



खनिज समाचार

**KHANIJ SAMACHAR**

**Vol. 5, No-3**

**(As appeared in National/Local Newspapers Received in Central Library, IBM, Nagpur)**

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# खनिज समाचार

# KHANIJ SAMACHAR



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INDIAN BUREAU OF MINES

VOL. 5, NO-3 , 1<sup>st</sup> – 15<sup>th</sup> FEBRUARY , 2021



THE HITAVADA  
DATE : 1/2/2021 P.N.6

## India's crude steel output falls 10.6 pc to 99.6 MT in 2019

INDIA'S crude steel production fell by 10.6 per cent to 99.6 million tonnes (MT) in 2020, according to the Worldsteel. The country had produced 111.4 MT of crude steel in 2019, the World Steel Association (Worldsteel) said in its latest report.

In 2020, the global crude steel production also decreased to 1,864.0 MT for the year 2020, registering a fall of 0.9 per cent compared to 1,880.1 MT metal produced in 2019, the report said.

At 99.6 MT in 2020, India, however, remained the second largest producer in the world after global leader China, the worldsteel data showed. China produced 1,053.0 MT of crude steel in 2020, registering a growth of 5.2 per cent over 1,001.3 MT in 2019. Japan has reported a fall of 16.2 per cent in its output at 83.2 MT, as against 99.3 MT in 2019.

## ArcelorMittal Nippon Steel buys Essar Power Orissa for ₹450 crore

SURESH P IYENGAR

Mumbai, January 31

ArcelorMittal Nippon Steel India has acquired Essar Power Orissa, another captive power plant of Essar Steel, through the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest (SARFAESI) Act, for ₹450 crore.

Large part of the debt of Essar Power Orissa was held by SBI and Edelweiss.

Last year, AM/NS bought Bhandar power plant, a 500 MW natural gas-based thermal plant at Hazira, through a bidding process, from Edelweiss Asset Reconstruction Company.

Both the acquisitions put together would have cost AM/NS about ₹1,000 crore and resulted in 100 per cent recovery for the lenders, sources said.

### Natural gas sourcing

AM/NS has paid the money upfront to banks and restructured both the distressed assets to become self-sufficient for its power requirements. The company has plans to revive both



the plants through unique design capacity and competitive sourcing of natural gas from global markets, he added.

Incidentally, only the first phase of 120 MW of Essar Power Orissa at Paradip is operational and the SARFAESI process was initiated by the lenders in 2017 before the completion of second phase of 60 MW.

An Essar official said lenders have recovered their full principal from 60 MW power plant in Odisha by selling it to AM/NS and recovered about ₹450 crore in a difficult environment. Essar is largely exiting its coal-based power portfolio keeping in mind the green energy requirements and will concentrate its efforts on building a renewable power and storage

portfolio. "We are in the final stages of completing our deleveraging programme and in the next two quarters we intend to repay the balance ₹10,000 crore which is largely in the power portfolio," he added.

### Record repayment

Essar has already repaid ₹140 lakh crore of its overall debt of ₹150 lakh crore as part of debt reduction programme. This is the single largest debt reduction and repayment programme in the history of Corporate India. "With the debt reduction programme behind us we look forward to refocusing our energies towards the next phase of growth," he added.

Essar Steel was acquired jointly by ArcelorMittal and Nippon Steel in December 2019 under the insolvency law and since then, there have been efforts to make operations self-sufficient. Ancillary units - like power, slurry pipeline and captive port - were not part of Essar Steel's insolvency process.

NAVBHARAT DATE : 1/2/2021 P.N.9

## कोयला उत्पादन में गिरावट का अनुमान

न्यूज एजेंसियां

**कोलकाता.** कोल इंडिया के जनवरी माह के कोयला उत्पादन में करीब चार प्रतिशत की गिरावट आने का अनुमान है. इससे पिछले लगातार पांच महीने तक कोल इंडिया का उत्पादन बढ़ा था. सूत्रों ने बताया कि जनवरी में कोल इंडिया का उत्पादन 6.02 करोड़ टन रहने का अनुमान है, जो जनवरी 2020 में 6.31 करोड़ टन रहा था. 29 जनवरी तक कोल इंडिया का उत्पादन 5.62 करोड़ टन रहा है.

### 64 करोड़ टन का लक्ष्य

चालू वित्त वर्ष की अप्रैल-जनवरी की अवधि में कोल इंडिया ने 45.4 करोड़ टन कोयले का उत्पादन किया है. कोल इंडिया का मार्च तक 63 से 64 करोड़ टन उत्पादन का लक्ष्य है. कोरोना वायरस महामारी की वजह से लागू लॉकडाउन हटने के बाद अगस्त से कोल इंडिया का उत्पादन लगातार बढ़ रहा है. अगस्त में कोल इंडिया का उत्पादन सालाना आधार पर 7.1 प्रतिशत बढ़ा था. उसके बाद सितंबर में इसमें 3.1 प्रतिशत, अक्टूबर में 1.8 प्रतिशत और नवंबर में 3.4 प्रतिशत की वृद्धि हुई थी. कंपनी का 2021 के पहले महीने में कुल उठाव 5.33 करोड़ टन रहने का अनुमान है.

## Crude steel output falls 10.6% in 2020

*New Delhi:* Crude steel production fell by 10.6 per cent to 99.6 million tonnes (MT) in 2020, according to the worldsteel. The country had produced 111.4 MT of crude steel in 2019, the World Steel Association (worldsteel) said, in its latest report. In 2020, the global crude steel production also decreased to 1,864.0 MT for the year 2020, registering a fall of 0.9 per cent compared to 1,880.1 MT metal produced in 2019, the report said.

# Visa Restrictions Hurt Metal Cos' Plans to Boost Capacity

JSW Steel, Hindustan Zinc have had to stall projects that needed expertise from European and Chinese engineers

**Bhavya.Dilipkumar@timesgroup.com**

**Mumbai:** Stringent Covid-19 travel restrictions have stalled expansion of projects at top Indian metal manufacturing companies that hire engineers and experts from China and Europe.

JSW Steel, while announcing its December quarter results, said the \$2 billion capacity expansion at Dolvi in Maharashtra will be delayed because of travel and visa restrictions for technicians from global capital equipment vendors in Europe and China. JSW is doubling steel-making capacity at Dolvi to 10 million tonnes annually, a project that

was originally to be commissioned in Q4 of FY21.

"So far we managed to get virtual guidance from them, but for the completion stage we need their help. We are trying to get visas for all of them. There could be some slippages but we are trying to commission it by Q1," joint managing director Seshagiri Rao told ET.

The coke oven plant, some mini-bulk carriers and other equipment at the plant are Chinese. The main equipment, other than coke ovens, is from Europe, he said. Rao said apart from visa issues, European suppliers are hesitant to travel to India due to health concerns.

Hindustan Zinc said the Covid-19

restrictions, including stringent visa norms for Chinese nationals, continued during the third quarter of FY21, delaying the start of its fumer plant at Chanderiya in Rajasthan.

**JSW Steel is doubling steel-making capacity at Dolvi to 10 million tonnes annually, a project that was to be commissioned in Q4 of FY21**

"The fumer plant commissioning has been affected due to the visa issues of Chinese experts. However, it has no impact on our mining operations," chief executive officer Arun Misra told ET.

Fumer technology, which improves the recovery of zinc from 96.8% to

97.5%, was available only in China and cannot be commissioned without Chinese experts. There are contractual obligations for this and it would be safer to have the Chinese experts commission such a huge project, Misra said.

The project, costing ₹570 crore, will help add about 3,000 tonnes of zinc from just one smelter per year.

"By April or May, we expect this to resolve. Engineers and experts have to come from there. China has started the vaccination process beforehand so we think within three months, things will be normalised. The whole issue started off with the border tensions, but I don't want to delve deep on that," Misra said.



THE ECONOMIC TIMES DATE : 1/2/2021 P.N.7

## 11TH TRANCHE OF GOLD BONDS OPEN UNTIL FEB 5 Gold Price Fall Offers a Good Entry Point via Sovereign Bonds

Prashant.Mahesh  
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Mumbai: Does your stock screen look fatigued? It's time to venture out – and add a dash of golden sheen, perhaps.

The recent 11% correction in gold prices is a good entry point for those eyeing sovereign gold bonds. The 11th tranche of sovereign gold bonds is open until February 5 and investors will have to pay Rs 4,862 per gram of gold after the Rs 50 per gram discount for digital payments. This is the lowest price in the last seven months and is 4% lower than the January price.

Gold prices moved up 25% over the last one year in rupee terms, while in dollar terms, they are up 18.3%.

"Gold prices have been under pressure due to the rise in US treasury yield and subdued buying activity by Gold ETF investors. Delay and lack of clarity on the next instalment of the stimulus package have pushed yields higher, reducing the investor appetite for the yellow metal," explains Nish Bhatt, Founder & CEO, Millwood Kane International.

The outlook for gold is bright despite the vaccination drive. Due to the sharp economic downturn, central governments across the world have been continuously pumping money into the financial system. With the effectiveness reducing over a period of time, the need for a larger stimulus continues, which in turn will support gold prices.



"With US national debt crossing \$27 trillion in 2020 and amounting to 140% of the nation's annual economic output, the US dollar has naturally withered and weakened this year," says Chirag Mehta, Fund Manager, Quantum Mutual Fund. "The world is probably starting to lose confidence that the heavily indebted US can keep paying its bills."

He believes global policy makers will continue to resort to monetary inflation, credit expansion and government spending to tackle the extraordinary economic fallout of the pandemic. He believes gold, which is priced in dollars, would be a big beneficiary if a crisis of confidence plagues the world's reserve currency.

Distributors point out that sovereign gold bonds score over traditional modes like buying physical gold or digital modes like gold ETF.

Gold bonds are backed by the sovereign, giving investors 2.5% interest every year.

## Coal India Output may Dip 4% in Jan after 5-Mth Growth Streak



Press Trust of India

**Kolkata:** Coal India's dry fuel production is likely to snap a five-month growth streak to register a decline in January, owing to high pithead stock, sources said on Sunday.

Coal production for the month is likely to be around 60.2 million tonnes compared with the corresponding period a year ago, when the output was at 63.11 million tonnes, they said.

Till January 29, the output was 56.24 million tonnes, and aggregate production for the 11-month period of the current fiscal (April-January) will be about 454 million tonnes, the sources said.

Coal India is targeting an output of 630-640 million tonnes till March.

The world's largest miner has been registering robust growth since August 2020, as the nationwide lockdown began to ease, when it recorded a 7.1% on-year rise, followed by September (31% rise), October (18%) and November (3.4%).

Total coal offtake for the Kolkata-headquartered company in the first month of 2021 is expected to be 53.3 million tonnes, resulting in a decline of about 5.5% as against the figure during the same period in 2020.

Coal demand from the power sector is on the rise, but with 63 million-tonne of pithead stock, non-power sector requirement will also be crucial for the mining behemoth.

Demand for the dry fuel is set to revive in 2021 with a 3.8% increase, according to a Moody's Investors Service report.



## NMDC produces 25.7 MT iron ore in Apr-Jan FY21

NEW DELHI, Feb 1 (PTI)

STATE-OWNED NMDC on Monday said its iron ore production remained almost flat at 25.66 million tonne (MT) between April 2020 and January 2021. The company had produced 25.89 MT iron ore during the corresponding period a year ago, NMDC said in a BSE filing. NMDC's total iron ore sales during April-January FY21 also remained flat at 26.01 MT, compared with 26.0 MT in the year-ago period. In January, the company produced 3.86 MT mineral, higher from 3.31 MT in the year-ago month. Its sales during the month also increased to 3.74 MT, from 2.96 MT in January 2020. NMDC, under administrative control of steel ministry, is the country's largest iron ore miner, currently producing about 35 million tonne of iron ore annually.

## Govt cuts Customs Duty on certain steel items

NEW DELHI, Feb 1 (PTI)

THE Government on Monday announced slashing of import duties on a number of steel items in order to provide relief to MSMEs, which have been hit hard by the high cost of raw materials. Finance Minister Nirmala Sitharaman in her Budget speech for 2021-22 said, the anti-dumping duty (ADD) and countervailing duty (CVD) have also been revoked on certain steel products.

"MSMEs and other user industries have been severely hit by a recent sharp rise in iron and steel prices. Therefore, we are reducing customs duty uniformly to 7.5 per cent on semis, flat, and long products of non-alloy, alloy, and stainless steels. To provide relief to metal re-cyclers, mostly MSMEs, I am exempting duty on steel scrap for a period up to 31st March 2022. I am also revoking ADD and CVD on certain steel products. Also, to provide relief to copper re-cyclers, I am reducing duty on copper scrap from 5 per cent to 2.5 per cent,"

she said. The minister also announced increasing duty on steel screws and plastic builder wares from 10 per cent to 15 per cent. The existing duty on primary/semi-finished products of non-alloy steel, long products of non-alloy, stainless and alloy steel is 10 per cent, while on flat products of non-alloy and alloy-steel the duty ranges between 10 per cent to 12.5 per cent. The duty on all these items has been lowered to 7.5 per cent.

The 2.5 per cent duty on iron and steel melting scrap, including stainless steel scrap, and raw materials used in the manufacture of CRGO (Cold Rolled Grain Oriented) steel has been lowered to nil in the Budget. The products on which ADD has been temporarily revoked are straight length bars and rods of alloy-steel - originating in or exported from the People's Republic of China, and high-speed steel of non-cobalt grade - originating in or exported from Brazil, People's Republic of China and Germany.

## Can reduced import duty trigger gold demand?

AKHIL NALLAMUTHU

In an attempt to boost consumer demand and to keep a check on smuggled imports, Finance Minister Nirmala Sitharaman announced rationalisation of import duty on gold and silver. It has been brought down to 7.5 per cent from 12.5 per cent (brought in during the July 2019 Budget).

But the duty will now attract an Agriculture and Infrastructure Development cess of 2.5 per cent, bringing it to 10 per cent.

### Tepid demand

The total demand for gold in India

dwindled by 35 per cent in 2020 to 446.4 tonnes - lowest in the last 25 years - from 690.4 tonnes in 2019. Even in 2019, it had fallen by about 9 per cent year-on-year.

While an increase in import duty in 2019 had, to some extent, helped bring down gold demand, significant increase in price since then has kept people away from the yellow metal, especially considering jewellery demand is a major demand contributor. For instance, out of the 446.4 tonnes demand in 2020, jewellery demand was 315.9 tonnes. India is only behind China in overall consumption.

### Takeways

- Customs duty reduced
- Decrease in duty might lead to decline in smuggling
- SEBI to be made gold exchange regulator

Nevertheless, the demand in the December quarter improved as the lockdown measures were eased through the quarter. That is, demand nearly doubled to 186.2 tonnes versus 94.6 tonnes recorded in the third quarter of CY2020.

Going ahead, the cut in duty, per se, may not trigger a demand wave. Price will remain a key factor and so long as it stays at elevated levels, the jewellery demand may not really pick up.

The spot price of gold on the Multi Commodity Exchange (MCX) appreciated by 24 per cent and 28 per cent in CY2019 and CY2020, respectively. Yet, price appreciation can encourage investment demand. Assets under management (AUM) of gold-backed exchange-traded funds (ETFs) in India saw an increase 14 per cent and 137 per cent in CY2019 and CY2020, respectively.

Downward revision in duty can have a positive impact through potential decline in smuggled gold.

### Gold exchange

While there have been discussions in the past years about setting up a gold exchange, there has been no concrete actions towards it. The Finance Minister on Monday said the Securities and Exchange Board of India (SEBI) will be notified as the regulatory authority for the proposed gold exchange.

Should this become a reality, price discovery in India can happen based on the supply demand dynamics within the country.

## Govt cuts import duty on gold, silver

NEW DELHI, Feb 1 (PTI)

**THE** Government on Monday announced cut in import duty on gold and silver, a move that will help bring down prices of these precious metals in the domestic market and boost exports of gems and jewellery.

The duty was reduced on other precious metals including gold dore bar, silver dore bar, platinum, gold/silver findings, and precious metal coins.

"Gold and silver presently attract a basic customs duty of 12.5 per cent. Since the duty was raised from 10 per cent in July 2019, prices of precious metals have risen sharply. To bring it closer to previous levels, we are rationalising customs duty on gold and silver," Finance Minister Nirmala Sitahraman said while presenting the Union Budget 2021-22. The customs duty on gold and silver was reduced to 7.5 per cent.

(Contd on page 4)

## Govt cuts import duty...

The duties on other precious metals were cut down to 6.9 per cent on gold dore bar from 11.85 per cent; 6.1 per cent on silver dore bar from 11 per cent; 10 per cent on platinum from 12.5 per cent; 10 per cent for gold/silver findings from 20 per cent; and 10 per cent on precious metal coins from 12.5 per cent.

However, gold and silver; gold dore bar; and silver dore bar will also attract 'Agriculture Infrastructure and Development Cess' at the rate of 2.5 per cent.

Welcoming the decision, Gems and Jewellery Export Promotion Council (GJEPC) Chairman Colin Shah said that it would help in promoting domestic manufacturing and boosting exports.

"It was our long pending demand to cut the import duty on gold and silver. It is a welcome move for the domestic organised sector," Shah said.

Gold imports, which have a bearing on the current account deficit, fell 27.20 per cent to USD 16.8 billion during April-December 2020-21.



## Infra push will boost cement demand

**T**he Budget was the most awaited and expected one considering the huge impact on the economy caused by the coronavirus pandemic with a projected contraction of 7.7 per cent in GDP growth in the current year.

I consider the Budget a development-oriented one aimed at reviving the economy. As expected, the Finance Minister has presented an expansionary budget of ₹34.83-lakh crore by stretching the fiscal deficit to 6.8 per cent and giving push to capital expenditure and public spending. This is much needed today.

The proposals are expected to support economic recovery and help the economy return to growth track in 2021-22 with a projected growth of 11 per cent in GDP. I welcome the 34 per cent increase in capital expenditure to ₹5.44-lakh crore, which will have a multiplier effect and accelerate the recovery process.

### Health focus

Considering the Government was battling with the pandemic and saving lives and livelihoods, it has provided for a 137 per cent jump in healthcare budget to ₹2.23-lakh crore. In addition, a new healthcare scheme of ₹64,180 crore has been unveiled to strengthen our healthcare system over a period of six years.

I appreciate the Finance Minister for recognising the critical role being played by the manufacturing sector and stressing that the sector

has to grow in double digits for a sustained period and make the companies an integral part of the global supply chains.

This assumes importance in the context of the Prime Minister's Atmanirbhar Bharat (promoting a self-reliant India) and the 'Make in India'

**The most striking feature in the Budget is the thrust given to physical and financial capital and infrastructure**

programme. The Budget has committed ₹1.97-lakh crore support over the next five years for performance-linked incentive scheme announced for 13 sectors.

### Infra financing

The most striking feature is the thrust given to physical and financial capital and infrastructure. The Finance Minister has proposed to take concrete steps to increase funding and create a structure for long-term funding for infrastructure projects under the ambitious National Infrastructure Pipeline (NIP) programme.

NIP was launched in 2019 with 6,835 projects which has now expanded to 7,400 projects entailing a massive investment of ₹111-lakh crore over five years. Substantial funding for the projects has to be raised by the Centre and States (78 per cent together) and the balance coming from the private sector.

The Finance Minister has announced that a Bill will be introduced to set up a development financial institution and provided ₹20,000-crore capital support. She said the new DFI will have a lending portfolio of ₹5-lakh crore within three years.

I also welcome the expansion of Bharatmala road project and announcement of new national highway projects in Tamil Nadu and Kerala besides substantial additional allocation for the metro rail projects in Kochi, Chennai and Bengaluru.

The Budget has extended the tax concession for investment in affordable housing and tax holiday for affordable housing projects. A proposal for developing rental housing projects with tax concessions for the benefit of migrant labour has also been announced.

Overall, the expansionary budget, higher public spending, substantial allocation for railways, roads, metro rail projects and other infrastructure projects and tax concessions for affordable housing are expected to increase construction activity and boost the demand for cement.



# Cut in duty to abet stainless steel imports

But steel will not be hit as most imports are from countries with which India has FTAs

## OUR BUREAU

Mumbai, February 1

The massive investment in infrastructure projects is expected to boost steel demand even while the cut in import duty on certain steel products is expected to open up doors for imports.

Temporary revocation of Anti-Dumping and Countervailing Duty is expected to open floodgates for imports of stainless steel flat products from China and Indonesia and could hurt domestic manufacturing.

KK Pahuja, President, Indian Stainless Steel Development Association said the temporary suspension of the CVD on

stainless steel flat product imports is a big, if unintentional, gift to Chinese companies. It will hit the domestic stainless steel industry, which has been under stress for over a decade.

"This will not only hamper Indian production but will turn many MSME manufacturers into traders. The Government's geopolitical stand on banning Chinese apps on one hand and easing bulk trade on the other runs contrary to the goals of Atmanirbhar Bharat and \$5 trillion economy-dream, he added.

"Stainless steel constitutes only 3 per cent of the steel requirement in the country, but accounts for over 35 per cent

MSME suppliers who will be hit adversely by this decision, said Pahuja.

## 'Steel not hit'

JV Narendran, Managing Director, Tata Steel said the reduction of customs duty on steel products will have no significant impact on the steel industry as most of the steel imported into India today comes from countries with whom we have a Free Trade Agreement and hence they enjoy zero import duty.

"The implementation of these reforms announced in the Budget will be critical for the benefits to percolate

across the economy," he said.

Seshagiri Rao-Joint Managing Director & Group CFO, JSW Steel said the Budget comes with counter cyclical fiscal policy calibration and an emphasis on building modern infrastructure. "The twin challenges of rekindling economic growth and well-defined fiscal consolidation roadmap have been addressed elegantly," he said.

"The steel sector, in particular, will benefit immensely from the surge in demand due to higher outlays on infrastructure and public capital spending," Rao added.



BUSINESS LINE DATE : 2/2/2021 P.N.2

# JSW plans e-comm portal for building sector

To invest ₹700 cr in JSW One, an online marketplace

## SURESH P IYENGAR

Mumbai, February 10

The JSW Group plans to do an Amazon or a Flipkart in the realty and construction industry, setting up an online marketplace for building related products including steel, cement and paints.

The group will remodel its earlier initiative of integrating the sales of group products under the JSW One brand into an online marketplace.

It will invest ₹500-700 crore to roll out the e-commerce venture with a renewed focus, roping in the current offline distributors, said sources close to the development.

The first-of-its-kind online marketplace will tap both B2B and individual consumers and cross-sell products riding on the stupendous growth in



## What JSW One will do

- Tap B2B and individual consumers and cross-sell products
- Rope in makers of non-competing branded building material products such as sanitary ware, kitchen and home accessories
- Onboard influencers in the sector, such as contractors, masons, engineers, architects and painters
- Integrate JSW Group's loyalty programmes currently offered across its steel, cement and paints businesses
- Help SME steel product makers with online transactions, order fulfilment, tracking & inventory management and credit

online sales due to an increase in smartphone and mobile penetration, the sources added.

## Nascent trend

Though the penetration of e-commerce in the home-building segment is still at a nascent stage, it has high growth

potential — some of the builders had managed to sell flats online during Covid times.

JSW Group is also exploring strategic collaborations with the makers of non-competing branded building material products such as sanitary ware, kitchen and home accessories, with a view to offer

an end-to-end shopping experience for its consumers.

The JSW One platform will also rope in influencers in the home construction industry including contractors, masons, engineers, architects and painters, and enable them to grow their respective businesses. Further, it will integrate all influencer loyalty programmes currently offered across its steel, cement and paints businesses under the platform.

In the B2B space, JSW One will not only offer an e-commerce marketplace for SME steel product manufacturers but also provide access to quality steel material. Also, it will facilitate online transactions, order fulfilment, tracking and inventory management, besides giving credit.

The move is seen to drive digital demand for micro-enterprises which have hyper local reach, enabling them to scale up their businesses.

For individual home build-

ers, it will offer a one-stop solution to source the requisite steel, cement and paint for construction besides providing qualified contractors, masons, engineers, architects and painters under an integrated e-commerce platform.

This apart, influencers will have access to up-skilling, better access to credit, tech-enabled project management solutions and an avenue to generate more business opportunities.

## Steel output up in Jan

Meanwhile, JSW Steel said production last month was up 2 per cent at 14.32 lakh tonnes. The average capacity utilisation was 96 per cent during the month.

The total production of rolled products (flat) in January was down 1 per cent at 10.14 lt against 10.25 lt logged in the same period last year. Rolled products (long) output increased 5 per cent to 3.59 lt (3.42 lt).



## NMDC upbeat on topping previous year's output

OUR BUREAU

Hyderabad, February 2

NMDC iron ore production for January 2021 stood at 3.86 million tonnes) against 3.31 mt in January 2020, registering a growth of 16.7 per cent. NMDC expects to exceed last previous year's production and sales despite the problems caused by the Covid-19 pandemic. January 2021 production and sales are the highest ever for that month since its inception. On January 31, 2021, NMDC achieved an output of 0.165 mt on a single day which is the highest for any day in this financial year.

Iron ore sales for January 2021 was at 3.74 mt (2.96 mt), a growth of 26.4 per cent. Iron ore production up to January in FY21 is 25.66 mt on a par with the same period last year. Similarly, iron ore sales up to January

in FY21 is 26.01 mt, despite Covid-19 this year. Sumit Deb, CMD, NMDC, in a statement said, "This Union Budget has given thrust on infrastructure, along with manufacturing. This will drive the demand for steel. NMDC, with its seven operational iron ore mines, is committed to meet the increased demand for iron ore."

BUSINESS LINE DATE : 3/2/2021 P.N.7

## MCX-Natural gas becomes bullish

AKHIL NALLAMUTHU

BL Research Bureau

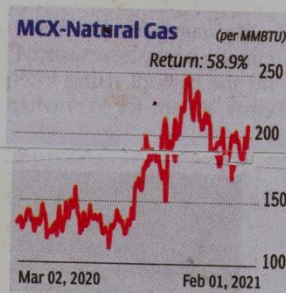
The natural gas futures, after rallying between July and October, reversed direction after reaching ₹250 levels in early November.

The fall was sharp, and it appeared by then that the bears had an upper hand over the bulls. The price dropped below the key support of ₹200 before a couple of months. It further declined and by the end of December it hit a low of ₹169.

Around this price level was the 61.8 per cent Fibonacci retracement level.

The futures then started to recover and the rally that began last week looks strong. As a result, it appreciated above the ₹200 level, turning the outlook posit-

ive for the contract. The bullish reversal is supported by the price pattern on the daily chart – it has confirmed an inverted head and shoulder pattern with the neck level at ₹205.



Moreover, the daily relative strength index has gone above the mid-point level of 50 and the moving average convergence divergence indicator on the daily chart has entered the positive territory.

Also, the average directional index substantiates the strength of the rally.

The nearest hurdle it can face is at ₹228, a breakout of which can lift the contract to ₹250.

Traders can buy February futures contract on declines with stop-loss at ₹200.



# Cabinet clears privatisation of Rashtriya Ispat Nigam

'Alternative Mechanism' under FM to decide if subsidiaries will be part of the transaction

P MANOJ

Mumbai, February 2

The Cabinet has approved privatisation of steel-maker Rashtriya Ispat Nigam Ltd (RINL), the 'navratna' PSU which runs the 7.3 million tonne (mt) capacity Visakhapatnam Steel Plant. The government currently holds 100 per cent stake in the com-

pany that makes long products used in construction.

"While approving the strategic disinvestment of RINL a few days ago, the Cabinet delegated powers to the Alternative Mechanism headed by the Finance Minister to decide whether the subsidiaries of RINL will be part of the transaction, depending on the feed-

back from potential investors," a government official briefed on the Cabinet decision said.

## Heavy losses

RINL runs two subsidiaries — The Orissa Minerals Development Company Ltd (OMDC) and The Bisra Stone Lime Company Ltd (BSLC).

The company has been incurring heavy losses since FY17 on the back of rising interest costs, except for FY19 when it

posted a net profit of ₹96.71 crore.

In September 2020, the RINL board had approved a revised voluntary retirement scheme for employees to cut costs and improve productivity.

The revised VRS is applicable to employees who have completed 15 years of service and have attained 45 years.

OMDC operates six iron ore and manganese ore mining leases at Barbil in Odisha's Keonjhar district. The leases

are Dalki manganese mines, Kolha Roida iron and manganese mines, Thakurani iron and manganese mines, Belkundi iron and manganese mines, Bariaburu iron mines and Bhadrasai iron and manganese mines.

The lease rights of all the six mines have expired and are not in operation for want of statutory clearances, for which necessary action is being taken by the company to restart mining.

BSLC undertakes mining and marketing of limestone and dolomite. The mines are located at Birmatrapur in Orissa's Sundargarh district, with reserves of about 287 million tonnes of dolomite and 367 million tonnes of limestone.

RINL also runs RINMOIL Ferro Alloys Pvt Ltd, an equal joint venture with MOIL Ltd and RINL Powergrid TIL Pvt Ltd, also an equal joint venture with Power Grid Corporation of India Ltd.

# Will gold turn cheaper after duty cut?

India is a price taker and global trend will remain a key price determining factor

RAVINDRA RAO

The year 2020 was a challenging one for all major economies including India as governments imposed strict measures to limit the virus spread but this impacted economic growth.

While the economy came under pressure, the commodities market was also not left unaffected.

Sharp volatility across commodities was witnessed as prices slumped earlier in the year owing to demand destructions, but recovered on the back of stimulus measures and robust Chinese buy-

ing as is evident from higher commodity imports.

## Bullion sector

The 2021 Budget was presented against such a backdrop.

As for the commodities market, the expectations included reduction/removal of CTT, reforms in agricultural sector, cut in gold import duty and reforms for strengthening the bullion sector.

Although there has been no change in Commodities Transaction Tax, changes in customs duties were announced which has impacted commodities — mainly gold



India is a major consumer of gold and silver and the lower price may brighten demand outlook, boosting global prices

and silver on the domestic front.

The base customs duty on gold and silver will be reduced from 12.5 per cent to 7.5 per cent, but a 2.5 per cent agriculture infrastructure and development cess will be im-

posed on top of this. The net implication translates to around 10.75 per cent after considering the cess and applicable social welfare surcharge.

Since MCX gold and silver prices are inclusive of cus-

toms duty, a cut in tax will reduce domestic price. We saw the gold price falling sharply in reaction to the duty cut.

## Price impact

However, the impact may not match the change in duty exactly. India is a major consumer of gold and silver and lower price may improve demand outlook, boosting international prices.

As a result, Indian gold and silver prices have become cheaper due to lower taxes. However, this will not affect the price trend. Since India is largely a price taker, the trend in the international market will remain a key price determining factor. Since we maintain a bullish view on COMEX gold and silver, we ex-

pect MCX Gold and silver also to trade with a positive bias. However, the base has shifted lower due to change in applicable taxes.

Also in bullion sector, in lieu of 2018-19 Budget announcement of establishing a system of regulated gold exchanges in the country, SEBI will be notified as the regulator and Warehousing Development and Regulatory Authority will be strengthened to set up a commodity market ecosystem arrangement including vaulting, assaying, logistics, etc in addition to warehousing. This is not likely to have any direct impact on price.

The writer is VP-Head Commodity Research, Kotak Securities. Views are personal



# ओडिशा : अवैध खनन मामले में नोटिस

नवभारत न्यूज नेटवर्क

लगाया 2,056 करोड़ का जुर्माना



## ये संस्थाएं करती हैं खनन सीमा निर्धारित

इंडियन ब्यूरो ऑफ माइंस, ओपीसीबी और पर्यावरण व वन मंत्रालय माइंस के खनन की सीमा निर्धारित करते हैं। माइंस के संयुक्त निदेशक द्वारा डिमांड नोट में कहा गया है कि फरवरी और मार्च 2020 में अधिक खनन किया गया है। माइंस डिपार्टमेंट ने इंडियन ब्यूरो ऑफ माइंस द्वारा निर्धारित रेट पर जुर्माने की गणना की है। फरवरी 2020 में लॉप ओर की कीमत 4,691 रुपए प्रति टन थी जबकि मार्च में ये 4,835 रुपए थी। माइंस के संयुक्त निदेशक सलिल बेहरा ने पुष्टि की पिछले दशक में खनन घोटाले के बाद किसी भी खनन कंपनी पर यह अब तक सबसे बड़ा जुर्माना है। हालांकि अब तक ये स्पष्ट नहीं हुआ है कि खनन घोटाले के बाद कई नियमों को लागू किए जाने के बाद भी कंपनी ने इतनी ज्यादा मात्रा में खनन कैसे कर लिया।

भुवनेश्वर. ओडिशा में खनन घोटाले के एक दशक बाद खनिजों के संचालन और परिवहन के नियमों को कड़ा किया जा रहा है। राज्य खनन विभाग को बार एक बड़ी अवैधता का पता चला है। अतिरिक्त खनन के मामले में शारदा माइंस पर 2,056 करोड़ रुपए का जुर्माना लगाया गया है। कीनझार जिले की माइंस के संयुक्त निदेशक ने शारदा माइंस को माइंस एंड मिनरल्स एक्ट 1957 के सेक्शन 21(5) के तहत नोटिस भेजा है। ये नोटिस उन्हें 4.3 मिलियन टने के ज्यादा आयरन ओर निकालने के लिए भेजा गया है, जो कि राज्य प्रदूषण नियंत्रण बोर्ड द्वारा निर्धारित सीमा से ज्यादा है।

# ₹3,300 टूटी चांदी

व्यापार प्रतिनिधि

नागपुर. वैश्विक स्तर पर गिरावट के चलते मंगलवार को सराफा बाजार में सोना 300 रुपये घटकर 50,200 रुपये प्रति 10 ग्राम पर आ गया। इससे पहले सोमवार को सोना 50,500 रुपये प्रति 10 ग्राम पर रहा था। चांदी भी 3,300 रुपये गिरकर 70,200 रुपये प्रति किलोग्राम पर आ गयी। चांदी सोमवार को 73,500 रुपये प्रति किलोग्राम रही थी। अंतरराष्ट्रीय बाजार में, सोना गिरावट के साथ 1,847 डॉलर प्रति औंस पर आ गया था। चांदी भी गिरकर 27.50 डॉलर प्रति औंस पर कारोबार कर रही थी। जानकारों के अनुसार अमेरिका में राहत उपायों पर प्रगति नहीं होने से सोने में गिरावट रही। कारोबारियों और निवेशकों की मुनाफावसूली से भी दबाव रहा। केंद्रीय बजट में शुल्क कटौती की घोषणा के बाद निवेशक उच्च स्तर पर कुछ मुनाफावसूली कर रहे हैं।



# बजट के बाद घटने लगे स्टील के दाम

व्यापार प्रतिनिधि

नागपुर. बजट में कुछ स्टील उत्पादों पर उत्पाद शुल्क घटाने की घोषणा का असर दिखाई दे रहा है। सरिया, एंगल जैसे फिनिश उत्पादों के दाम कम होने लगे हैं। इससे आम आदमी को राहत मिलेगी। कंस्ट्रक्शन खर्च कम होगा। साथ ही कूलर, पंखे जैसे घरेलू इस्तेमाल की वस्तुओं की कीमतों पर भी असर पड़ेगा। अगले कुछ दिनों में कूलर का सीजन भी शुरू हो जाएगा। वित्त मंत्री निर्मला सीतारमण ने बजट में फ्लैट स्टील, स्क्रैप



पर आयात शुल्क में 2.5 प्रश कटौती की घोषणा की थी। इस तरह इन उत्पादों पर अब 7.5 प्रश शुल्क लगेगा। जो पहले 10 से 12.5 प्रश लग रहा था। कच्चा माल महंगा होने से स्टील के दाम 47,500 रुपए टन तक चले गए थे जो अब धीरे-धीरे

घटकर 40,500 रुपए तक आ गए हैं। व्यापारियों के अनुसार स्टील के दाम पहले ही घटने शुरू हो गए थे। बजट पर घोषणा के बाद गिरावट को और बल मिला। आने वाले समय में इसमें 1,000 रुपए टन तक और गिरावट देखने मिलेगी।

## आ गई थी बंद होने की कगार पर

उद्योगकों के अनुसार कच्चा माल न मिलने से विदर्भ में स्टील की अनेक इकाइयां बंद होने की कगार पर आ गई थी। सीमा शुल्क में कमी होने से कच्चे माल की कीमत कम होगी। इससे निश्चित रूप से छोटी इकाइयों को फायदा होगा। उत्पाद की कीमत भी कम होगी। बजट में कोई नया कर न लगाना बेहतर है। आधारभूत संरचना के लिए काफी अच्छा प्रावधान किया गया है। इससे रोजगार बढ़ेगा।



7.5

प्रश किया  
आयात शुल्क

2.5

प्रश की गिली  
राहत

1,000

रुपए टन का  
दिखेगा इफेक्ट

47,500

रुपए तक गए  
ये दाम

40,500

रुपए बिक रहा  
इस समय

कच्चा माल हो  
गया था महंगा

घरेलू उद्योगों को चीन, कोरिया जैसे से होने वाले सस्ते आयात से बचाने के लिए कुछ समय पहले सरकार ने कुछ स्टील उत्पादों पर आयात शुल्क में बढ़ोतरी कर दी थी। इसका विपरीत असर नजर आया। स्क्रैप, आयरन और महंगा हो जाने से स्टील के भाव एकाएक आसमान छूने लगे थे। स्टील कारोबारी राजेश सारडा ने बताया कि लॉकडाउन में डील के बाद डिमांड बढ़ गई थी। दूसरे स्क्रैप महंगा होने से इकाइयां आपूर्ति नहीं कर पा रही थी। ग्लोबल मार्केट भी टाइट हो गया था। पर अब सेकेडरी मार्केट में दाम कम हो रहे हैं। मार्केट में बिकने वाले फिनिश उत्पाद के रेट काफी घट गए। हालांकि इन्फ्रा प्रोजेक्ट्स में लगने वाले उत्पादों के दाम अब भी ऊपर चल रहे हैं। इसकी वजह यह है कि इन्फ्रास्ट्रक्चर प्रोजेक्ट्स के साथ ही एक्सपोर्ट की भी काफी डिमांड बनी हुई है।



# चीनी कंपनियों को मिला मौका

## उद्योग जगत ने जताई आशंका

न्यूज एजेंसियां

दिल्ली. सरकार के नए फैसले से देश में स्टेनलेस स्टील मेकिंग कंपनियां निराश हैं. इनका कहना है कि बजट में की गयी एक अप्रत्याशित घोषणा ने चीन और इंडोनेशिया में स्थित चीन की कंपनियों को फायदा पहुंचाया है. इस फैसले ने इन कंपनियों से भारत में स्टेनलेस स्टील के फ्लैट उत्पादों के आयात के द्वार खोल दिए हैं. केंद्रीय वाणिज्य और उद्योग मंत्रालय के तहत काम करने वाले डायरेक्टर जनरल ऑफ ट्रेड रेगुलेशन (डीजीटीआर) की विस्तृत जांच से पहले ही यह साबित हुआ है कि भारत में चीन और इंडोनेशिया से होने वाले अनुचित आयात से घरेलू उद्योग को नुकसान हो रहा है.



## घरेलू उद्योग होंगे प्रभावित

देश के प्रमुख स्टेनलेस स्टील उत्पादकों के संगठन इंडियन स्टेनलेस स्टील डेवलपमेंट एसोसिएशन (आईएसएसडीए) के अध्यक्ष के. के. पाहुजा का कहना है कि बजट के इस प्रावधान में घरेलू उद्योग के हितों की अनदेखी की गई है. सरकार ने अस्थायी तौर पर काउंटरवेलिंग इयूटी स्थगित करने की घोषणा कर चीन और इंडोनेशिया में तैयार स्टेनलेस स्टील उत्पादों के आयात को हरी झंडी दे दी है. इससे पहले डीजीटीआर (डीजीटीआर) ने ही भारत में होने वाले ऐसे गैर डब्ल्यूटीओ अनुपालित आयात पर काउंटरवेलिंग और एंटी डम्पिंग इयूटी लगायी थी. इन इयूटी के स्थगन से घरेलू उत्पादन प्रभावित होगा. देश में सस्ते स्टेनलेस स्टील फ्लैट उत्पादों के आयात से 'मेक इन इंडिया' पहल को नुकसान होगा. साथ ही बड़े पैमाने पर रोजगार के अवसर पैदा करने की संभावनाओं पर असर पड़ेगा.

## अनजाने में मिली बड़ी सौगात

पाहुजा ने कहा कि स्टेनलेस स्टील के फ्लैट उत्पादों के आयात पर काउंटरवेलिंग शुल्कों के अस्थायी स्थगन से चीन की कंपनियों को अनजाने में एक बड़ी सौगात मिल गई है. इससे घरेलू स्टेनलेस स्टील उद्योग गंभीर रूप से प्रभावित होगा, जो पिछले एक दशक से वित्तीय तनाव से घिरा है. इंडोनेशिया में स्थापित चीन की कंपनियों को आसियान एफटीए के तहत शुल्क मुक्त आयात के साथ भारतीय बाजार में प्रवेश करने का अवसर मिल गया है. गत वर्षों में इंडोनेशिया से हो रहे आयात में अकल्पनीय बढ़ोतरी हुई है. वहां से वित्त वर्ष 2017-18 में 8,601 टन, 2018-19 में 76,102 टन और 2019-20 में बढ़कर 2,80,575 टन पर आयात पहुंच गया है. इससे न केवल भारतीय उत्पादन प्रभावित होगा बल्कि कई एमएसएमई उत्पादक मजबूरन कारोबारी में बदल जाएंगे. सरकार द्वारा चीनी उत्पादकों के लिए व्यापार सरल करने वाला यह निर्णय, जहां अनुचित व्यवहार पहले ही साबित हो चुका है, चीनी एप पर पाबंदी लगाते समय अपने भू-राजनैतिक निर्णय के बिल्कुल विपरीत है. यह आत्मनिर्भर भारत और पांच ट्रिलियन डॉलर की अर्थव्यवस्था के सपने के विरुद्ध है. सरकार के इस निर्णय ने केंद्रीय बजट में प्रस्तावित स्क्रेप शुल्क में छूट और उच्चतर इफ्रास्ट्रक्चर व्यय से होने वाले लाभ को भी विफल कर दिया है.



## Increased capex to push steel demand in India: ISA

■ Business Bureau

THE increased capital expenditure for infrastructure projects in Union Budget 2021-22 will push demand for steel in the country, industry body ISA said on Wednesday.

To augment the country's infrastructure, the Budget proposed significant enhancement in capital expenditure to Rs 5.54 lakh crore for the next fiscal, besides creating institutional structures and giving a big thrust to monetising assets to achieve the goals of the National Infrastructure Pipeline (NIP).

In her Budget speech for the financial year 2021-22, Finance Minister Nirmala Sitharaman had also announced to set up a Development Financial Institution (DFI).

The minister said that a sum of Rs 20,000 crore has been pro-

visioned in the Budget to capitalise the DFI.

"We are happy at the proposals related to increased construction of roads and highways as well as the proposed introduction of a bill to set up an institution for financing infrastructure and development. Enhanced investments in the infrastructure and related segments will create a demand spike for steel," Indian Steel Association (ISA) said in a statement.

Stepped up budgetary allocations for railways, metro services, development of more airports, the Jal Jeevan Mission, urban and the rural infrastructure development in the Budget will also help generation job opportunities besides creating demand for steel, ISA said.

It is the apex industry body representing the players of the Indian steel industry.

LOKMAT DATE : 6/2/2021 P.N.6

## सोन्या-चांदीची चमक उतरली

### बजेट व आंतरराष्ट्रीय बाजाराचा परिणाम

आनंद शर्मा

लोकमत न्यूज नेटवर्क

नागपूर : सोन्या-चांदीच्या वाढत्या किमतीवर आता ब्रेक लागला आहे. एवढेच नव्हे तर केंद्रीय वित्तमंत्री निर्मला सीतारामन यांनी सादर केलेल्या अर्थसंकल्पात सोन्यावरील सीमाशुल्क कमी केल्याने आणि आंतरराष्ट्रीय बाजारात झालेल्या घसरणीमुळे दहा ग्रॅम शुद्ध सोने १३०० रुपये आणि किलो चांदीत ४,५०० रुपयांची घसरण झाली आहे. त्यामुळे लग्नसमारंभ आणि अन्य विशेष प्रसंगासाठी सोने-चांदी आणि दागिन्यांच्या खरेदीची संधी आहे.

जेम्स अँड ज्वेलरी कौन्सिलचे संचालक राजेश रोकडे आणि प्रदीप कोठारी म्हणाले, सध्या आंतरराष्ट्रीय बाजारात मौल्यवान धातूंच्या किमतीत



मंदीचे वातावरण आहे. किमतीत सरासरी ७ टक्क्यांची घसरण झाली आहे. तर बजेटमध्ये सीमाशुल्कात कपात करण्याच्या निर्णयाचा परिणाम सोने-चांदीच्या किमतीवर झाला आहे. भाव बरेच कमी झाले असून आणखी कमी होण्याची शक्यता नाही. अशावेळी लग्नसमारंभ आणि अन्य विशेष समारंभासाठी दागिन्यांची खरेदी आणि गुंतवणुकीची हीच वेळ आहे.

असे कमी झाले  
सोने-चांदीचे भाव :

तारीख	सोने	चांदी
१ फेब्रु.	४९,१००	७३,०००
२ फेब्रु.	४८,७००	७१,०००
३ फेब्रु.	४८,५००	६९,०००
४ फेब्रु.	४८,०००	६७,०००
५ फेब्रु.	४७,८००	६७,५००

# Will the Chinese New Year brighten metals market?

One has to wait and watch if the 2009 magic will be repeated in the year of Ox

**GAYATHRI G  
RAJALAKSHMI NIRMAL**  
Chennai, February 5

After a pandemic-struck year loaded with economic uncertainties across markets, 2021 seemed to be a promising year with China becoming a key importer of major commodities. But with the Chinese New Year (CNY) or Lunar Holidays ahead, will the momentum sustain?

Usually celebrated for a week and sometimes longer, the Chinese New Year (falls on February 12 this year) brings with it a period of lull demand that casts its shadow on the global markets. The average pace of business slackens and daily trading volume tends to dip, resulting in prices acting jumpy.

With Asia's participation in commodity futures growing by the by day, the impact is expected to be felt across the

globe. Speaking with *Business-Line*, Bhavik Patel of Tradebulls Securities, said, "Buyers usually stock up before the Chinese New Year holiday. And, then, during the holiday of a week to ten days, the market remains dull without much price movements and since volumes are low, brokerages don't take huge positions".

## Precious metals

Buying and gifting precious metals for the Chinese New Year is a tradition being followed in the dragon country. December and January have, thus, been better months for retailers historically. This time, though, platinum and silver trading volumes jumped, while that of gold plummeted.

On the Shanghai Gold Exchange in the last week of January, gold trading volumes plunged 22.14 per cent; silver

trading volumes rose 8.94 per cent, while that of platinum soared 156.29 per cent. From the delivery point of view, the delivery volumes of gold were much higher than that of silver for the same period, indicating that the physical demand for the former is stronger.

Kunal Shah of Nirmal Bang Securities, said, "The outlook for commodities, in general, is bullish. This temporary holiday season will not affect the prices much though the vaccination drive and duty cut may put prices under pressure. The fundamentals remain intact in the long term."

Bhavik Patel said the stronger Chinese yuan weighed on the prices of precious metals and the demand has taken a hit this year because of the pandemic. "Going ahead, I only see increase in gold prices because of the inflationary pressures."

## Pull-backs in base metals

Towards the close of 2020, the



While the IMF projects an 8.1 per cent expansion in the Chinese economy, doubts remain over the strength of the metals rally

prices of base metals saw a rebound, driven by hopes of the roll out of Covid-19 vaccine and Chinese stimulus. However, 2021 has not started on a good note. Copper, after spiking to a record high in the first week of January, turned vulnerable to a sell-off. The metal trades at \$7,823/tonne now, down from January high of \$8,237. Zinc, which rallied despite all odds in November and December, saw its momentum drop due

to excessive inventories; it trades at \$2,627/tonne now, down from above \$2,900 levels in January. Aluminium, too, has been a victim to sell-off in the market and now trades at \$1,993/tonne from \$2,040 levels in the first week of January. Tin was the only base metal that escaped the sell-off and gained.

While the IMF's projections point to an 8.1 per cent expansion in the Chinese economy this year, there are doubts over

the strength of the rally in metals. Analysts are expecting a trend reversal. This is despite a possible pick-up in demand after the New Year holidays.

"Usually after the lunar holiday season is over, demand picks up as a result of shortage of raw material all over the world, with China being a major exporter. However, this time, one can't be sure about how the market is going to behave. Base metals saw a sharp rally towards the end of last year and we expect the gains to be lost with China dragging down the entire base metal pack as it tightens credit growth...", said Bhavik Patel.

Risk-off sentiment in base metals may continue in March, add other analysts too. However, one needs to watch out if China continues to extend or tighten the stimulus. This year is year of the Ox in China. When it was the year of the Ox in 2009, there was a strong recovery in metals. It remains to be seen whether a similar bullish trend will be seen in metals in 2021.



# Rising bond yields put pressure on bullion

Silver does not appear as weak as gold; major trend remains bullish towards ₹80,000 in a year

AKHIL NALLAMUTHU  
BL Research Bureau



## GAME PLAN

Traders can initiate fresh shorts in April expiry gold futures for the near term and exit those positions when price touches the support of ₹46,000

Developments over the last week were not encouraging for bullion as both gold and silver saw sizeable drops from their intraweek highs. The fall was largely down to rising yields on government securities. Soaring yields may not augur well because government bonds offer interest component in addition to safety, providing a better deal for safety-seeking investors. The 10-year US treasury yield stood at 1.169 per cent by the end of Friday compared to 1.071 per cent a week before. Consequently, gold price dropped by 1.8 per cent and closed the week at \$1,814.1 and silver gave up all the gains it made early on the week and ended flat at \$26.92.

Not just US treasury yields but also yields on Indian government bonds spiked. This can be attributed to higher than expected fiscal deficit numbers - 9.5 per cent of the gross domestic product (GDP) for FY21 and 6.8 per cent of the GDP for FY22 - as the government goes in for expansionary policies. The yield on Indian 10-year bonds rose to 6.071 per cent as against 5.949 per cent by the end of the prior week.

In rupee terms, gold lost 4.2 per cent and ended last week at ₹47,256 (per 10 grams) and silver lost 1.4 per cent as it closed at ₹68,738 per kg last week. Comparatively, silver has been better placed since the beginning of the calendar year as the year-to-date return of silver stands at nearly 1 per cent whereas for gold it is minus 5.8 per cent.



Adding to these woes, the dollar has been appreciating for the past couple of weeks and it is likely to extend the upside, again owing to yields going up which can attract investments into dollar denominated assets.

## MCX-Gold (₹47,256)

Sellers were on a roll last week, dragging the price of gold futures on the MCX below the key support level of ₹47,700. The futures moved out of the consolidation range of ₹48,600 and ₹49,750 within which it has been trading for the past couple of weeks. As the support of ₹47,700 is invalidated, the near-term outlook for the yellow metal has turned negative and more price correction can be expected.

The near-term bearish view is substantiated by indicators such as the relative strength index (RSI) and the moving average convergence diver-

gence (MACD) on the daily chart. Both the indicators have slid into their respective negative territories. Moreover, the price is now below 50- and 200-day moving averages (DMAs) and the average directional index (ADX) is indicating that there is a considerable downtrend momentum.

Therefore, in the short run, the futures price can be expected to soften to ₹46,000. A breach of this level can pull down the price to ₹44,700 - a level of utmost importance with respect to the long-term trend. Despite the short-term trend becoming weak, the chances of gold futures recovering to ₹56,000 in a year has not completely faded away.

In view of the above reasons, traders can initiate fresh shorts in April expiry gold futures for the near-term and exit those positions when price touches the support of ₹46,000. In case if

price rallies from here, it can be confronted with the resistance levels at ₹47,700 and ₹50,000.

## MCX-Silver (₹68,738)

Unlike gold futures, silver futures on MCX opened last week on the front foot. As against the previous week's close of ₹69,706, it began with a gap-up at ₹71,650 and witnessed a rally on Monday and it even registered a fresh five-month high of ₹74,426 probably due to Reddit traders' attempt to push up the price. However, the rally ended soon, and the price crashed in the very next session. Thus, the breakout of the crucial resistance of ₹71,600 was nullified as the contract gave up gains and ended the week at ₹68,738.

Though both gold and silver futures price tumbled, looking at the price action, silver does not appear to be as weak as gold. The contract stays within the rising channel on the daily chart, which it has been tracing since December last year. Also, the price is still above 21- and 50-day moving averages and the contract is trading above the short-term support of ₹65,000. The RSI and the MACD indicators remain in their respective positive territory.

The above factors suggest that despite the fall, the short-term outlook has not become bearish for silver. However, this does not mean an immediate recovery and the contract could consolidate between ₹65,000 and ₹71,600 for a while before establishing a trend. Until then, a range trading strategy can be suitable. Nevertheless, the major trend remains bullish towards ₹80,000 in a year.



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# CID भी करेगी जांच

खड़ा हो सकता है संवैधानिक संकट

नवभारत न्यूज नेटवर्क

कोलकाता. कोयले के अवैध खनन व तस्करी मामले की जांच अब केंद्रीय जांच एजेंसी (सीबीआई) के साथ बंगाल का अपराध जांच विभाग (सीआईडी) भी करेगा. भ्रष्टाचार के आरोपों की जांच के लिए राज्य की सीआईडी ने एक विशेष टीम गठित की है जिसने अंडाल में कोयला खदानों का दौरा किया. उधर, कानून के जानकारों का कहना है कि एक ही मामले की दो-दो एजेंसियों की जांच से संवैधानिक संकट खड़ा हो सकता है.



## मुख्यमंत्री ने दिया है निर्देश

माना जा रहा है कि सीबीआई जांच के जवाब में मुख्यमंत्री ममता बनर्जी ने सीआईडी जांच का निर्देश दिया है क्योंकि इस मामले में तृणमूल नेता विनय मिश्र को सीबीआई तलाश रही है. साथ ही बार-बार ममता के सांसद भतीजे अभिषेक बनर्जी का नाम उछाला जा रहा है. इस बीच, कोलकाता के वरिष्ठ अधिवक्ता हीरक सिन्हा का कहना है कि एक ही अपराध की दो-दो जगह एक साथ सुनवाई नहीं हो सकती तथा दो जगह सजा नहीं हो सकती. यह अपने आप में विरल मामला है. इसे लेकर अगर आरोपित हाई कोर्ट का दरवाजा खटखटाते हैं तो अंततः एक जांच को निरस्त करना ही पड़ेगा. जाहिर सी बात है सीआईडी की जांच हो सकती है क्योंकि एक ही मामले की दो-दो स्वतंत्र एजेंसियों की जांच से संवैधानिक संकट खड़ा हो सकता है.

# सेस पर ज्वेलरी निर्यातक असमंजस में शुल्क घटने से कम होगी सोना तस्करी

न्यूज एजेंसियां

दिल्ली. तस्करों के लिए सोना अब पहले की तरह सोना नहीं रह जाएगा. अगले वित्त वर्ष के लिए पेश बजट में सोने पर आयात शुल्क कम कर दिया गया है. इससे सोने की तस्करी में भारी गिरावट की उम्मीद है. हालांकि, सोने के आयात पर सेस लगने से ज्वेलरी निर्यातक असमंजस में हैं. आयातित सोना लेने के दौरान पोर्ट पर उनसे सेस की मांग की जा रही है. इस कारण फिलहाल ज्वेलरी निर्यातक सोने को पोर्ट पर ही छोड़ना मुनासिब समझ रहे हैं. बजट में सोने पर लगने वाले 12.5 फीसदी आयात शुल्क को घटाकर 7.5 फीसदी कर दिया गया है लेकिन सोने के आयात पर कृषि इन्फ्रास्ट्रक्चर सेस के नाम पर 2.5 फीसदी शुल्क भी देना होगा.



इस प्रकार सोने के आयात पर 10 फीसदी शुल्क रह गया. सराफा विशेषज्ञों के मुताबिक, इस फैसले से सोने की तस्करी अब बहुत फायदेमंद नहीं रह जाएगी. विशेषज्ञों के मुताबिक कम कमाई के लिए तस्कर बड़ा जोखिम नहीं लेंगे. दिल्ली सराफा बाजार के थोक कारोबारी विमल गोयल के मुताबिक निश्चित रूप से सोने की तस्करी में भारी गिरावट आएगी. उनका कहना है कि सोने का

आयात शुल्क अगर 8 फीसदी रह जाए तो भारत से सोने की तस्करी पूरी तरह समाप्त हो जाएगी. सरकार ने वित्त वर्ष 2018-19 में सोने के आयात शुल्क को 12.5 फीसदी कर दिया था. उसी दौरान खाड़ी के कई देशों ने सोने पर अपने शुल्क को 5 फीसदी कर दिया था. मतलब तस्करों को भारत में सोना लाकर बेचने पर 7.5 फीसदी शुल्क और 3 फीसदी जीएसटी मिलाकर 10.5 फीसदी के बराबर की कमाई थी.

LOKMAT DATE : 9/2/2021 P.N.8

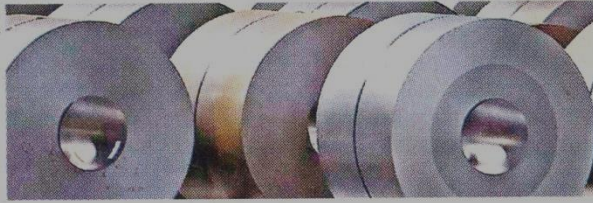
## स्टीलचे दर अकरा हजारांनी घसरले स्टील सिटीतील उद्योजक हैराण; वीजबिलातील सवलतही बंद

लोकमत न्यूज नेटवर्क

जालना : मध्यंतरी स्टीलच्या दरात आलेली बूम झपाट्याने खाली आली आहे. ६१ हजार रुपये प्रतिटनावरून हे दर थेट सर्व करांसह ४९ हजार रुपये टनावर येऊन ठेपले आहेत. यामुळे स्टील सिटीत उद्योजकांची चिंता वाढली असून, दर घसरण्यासह आता वीजबिलातील सवलतही या महिन्यापासून मिळणार नसल्याने संकटात आणखी वाढ झाली आहे.

लॉकडाऊननंतर सुरू झालेल्या स्टील उद्योगाने अनेक संकटांवर मात करून मोठ्या धोराने हा उद्योग सुरू केला. मोठ्या प्रमाणावर मागणीपूर्व उत्पादन घेतले. परंतु नंतर राज्य सरकारने मुद्रांक शुल्कात दिलेल्या तीन टक्के सवलतीचा मोठा लाभ रिल इस्टेट क्षेत्राला झाला. यामुळे बांधकाम क्षेत्र वेगाने वाढले.

परिणामी स्टीलची मागणी वाढली. मात्र, गेल्या दहा ते बारा दिवसांमध्ये स्टीलच्या दरात प्रचंड घसरण झाल्याने उद्योजकांची चिंता वाढली आहे. दरकपातीसह जीएसटी विभागाचा



### सेकंडरी स्टीलचा मुद्दा गौण

राज्यातील नामांकित स्टील उद्योजकांचे स्टील हे प्राथमरी मानले जाते. या मुद्द्यावर एसएमई स्टील उत्पादक संघटनेने पोलाद मंत्रालयातील वरिष्ठ अधिकाऱ्यांची भेट घेतली. एसएमई स्टील उत्पादन करणारे उद्योजकही बड्या कंपन्यांप्रमाणेच उत्पादनासंदर्भात सर्व ते तांत्रिक निकष पाळून दर्जेदार स्टील निर्माण करतात. परंतु आम्हाला सेकंडरी स्टील म्हणून नाकारले जाते. ही बाब गंभीर आहे. यावर पोलाद मंत्रालयातील सचिव रसिका चोबे यांनी पत्र देऊन सरकारदरबारी प्राथमरी आणि सेकंडरी अशी वर्गवारी केलेली नसल्याचे म्हटले आहे.

- योगेश मानधनी, अध्यक्ष, स्टील मॅन्युफॅक्चरिंग असोसिएशन, महाराष्ट्र

ससेमिरादेखील मोठी डोकेदुखी ठरत आहे.

एकीकडे दरातील घट आणि दुसरीकडे वीजबिलात मिळणारी एक ते दीड टक्के सवलतही आता रद्द होणार आहे. यामुळे किमान ती तरी कायम

ठेवावी, अशी मागणी येथील उद्योजकांची असून, यासंदर्भात ते पालकमंत्री राजेश टोपे, आमदार कैलास गोरंट्याल यांच्या माध्यमातून ऊर्जामंत्री नितीन राऊत यांची भेट घेणार आहेत.

## Steel consumption up 11.9% at 9.68 mt in December

OUR BUREAU

New Delhi, February 8

India's total finished steel consumption grew 11.91 per cent year-on-year in December to reach 9.68 mt. During the same time, the country produced 9.32 mt of total finished steel (non-alloy, alloy/stainless), a year-on-year rise of 1.08 per cent, Minister of Steel Dharmendra Pradhan told Parliament on Monday.

Steel consumption has grown throughout the third quarter of the ongoing fiscal year, an 11 per cent rise year-on-year to reach 28.09 mt. But at 66.54MT, consumption for the nine-month period remains 15 per cent lower compared to the corresponding period of the previous fiscal year.

### Rise in price

Similarly, though monthly production had surpassed pre-Covid levels in August, production during the nine-month period of April-December stood at 64.62 mt, still 14 per cent lower year-on-year. The October-December quarter has been specially positive for the industry, with steelmakers posting high profits on the back of a rise in steel prices and the economic recovery.

The Budget announcements such as "capex allotment of ₹1,07,100 crore for Railways, ₹2.87 lakh crore outlay for Jal Jeevan Mission, construction of roads under Bharatmala Pariyojana project, Swachh Bharat Mission 2.0, Scheme for Mega Textile Parks etc. will lead to increased demand for steel," Pradhan said.



BUSINESS LINE DATE : 9/2/2021 P.N.9

## NMDC Q3 net zooms 53% at ₹2,108 crore

OUR BUREAU

Hyderabad, February 8

On strong demand for iron ore, mining major NMDC has posted a profit of ₹2,108.5 crore for the third quarter ended December 31, 2020, up 53.4 per cent over a profit of ₹1,375 crore it posted for the corresponding quarter of last year on a consolidated basis.

The company revenue from for the third quarter was up 45 per cent at ₹4,355 crore, as against ₹3,006.38 crore for the corresponding quarter of last year.

The mining company produced 96 lakh tonnes of ore in the third quarter, up 12 per cent

over 85.8 per cent same period last year. It's sales were at 92.84 lakh tonnes up 10 per cent over 84.10 lakh tonnes.

For nine months ended December 2020, the company posted a profit of ₹3,415 crore, up 5 per cent over ₹3,259 crore it logged in nine months of last year. The revenue for first three quarters of this fiscal was almost flat at ₹8,522.49 crore, down ₹10 crore, as against 8,512 crore.

NMDC had an average realisation of ₹3,802 per ton for iron ore during the nine months.

The company share closed the day at ₹117.75, up 1.4 per cent at BSE.

## Mining firm NMDC Q3 net surges to ₹2,157.8 cr.

### Cuts prices of lump iron ore, fines


SPECIAL CORRESPONDENT  
HYDERABAD

Mining major NMDC Ltd. reported an almost 55% rise in consolidated third quarter net profit to ₹2,157.8 crore.

Total income increased by more than 42% to close to ₹4,461 crore. Of this, revenue from operations stood at ₹4,355.1 crore, an increase of almost 45%.

Driving the growth was iron ore, the mainstay, despite the company continuing to face issues in renewing the Donimalai mine licence in Karnataka.

Segment revenue-wise, the share of iron ore was 44% higher at ₹4,311.5 crore, while contribution to profit (before tax and interest) at

 Driving the growth was iron ore, the mainstay, despite NMDC continuing to face mining licence issues

₹2,824 crore represented an increase of 77%.

Separately, the country's largest iron ore miner announced a reduction of ₹600 per tonne in the price of the commodity.

In a filing, NMDC said lump ore price had been fixed at ₹5,100 per tonne and that of the same quantity of fines at ₹4,210, with effect from February 7.

In January, NMDC had increased the prices to ₹5,700 and ₹4,810, respectively.

## Tata Steel posts profit of ₹4,011 cr. in Q3

PRESS TRUST OF INDIA  
NEW DELHI

Tata Steel swung back into the black in the October-December quarter with a consolidated profit of ₹4,010.94 crore on the back of increased income.

The company had clocked a loss of ₹1,228.53 crore a year earlier, Tata Steel said in a BSE filing on Tuesday. Total income rose to ₹39,809.05 crore from ₹35,613.34. Production rose 3% to 4.6 million tonnes (mt) of crude steel. Domestic sales climbed 4% to 4.16 mt. On its business in Europe, Tata Steel said the process to separate the Netherlands and U.K. arms was currently under way.

## Tata Steel's Q3 operating profit hits record ₹9.5k cr

TIMES NEWS NETWORK

**Mumbai:** Tata Steel's third quarter earnings were the highest ever, refilling the company's kitty even as it plans to cut debt and explore bid opportunities in Neelachal Ispat Nigam, which has been put on the block by the government. The steelmaker's operating profit rose 161% to Rs 9,540 crore on the back of improved realisations from its India business.

The company, a unit of India's largest conglomerate — the Tata Group, has been doubling down on its domestic market after deciding restructuring options for businesses in Europe and Southeast Asia. Over the

### GROWS 161%

last four years, it spent Rs 40,000 crore to acquire homegrown players — Bhushan Steel and Usha Martin Steel. Last month, the government invited preliminary bids for its stake in Neelachal Ispat.

Tata Steel's free cash flow was Rs 12,078 crore during the third quarter of fiscal 2021, driven by strong operating performance of its India business, disciplined capital expenditure and working capital management. The company said on Tuesday that it reduced its debt by Rs 10,325 crore during the third quarter and will continue to reduce the leverage. Tata Steel has a debt of Rs 1.08 lakh crore, the highest among Indian steel companies.



NAVBHARAT  
DATE : 10/2/2021 P.N.7

## स्टील कंपनियों पर मिलीभगत की जांच शुरू

CCI ने उठाया कदम

न्यूज एजेंसियां

दिल्ली. स्टील कंपनियों  
क्या मिलीभगत करके  
दाम बढ़ा रही हैं.  
सीसीआई इसी मामले  
की जांच शुरू कर चुका  
है. सीसीआई यानी  
प्रतिस्पर्धा आयोग अब



यह पता लगाने की कोशिश कर रहा है कि स्टील  
कंपनियां आपस में मिलकर स्टील की कीमतें तय तो  
नहीं कर रही हैं. इस मामले में सीसीआई को लिखित  
तौर पर कोई शिकायत नहीं मिली है. सीसीआई ने यह  
मामला स्वतः संज्ञान में लिया है कि क्या स्टील कंपनियों  
ने दाम प्रभावित करने के लिए मिलीभगत की है.  
हालांकि सूत्रों ने यह ज़रूर बताया है कि पिछली कई  
तिमाहियों से स्टील की कीमतों में आई तेजी की जांच  
करने की मांग की जा रही है. खासतौर पर आटो और  
रियल एस्टेट सेक्टर की कंपनियां जो स्टील का  
इस्तेमाल सबसे ज्यादा करती हैं.

## MCX-Copper gains on bullish momentum



YOGANAND D  
BL Research Bureau

The copper continuous futures contract on the Multi Commodity Exchange of India (MCX) has been on a long-term uptrend since it took support at ₹335/kg in March 2020.

The contract has been forming higher peaks and troughs. In July 2020, the contract had emphatically breached a significant long-term resistance at ₹460 and continued to trend upwards. Medium- and short-term trends are up for the contract.

After encountering a key hurdle at ₹630 in early January this year, the contract witnessed a corrective decline that took support at ₹558 in the past week.

Subsequently, the contract resumed the uptrend and surpassed its 21- and 50-day moving average recently. It trades well above these moving averages which add strength to the up-move.

A break above the immediate resistance level of ₹630 can take the contract higher to ₹640 and then to ₹650 in the coming weeks.

A decisive fall below the immediate support level of ₹600 can pull the contract down to ₹585 and then to ₹575. Next key support is at ₹550.

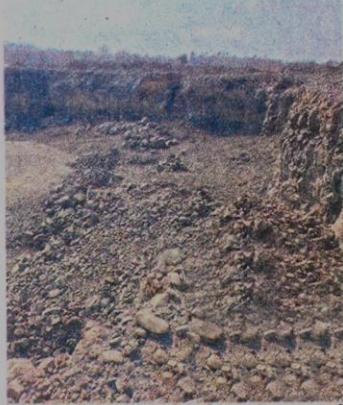
Traders can buy on dips with a fixed stop-loss at ₹610.

# खदान मालिकों पर 35 करोड़ का जुर्माना

भारी पैमाने पर हुआ अवैध उत्खनन, हिंगना तहसीलदार की कार्रवाई

कार्यालय प्रतिनिधि

**नागपुर.** हिंगना के तहसीलदार ने दो अलग-अलग अवैध उत्खनन मामलों में करीब 35 करोड़ का जुर्माना ठोकने की बड़ी कार्रवाई को अंजाम दिया. तहसीलदार द्वारा इतने बड़े जुर्माना लगाने की तहसील में यह पहली कार्रवाई बताई जा रही है. जानकारी के



मुताबिक हिंगना तहसील के ग्राम कवड़स में 28,000 ब्रास गौण खनिज उत्खनन की अनुमति लेकर 30,077 ब्रास उत्खनन करने के मामले में तहसीलदार संतोष खांडरे ने, खदान मालिक निहार जयंत खडतकर व संजय चंद्रशेखर इंगले नागपुर निवासी पर 30 करोड़ 7 लाख 70 हजार का जुर्माना ठोका. खदान मालिक खडतकर व इंगले ने ग्राम कवड़स में खेत सर्वे क्रमांक-225/1 में 2.80 हेक्टेयर क्षेत्र में 28,000 ब्रास गौण खनिज उत्खनन की अनुमति जिलाधिकारी से मांगी थी. जिसके अनुसार जिलाधिकारी कार्यालय के पथक ने 29 जनवरी 2021 को मौके पर जाकर जांच की. कवड़स के गट नं.225/1 आराजी 6.00 हे.आर. की खदान यह खडतकर व इंगले की मालिकाना की है. उस जगह पर बिना अनुमति के ब्लास्टिंग कर पत्थर निकालने की बात सामने आई.

## मौके पर किया पंचनामा

पथक ने पंचनामा किया जिसमें गिट्टी के 3 ढेर करीबन 300 क्यूबिक मीटर व डस्ट के 2 ढेर करीबन 4,000 क्यूबिक मिलाकर कुल 12 लाख 96 हजार क्यूबिक मीटर की खुदाई कर पत्थर निकाला गया. मिक्सिंग के लिए करीबन 3,000 क्यूबिक मीटर 1060.07 ब्रास रेत का ढेर लगाया गया था. रायल्टी के बारे में पूछने पर किसी भी प्रकार के दस्तावेज नहीं दिखाए गए. वहां काम करनेवाले मजदूरों को पूछे जाने पर उन्होंने बताया कि उक्त काम के सीसी कंपनी द्वारा किया है. खुदाई कार्य गणितीय पद्धति से आकलन करने पर पता चला की, यहां पर बड़े पैमाने पर अवैध रूप से उत्खनन किया गया है. तहसीलदार खांडरे के आदेश पर सोमवार को नायब तहसीलदार ने ईटीएस द्वारा गिनती कर इसकी रिपोर्ट पेश की. इसमें उक्त स्थान पर 5,8076.85 ब्रास मुरुम उत्खनन तथा 28,000 ब्रास के बजाये 30,077 ब्रास उत्खनन किया गया. इस मामले में तहसीलदार खांडरे ने दोनों खदान मालिकों पर 30 करोड़ 7 लाख 70 हजार का जुर्माना ठोका. और 11 फरवरी को कार्यालय में दस्तावेजों के साथ उपस्थित रहने के आदेश भी दिए.

## अनुमति से ज्यादा उत्खनन

एक अन्य मामले में केसीसी कंपनी के निहार खडतकर पर तहसीलदार ने मुरुम उत्खनन व परिवहन मामले में अतिरिक्त 4 करोड़ 87 लाख 40 हजार का जुर्माना ठोका है. सदाशिव गणपत उईके की मालिकाना पेंढरी के गट क्रमांक- 92 की खदान पर मौके जांच करने पर वहां से 7,600 ब्रास गौण खनिज उत्खनन की अनुमति दी गई थी. लेकिन तय सीमा से अधिक अवैध तरीके से 9,748.47 ब्रास गौण खनिज उत्खनन करने की बात स्पष्ट हुई. यह कार्रवाई उपविभागीय अधिकारी इंदिरा चौधरी के मार्गदर्शन में तहसीलदार, नायब तहसीलदार ज्योति भोसले, महादेव दराडे, मंडल अधिकारी वैभव राठोड़, पटवारी गायगोले, ऋतुजा मोहिते, गडपायले व डेकाटे ने की.



कंपनी को नोटिस देने से पूर्व मौके पर तहसील कार्यालय के अधिकारी व कर्मचारियों ने प्रत्यक्ष भेंट, जीपीएस व ईटीएस द्वारा गिनती कर प्रक्रिया पूरी की. अवैध खुदाई का निश्चित कर कंपनी को नोटिस भेजा गया है और जो जुर्माना लगाया गया वह सही है. - संतोष खांडरे, तहसीलदार, हिंगना

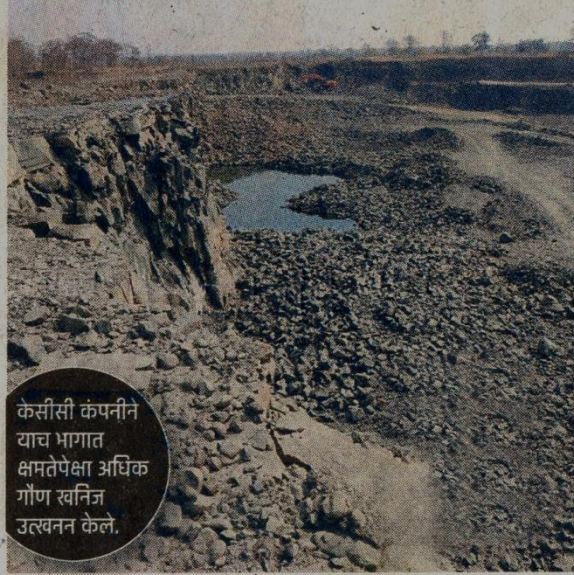


# हिंगणा तहसीलदारांची नोटीस : कंपनी मालक 'हाजीर हो' अवैध उत्खनन करणाऱ्या 'केसीसी'ला ३५ कोटींचा दंड

लोकमत न्यूज नेटवर्क

हिंगणा : हिंगणा तालुक्यातील मौजा कवडस आणि मौदा पेंढरी येथील खदानीतून गौण खनिजाचे आवश्यकतेपेक्षा जास्त उत्खनन केल्याप्रकरणी, नागपूर येथील खळतकर कन्स्ट्रक्शन कंपनीला (केसीसी) ३४ कोटी ९५ लाख १० हजार रुपयांच्या दंडाची नोटीस तहसीलदार संतोष खांडरे यांनी बजावली आहे. या प्रकरणी कंपनी मालक निहार जयंत खळतकर यांच्यासह संजय चंद्रशेखर इंगळे यांना हिंगणा तहसील कार्यालयात ११ फेब्रुवारी रोजी आवश्यक कागदपत्रासह हजर राहण्याचे निर्देश देण्यात आले आहेत.

कवडस शिवारात असलेल्या गिट्टी खदानीतून आवश्यकतेपेक्षा जास्त उत्खनन होत असल्याच्या तक्रारीवरून महसूल व खनिकर्म विभागाच्या अधिकाऱ्यांनी काही दिवसांपूर्वी येथे धाड टाकली होती. या कंपनीला शेत सर्वे नं. २२५/१ मधील



केसीसी कंपनीने याच भागात क्षमतेपेक्षा अधिक गौण खनिज उत्खनन केले.

२.८० हेक्टर आर क्षेत्रामध्ये २८ हजार ब्रास दगड, मुरुम, बोल्टर या गौण खनिजाचे उत्खनन करण्याची परवानगी जिल्हा प्रशासनाच्या वतीने देण्यात आली होती. येथे मात्र,

५८,०७६.८५ ब्रास गौण खनिजाचे उत्खनन करण्यात आल्याचे तपासणी अंती दिसून आले आहे. येथे सदर कंपनीने ३०,०७७ ब्रास अवैध गौण खनिजाचा उपसा केला आहे. -वृत्त/५

## कवडस येथील चौकशीतील तथ्य

- मौजा कवडस येथील गट नं. २२५/१ आराजी ६ हेक्टर येथील खाणीची तपासणी आधी २९ जानेवारी २०२१ रोजी करण्यात आली होती. ही जमीन निहार जयंत खळतकर व संजय चंद्रशेखर इंगळे यांच्या मालकीची आहे.
- या जागेवर क्रशर मशीन व मिक्सिंग प्लांट चौकशी पथकाला दिसून आला. येथून काळा दगड मोठ्या प्रमाणात काढण्यात आला आहे.
- या ठिकाणी १०६०.०७ ब्रास रेतीचा साठाही दिसून आला. रॉयल्टीची कागदपत्रे दाखविली नाहीत.
- खोदकाम केलेल्या जागेची लांबी १४७ मीटर, रुंदी १० मीटर, तर खोली १२ मीटर आहे. येथून १,४७,९६० क्युबिक मीटर म्हणजे ५२ हजार ब्रास काळ्या गिट्टीचे खोदकाम केल्याचे नायब तहसीलदारांनी ८ फेब्रुवारी रोजी सादर केलेल्या अहवालात नमूद आहे.



IS IT TIME TO BUY THE YELLOW METAL? Analysts advise buying gold ETFs or sovereign gold bonds for an anticipated ₹1,000-plus movement in the short term

# Worst Could be Over for Gold, for Now

**Ram.Sahgal**  
@timesgroup.com

**Mumbai:** Should investors buy gold, which recently plunged to a multi-month low of ₹46,611 per 10 gm?

Analysts have said that so long as gold holds above the central technical pivot of ₹47,500, chances of re-testing the seven-month low of ₹46,611 hit on commodity bourse MCX looks unlikely. The generic contract on MCX mimics the spot gold rate.

Analysts recommend buying gold ETFs or sovereign gold bonds to cash in on an anticipated ₹1,000-plus movement in the short term from Tuesday's intraday level of ₹48,118.

"So long as gold holds above the weekly central pivot of ₹47,568, it could test ₹49,000-plus levels this month itself," said Vishal Wagh, research head at Bonanza Portfolio.

Gold has underperformed most other assets since testing a record high of ₹56,191 per 10



gm on August 7 last year. It fell to ₹46,611 on February 4 due to a global sell-off and partly due to an effective budgetary cut in import duty from 12.5% to 10%, inclusive of an Agri cess.

The correction from the high was driven by greater investments into global equities from a global debt sell-off, especially in the US, amid the Covid-induced slowdown, observed KN Dey, managing partner at United Financial Consultants.

However, large scale bond sell-offs would be tempered by

low interest rates globally to enable economies cope with the Covid-induced slowdown.

"It looks unlikely that financial regulators in the US and emerging markets, like India, would allow yields to harden substantially from current levels, obviating huge sell offs in bonds," said Dey. "This could help gold."

However, technical analyst Rajesh Palviya of Axis Securities cautioned of a trend reversal again if the metal tested ₹47,500.

Sriram Iyer, senior research analyst at Reliance Securities, said a "decisive" break of a key resistance at ₹48,500 could enable the metal to retest the ₹50,000 mark. "For now at least, the worst seems behind us," said Iyer.

Some of the investment avenues are via gold ETFs, like Nippon Gold ETF, SBI Gold Fund and Aditya Birla Sun Life Gold ETF. Investor fancy is also being drawn to sovereign gold bonds (SGBs), which were launched in 2015.

Some investors find SGBs a better option than ETFs as the former entails an interest payout of 2.5% annually on the nominal value at subscription. This compares favourably against a good expense ratio of 0.5-0.75% on ETF. However, unlike in ETFs, the SGB has a minimum lock-in of 5 years. Although the bonds are traded on the NSE, the liquidity is very low.

The quantity of outstanding SGBs is at 58.86 tonnes, RBI data show.



## Tata Steel posts Rs 4,010 cr profit in Oct-Dec quarter

NEW DELHI, Feb 10 (PTI)

TATA Steel swung back into black in the October-December quarter posting a consolidated profit of Rs 4,010.94 crore for the quarter on the back of increased income. The company had clocked a loss of Rs 1,228.53 crore in the year ago quarter, Tata Steel said in a BSE filing on Tuesday.

The company's total income rose to Rs 39,809.05 crore in the third quarter of 2020-21 from Rs 35,613.34 crore in the year-ago period. Its expenses were at Rs 34,183.18 crore, lower from Rs 35,849.92 crore in October-December 2019-20.

In a statement, the company said it produced 4.60 million tonne of crude steel during the third quarter, registering a 3 per cent rise over the year ago quarter. Sales in the domestic market rose by 4 per cent to 4.16 MT compared to the year-ago period. On its business in Europe, Tata Steel said the process to separate Tata Steel Netherlands and Tata Steel UK is currently under-

way. On January 29, Tata Steel had announced that Swedish steel maker SSAB had withdrawn its initial interest for its Netherlands business. Tata Steel was in talks with SSAB on the potential sale of its Netherlands business, including IJmuiden steelworks.

"Following the termination of the discussions with SSAB on Tata Steel Netherlands (TSN), the company will be focusing on performance and cash flows in the immediate term. Tata Steel is committed to arrive at a strategic and sustainable resolution for its European portfolio. The process to separate Tata Steel Netherlands and Tata Steel UK is currently underway," Tata Steel said without divulging any further information.

Tata Steel CEO and Managing Director T V Narendran said the recovery in the global and Indian economy has led to sharp improvement in steel demand in India. The investments in infrastructure to drive economic growth, should further drive the demand for steel in India.

## JSW Steel Output Up 2% in Jan

**New Delhi:** Steel maker JSW Steel has registered a rise of about 2% in its crude steel output to 14.32 lakh tonne during January.

According to company data, it had produced 14.10 lakh tonne steel in January last year. Last month, growth in the production of flat-rolled products remained almost flat at 10.14 lakh tonne as compared to 10.25 lakh tonne in the year-ago period.

In January, the production of long-rolled products rose by 5% to 3.59 lakh tonne from 3.42 lakh tonne in the same month last year. JSW Steel is the flagship company of the diversified \$12-billion JSW Group, which has a significant presence in sectors such as steel, energy, infrastructure, cement, sports, among others. — PTI

# Hindalco's Q3 Consolidated Net Rises 77%

Better volumes from India ops, high shipments from Novelis help

**Jwalit Vyas  
& Bhavya Dilipkumar**

**Mumbai:** Aditya Birla group's flagship company Hindalco Industries reported a 77% year-on-year jump in consolidated net profit for the December quarter at ₹1,877 crore as against a net profit of ₹1,062 crore during the same quarter last year, mainly on account better volumes from India operations and record-high shipments from Novelis.

"Novelis achieved record shipments, driven by strong demand across product end markets. The India business delivered an excellent performance with aluminium value-added products continuing to record higher volumes," said Satish Pai, managing director, Hindalco Industries.

With growing profits and the rising share of steady cash-generating aluminum conversion business, Hindalco has announced that it will come up with a capital allocation plan, which will also include regularly sharing profits with the shareholders. This development is rare for metal companies which often find themselves at the mercy of metal cycles and could boost investor confidence. This could further lead to re-rating of the

## Report Card

Hindalco to come up with capital allocation plan, which will also include regularly sharing profits with shareholders

Consolidated net-debt-to-Ebitda ratio has improved significantly to **3.09x** on **Dec 31**, from peak of **3.83x** on **Jun 30**



stock which has already more than tripled from its lows of last year.

"We are going to come out with a capital allocation strategy. In the next few years, the cash generation is going to be good. We will be deciding on how to invest in growth capex, into reducing net debt as well as distribution to shareholders," said Pai in a media interaction.

The company's consolidated liquidity position is at \$2.4 billion with cash and cash equivalents of \$1.16 billion in Novelis and Hindalco India Business cash and cash equivalents at ₹9,560 crore at the end of December 31, 2020. The consolidated net-debt-to-Ebitda ratio has improved significantly to 3.09x on December 31, from 3.83x on June 30.

"Gross debt in India is ₹24,000 crore and net debt ₹14,800 crore. Novelis' gross debt is around ₹53,800 crore and net debt at ₹47,500 crore which has gone down from repaying some levels. There will be further deleveraging going ahead," Pai said.



## Admin slaps penalty of over Rs 34 cr for illegal excavation of muroom, metal

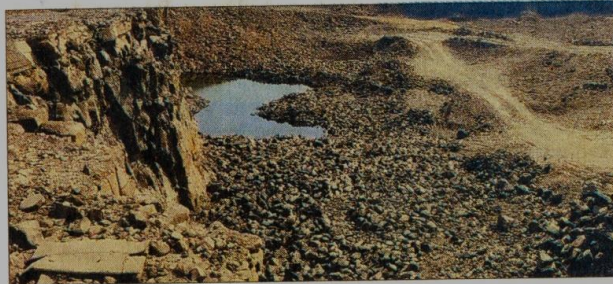
■ Hingna Tahsildar calls violators concerned for hearing on Thursday

■ Staff Reporter

AFTER the Forest Department raised red flag over deep bore blasting for metal excavation in buffer area of Bor Tiger Reserve last month, Revenue Department swung into action.

A team conducted spot inspection and submitted a report following which Tahsildar of Hingna served notices to violators concerned and slapped penalty of over Rs 34 crore in two cases for illegal excavation of muroom and metal.

Santosh Khandre, Tahsildar of Hingna, issued the notices to Nihar Jayant Khalatkar (KCC) in



The site in Mouza Kawdas from where metal has been excavated.

a case of muroom excavation in Mouza Pendhri land, and to Nihar Jayant Khalatkar and Sanjay Chandrashekhar Ingle in a case of excavation of metal in Mouza Kawdas.

Khandre has called the noticees in both cases to remain present for hearing scheduled

on February 11 (Thursday) at Hingna Tahsil Office and submit their say. As per the Tahsildar's notice, a penalty of Rs 4,87,40,000/- has been calculated in case of illegal excavation 9,748.47 brass of muroom in Mouza Pendhri.

(Contd on page 2)

### Admin slaps penalty of over...

Further, penalty of Rs 30,07,70,000 has been calculated in the case of illegal excavation of 30,077 brass of metal in Mouza Kawdas.

The notices issued by Tahsildar of Hingna detail the action taken and findings of spot inspection conducted by team deputed for the purpose. The land in Mouza Pendhri is owned by Sadashiv Ganpat Uikey. The administration had given permission to Nihar Jayant Khalatkar (KCC) for excavation and transport of 7,600 brass of minor mineral (muroom).

The inspection team found that total 11,852 brass of muroom was excavated from the area measuring 130 metre in length, 60 metre in width, and 4.3 metre in depth.

After the team, Naib Tahsildar also conducted another spot panchnama to ascertain the findings and submitted his report to Tahsildar on February 8. It was found that total 32,865 brass of muroom was excavated. Again, District Mining Officer was asked to carry out technical inspection.

Accordingly, the District Mining Officer conducted technical inspection through Shri Guru Consultancy, which submitted report on February 8 and recorded excavation of

17,348.97 brass of muroom. Based on these inspections, Tahsildar calculated penalty of Rs 4,87,40,000 on excess excavation of 9,748.47 brass of muroom, at the rate of five times the market value of muroom per brass.

In the second case pertaining to illegal excavation of metal at Mouza Kawdas, spot inspection found that black metal was excavated from 180 metre long, 160 metre wide, and 30 metre deep area.

The excavation was done by conducting blasting 'without permission', records the notice. The staff/workers on site could not show any documents relating to royalty about heap of sand, states the notice.

Following spot panchnama by Naib Tahsildar and technical inspection done by District Mining Officer through Shri Guru Consultancy, the administration calculated the penalty amount of Rs 30,07,70,000 against illegal excavation of 30,077 brass of metal at the rate of five times the market value of the mineral.

Hingna Tahsildar has asked in the notice why the said penalty should not be recovered from the noticees.

He has asked them to attend the hearing on Thursday and submit their say in this regard.



# 'Fixed Steel Prices Forever will Keep Industry Happier'

Tata Steel has bounced back. The steelmaker has during the December-end quarter alone managed to significantly reduce debt by ₹10,325 crore. Managing director TV Narendran in an interaction with **Bhavya Dilipkumar and Satish John**, spoke about the company's deleveraging plans, EU business and the current competition commission of India's probe on steel price hikes. Edited Excerpts.

**How did the company manage to significantly reduce debt by ₹18,609 crore in the first nine months of the current fiscal?**

Most of the deleveraging has been done from the cash generated from India operations. So when the recovery happened after Q1, two things took place. One, in Q2, we released a lot of working capital. Secondly, the Ebitda started improving in Q3 as the automobile sector started recovering. Next year also we are committed to bringing down the debt by at least a billion dollars. So I think it is the operations focus, cash focus, and of course, market conditions helped us pare debt.

**Will Tata Steel consider greenfield or brownfield expansion in the future and what's your stance on domestic acquisitions?**

Our focus as the cash flows improve and as our deleveraging goals are met will be to first complete Kalinganagar expansion because that is the most cost-efficient way for us to add 5 million tons of capacity. Honestly, that plant was designed for 6 mt which running at 3 mt because we've not put in all the facilities that are required. So it doesn't cost us much to take it from the current level to 8 million tonnes by rebalancing what is already there. And that will take us in India from 20 mt to about 25 mt and then we will look at other opportunities in Jamshedpur, and Angul to expand further. We are also exploring investments in electric arc furnace and the economics of that model depends on the energy costs and the scrap costs. On the PSU assets, we will evaluate all opportunities as and when they come up. Certainly, our focus will primarily be on long products businesses.

**What's your view on the concerns expressed by user industries on the rising steel prices?**

Steel prices are dependent on international markets. So you cannot protect yourself if you're part of the global industry. I don't think the industry also wants prices, which fluctuates like this, if



FILE PHOTO

you give us a fixed price forever, I think the industry is much happier. And so when steel prices fluctuate, it hurts us as much as it hurts anybody else. I think one just needs to correlate whether the Indian prices reflected international prices, if it didn't, then you should see that there is something abnormal. If it did, I think it's just a reflection of the fact that the Indian steel industry is integrated with the global steel industry.

**Swedish steelmaker SSAB AB had expressed an interest to buy Tata Steel's Netherlands unit and the plan was dropped. What went wrong?**

SSAB had concerns on the transition costs because Europe is moving towards a low carbon economy. While our plant in IJmuiden is one of the most carbon-efficient plants in the world, everyone is looking at the regulatory environment and what the ambition of the different governments are for transitioning, and what is the support they can get? So it's a slightly more complex issue which SSAB wanted to be more cautious about.

**Will you consider Liberty Steel or Russia's Severstal as potential buyers for your European Steel business?**

Let me put it this way. We are not talking to anyone. If somebody reaches out to us, we'll see if it's a meaningful conversation and take it forward, but our primary focus is on continuing to improve the business. After the ThyssenKrupp transaction, we wanted to sharpen the focus on the operational performance become cash neutral or cash positive, so that it's not dependent on India, for cash, and we are moving in that direction, I think we are getting closer there

**Do you see steel prices stabilising in the near term?**

Long products may seem some correction but I don't expect prices on flat products dropping unless raw material prices come down. So I'm not seeing any great drivers for steel prices to be very low for a long period of time, it may go up and down.

**Recent remarks made by Union Minister Nitin Gadkari of price cartelisation by steel players and the CCI probe being conducted on steel companies...**

I also hear from the media and to be very honest, we've not heard anything directly from CCI. I don't know of any investigation where anyone has approached us. But, we should accept steel prices go up and down depending on international factors. If India is going to invest in Infrastructure there is going to be a need for steel. If India wants to attract more investments, we should encourage people to come and invest in India.



## MCX-Zinc faces key resistance



YOGANAND D

BL Research Bureau

Since its March 2020 low of ₹131.9, the MCX-Zinc continuous futures contract has been on an intermediate-term uptrend. In October 2020, the contract took support from the long-term base at around ₹180 and continued to trend upwards. The commodity has been on a medium-term uptrend since then.

However, the short-term trend is sideways. The contract encountered a key resistance at ₹225 in late November and has been consolidating sideways since then. Witnessing buying interest, it is on a rally now, gaining 0.77 per cent on Wednesday to ₹217 per kg.

Last week, the contract gained 3.3 per cent, and this week, it has climbed 1.8 per cent so far. The daily price rate of change indicator hovers in the positive terrain and the weekly indicator is on the brink of entering the positive terrain. Further, the daily relative strength index (RSI) is climbing higher in the neutral region towards the bullish zone.

The contract now faces a key hurdle ahead at ₹220. A breach of this level can push the contract higher to ₹225 and then to ₹230. Traders can go long above ₹220 with a fixed stop-loss. Key supports below ₹210 are placed at ₹205 and ₹200.

THE HINDU DATE : 11/2/2021 P.N.12

## Hindalco net jumps to ₹1,877 cr.

Novelis sees record shipments on demand surge: MD Pai

SPECIAL CORRESPONDENT  
MUMBAI

Hindalco Industries Ltd. reported third-quarter consolidated net profit surged 77% to ₹1,877 crore from the year-earlier period on better volumes and product mix.

Consolidated business EBITDA of the Aditya Birla Group firm rose 40% YoY to ₹5,242 crore. India Business PAT rose 90% to ₹495 crore.

Revenue from operations increased by almost 20% to ₹34,958 crore.

### Cost savings

"The results were driven by a strong performance by Novelis and India aluminium business, supported by higher volumes and better product mix, lower input costs, stability in operations and



Satish Pai

cost-saving actions," the company said in a filing.

"Our Q3 results flag a return to business at pre-COVID19 levels with resurgent demand globally," said Satish Pai, MD.

"Novelis achieved record shipments, driven by strong demand across product end markets. The India business

delivered an excellent performance with aluminium value-added products continuing to record higher volumes," he added.

"Along with market performance, we have strengthened our balance sheet which shows in a significant improvement in the consolidated net debt to EBITDA ratio," he said.

### Positive impact

He said the inclusion of the Aleris business has positively impacted the overall top-line and EBITDA, with realisation of synergies at \$54 million on a run-rate basis in Q3.

"Our performance is a reflection of our sustainability-led approach to business," he added.

# Hindalco to invest ₹3,000 cr in downstream projects

SURESH P IYENGAR

Mumbai, February 10

Hindalco Industries, an Aditya Birla group company, plans to invest ₹3,000 crore over the next two years in downstream projects to increase contribution of value-added products and protect its earning from volatility on the London Metal Exchange.

Investment in increasing flat-rolled product capacity at Hirakud itself will entail an investment of ₹2,700 crore and the rest of the capex would go for producing alumina speciality chemicals.



Satish Pai, MD

Hindalco has developed special alumina and alumina hydrates products through in-house technological innovation by its Research and Development team at its Innovation Centre-Alumina.

The company has already lined up an investment of ₹700 crore in setting up a 34,000-tonne aluminium extrusion plant at Silvassa.

Satish Pai, Managing Director, Hindalco Industries, told *BusinessLine* that the entire capex will be funded

through internal accruals as the debt deleveraging exercise will continue through next year. The demand-supply of aluminium is expected to re-

main tight leading to firm price trend in the coming months. Aluminium prices benchmarked to LME have increased from \$1912 a tonne to

\$1200 in last three months. The production cost for Hindalco is expected to go up by three per cent in the March quarter due to increase in coal and other raw material prices.

Unlike serious concern raised over sharp increase in steel prices, the user industry has absorbed the rise in aluminium prices.

Pai said aluminium prices have not shot up like that of steel and there has been no such big concern like steel.

Though the sharp jump in scrap imports remain a concern, Pai said the government should ensure the end use of metal produced from the scrap.

## Q3 profit surges 77% to ₹1,877 cr

OUR BUREAU

Mumbai, February 10

Hindalco Industries has reported a 77 per cent increase in its third-quarter net profit to ₹1,877 crore against ₹1,062 crore logged in the same period last year, on the back of higher realisation and lower cost. Revenue from operation

was up 20 per cent at ₹34,958 crore (₹29,197 crore).

EBITDA during the quarter jumped 50 per cent to ₹5,521 crore (₹3,676 crore).

Consolidated gross debt of the company has come down to ₹71,996 crore (₹78,265 crore).

BUSINESS LINE

DATE :12/2/2021 P.N.8

## Platinum at 6-year peak

REUTERS

February 11

Platinum prices rose to their highest in more than six years on Thursday, extending a solid run on market hopes that an economic recovery would boost demand from the automobile sector.

Platinum rose 1.3 per cent to \$1,257.51 an ounce by 1043 GMT, having earlier jumped as much as 2.2 per cent to its highest since January 2015. Palladium also firmed 0.2 per cent to \$2,361.04 per ounce, not far from a near three-week high hit on Wednesday.

Both metals are used by automakers in catalytic converters to clean car exhaust fumes.



# Pricier steel can be costly for economy

To sustain post-Covid recovery, steel import tariffs must be cut to zero and iron ore export curbed

AS MITTAL

**T**he Competition Commission has opened a *suo motu* probe into cartelisation by steel companies to set prices, which have been on the rise for some time now.

Indeed, Union Minister Nitin Gadkari had flagged the steel price rise, and even wrote to Prime Minister Narendra Modi seeking his intervention. In her latest Budget, Finance Minister Nirmala Sitharaman reduced the import duties on steel, half acknowledging the problem but reducing the import duty is not enough.

The role of steel cannot be over-emphasised. The downstream sectors are certain to be impacted by the rapid rise in steel prices over the last few months. The wholesale price of hot-rolled coil (HRC) rose 47 per cent between July and December 2020, according to data by Steel Insights. Hot-rolled band (HRB) export prices rose 58 per cent from June 2020 to an average \$662 per tonne in December 2020 fuelled by higher Chinese demand. Prices have further risen in the New Year. Iron ore prices have also risen 50 per cent since June 2020 to average \$155 per dmtu in December, according to a Crisil report. So, reducing the import duty from 15 per cent to 7.5 per cent is not sufficient.

The rise in steel price can affect economic recovery in the post-pandemic period. And, the government's production-linked incentive scheme introduced under its Atmanirbhar policy last year for the industry could be stymied by rising export

## Dominating the market

Steel companies blame the rising price of iron ore, a key input for manufacturing steel, and the rising export of iron ore, with demand rising especially from China and other countries that have made a quick post-Covid turnaround. Also, ore mining is yet to resume fully in many States.

They also point to higher fixed costs, lower capacity utilisation, and overheads such as expenses related to Covid safety protocols for the higher prices. Besides, exporters say they have to pay higher freight charges as the maritime supply chain is twin-stressed



**Worrying trend** Rising steel prices can have a debilitating impact on infrastructure projects THE HINDU

because of rising international demand and a shortage of containers.

Despite being the second-largest steel producer, India's per capita consumption is a paltry 72 kg against the world average of 225 kg and China's 590 kg. In India, domestic consumption accounted for 88-92 per cent of total steel production in the last three financial years, with the remaining exported. With the domestic demand for steel coming back, a K-shaped recovery is seen in the steel sector where the bigger players are getting bigger and more profitable, and the smaller players are struggling and even hurtling towards bankruptcy.

Small players are hurting because of financial constraints and the high iron ore cost, even as large players have managed to ramp up production with capacity utilisation rates of above 90 per cent; one producer reported its highest-ever monthly production volumes in December. Large players also have captive iron ore mines and can control pricing and supply that they do not pass on to the end-users, creating artificial barriers and price bubbles.

For the top six integrated steel producers, with their own iron ore mines,

the cost of production hasn't risen, which is why their net earnings are at an all-time high. Domestic steel-makers claim that the rising prices are in sync with higher international prices.

While the steel companies may have their reasons, the reality is that the relentless rise in steel prices is hitting downstream industries, households, small businesses, and farmers hard. The already struggling micro and small enterprises (MSME) — most sensitive to cost fluctuations and market demand — will be particularly hit hard, as they operate on wafer-thin margins, and will not be able to absorb rising costs.

Prices of cars and commercial vehicles are likely to go up in the next few months. Farm equipment, such as tractors, will get pricier. Consumer appliances companies, meanwhile, may put up the price of their products such as refrigerators, and washing machines. The real-estate sector could also be impacted and home prices may rise in the first half of 2021. If steel prices do not moderate, costing of infrastructure projects is likely to get affected. All this can lead to consumers cutting discretionary spending, slow-

ing the economy's anticipated recovery in the fourth quarter of 2020-21 or even in the first half of 2021-22. There could be cascading effect on job creation.

## A proposed solution

Though the import duty on steel has been halved to 7.5 per cent in the latest Budget, it should be brought down to zero to enhance supplies. Import of second-grade steel should also be restored to ensure a level playing field.

Since all steel majors have their iron ore mines, and the cost of production has not risen, the government has to intervene to freeze prices to avoid a hit to infrastructure projects, automotive, home appliances, agriculture implements, and MSMEs.

The government should also clamp down on iron ore exports, regulate steel prices, and liberalise steel imports to maintain the competitiveness of the industry and momentum of growth of the economy. All eyes are on the CCI to break the cartelisation soon.

The writer is Vice-Chairman, Sonalika Group; Vice-Chairman, Punjab State Planning Board, and Chairman of ASSOCHAM (Northern Council)



# Stellar run: Platinum breaches \$1,200/oz

## COMMENTARY

G CHANDRASHEKHAR

Platinum has had a stellar run so far with the market breaching the psychological \$1,200 per ounce earlier this week. On Thursday, it touched a six-year high of \$1,270. Although prices are now somewhat correcting because of possible profit taking, experts feel there is still some steam left in the metal.

It appears that platinum has got out of gold's shadow with the price dif-

ferential narrowing to around \$600/oz — a condition seen about a year ago. Even as gold is under downward pressure having fallen to around \$1,815/oz, platinum is showing promise as ETF inflows continue and financial investors seem to opt for it.

### Supply deficit

Clearly, the platinum market was in a state of supply deficit last year, according to the assessment of Johnson Matthey, the world's largest refiner. This deficit came on the back of another short supply a year earlier, too. Worse, the

World Platinum Investment Council has predicted a record deficit of 1.2 million ounces for 2020. No wonder, the market is playing catch up.

While there is no specific forecast yet for 2021, for all intents and purposes the market will continue to remain in deficit and only the quantum has to be worked out. In the event, investment demand will remain robust. ETF inflows are also expected to gather pace.

Market participants con-

tinue to believe that platinum is under-valued in relation to gold. Given the tight market, platinum still has some course to run.



### Palladium

Platinum's sister metal palladium, too, is facing supply shortfalls. In 2020, the market showed a relatively smaller deficit, according to Johnson Matthey with the deficit roughly 50 per cent bigger the year before.

The smaller deficit last year can be explained by

the adverse impact of the pandemic on the global automotive industry which faced a slump because of national lockdowns and shuttering of production units. After all, the automotive industry accounts for close to 85 per cent of the overall demand for the metal.

Palladium has been in deficit for many years now and this year (2021) is likely to be no different. The metal is trading around \$2,350/oz.

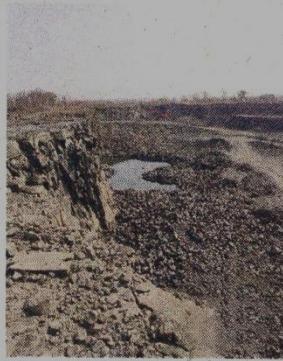
The author is a commodities market specialist. Views are personal

LOKMAT DATE : 13/2/2021 P.N.6

## उत्तर सादर करण्यासाठी 'केसीसी'ने मागितली मुदत अवैध उत्खनन प्रकरण : तहसीलदारांकडे पत्र

लोकमत न्यूज नेटवर्क  
हिंगणा : हिंगणा तालुक्यातील मौजा कवडस आणि मौदा पेंढरी येथील खदाणीतून गौण खनिजाचे आवश्यकतेपेक्षा जास्त उत्खनन केल्याप्रकरणी नागपूर येथील खळतकर कन्स्ट्रक्शन कंपनीला (केसीसी) ३४ कोटी ९५ लाख १० हजार रुपयांच्या दंडाची नोटीस तहसीलदार संतोष खांडरे यांनी बजावली आहे. याप्रकरणी कंपनी मालक निहार जयंत खळतकर आणि संजय चंद्रशेखर इंगळे यांना हिंगणा तहसील कार्यालयात ११ फेब्रुवारीला आवश्यक कागदपत्रांसह हजार राहण्याचे निर्देश देण्यात आले होते. त्यानुसार गुरुवारी केसीसी कंपनीचे निहार जयंत खळतकर तहसील कार्यालयात उपस्थित झाले.

कंपनीवर उत्खनन प्रकरणी आकारण्यात आलेला दंड अकल्पनीय असल्याचे त्यांनी पत्रात नमूद केले आहे. खदानीचे मोजमाप व रॉयल्टी भरल्याचा हिशेब सादर ३० दिवसांचा



अवधी त्यांनी तहसीलदारांना मागितला आहे. तहसीलदार संतोष खांडरे यांनी यासाठी २५ फेब्रुवारीपर्यंतची मुदत केसीसीला दिली आहे.

कवडस शिवारात असलेल्या गिट्टी खदाणीतून आवश्यकतेपेक्षा जास्त उत्खनन होत असल्याच्या तक्रारीवरून महसूल व खनिकर्म विभागाच्या अधिकाऱ्यांनी काही दिवसांपूर्वी येथे धाड टाकली होती. या कंपनीला शेत सर्वे नं.२२५/१ मधील २.८० हेक्टर आर.

क्षेत्रामध्ये २८ हजार ब्रास दगड, मुरुम, बोल्टर या गौण खनिजाचे उत्खनन करण्याची परवानगी जिल्हा प्रशासनाच्यावतीने देण्यात आली होती. येथे मात्र ५८,०७६.८५ ब्रास गौण खनिजाचे खोदकाम करण्यात आल्याचे तपासणीअंती दिसून आले आहे. येथे सदर कंपनीने ३०,०७७ ब्रास अवैध गौण खनिजाचा उपसा केला आहे. याप्रकरणी सदर कंपनीवर ३० कोटी ०७ लाख ७० हजार रुपयांच्या दंडाची नोटीस बजाविण्यात आली आहे.

यासोबतच मौजा पेंढरी येथील सर्व्हे नंबर ९२ मधून ७,६०० ब्रास मुरुम खोदकाम व वाहतुकीची परवानगी सदर कंपनीकडे होती. येथे १७,३४८.४७ ब्रास गौण खनिजाचे उत्खनन केल्याचे दिसून आले आहे. या खदाणीतून १७४८.४७ ब्रास गौण खनिजाचे उत्खनन केल्याचे सिद्ध झाले आहे. याप्रकरणी त्यांच्याकडून ४ कोटी ८७ लाख ४० हजार रुपयांचा दंड आकारण्यात आला आहे.



# SCCL plans to start mining in 14 new mines over 4 years

Expansion of four existing mines also on the anvil as part of increasing output

SPECIAL CORRESPONDENT  
HYDERABAD

As part of its plans to increase coal production to 100 million tonnes per annum in the next five years, the management of Singareni Collieries Company Ltd (SCCL) is making arrangements to commence coal mining in 14 new mines over the next four years in addition to taking up expansion of four existing mines.

The plans were discussed threadbare at a two-day brainstorming session held here on Thursday and Friday.

Chairman and Managing Director of the company N. Sridhar stated that but for the COVID-19 pandemic impact the coal production during the current financial year would have been nearly 70 million tonnes.

Along with the directors of the company, officials from mining, planning, es-

## MoEF panel eases norms for SCCL

B. CHANDRASHEKHAR  
HYDERABAD

Ahead of the new financial year in which Singareni Collieries Company Ltd (SCCL) plans to boost its coal production considerably, the Ministry of Environment and Forests (MoEF) has relaxed some norms in the environmental clearance given to the second expansion of Ramagundam Opencast-3 mine.

After witnessing an unexpected slump in its production to about 50 million tonnes, estimated, this financial year due to the impact of COVID-19 pandemic on the economic activity, the

company has fixed a target of achieving 70 million tonnes production during in the next fiscal. In fact, the production target was set for 2020-21 but the pandemic has undone the company's plans. In the environmental clearance given for the second expansion of Ramagundam Opencast-3 last month for enhancement of output from the peak 6.8 million tonnes per annum to 9.52 million tonnes at peak stage, an expert appraisal committee had stipulated that mining shall be carried out only by surface miners along with other conditions.

However, the coal compa-

ny has requested the expert panel to exclude the condition of mining only with surface miners stating that there was every danger of the surface miner bogging down in the developed galleries while extracting coal from the remnant pillars of the previous underground mine.

The expert panel recommended exclusion of the condition of mining with surface miner after the coal company also explained that the proposed technology of shovel dumper combination for the expansion project would be most suitable and environment-friendly.

Stating that there was need to commence extraction of coal in 14 mines over the next four years, Mr. Sridhar suggested the officials concerned to work in tandem for getting several approvals and clearances for them along with expansion of four existing mines.

Explaining the changes undergoing in the coal market, the CMD highlighted the need to improve the quality of coal as well as reducing the cost of production to be competitive.

Company officials stated that various types of mechanised shovels were working for 10 hours to 14 hours a day now and there was need to increase the work hours to about 18 hours a day.

The CMD stated that the company had forayed into thermal and solar power generation to strengthen the company's financial position and its longevity.

tates, marketing, finance, personnel, purchase and information technology departments participated in

the two-day meeting for working out strategies for the company's future plans. Mr. Sridhar stated that the

company would evolve its plans keeping in mind the coal and energy needs of the State and the country.



# Silver well placed to outperform gold

Charts look favourable to silver as key supports remain intact

AKHIL NALLAMUTHU  
BI Research Bureau



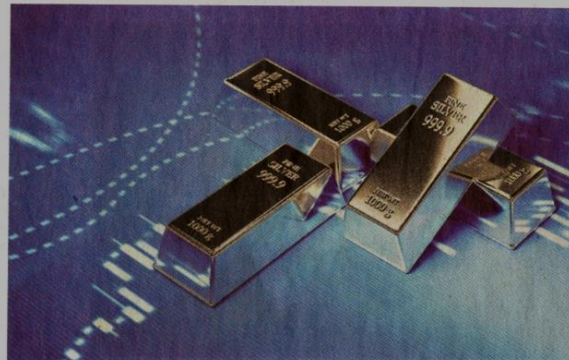
## METAL MOVEMENT

Given that silver is better placed than gold, investors can consider going over-weight on silver within the bullion mix, at least for the near-term

Bullion witnessed muted trends last week as the prices of gold and silver, despite an attempt to rally early in the week, gave up their gains and closed flat. While rising US treasury yields and a strengthening dollar pulled down the prices of bullion the week before the last, both these factors helped in propping up prices in the first half of the last week as yields and the dollar saw a decline. However, in the second half of the week, yields rose again, weighing on bullion prices. The dollar remained sideways leading to a weak close.

The US 10-year treasury rate, after dropping to 1.122 per cent on Wednesday, recovered towards the end of the week and closed at 1.21 per cent as against 1.169 per cent a week before. On the other hand, the US dollar index - a measure of the value of US dollar against a basket of six major currencies - ended the week lower at 90.48 versus the previous week's close of 91.04.

The nearest expiry futures contract of gold on the Multi Commodity Exchange (MCX) closed at ₹47,318 versus the previous week's close of ₹47,256 whereas silver futures ended the week at ₹69,117 against the preceding week's close of ₹68,738. Both saw a flat close. In dollar terms, gold gained marginally and closed at \$1,823.4 on Friday compared to the previous week's \$1,811.6, a marginal gain of about 0.7 per cent; silver wrapped up the week at \$27.35 versus the previous week's close of \$26.82, clocking 2 per



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cent gain. Going ahead, silver is well-placed to outperform gold.

### MCX-Gold (₹47,318)

The week began flat for gold futures. But in the first trading session of last week, the price rallied. In the subsequent sessions, the futures attempted to break the key resistance of ₹48,000. Though it made a high of ₹48,374 on Wednesday, the contract failed to decisively close above the hurdle of ₹48,000. The weakness then started to build and as long as the futures stays below this price, the battle will be in favour of bears and we cannot reject the idea of prices falling further from here. Towards the end of last week, the contract gave up all intraweek gains. Noticeably, above ₹48,000 lies the psychological hindrance of ₹50,000 and for the trend to truly turn bullish, this resistance should be invalidated.

Corroborating the bearish inclination, technical indicators such as the relative strength index (RSI) and the moving average convergence divergence (MACD) remain in their respective negative regions. The average directional index (ADX), which denotes the strength in a trend, indicates that the downward movement is stronger. Moreover, the contract stayed below both 21- and 50-day moving averages (DMAs) and the price action on the daily charts has been forming lower highs and lower lows.

Taking above factors into account, it can be safely assumed that there is a fair bit of negative sentiment in gold and it might take some time for the buyers to turn it around. Hence, as a near-term opportunity, one can consider selling gold futures in the upcoming sessions and exit those shorts when price touches the support of ₹46,000. However, it is the short-term

trend that looks weak whereas the long-term uptrend will stay unaltered so long as the price is above the support of ₹44,700; futures could touch ₹56,000 in a year or so.

### MCX-Silver (₹69,117)

While gold may not support a bullish mood for bullion traders/investors, silver offers some hope. Like gold, last week was sluggish for silver, i.e., it has largely been oscillating between ₹68,000 and ₹70,500. Nevertheless, the futures is still trading above the important base of ₹65,000 and this support has prevented the near-term trend turning bearish. At least in the short run, silver can outperform gold. The likelihood of gold futures depreciating is high, but silver futures, if not rally, can be expected to trace a horizontal trend where it could remain within the broader range of ₹65,000 and ₹71,600.

There are reasons for us to believe that silver is exhibiting a positive bias. Indicators like the RSI and the MACD on the daily chart continue to hover in their respective bullish territories. Also, the ADX is showing that the bulls are stronger than the bears. Furthermore, the price is above both 21- and 50-DMA's, showing an upward trend.

In the upcoming sessions, if the silver contract breaks out of ₹71,600, it could retest the previous high of ₹74,426. Remember that the long-term trend is bullish and futures price could touch ₹80,000 within a year. Given that silver is better placed compared to gold, investors can consider going over-weight on silver within the bullion mix, at least for the near-term.



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THE ECONOMIC TIMES DATE : 15/2/2021 P.N.10

# Tata Steel to Double Capacity to 40 MT

**BROWNFIELD PUSH** Expansion at existing facilities to help bring cost down significantly, says MD TV Narendran

Bhavya.Dilipkumar  
@timesgroup.com

**Mumbai:** Tata Steel is betting on expanding steel demand to double its capacity to 40 million tonnes (MT). Having reduced debt by ₹18,000 crore, Asia's oldest steel-maker plans to resume its expansion plans at its existing facilities in Odisha and Jharkhand.

"Expansion within the three sites in Angul, Kalinganagar and Jamshedpur will allow the company to grow from the current capacity of 20 million tonnes per annum to 40 million tonnes per annum," managing director TV Narendran told ET.

Kalinganagar can grow to about 15-16 million, Angul to 10 million and Jamshedpur to 14 million, Narendran added.

Brownfield expansions should hold down costs.

"When you expand at the same site you bring the cost down significantly. And globally, if you look at

## Growth Plans

**Kalinganagar capacity can grow to about 15-16 MT, Angul to 10 MT and Jamshedpur to 14 MT going ahead:**

**NARENDRAN**



**Brownfield expansion** will allow co to bring down cost

**Co reorganising its India footprint and folding listed and unlisted arms into 4 clusters** to drive scale, synergies & simplification and to create value for all stakeholders

Co has restarted work on pellet plant and cold-roll mill complex expansion at **Tata Steel Kalinganagar**, which was halted due to pandemic-related lockdowns



steel companies, the most efficient sites are typically in the 15 million-20 million-tonne range," said Narendran, adding that it is why the company wants each of the sites to be world-class and globally competitive.

Tata Steel has restarted work on a

pellet plant and cold-roll mill complex expansion at Tata Steel Kalinganagar. It was halted due to the lockdowns. The expansion of the Kalinganagar plant to eight mtpa from three mtpa will incur a cost of around ₹25,000 crore, the company said.

In 2018, Tata Steel acquired Tata Steel BSL (formerly known as Bhushan Steel) through its wholly-owned subsidiary. Tata Steel BSL is India's fifth-largest flat steel producing company with an existing capacity of 5.6 million tonnes.

During FY20, Tata Steel Jamshedpur, Jharkhand, produced 10.19 MT of crude steel.

With the rise in demand and back-to-back steel price increases, Tata Steel was able to reduce consolidated net debt by ₹10,325 crore to ₹86,170 crore. And it plans to reduce the equivalent of another \$1 billion in FY22.

Tata Steel is also currently reorganising its India footprint and folding listed and unlisted subsidiaries into four clusters to drive scale, synergies and simplification and to create value for all stakeholders.

The business clusters are long products, downstream, mining and utilities & infrastructure. The boards of Tata Steel Long Products, Tata

Metals and Indian Steel and Wire Products (ISWP) approved the merger of Tata Metals and Indian Steel and Wire Products into Tata Steel Long Products.

Tata Steel BSL's merger into Tata Steel is underway and the merger of Tata Metals and ISWP into Tata Steel Long Products is ongoing.

"BSL merger with TS could be effective from April 1, 2021, subject to regulatory approvals. The management refrained from a tax synergy quantum and we highlight this would positively impact cash flows and balance sheet from FY22 onwards," said Ritesh Shah, research analyst at Investec.

Narendran said the reorganisation process will end in a year or two.

"The reason some of these things take a bit longer is that some of them are listed companies; so we need to go through the process. Some of them are joint ventures. So there are many procedural issues we need to take care of to fulfil our intent," Narendran said.