



BCC&I Minerals, Mining and Metals e-Conclave

Date: 9-10 December 2020

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Page: 11

The Telegraph

BUSINESS

CALCUTTA THURSDAY 10 DECEMBER 2020

One coal auction for all grades

ASTAFFREPORTER

Calcutta: The coal ministry is considering the consolidation of all types of electronic auctions done by Coal India to enable a better discovery of prices.

Speaking at a session organised by the Bengal Chamber of Commerce and Industry on Wednesday, Union coal secretary Anil Kumar Jain said the reforms were not yet over. "The grant of mining leases is one reform that has already happened. The next reform that we need to do is in marketing of Coal India's production," said Jain.

At present, Coal India has four windows for e-auction — spot auction, special spot auction, exclusive non-power sec-

tor auction and special forward auction for the power sector. In addition, a fifth window was provided in October to importers.

"We want to bring it all into one bucket. Let there be a market discovery of prices. These little buckets are no longer serving the purpose. They are in fact enhancing the price to some sectors," Jain said adding that the move to put all of them together could bring some sense of "balance and satisfaction" in the market.

But industry sources point out that different consumers may have different preferences for coal grades and mines and those necessities have to be taken into consideration while consolidating the auction windows.

Flawed policy

OUR SPECIAL CORRESPONDENT

Calcutta: The government policy to bring only a limited number of iron ore blocks for public auction is creating distortion in the marketplace, Naveen Jindal, chairman of Jindal Steel & Power Ltd, said.

"The government cannot be a hoarder. They should bring out a lot of blocks at a time... Why should the government, state or the Centre, bring only a few blocks at a time. Because they want to maximise on their premiums," Jindal asked.

Speaking at an e-conclave organised by the Bengal Chamber of Commerce & Industry, Jindal said there is too much competition when artificial scarcity is created and people end up paying huge premiums and then they become unsustainable.

"Iron ore is our strength but at a particular cost," he added. Companies such as JSPL which depend on market purchase for iron ore are having a hard time because prices have shot up in the last six months.



Naveen Jindal

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The Telegraph

BUSINESS

CALCUTTA FRIDAY 11 DECEMBER 2020

Arcelor Nippon to double capacity

OUR SPECIAL CORRESPONDENT

Calcutta: The Mittals plan to double their bets on India as their maiden venture in the country completes a year in operation.

Dilip Oommen, CEO of AMNS India (ArcelorMittal Nippon Steel), said the company would like to expand capacity at Hazira to twice the existing size and look for opportunities elsewhere.

Speaking at an e-conclave organised by the Bengal Chamber of Commerce & Industry, Oommen said: "We are quite bullish on the future of the steel industry in India. While we are expanding our pellet capacity to 20 million tonnes, we want to double the production at Hazira in stage one and then we will look at opportunities."

Mittals acquired Essar Steel for Rs 42,000 crore through a litigious insolvency process and partnered Japan's Nippon Steel, which picked up a 40 per cent stake, to manage the asset. The asset is capable of producing 8.3-million-tonne steel now and Oommen said the plant was operating at 100 per cent capacity.

However, there are a few loose ends the company may tie up before converting the intent to action. It has set its eyes on the captive port linked to the steel plant and stake claim on the asset which is owned by Essar's erstwhile owners.

Moreover, it is fighting a court battle to secure a pipeline in Odisha to carry iron ore slurry from the mine to the pellet plant at Paradip. It is also trying to win over creditors of a secondary steel producer Uttam Galva Steel through a bankruptcy process.

V-Shaped recovery

Participating in the conclave, director (commercial) of SAIL, Soma Mondal, said there has been a V-shaped recovery in steel demand.

"Two major developments are defining steel demand, one is government intervention through various schemes, including Atmanirbhar Bharat, and adequate liquidity in the market," Mondal, who is tipped to take over as the chairperson of the public sector behemoth, said.

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TIMES BUSINESS

THE TIMES OF INDIA, KOLKATA - THURSDAY, DECEMBER 10, 2020

Female LFPR in neighbouring

Jindal urges govt for GST rejig in coal, mineral sectors

TIMES NEWS NETWORK

Kolkata: Naveen Jindal, the chairman of JSPL, one of the leading steel producers in the country, has urged the Centre to amend GST rules so that the prevailing double taxation can be reduced on mineral and coal sectors. In coal, Rs 400 is charged as GST compensation cess, which is not adjusted with GST.

"There is no input tax credit for this," he added. The JSPL chairman was addressing a webinar organised by the business body BCC&I.

Jindal also pointed out that tax on royalties which the miners have to pay currently are not adjusted against finished products, thus making the pri-

ces of the finished product much higher and uncompetitive in international markets. "Iron ore is our strength but at a cost. In India, we pay the highest royalty, district mineral fund and other taxes. There is 18% GST on steel but all these royalty are not GST compatible. Mechanism is to be drawn up so that taxes paid on royalties can be adjusted," he added.

The JSPL chairman added that different states charge different electricity cess. For example, Odisha and Chattisgarh charge 60 paise and Maharashtra charges Rs 1. "The high electricity duty is making power expensive for steel producers," he added.

Commenting on auctioning of iron ore and coal blocks at a high premium, he said coal blocks and iron blocks should

be made more transparent to restrict increase in prices of raw materials. "In India, because of competition, the government creates artificial scarcity and we end up paying huge premium in coal, iron ore and other mineral and it becomes unsustainable," he added. Jindal expressed his concern about the spiralling ore prices during the pandemic.

According to him, power should be available for improving quality of life. "We consume only three units of power per person per day which is 1/3 of world average and 1/20 of the developing country. Same is applicable for steel consumption. We only consume 75 kg steel per person per annum whereas the global consumption rate is 215 kg. China consumes more than 400 kg."



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Business Standard KOLKATA | THURSDAY, 10 DECEMBER 2020

Auctioning few blocks leads to artificial scarcity: Jindal

ISHITA AVAN DUTT
Kolkata, 9 December

Iron ore is a strength for India but comes at a particular cost, Jindal Steel & Power chairman Naveen Jindal said on Wednesday while mentioning the unsustainable premiums quoted for the Odisha auctions earlier this year.

Speaking at the 'Minerals, Mining and Metals' e-conclave organised by the Bengal Chamber of Commerce and Industry, Jindal said that whether it's coal or iron ore blocks, the government cannot be a hoarder.

"If a few blocks are auctioned at a time, then there is too much competition and an artificial scarcity is created. People end up paying a huge premium and then become unsustainable," he added.

The high premiums quoted for the Odisha iron ore mines, auctioned in February and March, have made them unviable. Bidders had paid huge premium, the average being 106 per cent. As a result, only five out of the 19



Naveen Jindal, chairman of Jindal Steel & Power

blocks auctioned are operational. This resulted in a shortage, which in turn, has led to a surge in prices, Jindal said, adding: "Prices have shot up in the last four months. This was hurting the steel industry."

Steel prices have increased sharply in the past few months. While it is fueled by revival in domestic demand and in line with international trends, the surge in iron ore prices have also added to this.

Moreover, the shortage

was impacting production for some steelmakers.

During the conclave, coal and mines secretary Anil Kumar Jain said, "Odisha auctions have not gone the intended way. I do hope in the coming months, production stabilises," he said.

Compared to commercial coal mining bids, he said the Odisha bids had got the right kind of response at 35 per cent, on an average. Whereas, in iron ore, it shot up and then people defaulted, he added.

The highest premium quoted for the Odisha auction block was 154 per cent.

Jain said the Centre was considering mining reforms. "They are very critical strategic reforms," he said.

Later in the conclave, the question of whether iron ore exports should be banned in the wake of the shortage also came up.

NMDC chairman and managing director Sumit Deb said, most of its exports have 57-58 per cent iron (Fe), which was not utilised by the domestic steel industry.

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এই সময়: বিপণনের মাধ্যমে নিরিখে বর্তমানে ভারতে একই ধরনের কয়লার দাম আলাদা আলাদা। কয়লা লিংকডের ক্ষেত্রে দাম এক রকম। আবার ই-নিলামে কয়লার দাম আলাদা। কোল ইন্ডিয়া পাঁচ ধরনের ই-নিলাম করে। তার প্রত্যেকটিতে একই ধরনের কয়লার দামের ভারতীয় থাকে। দামের এই বৈষম্য দূর করতে কয়লা বিপণনে কেন্দ্রীয় সরকার সংস্কারের পরিকল্পনা করেছে। এর ফলে সমস্ত রকম দর ব্যবস্থা একটি বাকসেটে নিয়ে আসা হতে পারে বলে বুধবার জানিয়েছেন কেন্দ্রীয় কয়লা ও বনি সচিব অনিল কুমার জৈন।

বনিকসভা বেঙ্গল চেম্বার অফ কমার্সে আন্ড ইন্ডাস্ট্রি আয়োজিত একটি ই-কনফারেন্সে তিনি জানান, কয়লা ক্ষেত্রে পরবর্তী সংস্কার হবে বিপণন ক্ষেত্রে। প্রসঙ্গত, কেন্দ্রীয় সরকার ইতিমধ্যেই কয়লা উৎপাদন ক্ষেত্রে বাণিজ্যিক খননকে অনুমোদন দিয়েছে। এর পরে শীঘ্র খনন ক্ষেত্রে সংস্কার ঘোষণা করা হতে পারে বলেও তিনি এ দিন ইঙ্গিত দিয়েছেন।



অনিল জৈন বলেন, 'কয়লার বাজার দর নিয়ন্ত্রণ করাটা অত্যন্ত জটিল। বর্তমানে কয়লার বিপণনে কোল ইন্ডিয়া-র বিভিন্ন ধরন রয়েছে। এর পুরোটাই একটা বাকসেটে নিয়ে আসা উচিত।' কয়লার লিংকড অথবা নিয়ন্ত্রিত দর ব্যবস্থা ছাড়াও কোল ইন্ডিয়া পপিট অকশন, ফরওয়ার্ড অকশন সহ পাঁচ ধরনের ই-নিলাম করে থাকে। এর সবগুলিতেই একই ধরনের কয়লার দামের হেরফের হয়।

সচিব জানান, বনিজ পদার্থ উৎপাদনে বিরাট সম্ভাবনা থাকলেও তা এখনও আশানুরূপ পর্যায়ে পৌঁছায়নি। তিনি কয়লা থেকে গ্যাস উৎপাদনের উপহেতু জোর দিয়েছেন। জানকুনিতে কোল ইন্ডিয়া এ ধরনের একটি প্রকল্প

করে। পাশাপাশি, ভারতে লৌহ আকরিকের দাম বৃদ্ধির বিষয়টি স্বীকার করে নিয়েও তার মতে, দাম শীঘ্র স্থিতিশীল হবে।

পরে এনএমডিসি চেয়ারম্যান ও ম্যানেজিং ডিরেক্টর সুমিত দেব প্যালের উপর রপ্তানি শুল্ক বসানোর জন্য কেন্দ্রের কাছে আর্জি জানান। বর্তমানে উচ্চ মানের লৌহ আকরিকের উপর কেন্দ্র ৩০ শতাংশ হারে রপ্তানি শুল্ক বসিয়েছে। সুমিত দেব বলেন, 'প্রচুর পরিমাণে প্যালেট বিদেশে রপ্তানি হচ্ছে, কাগজ, প্যালেটের উপর কোনও রপ্তানি শুল্ক নেই। এটা একটা কমলামি পণ্য এবং অনেকেই লৌহ আকরিক থেকে প্যালেট উৎপাদন করে তা রপ্তানি করছে।'

Government should not "hoard" mines and create artificial scarcity: Naveen Jindal

Synopsis

"Government has taken care of a lot of challenges, and commercial mining was a bold move... It should help the sector... But, the government cannot hoard blocks and create artificial scarcity," Jindal said.



"Royalty and taxes are the highest here in the world. Royalties are also not GST-compliant, and even coal cess of Rs 400 per tonne cannot be adjusted as input cost," he said.

Jindal Steel [NSE 2.75%](#) and Power Ltd Chairman **Naveen Jindal** on Wednesday, said the Union government should not "hoard" mines and create artificial scarcity, putting up only a few blocks for auction. He said India being a very competitive market, such scarcity leads to intense bidding and unsustainable valuation.

"Government has taken care of a lot of challenges, and commercial mining was a bold move... It should help the sector... But, the government cannot hoard blocks and create artificial scarcity," Jindal said at the Bengal Chamber of Commerce-organised virtual mining conclave.

"Royalty and taxes are the highest here in the world. Royalties are also not GST-compliant, and even coal cess of Rs 400 per tonne cannot be adjusted as input cost," he said.

In June, Prime Minister **Narendra Modi** had launched the auction process for 41 coal blocks for commercial mining.

"Out of 38 mines put on auction, 19 mines were successfully auctioned. The success of the auction is 50 per cent," Coal Minister Pralhad Joshi had said last month.

Jindal also said coal availability should improve and imports come down over the next five-ten years due to commercial mining.

He also lauded Coal India and other miners for maintaining production during the coronavirus-induced lockdown period.

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Naveen Jindal
Indian politician

Kolkata, Dec 9 (PTI) Jindal Steel and Power Ltd Chairman Naveen Jindal on Wednesday said the Union government should not 'hoard' mines and create artificial scarcity, putting up only a few blocks for auction.

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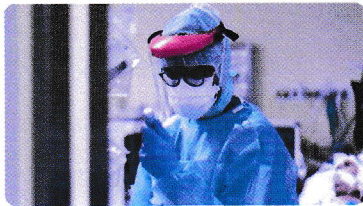
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Jindal pointed out that “Prices had shot up in the last four months. Iron ore is a strength for India but at a particular cost, [Jindal Steel & Power](#) chairman, Naveen Jindal, said on Wednesday, alluding to the unsustainable premiums quoted for the Odisha auctions earlier this year.

Speaking at the 'Minerals, Mining and Metals' e-conclave organised by the Bengal Chamber of Commerce and Industry, Jindal said, whether it’s coal or iron ore blocks, government cannot be a hoarder.

“If a few blocks are auctioned at a time then there is too much competition and an artificial scarcity is created. People end up paying a huge premium and then they become unsustainable,” he explained.

The high premiums quoted for Odisha iron ore mines auctioned in February and March have

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added to it. Moreover, the shortage was impacting [steel production](#) for some [steelmakers](#).

Coal and mines secretary, Anil Kumar Jain, said, "Odisha auctions had not gone the intended way. I do hope in the coming months, production stabilizes," he said.

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Comparing with commercial coal mining bids, he said that the bids had got the right kind of response at 35 per cent on an average. Whereas, in iron ore, it shot up and then people defaulted, he pointed out.

The highest premium quoted for Odisha auction block, it may be mentioned, was 154 per cent.

The secretary said that the Centre was looking at mining reforms. "They are very critical strategic reforms," he said.

Jindal said that mining in India was not easy. "We have to make things easier. There must be clarity on rules and regulations," he said, while adding that there should be a single window mechanism for clearances.

Later in the conclave, the question of whether [iron ore exports](#) should be banned in the wake of the shortage also came up.

[NMDC](#) chairman and managing director, Sumit Deb, said, most of its exports have 57-58 per cent Fe content which was not utilised by the domestic steel industry.

Iron ore with more than 58 per cent Fe content attracts export duty. Deb pointed out that in the case of pellet exports there was no duty and with very little value addition, they were being exported. "The government could look into this," he said.

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Govt should not hoard mines: Naveen Jindal



Kolkata, Dec 9 (PTI) Jindal Steel and Power Ltd

Chairman Naveen Jindal on Wednesday said the Union government should not "hoard" mines and create artificial scarcity, putting up only a few blocks for auction.

He said India being a very competitive market, such scarcity leads to intense bidding and unsustainable valuation.

"Government has taken care of a lot of challenges, and commercial mining was a bold move... It should help the sector... But, the government cannot hoard blocks and create artificial scarcity," Jindal said at the Bengal Chamber of Commerce-organised virtual mining conclave.

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In June, Prime Minister Narendra Modi had launched the auction process for 41 coal blocks for commercial mining.

"Out of 38 mines put on auction, 19 mines were successfully auctioned. The success of the auction is 50 per cent," Coal Minister Pralhad Joshi had said last month.

Jindal also said coal availability should improve and imports come down over the next five-ten years due to commercial mining.

He also lauded Coal India and other miners for maintaining production during the coronavirus-induced lockdown period. PTI BSM

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Government should not hoard mines, says Naveen Jindal

By: PTI

December 09, 2020 6:36 PM

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Jindal Steel and Power Ltd Chairman Naveen Jindal on Wednesday said the Union government should not “hoard” mines and create artificial scarcity, putting up only a few blocks for auction.

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government cannot hoard blocks and create artificial scarcity,” Jindal said at the Bengal Chamber of Commerce-organised virtual mining conclave.

“Royalty and taxes are the highest here in the world. Royalties are also not GST-compliant, and even coal cess of Rs 400 per tonne cannot be adjusted as input cost,” he said.

In June, Prime Minister [Narendra Modi](#) had launched the auction process for 41 coal blocks for commercial mining.

“Out of 38 mines put on auction, 19 mines were successfully auctioned. The success of the auction is 50 per cent,” Coal Minister Pralhad Joshi had said last month.

Jindal also said coal availability should improve and imports come down over the next five-ten years due to commercial mining.

He also lauded [Coal India](#) and other miners for maintaining production during the coronavirus-induced lockdown period.



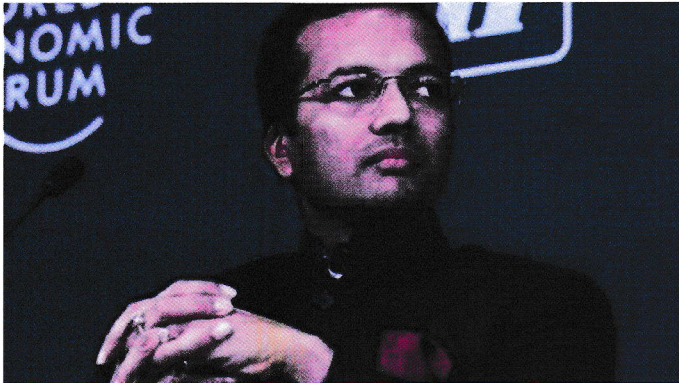
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Govt Shouldn't Hoard Mines, Only Few Blocks Put up for Auction: Naveen Jindal Slams 'Artificial Scarcity'



File photo of Jindal Steel and Power Ltd Chairman Naveen Jindal.

Jindal Steel and Power Ltd Chairman Naveen Jindal said India being a very competitive market, such scarcity leads to intense bidding and unsustainable valuation.

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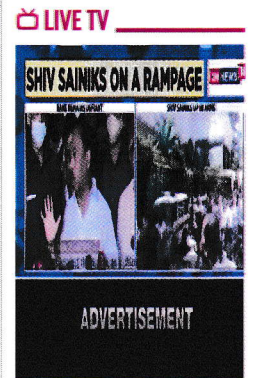
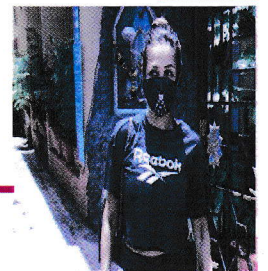
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Jindal Steel and Power Ltd Chairman Naveen Jindal on Wednesday said the Union government should not "hoard" mines and create artificial scarcity, putting up only a few blocks for auction. He said India being a very competitive market, such scarcity leads to intense bidding and unsustainable valuation.

"Government has taken care of a lot of challenges, and commercial mining was a bold move... It should help the sector... But, the government cannot hoard blocks and create artificial scarcity," Jindal said at the Bengal Chamber of Commerce-organised virtual mining conclave. "Royalty and taxes are the highest here in the world.

Royalties are also not GST-compliant, and even coal cess of Rs 400 per tonne cannot be adjusted as input cost," he said. In June, Prime Minister Narendra Modi had launched the auction process for 41 coal blocks for commercial mining.

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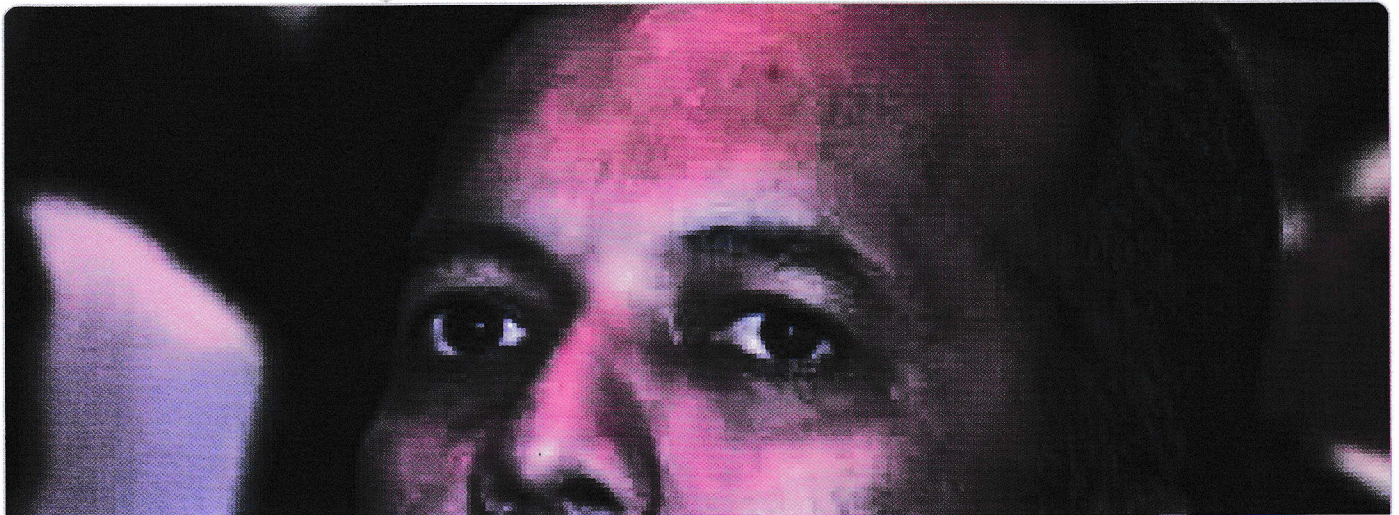
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TAGS COAL BLOCKS AUCTION | COAL MINING | COMMERCIAL MINING | JINDAL STEEL | NAVEEN JINDAL |

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Artificial Scarcity

Govt should not 'hoard' mines: Naveen Jindal

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NAVEEN JINDAL JINDAL STEEL COAL MINE AUCTIONS IRON ORE MINES MINE BIDS MINING CLEARANCE

Naveen Jindal, Chairman, Jindal Steel and Power Ltd, on Wednesday said that the government should not be a "hoarder" of mines by putting only a few blocks on auction at a time, as this could create an

artificial scarcity.

Such "artificial scarcity" leads to competition and pushes entrepreneurs to pay huge premiums which might later become "unsustainable."

"Whether it is coal blocks or iron ore blocks, the government cannot be a hoarder, the government has to take out a lot of these blocks...what are these for? Why should the government (whether State or Central) think that it will only bring few blocks at a time because it wants to maximise on the premiums and the industrialists think there is so much of competition.....when the government creates this artificial scarcity, people end up paying huge premiums. We have seen this happen in coal and iron ore and every other mineral and then they become unsustainable," Jindal said at the...

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