it won't help India's cause," Gammell said.

"The price is final." He clarified that Rs 405 a share offer to Cairn Energy included a non-compete fee, under which Cairn would not compete with Vedanta in India, Sri Lanka and Bhutan for the next three years.

The Rs 50 per share premium was ‘very important’ to Vedanta as ‘we wanted Cairn India to have exclusivity (in operations) in India and neighbouring countries," he said. "Non-compete fee is very important for us because we do not want Cairn Energy Plc to work in our area," he said.

Vedanta group firm Sesa Goa could not go ahead with the open offer, slated for today, for want of approval from regulator SEBI. — PTI
उनका हिस्सा

खनन कंपनियों की कमाई में स्थानीय लोगों का भी हक

वह समस्या ने पर्यावरण है जिसका असर लगभग 25 प्रतिशत हिस्से के लघु व्यापार ने दर्शाया है। लघु व्यापार और आंशिक उद्योगों के नए उद्भव कार्य की सुरंग में मांग है, क्योंकि अमेरिका से पीली में है बनाने वाले अर्थव्यवस्था का नए व्यापार कभी नहीं जा सकता, जब तक अन्तर्राष्ट्रीय निवेश की स्थापना की जा रही है। तपकी मीठी कमाई के लिए समाधान करेंगे कि उन्नत लॉयलिटी की दुनिया में स्थानीय समस्या से समाप्त किया जाय। यह कंपनी जिन्होंने दर्शाया है कि उन्नत लॉयलिटी की दुनिया में स्थानीय समस्या से समाप्त किया जाय।

इस प्रकार का स्थानीय और

शहीद

रंगली के आदर दर्शन

भावनावादी समाज की नजर के समय केवल छाती ही आयी।
दुर्लभ खनिजों पर चीन के रवैये से परेशानी

चीन के पास दुर्लभ खनिजों का बड़ा भंडार है लेकिन वह इस क्षमता का उपयोग कर रहा है

चीन के पास दुर्लभ खनिजों का काफी विशाल भंडार है। चीन के भीतर दुर्लभ खनिजों का भंडार है जिसे चीन के निवासियों ने उसकी आबादी कर रहे हैं। चीन के निवासियों का भंडार है जिसे चीन के निवासियों ने उसकी आबादी कर रहे हैं। चीन के निवासियों का भंडार है जिसे चीन के निवासियों ने उसकी आबादी कर रहे हैं। चीन के निवासियों का भंडार है जिसे चीन के निवासियों ने उसकी आबादी कर रहे हैं। चीन के निवासियों का भंडार है जिसे चीन के निवासियों ने उसकी आबादी कर रहे हैं।
Gold prices rose back towards $1,350 an ounce in Europe and silver touched a new 30-year high on Monday as expectations the United States will introduce further monetary easing undermined faith in the dollar. Spot gold was bid at $1,348.70 an ounce at 1122 GMT, against $1,343.25 late in New York on Friday. US gold futures for December delivery rose $4.50 an ounce to $1,349.80. Spot gold is still within sight of last week's record $1,364.60. The dollar slipped on Monday after world finance ministers failed to reach agreement on currency imbalances at a series of meetings this weekend, leaving the US Federal Reserve set to pursue loose monetary policy to support its ailing economy.
New mines Act may see rise in coal prices

BS REPORTERS
Kolkata, 11 October

The government today indicated that domestic coal prices could see an increase if profit-sharing arrangements in the proposed Mines and Minerals Development and Regulation (MMDR) Act were implemented.

The new MMDR Act proposes that either 26 per cent of profit generated by a firm operating the mine or 10 per cent of the royalty, whichever is higher, is to be given to people affected by the projects.

"There may be an increase in prices," Coal Minister Sripal Kashyap Jaiswal said when asked whether the profit-sharing measure could trigger a rise in coal prices in India.

State-run Coal India (CIL), which accounts for about 83 per cent of the coal output of the country, had last increased its prices in October last year, after a two-year gap. However, prices of coal in India, on a per calorie basis, continue to be lower than the international benchmarks.

While coal prices were de-regulated in 2000, the commodity prices are fixed by state-owned companies under the guidance of the coal ministry.

Jaiswal further said that in light of the "resentment" in major mining areas, there was a requirement to "take a major step to pacify" project-affected people.

"Coal pricing is a sensitive subject. However, proper pricing of energy is critical for sustaining the levels of production and growth of the industry and maintaining the competitiveness," he added.

But CIL officials had earlier explained that the profit-sharing mechanism could entail an increase in prices of the fuel, as the compensatory amount would have an impact on their balance-sheet.

Additionally, any increase in coal prices would also affect user industries including cement, power and steel, which account for 72 per cent of the total coal demand in the country.

Last October, CIL increased the price of coal from Eastern Coalfields and Bharat Coking Coal by 15 per cent, while all other subsidiary companies were permitted a rise of 10 per cent.

Meanwhile, Jaiswal said the new MMDR Act is likely to be cleared by the Cabinet in another month. "We are hopeful that it will be finalised in a month," he said on the side-lines of an event organised by the Merchants' Chamber of Commerce.

He also added that the utilisation of small and isolated mines will be undertaken through the bidding route.
Revival in Chinese demand lifts iron ore prices

Production resumes at several steel mills; tight supplies lend support

Reuters
Singapore, Oct. 11
Iron ore spot prices extended gains on Monday, lifting the benchmark index to its highest in seven weeks, fuelled by tighter supplies and revival in Chinese demand.

Market watchers had expected Chinese buyers to return after a weeklong public holiday that ended on Thursday, with demand from the world's biggest iron ore importer seen reviving as many steel mills restart production after state-imposed curbs.

Ores for Indian ore with 63-63.5 per cent iron content climbed on Monday to $155-$157 a tonne, cost and freight delivered to China, from $151-$153 a tonne on Friday, according to Chinese industry consultant Mysteel.

"Chinese steel mills have started to replenish stocks after the week-long break," said an iron ore trader in China's eastern Shandong province. "How far iron ore prices will rise will depend on how steel prices move in the longer term."

The Steel Index 62 per cent iron ore benchmark rose $1.20 to $145.30 a tonne, C&F on a landed China basis, at the end of trade on Friday, gaining 3 per cent last week. Friday's level was the highest for the index since August 25.

"What traders are banking on is that there will be more interest out of the mills to pick up physical iron ore this week," said Mr Michael Gaylard, Director of strategy at Freight Investor Services in Shanghai.

"I don't expect it to rocket but I do expect a continuing push for the index. The spot market seems quite tight in terms of physical cargo."

While there is no official word yet from the Chinese government, market sources had said that production had resumed at several steel mills, including those in the production hub of Hebei province shut to help China meet its energy efficiency target.

FORWARD MARKET
In the forward swaps market, the Singapore Exchange-cleared fourth-quarter forward swaps rose on Friday, resuming a rally after falling in the previous session, which followed four straight days of gains.

The October contract rose 1.6 per cent to $144.94 a tonne. November gained 2 per cent to $144.19 and December climbed 1.6 per cent to $142.56.