



खनिज समाचार

**KHANIJ SAMACHAR**

**Vol. 5, No-21**

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

The Central Library, IBM, Nagpur is providing the Classified Mineral News Service since many years on monthly basis in print form. To expand this service to the IBM Offices all over India i.e. H.Q., Zonal & Regional Offices and to take a call of time, the Controller General, IBM desired to make this service online on fortnightly basis. The library officials made sincere efforts to make it successful. This is the **21<sup>st</sup>** issue of **Volume-5** for the service named **Khanij Samachar** for the period from **1<sup>st</sup> -15<sup>th</sup> Nov 2021**. The previous issue of Khanij Samachar **Vol. 5, No.20 , 16<sup>th</sup> -31<sup>st</sup> Oct, , 2021** is already uploaded on IBM Website [www.ibm.gov.in](http://www.ibm.gov.in).

In continuation of this it is requested that the mineral related news appeared in the Local News Papers of different areas can be sent to Central Library via email [ibmcentrallibrary@gmail.com](mailto:ibmcentrallibrary@gmail.com) (scanned copy) so that it can be incorporated in the future issues to give the maximum coverage of mining and mineral related information on Pan India basis.

All are requested to give wide publicity to it and it will be highly appreciated if the valuable feedback is reciprocated to above email.

**Mrs. R. S. Wakode**  
**Assistant Library & Information Officer**  
**Central Library**  
**[ibmcentrallibrary@gmail.com](mailto:ibmcentrallibrary@gmail.com)**  
**0712-2562847**  
**Ext. 1210 , 1206**



# खनिज समाचार

# KHANIJ SAMACHAR



A FORTNIGHTLY NEWS CLIPPING SERVICE  
FROM  
CENTRAL LIBRARY  
INDIAN BUREAU OF MINES  
VOL. 5, NO-21 , 1<sup>st</sup> – 15<sup>th</sup> NOVEMBER , 2021



## मैंगनीज उत्पादन में आत्मनिर्भर बने देश

**मॉयल करे विशेष  
प्रयास : गडकरी**

■ नागपुर, व्यापार प्रतिनिधि  
मैंगनीज उत्पादन में वृद्धि कर देश को  
आत्मनिर्भर बनाने और देश के  
मैंगनीज का निर्यात करने की जरूरत  
है. मॉयल इंडिया लि. प्रबंधन और  
श्रमिकों को इस दिशा में पहल करने  
की जरूरत है. उक्त विचार केंद्रीय  
सड़क एवं परिवहन मंत्री नितिन  
गडकरी ने व्यक्त किए. चिखला खान  
के दूसरे कर्टिकल शाफ्ट का  
लोकार्पण, चिखला, गुमगांव,  
डोंगरीबुजुर्ग, तिरोड़ी तथा कांद्री में  
हॉस्पिटल शुभारंभ किया गया. इस

दौरान कर्मचारियों की वेतन वृद्धि की  
मांगे भी मान ली गई. गडकरी ने कहा  
कि अब श्रमिकों को 14 लाख मीट्रिक  
टन वार्षिक उत्पादन बढ़ाने की  
जरूरत है. उन्होंने कहा कि  
कर्मचारियों को तकलीफ नहीं होनी  
चाहिए. मानव संसाधन विभाग को  
इस पर विशेष ध्यान देने की जरूरत  
है. परफॉर्मेंस ऑडिट को और अधिक  
सटीक बनाने की जरूरत है. उन्होंने  
कहा कि केंद्रीय स्टील मंत्री ने राष्ट्रीय  
स्टील पॉलिसी की घोषणा की है, इस  
पॉलिसी के अनुसार मॉयल के प्रबंधन  
और कर्मचारियों को काम करने की  
जरूरत है ताकि स्टील के आयात को  
कम से कम किया जा सके. उन्होंने

बताया कि देश में प्रति वर्ष 72,000  
करोड़ रुपये का कोकिंग कोल का  
आयात हो रहा है. इस अवसर पर  
केंद्रीय इस्पात मंत्री रामचंद्र प्रसाद  
सिंह, केंद्रीय इस्पात और ग्रामीण  
विकास राज्य मंत्री फगन सिंह  
कुलस्ते, राज्य के पशुसंवर्धन मंत्री  
सुनील केदार, विकास महात्मे, सुकृति  
लिखी अतिरिक्त सचिव, रुचिका  
गोविल उपस्थित थे. मॉयल के मुकुंद  
चौधरी ने प्रास्ताविक किया. इस्पात  
मंत्री 1 नवंबर को बालाघाट खदान  
का भी दौरा करेंगे, जो मॉयल द्वारा  
संचालित सबसे बड़ी मैंगनीज खदान  
है और एशिया की सबसे गहरी  
भूमिगत मैंगनीज खदान है.



# Aluminium, India Zinc Buoy Vedanta's Q2; Accounting Move Hints at Higher Dividends

Any hike in payout to positively reflect on valuations; stock cheapest metals pick at current estimates

## Earnings Review

Jwallit.Vyas@timesgroup.com

**ET Intelligence Group:** Vedanta's September quarter earnings were mainly in line with Street expectations.

The performance was driven by the aluminium and the India zinc businesses, which offset the lower earnings from the power, steel and global zinc international verticals.

The key highlight of the results announcement, however, was the company's decision to transfer the amount credited to the general reserves to retained earnings.

Such a move is usually to give freedom for a payout from its reserves, giving rise to speculations of a higher dividend payout in the near future. A potential rise in payout can

also improve the company's profitability metrics such as return on equity, which can positively impact its valuations.

"The funds represented by the general reserves are in excess of the company's anticipated operational and business needs in the foreseeable future, thus these excess funds can be utilized to create further shareholders' value," said the company in the note to shareholders.

During the quarter, the company already distributed a dividend of ₹18.5 per share. Vedanta's currently trades at ₹303.9.

In terms of operational performance, the company reported operating profit (Ebitda) of ₹10,582 crore, in line with Street expectations. This was 62% higher year-on-year and 5% quarter-on-quarter. Aluminium contributed nearly half of the operating profit, thanks to improved price realisations and re-

## Good Tidings

### Q2 FINANCIALS BY SEGMENT

	Revenues	EBIT
Zinc-India	5,897	2,605
Zinc-Intl	1,044	188
Oil & Gas	2,892	923
Aluminium	12,119	4,142
Copper	3,560	-88
Iron Ore	1,492	532
Power	1,276	92
Others	1,832	80
<b>Total</b>	<b>30,112</b>	<b>8,474</b>

(Fig in ₹ crore)

cord-high volumes.

The India zinc business contributed 31% but was impacted by lower sales volumes and higher cost of production from inflated input commodity prices. However, zinc prices have gal-

ned over 10% since September. Aluminium prices, too, are higher than the previous quarter.

In terms of capex, the management has announced increasing its aluminium capacity from 2.1 million tonnes to 2.8 MT and raising the steel capacity from 1.5 MT to 3 MT while also increasing the oil output by investing \$350 million.

Despite the near-term capex, analysts are expecting the company to turn net cash positive by FY23. Its net debt lowered in the quarter to ₹20,300 crore against ₹27,600 crore a year ago.

Analysts are expecting the company to post a total Ebitda of ₹45,000 crore for the full year and with net debt of nearly ₹15,000 crore.

This means the stock is trading at 2.8 times the estimated FY22 EV/Ebitda. At this multiple, the stock is the cheapest in the metals and mining space.

# 'Rising Copper Imports Great Concern for Govt'

Press Trust of India

**New Delhi:** The rise in copper import in recent times is a great concern for the government and it is imperative that a better ecosystem is established to make domestic copper industry competitive, Niti Aayog member VK Saraswat has said. India was a net exporter of copper for close to two decades before the closure of Sterlite Copper plant at Tuticorin, Tamil Nadu in May 2018.

During a meeting held under the chairmanship of Saraswat this month on copper issues, the Niti Aayog member said "copper is vital commodity and it is imperative that a better ecosystem is established in India for making copper industry competitive".

Further, he underlined the importance of the reduction in customs duty on copper concentrates from 2.5% to 'Nil', which was recommended by Niti Aayog in 2019, ac-

cording to the minutes of the meeting.

The issue of surge in copper imports with effect from 2018 which has placed India from having a net exporter status to becoming a net importer post 2018 was also discussed, the minutes of the meetings said.



**Better ecosystem is imperative for domestic industry to be competitive: Niti Aayog's VK Saraswat**

should find out some solution to restart the plant as early as possible.

"Member Niti Aayog informed that the matter is sub-judice, and as a result of which further discussions are not possible," the minutes said.

Sterlite Copper informed that the Tuticorin plant was closed on account of law and order issue and requested the committee members that the government



# पोलाद उत्पादनात देशाला आत्मनिर्भर बनविण्यास प्राधान्य

केंद्रीय मंत्री रामचंद्र प्रसाद सिंह : 'मॉयल'च्या विविध सुविधांचे उद्घाटन

लोकमत न्यूज नेटवर्क  
नागपूर : आपल्या देशाला आवश्यक असलेल्यापैकी ५० टक्केच पोलादाचे उत्पादन होत आहे. उर्वरित ५० टक्के पोलादाची आयात करावी लागत आहे. ही आयात कमी करून पोलाद उत्पादनात देशाला आत्मनिर्भर बनविण्याला केंद्र शासनाचे प्राधान्य आहे, असे प्रतिपादन केंद्रीय पोलादमंत्री रामचंद्र प्रसाद सिंह यांनी केले. राष्ट्रीय एकता दिवसाच्या निमित्ताने 'मॉयल'मध्ये आयोजित विविध सुविधांच्या उद्घाटनप्रसंगी ते रविवारी बोलत होते.

यावेळी केंद्रीय भूपृष्ठ वाहतूकमंत्री नितीन गडकरी, राज्याचे क्रीडा व युवक कल्याण मंत्री सुनील केदार, खा. विकास महात्मे, स्टील मंत्रालयाच्या अतिरिक्त सचिव व आर्थिक सल्लागार सुकृती लिखी, संयुक्त सचिव रुचिका गोखिल, 'मॉयल'चे अध्यक्ष व व्यवस्थापकीय संचालक मुकुल चौधरी उपस्थित होते; तर केंद्रीय पोलाद व ग्रामविकास राज्यमंत्री फगनसिंह कुलस्ते 'ऑनलाईन'च्या



'मॉयल'मधील सुविधांच्या उद्घाटनप्रसंगी केंद्रीय पोलादमंत्री रामचंद्र प्रसाद सिंह, केंद्रीय मंत्री नितीन गडकरी, राज्याचे क्रीडा व युवक कल्याण मंत्री सुनील केदार, खा. विकास महात्मे यांच्यासह सल्लागार सुकृती लिखी, संयुक्त सचिव रुचिका गोखिल, 'मॉयल'चे अध्यक्ष व व्यवस्थापकीय संचालक मुकुल चौधरी.

## आयात करण्याची गरज पडायला नको : गडकरी

■ महाराष्ट्र व मध्यप्रदेशात मँगनीजची कमतरता नाही. त्याला बाहेरून आयात करण्याची गरजच पडायला नको. नवी खाणी सुरू करणे व उत्पादन यांच्यावर भर द्यायला हवा. यामुळे आयातदेखील कमी होईल व रोजगाराच्या नवीन संधी उपलब्ध होतील. 'मॉयल'ला १९ लाख मेट्रिक टन उत्पादनासाठी पर्यावरण मान्यता मिळाल्या आहेत; परंतु उत्पादन ११ ते १२ लाख मेट्रिक टन इतकेच आहे. यात वाढ आवश्यक आहे, असे नितीन गडकरी म्हणाले.

माध्यमातून सहभागी झाले सद्यःस्थितीत १.३ दशलक्ष टन उत्पादन होत आहे. उत्पादन वाढविण्यावर भर देण्यात येत आहे. जर कामगार धोरणांमुळे कामगारांचेच नुकसान होत

राष्ट्रीय पोलाद धोरणांतर्गत ३०० दशलक्ष टन उत्पादनाचे उद्दिष्ट आहे.

## वेतन संशोधन व बोनसची घोषणा

- यावेळी रामचंद्र प्रसाद सिंह यांनी 'मॉयल'च्या कर्मचाऱ्यांना १ ऑगस्ट २०१७ पासून १० वर्षासाठी सुधारित वेतनाची घोषणा केली.
- याचा फायदा कंपनीच्या ५ हजार ८०० कर्मचाऱ्यांना मिळेल. दिवाळीसाठी २८ हजार रुपयांच्या बोनसचीदेखील घोषणा करण्यात आली.

असेल तर त्यावर फेरविचार व्हायला हवा, असे सिंह यांनी सांगितले. यावेळी 'मॉयल'च्या विविध सुविधांचे उद्घाटन झाले. यात चिकला खाणीत द्वितीय व्हर्टिकल शाफ्ट तसेच चिकला, गुमगाव, डोंगरी बुजुर्ग, तिरोडी व क्रांदी खाणीत नवीन रुग्णालये यांच्यासमवेत बालाघाट येथील पदवी प्रशिक्षणार्थी वसतिगृहाचे उद्घाटन करण्यात आले. 'मॉयल'च्या मनुष्यबळ विभागाच्या संचालक उषा सिंह यांनी आभार मानले.

## मॉयलचे उत्पादन वाढविण्यासाठी निर्गुतवणूक हा एकच मार्ग केंद्रीय पोलादमंत्री रामचंद्र प्रसाद सिंग : आधुनिक तंत्रज्ञान व गुंतवणुकीची गरज



लोकमत न्यूज नेटवर्क

नागपूर : मॉयलचे उत्पादन वाढविण्यासाठी आधुनिक तंत्रज्ञान आणि गुंतवणुकीची नेहमीच गरज भासते; पण सध्या गुंतवणुकीची गरज नसली तरीही भविष्यात मोठ्या प्रकल्पासाठी निधीची आवश्यकता भासणार आहे. त्यासाठी आम्हाला

सरकारकडे वा पब्लिकमध्ये जावे लागेल. मॉयलचे तोटा झाल्याची बाब खरी असली तरीही उत्पादन वाढविण्यासाठी निर्गुतवणुकीचा एकच मार्ग आहे. सध्या निर्गुतवणूक होणार वा नाही, पण भविष्याची गरज ओळखून त्यावर निर्णय घेता येईल, असे सांगून केंद्रीय रामचंद्र प्रसाद सिंग यांनी

मॉयलच्या निर्गुतवणुकीचे अप्रत्यक्ष संकेत रविवारी पत्रपरिषदेत दिले. मॉयलमध्ये निर्गुतवणूक होणार नाही, यावर ठाम उत्तर देण्याचे त्यांनी टाळले. यावेळी मॉयलचे चेअरमन व व्यवस्थापकीय संचालक मुकुल चौधरी उपस्थित होते. मॉयलचे विविध प्रकल्प, रुग्णालय (पान-६ वर)

### मॉयलमध्ये निर्गुतवणूक हा एकच मार्ग

(पान १ वरून) आणि प्रशासकीय भवनाचे उद्घाटन सिंग यांच्या हस्ते आणि केंद्रीय मंत्री नितीन गडकरी यांच्या उपस्थितीत झाले. त्यानंतर त्यांनी पत्रकारांशी संवाद साधला. सिंग म्हणाले, सध्या मॉयलच्या सर्वच खाणींमध्ये उत्पादन वाढविण्यासाठी आधुनिक तंत्रज्ञानाची गरज आहे. मॅग्निज ओरला सर्वच क्षेत्रात मागणी आहे. स्टीलचे उत्पादन वाढण्यास मॅग्निज ओरची मागणीही वाढणार आहे. त्यासाठी आतापासून धोरण आखावे लागेल. देशात ६० टक्के मॅग्निज आयात करावे लागते. ते देशातील खाणीतून बाहेर काढण्यास विदेशी चलन वाचेल. शिवाय उत्पादन वाढवून निर्यात करण्याचे लक्ष्य आहे. कोळशाचा तुटवड्याचा पोलादाच्या उत्पादनावर काहीही परिणाम झाला नाही, असे त्यांनी एका प्रश्नाच्या उत्तरात सांगितले.

विदेशात खाण घेऊन त्यात गुंतवणूक करणार काय, यावर बोलताना सिंग म्हणाले, गॅबॉनची प्रॉपर्टी चांगली वाटली म्हणून मॉयल कंपनी खरेदीसाठी पुढे गेली, पण त्यात मॅग्निजचा साठा कमी असल्यामुळे मागे हटलो. मॉयलचा नफा कमी झाला आहे. गेल्या काही वर्षात मॅग्निजचे दर १०,४००

### सध्या पब्लिक इश्यू नाही

पोलाद निर्मितीत भारत दुसऱ्या क्रमांकावर आहे. पायाभूत सुविधा आणि बांधकामाला वेग आल्याने पोलादाची मागणी वाढली आहे. पोलाद हे ग्रीन उत्पादन आहे. त्याची पुनप्रक्रिया करता येते. जुन्या आणि नवीन प्रकल्पासाठी मॉयलकडे पुरेसे फंड आहेत. त्यामुळे पब्लिक इश्यू आता येणार नाही, पण नवीन मोठे प्रकल्प मिळाल्यास त्याचा विचार करू, असे सिंग यांनी स्पष्ट केले. केंद्र सरकारच्या स्कॅपिंग पॉलिसीमुळे रोजगारात वाढ होण्याची शक्यता त्यांनी व्यक्त केली.

रुपये टनापर्यंत वाढल्यामुळे नफा वाढला होता. पण दर ५५०० रुपयांपर्यंत कमी झाल्याने तोटा झाला. सरासरी दर ८५०० रुपयांपर्यंत राहिल्यास नफा वाढणार आहे. पुनर्वसनावर सिंग म्हणाले, नवीन खाण सुरू करताना लोकांचे पुनर्वसन होणे महत्वाचे आहे. काही ठिकाणी उशीर लागतो. अनेकदा लोक खाणीतील शेअर देण्याची मागणीही करतात. पुनर्वसनाचे अनेक मॉडेल आहे. गावाचा उल्लेख न करता त्यांनी पुनर्वसन ही लांब प्रक्रिया असल्याचे सांगितले.



# India climate body pushes for low-carbon steel, heavy industries

**BLOOMBERG**

November 1

India climate collaborative is helping the nation meet its climate goals by working to decarbonise heavy industries such as steel-making, according to the head of the organisation backed by some of the nation's top corporate leaders and philanthropists.

"While we have the technology to develop low-carbon steel, it isn't commercially viable yet. It's a chicken and egg situation," Chief Executive Officer Shloka Nath said in a Bloomberg TV interview.

## Demand, supply issue

"There's a lack of supply of low-carbon steel, because there's a lack of demand and vice versa. So we're working to develop a market demand for low-carbon steel in India."

Growing demand for materials such as steel, aluminium,



Energy-intensive industries need to switch to low-carbon production

cement and fertiliser can jeopardise efforts to reduce greenhouse gas emissions and arrest a rise in global temperatures, unless these energy-intensive industries switch to low-carbon production. Technologies such as carbon capture and hydrogen are getting increasing interest from nations and investors to make them commercially viable.

Nath echoed the Indian government's position that the south Asian economy was

meeting its climate commitments and that developed nations should do more to cut emissions and pay up for clean energy developments in developing economies.

## Coal-dependent power

India is the world's third-biggest emitter and uses coal to produce almost 70 per cent of its electricity. While it has set an ambitious goal to more than quadruple its renewable power capacity by the end of this decade, it has asked richer nations to fulfill their commitments to fund clean energy transition in the developing world.

"There should be a deal to attract at least \$1 trillion private capital in clean energy infrastructure in developing countries by 2030," Nath said, talking of her expectations from the climate talks underway in Glasgow, Scotland.



# Steel Cos Hike Benchmark HRC Prices by up to ₹3,500 a Tonne

Rising coking coal rates prompts move despite softening ore prices

**Bhavya.Dillipkumar**  
@timesgroup.com

**Mumbai:** India's leading steel-makers have raised prices of the benchmark hot-rolled coil (HRC) by up to ₹3,500 a tonne on the back of rising cost inflation due to soaring coal prices.

"This was an expected move by the industry. The cost inflation is too high. Our fuel costs have gone up by more than 70% yoy and a fall in iron ore price is minimal," said an executive at one of India's top steelmakers.

The price increase is effective Monday. The benchmark HRC prices are quoting around ₹72,500 levels. Industry sources said that JSW Steel, ArcelorMittal Nippon Steel and Jindal Steel and Power have raised prices by around Rs 3,000- Rs 3,500 a tonne. Other steel-makers are expected to follow suit.

JSW Steel, while announcing its September quarter earnings, said that the company was considering an energy surcharge.

"Price increases will happen either through a surcharge or through price hikes in HRC until coking coal prices normalize," JSW Steel's joint managing director Seshagiri Rao told ET last week.

Another steelmaker said that in the short to medium term, the

## Cost Curve

JSW Steel, ArcelorMittal Nippon Steel and Jindal Steel and Power have raised prices

Other steelmakers are expected to follow suit

Industry execs says fuel costs are up by over 70%

Iron ore prices, a significant raw material for the steelmakers, are also rising



cost impact worldwide on mills will be \$200-250/t.

"Even if 50% of our cost is passed on to customers, the market is looking at a \$100-120/t price increase," said a top industry official, requesting anonymity.

Global coking coal prices have breached all-time highs. As per data from steel price research firm SteelMint, prices of Australian premium coking coal have jumped to around \$430/t on FOB (freight-on-board) levels this week compared to \$110-120/t in April'21. Added to this, India's thermal coal availability has taken a hit, with state-owned Coal India Ltd, prioritizing the coal supply to power sector.

Coal India usually loads around

210-230 rakes per day for both power and non-power categories. Around 50-60 rakes per day go for non-power categories and half of those go to steel and aluminium.

Iron ore prices, a significant raw material for the steelmakers, were falling in the past 3 months. However, these have started to move up again. Domestic iron ore in Odisha is up 20% MoM to Rs 7,000/t (63% grade fines).

"We might see NMDC's notified prices also bottoming out. Besides, the latest iron ore e-auction trends are positive, indicating that demand stays firm," said Edelweiss in a report last week. However, some steelmakers also said that there is a demand push with the festive season around the corner.

## COMMODITY CALL

## Nickel futures: Go long and buy on dips at ₹1,450



AKHIL NALLAMUTHU

BL Research Bureau

After seeing a sharp fall in early March this year, nickel price started to recover steadily towards the end of March. The continuous contract of nickel on the Multi Commodity Exchange (MCX) began to rally by taking the support at ₹1,150. But since April, the contract has been gaining steadily and consequently two weeks ago, it marked a fresh high of ₹1,641.6. However, the contract was not able to move beyond that and started to fall. Although the trend remains bullish and it is currently hovering around the key support of ₹1,500, there is a good chance for the contract dipping to ₹1,450 before establishing another leg of uptrend.

Rather than going all out at current levels, traders can initiate trades in two parts. That is, go long at ₹1,500 and buy again if the price moderates to ₹1,450, where 38.2 per cent Fibonacci retracement lies. Place initial stop-loss at ₹1,390. If the contract resumes uptrend, it can experience a slowdown at around ₹1,550. So, consider exiting half of the longs at that price. After that, shift the stop-loss to ₹1,480 and wait for the next potential target at ₹1,640. In case if the contract rallies past ₹1,550 before declining to ₹1,450, stop-loss for the first leg of buy can be maintained at ₹1,480. From the current levels, the key supports are at ₹1,450 and ₹1,400. Until the contract stays above ₹1,400, the trend will remain bullish.



## PERSISTING ENERGY ISSUES

# Aluminium prices likely to remain volatile

Rates may remain at elevated levels over next few months on high production costs

SUBRAMANI RA MANCOMBU

Chennai, November 3

Aluminium prices have plunged by 14 per cent from the multi-decades high of \$3,198 a tonne witnessed on October 18, but the volatility in the aluminium market will likely continue as energy consumption constraints persist, according to rating agencies.

Though prices are expected to ease in the coming months, they are projected to remain at elevated levels as the shift to the green economy will support the metal's prices.

After dropping from the highs seen last month, aluminium prices are hovering in the \$2,700 range. On Tuesday, the LME three months contract was quoted at \$2,698.

## Major inflection point

Dutch multinational financial and investment services firm ING's economic and financial analysis arm Think said, in a note, that the high aluminium costs are here to stay as smelter margins have collapsed and escalating energy costs have become a major inflection point of smelting costs. As a result,

producers' margins have dropped.

Fitch Solutions Country Risk and Industry Research (FSCRIR), a Fitch group unit, said in its note that producers around the world resorted to cutting back on production in view of the high energy costs, which make up approximately 40 per cent of the total production cost.

ING Think Senior Commodities Strategist Wenyu Yao said aluminium prices have dropped from the October 18 highs as speculative bets have been withdrawn from the market ahead of some major macro events.

## Signs of easing

Yao said major energy costs inputs have come off significantly, a sign of the power crunch easing. "In China, strong policy intervention from Chinese policymakers sent thermal coal prices into a free-fall," she said, pointing to the nearly 60 per cent fall in thermal coal prices traded on China's Zhengzhou Exchange.

Onshore inventories were building up faster than expected



Prices will slip in 2022 as global demand growth would taper off after this year's robust recovery

and this has turned the focus on demand uncertainties in China, where the slowing economy due to property slowdown, Covid outbreak and power crisis has caused concern.

Fitch Solutions said despite expectations of aluminium rates easing, it was raising its price forecast for this year and next to \$2,450 and \$2,300 from \$2,300 and \$2,100, respectively.

"First, the continuing global economic recovery will support aluminium demand through robust manufacturing activity. Outside of China, recoveries from contracting construction industry values and vehicle production will bolster aluminium demand across major aluminium consumption markets in 2022," FSCRIR said. Fitch Solutions

and ING Think said aluminium prices had begun their journey north from the second quarter last year to the third quarter this year. Besides, China's severe power crunch led to aluminium smelters being ordered to limit or halt production in order to reduce the pressure on the power grid.

"Nevertheless, production declined year-on-year during July-September 2021. After an intense government crackdown on coal hoarding and speculative trading in China, coal prices have declined to levels that make it economical for power providers to produce electricity, reducing the need for power rationing or lowering power consumption," Fitch Solutions said.

ING Think said a 20 per cent rise in power cost would lead

to a seven per cent increase production costs. Though some provinces such as Guangxi are set to slap a 50 per cent premium on power charges.

## Winter challenges

Fitch Solutions said energy supply would be a challenge for the Chinese aluminium sector as the winter is a proaching and Beijing continues its decarbonisation strategy.

Prices will slip in 2022 global demand growth would taper off after this year's robust recovery. However, demand fundamentals and supply concerns will support prices, FSCRIR said.

On the other hand, the country in Guinea has the potential lead to bauxite shortage, leading to continuing diplomatic tensions between Australia and China.

ING Think said with production costs rising sharply, aluminium supply growth looks unsustainable if prices stay at current levels.

Fitch Solutions said sustainability has become the top of the mind this year beyond, but low-carbon aluminium presented a future risk to aluminium pricing.

## MCX copper: Go short on a break below ₹737

### COMMODITY CALL

GURUMURTHY K

BL Research Bureau

The copper futures contract (₹749 per kg) on the Multi Commodity Exchange (MCX) has been declining over the last two weeks. This fall is getting support in the ₹738-737 per kg region. The contract has been consolidating above this support zone over the last few days.

As long as the contract manages to sustain above ₹737, there are chances of it seeing a corrective bounce towards ₹760 and ₹765 in the near-term. However, it has to rise past ₹765 decisively in order

to turn the outlook bullish again. Inability to break above ₹765 and a reversal from the ₹760-765 region will keep the downtrend intact. A strong break below ₹737 will confirm the beginning of a fresh leg of fall. Such a break can drag the MCX-copper contract towards ₹700 and ₹680 in the coming weeks.

Traders can wait and initiate fresh short positions on a break below ₹737. Stop-loss can be placed at ₹752. Trail the stop-loss down to ₹730 as soon as the contract moves down to ₹720. Move the stop-loss further lower to ₹712 as soon as the contract touches ₹702. Book profits at ₹690.



# Coal—‘least loved commodity’—appreciates 188%, the best performer since last Diwali

TIMES NEWS NETWORK

**Mumbai:** The best returns between last Diwali and this year were generated by a commodity that is commonly described as ‘least loved’ because of its association with climate change. Prices of Australian coal in the last 12 months have increased 188%—almost twice the appreciation of Brent crude, which is receiving all the attention for its 95% increase.

While coal and crude were the best performers in the last 12 months, the worst performers, ironically, were the precious metals gold and silver, which dipped 4.7% and 2.9% after rising amid the flight-to-safety following the



pandemic-induced economic crisis last year, according to an analysis by Care Ratings.

Coal has seen demand firing up even as the world is trying to arrive at a consensus on net-zero emissions by reducing the use of fossil fuels. One

reason for the rise in prices is India, which has seen a renewed demand for power as the economy came out of restrictions that were brought in because of the pandemic.

Besides coal and crude, no other commodity or asset has

come close to doubling its price in the last 12 months. While the sensex has doubled from its post-Covid bottom, it has gained only 38% since last Diwali. The other commodities that have done well are copper (45%) and soya oil (27%).

The price increases have an element of demand, but this is not great long-term news for investors. Care Ratings has said that there are bright lights shining all around (in terms of macroeconomic numbers) and it does seem that the economy is witnessing a turnaround. The report, however, cautions that what held good for last year may not hold for the next 12 months.

► Good numbers, P 6

NAVBHARAT DATE : 6/11/2021 P.N.9

## NMDC का उत्पादन 43% बढ़ा

दिल्ली सार्वजनिक क्षेत्र की कंपनी एनएमडीसी का अप्रैल-अक्टूबर, 2021 की अवधि में लौह अयस्क उत्पादन 43 प्रतिशत बढ़कर 2.10 करोड़ टन हो गया। एक साल पहले की इसी अवधि में यह 1.46 करोड़ टन था। इस बात मंत्रालय ने जारी एक बयान में कहा कि चालू वित्त वर्ष की अप्रैल-अक्टूबर की अवधि में एनएमडीसी की बिक्री भी 43 प्रतिशत की वृद्धि के साथ 2.20 करोड़ टन हो गई। पिछले वित्त वर्ष की इसी अवधि में यह 1.54 करोड़ टन थी।



# SCCL to ramp up production

Action plan drawn up to achieve year's coal mining target

**P SRIDHAR**  
KARIMNAGAR

Aiming to surpass the annual coal production target in the current fiscal, the Singareni Collieries Company Limited (SCCL) has rolled out an action plan to scale-up coal production by optimally utilising the state-of-the-art technologies like continuous miners to produce around 330 lakh tonnes of coal by March 31, 2022.

Against the stipulated production target of 680 lakh tonnes (68 million tonnes) for 2021-22, the government-owned coal mining giant produced 352 lakh tonnes of coal in the last seven months ending October in this financial year, SCCL sources said.

The SCCL registered a growth of 60% in coal production as compared to the same period last year.

The coal output during the corresponding period of previous year was a meagre 220 lakh tonnes.

This was largely due to the disruption in coal produc-



A view of open cast coal mine of Singareni Collieries at Gouthami Khani at Kothagudem of Bhadrachalam district. ■ G N RAO

tion caused by the COVID-19 pandemic last year.

About 367 lakh tonnes of coal was transported by the company in the last seven months, registering a growth of 68% on the coal dispatches front and ensuring uninterrupted supply of coal to the thermal power stations as per the fuel supply agreements (FSA), Singareni Colli-

eries Company Limited sources said. The SCCL has set in motion an action plan to ramp up coal production and dispatches area-wise in the SCCL coal fields within the next five months to surpass the annual production target.

The plan of action envisages maximising the use of the modern machinery such

as the remote-controlled continuous miners presently installed in PVK-5 incline and Kondapuram underground coal mines in Bhadrachalam district and GDK-11 incline and Vakilpalli underground coal mines in Peddapalli district. Special focus has been laid on enhancing coal production in the Adriyala longwall project, considered country's largest mechanised underground mine, in Peddapalli district.

SCCL Chairman and Managing Director N Sridhar recently reviewed the action plan with the SCCL directors and the general managers of 11 areas of the company via a videoconference from the Singareni Bhavan in Hyderabad. Outlining the strategies for augmenting coal production and dispatches, he called upon all the Singareni-ites to strive assiduously to catapult the company to surpass the set targets of coal production and dispatches by the end of this fiscal.



## BULLION CUES

# Sunny times ahead for gold

Futures hold on to key supports



AKHIL NALLAMUTHU  
BL Research Bureau



## STRONG TREND

While ₹48,000 can be a hurdle, gold will most probably rally past this level and end up breaching the resistance band of ₹48,000 - 48,300

Tapering finally became a reality as the US Federal Reserve (Fed) announced a reduction in asset purchases starting with \$15 billion this month and by another \$15 billion in December. But the Fed left interest rates unchanged. Post this announcement, the dollar strengthened and treasury yields dropped as bullion, which approached the event warily, recovered and ended the week on a positive note.

In dollar terms, gold closed at \$1,816.7 per ounce, gaining 1.9 per cent for the week whereas silver ended at \$24.17 per ounce, went up by 1.3 per cent. Most of the gains were made in the last two sessions. In the domestic market, gold futures (December expiry) on the Multi Commodity Exchange (MCX) closed with a marginal gain of 0.7 per cent at ₹47,972 (per 10 grams). Silver futures (December

series) depreciated by 0.3 per cent to wrap up the week at ₹64,332 (per kg).

Although the price movement of bullion suggests sluggishness, the bullish undertone has sustained. For instance, the Commitment of Traders (COT) data released by the Commodity Futures Trading Commission (CFTC) shows that net long positions on the COMEX have been increasing since the beginning of October and now stand at 701 tonnes compared to 537 tonnes by the end of September. The Fed making its first move towards normalisation could strengthen the argument of inflation being sticky, keeping the outlook positive for bullion.

### MCX-Gold (₹47,972)

In line with our expectations, gold futures, which began last week on a positive note, gave away gains and dropped to test the support at ₹47,000. After marking an intraweek low of ₹46,872, the contract recovered

and closed the week at ₹47,972, up 0.7 per cent.

As long as the contract stays above the base of ₹47,000, the trend will be inclined to the upside and the price band of ₹47,000-47,120 will act as demand zone. A break below this level is less likely. Also, the contract remains above the 50-day moving average (DMA) and the relative strength index (RSI) lies in the positive territory.

Moving ahead, the contract is likely to gain traction. While ₹48,000 can be a hurdle for the bulls, it will most probably rally past this level and end up breaching the resistance band of ₹48,000 - 48,300. A breach of this level can lift the contract to ₹49,000.

Therefore, traders can hold existing longs. If not, fresh longs can be created at current level of ₹47,972 and can be accumulated at ₹47,000. Place the initial stop-loss at ₹46,500 and stick to it strictly. Because a decisive breach of ₹47,000 can negate the near-term uptrend and can pave way

for a decline towards the support band of ₹45,700 - 46,000, a breach of this level can intensify the sell-off.

One can hold longs with the first target at ₹49,000. Once this is achieved, exit half the long positions and revise the stop-loss upwards to ₹48,000. Then wait for the next target at ₹50,000 where one can liquidate the remaining longs since the likelihood of a corrective decline from this level is high.

### MCX-Silver (₹64,332)

The price pattern of silver futures resembled gold futures last week. As per our expectations, the price of silver futures moderated to ₹62,500 which restricted the decline below this level. The 50-DMA currently coincides at ₹61,500 and the 50 per cent Fibonacci retracement level of the prior rally lies at this level, making it a strong support. Until the contract is above this base, the bias will be bullish, and it can regain upward momentum anywhere within the important support band of ₹62,500 and ₹64,300.

Moreover, indicators like the RSI and the MACD on the daily chart are in their respective bullish region.

In upcoming sessions, the contract can rally towards the nearest barrier at ₹66,700. The price level of ₹65,500 can offer some resistance but it is likely to be breached easily. A breakout of ₹66,700 will significantly improve the probability of the futures touching the key level of ₹70,000.

Given the above factors, one can continue to hold exiting longs. One can also go long afresh at current levels and accumulate if price drops to ₹62,500. Initially, stop-loss can be placed at ₹61,000. Since ₹66,700 can be the first hurdle, traders can book partial profit at ₹66,700 and then shift the stop-loss to ₹65,000. Thereafter, look for the next target at ₹70,000.

A breach of ₹62,500 can turn the short-term outlook negative for silver futures. Key supports below ₹62,500 can be spotted at ₹61,000 and ₹59,300.



Scan & Share



AVERAGE PRICE AT IEX DAY AHEAD MARKET AT ₹2.4 PER UNIT

## Coal shortage easing at plants, power price falls on exchange

**KARUNJIT SINGH**  
NEW DELHI, NOVEMBER 6

THE AVERAGE market price of power traded on the India Energy Exchange Day Ahead Market (IEX DAM) fell to Rs 2.4 per unit (kilowatt hour) on Friday from a peak of Rs 16.4 per unit on October 11, with states rushing to the exchange to buy power as thermal power plants struggled to meet demand due to low coal stocks.

The average coal inventory across the nation's thermal power plants has improved to seven days worth of stock from an average of four days in the first half of October, when a number of states including Punjab, Uttar Pradesh and Rajasthan imposed load shedding as thermal plants ran out of the dry fuel.

Thermal power plants are required to maintain minimum reserves of 15-30 days of coal stock based on the distance of the plant from the source of coal.

The total volume of power sold on the IEX DAM has also fallen to 1,47,308 MWh (megawatt hour), from a peak of

### China's daily coal output at new yearly high

*Beijing:* China has boosted daily output of coal to a new annual high of 11.88 million tonnes after concerted efforts to alleviate a supply shortage as it heads into winter, the powerful state planner said, and production could rise further.

The Asian giant's consumption of polluting coal has drawn scrutiny this week as nations gathered in Glasgow to discuss further measures needed to slow global warming. Beijing, by far the world's biggest consumer of coal and also the top producer of climate-warming greenhouse gases, is committed to reducing coal use, but only after 2025. **REUTERS**

2,81,823 MWh on October 12.

A number of states were forced to buy power from the ex-

change at prices of Rs 20 per unit during the coal shortage.

A sharp uptick in power demand with the economy recovering from the Covid-19 pandemic, coupled with above average rainfall in September impacting coal production and supply, had contributed to a drawdown in coal stocks.

Low coal stocks led to an outage in thermal power plants with a capacity of 11 GW (gigawatt) on October 12.

A surge in international coal prices had also forced a number of thermal power plants that utilise imported coal to stop power generation.

Large dues from power generation companies (gencos) to Coal India have also played a role in lower coal inventories with supply being cut to plants with large unpaid dues. Gencos have dues of about Rs 16,000 crore owed to Coal India, according to the Power Ministry.

Coal and lignite-based thermal power plants account for about 54 per cent of India's installed power generation capacity and about 70 per cent of current power generation.

BUSINESS LINE DATE : 8/11/2021 P.N.8

### COMMODITY CALL

## MCX aluminium: Go short at ₹206

**GURUMURTHY K**  
BL Research Bureau

The Aluminium Futures contract (₹202.50 per kg) has been in a strong downtrend since mid-October. The contract made a high of ₹259 per kg on October 18 and has tumbled about 22 per cent from there. This downtrend is coming near key trend support poised at ₹198. The chances are high for the MCX-Aluminium contract to bounce back from this support and see a corrective rally

to ₹207-₹208 or ₹210 this week. However, the broader trend will continue to remain down. A complex head and shoulder reversal pattern is also visible on the chart. The neckline resistance is also poised in the ₹208-₹210 region. As such, a rise past ₹210 looks less likely. The contract can consolidate between ₹198 and ₹210 for some time. Thereafter it is more likely to break ₹198 and resume the downtrend, targeting ₹187-₹185 on the

downside. Traders can wait for a rise and go short at ₹206 and accumulate at ₹209. Stop-loss can be placed at ₹214. Trail the stop-loss down to ₹203 as soon as the contract moves down to ₹197. Move the stop-loss further down to ₹198 as soon as the contract moves down to ₹193. Book profits at ₹190. The outlook will turn bullish only if the contract breaks above ₹210 decisively. Such a break can then take the contract up to ₹220-₹225 again.



# तुरंत नहीं बढ़ेगा कोयले का भाव



**25,000  
करोड़  
का है  
बकाया**

■ महाराष्ट्र, राजस्थान, मध्य प्रदेश, कर्नाटक, पश्चिम बंगाल और तमिलनाडु जैसे राज्यों को कोल इंडिया की बहुत बड़ी बकाया राशि देनी है.

■ वही कीमत वृद्धि लंबित वेतन संशोधन के साथ जरूरी हो गया है क्योंकि इससे सीधे मजदूरी लागत में लगभग 10 प्रतिशत की वृद्धि होगी.

■ सूत्र ने कहा कि कुछ सहायक कंपनियों को पहले से ही उच्च बकाया राशि के कारण नकदी की समस्या का सामना करना पड़ रहा है और उन्हें कर्ज का सहारा लेना पड़ा है.



कोलकाता, एजेंसियां. सार्वजनिक क्षेत्र की कंपनी कोल इंडिया लिमिटेड की कोयला की कीमतों में वृद्धि की योजना में देरी होने की संभावना है. कंपनी का 24,000-25,000 करोड़ रुपये का बकाया है, ऐसे में प्रमुख हितधारकों से उसे

कीमतों में वृद्धि की मंजूरी नहीं मिली है. देश के कई हिस्सों में बिजली संयंत्रों में हालिया कोयला संकट से कोल इंडिया को भुगतान शर्तों में ढील देनी पड़ी है. इस मामले से जुड़े एक सूत्र ने कहा कि कोयला कीमतों में वृद्धि का एजेंडा 12 नवंबर को होने

वाली निदेशक मंडल की आगामी बैठक से पहले रखे जाने की संभावना नहीं है. पिछले महीने से कोयले की कमी के संकट के मद्देनजर निदेशक मंडल को महत्वपूर्ण हितधारकों से अभी तक मंजूरी नहीं मिली है. वहीं इसी दौरान कोयले की वैश्विक कीमत

काफी बढ़ गई है. सूत्र ने बताया कि बिजली संकट के बीच सूखे कोयले की निर्यात आपूर्ति के कारण बकाया राशि में और उछाल आया है और बकाया राशि पहले ही लगभग 24,000-25,000 करोड़ रुपये तक पहुंच गई है.

## JSPL Hopes to Clock ₹50k cr in Sales in FY22, Aims to Cut Debt

**Bhavya.DillipKumar**  
@timesgroup.com

**Mumbai:** Naveen Jindal-led Jindal Steel and Power (JSPL) plans to clock around ₹50,000 crore of sales revenue by the end of FY22 with 8Mt of production.

The company also plans to bring down the company's net debt to ₹8,000 crore from a peak of around ₹22,146 crore as of FY21.

"Revenue has been going up for us, our business plan is to reach revenue of ₹50,000 crore by the end of FY22 with an output of 8 million tonnes," the company's managing director VR Sharma told ET.

Total revenue from operations during the September quarter of FY22 was at ₹13,611 crore, up 67% year-on-year (YoY). The company reported an operating profit (Ebitda) of ₹4,594 crore, up 91% YoY.

"Our target is also to bring down the net debt of JSPL to ₹8,000 crore; the net to Ebitda ratio should be somewhere around 0.45 times," Sharma said.

While the demand is stable in the domestic market currently, during the September quarter, there was sluggish demand due to monsoons and a slowdown in construction activity. The auto sector was also hit due to the chip shortage.

"Demand is stable now; we were able to maintain a good Ebitda due to exports. However, that was offset slightly by higher coking coal and ferroalloy prices," Sharma said.

Global coking coal prices have reached all-time highs. As per data from steel price research firm SteelMint, prices of Australian premium coking coal have jumped to around \$430/t on FOB (freight-on-board) levels this week compared to \$110-120/t in April 2021.



# Iron ore prices crash from peak as China curbs steel output

Rally may have ended with likely weakening of industrial demand, say rating agencies

**SUBRAMANIRAMANCOMBU**

Chennai, November 10

The rally in iron ore may have ended as its prices have dropped by over 65 per cent since the peak witnessed in May this year on weak industrial demand, mainly in China where steel production is facing curbs. Since last week, the rates have declined by about five per cent.

The collapse has led to rating agencies such as Fitch Solutions Country Risk and Industry Research (FSCRIR) downgrading iron ore outlook for this year as well as the next.

## 17-month low

Iron ore with 63.5 per cent iron content was quoted at \$87.50 a tonne for delivery at Tianjin—the lowest in 17 months. On Dalian Commodity Exchange, iron ore futures for delivery in January were quoted at 528 Chinese yuan (\$82.59) a tonne on Wednesday against 561 yuan on November 5,

A major factor for the current decline in iron ore prices is data showing China's iron ore imports in October dropping by over four per cent. This is the second consecutive month when imports dropped.

The drop in iron ore imports comes on the heels of steel production declining for three straight months till September. Steel output is feared to have dipped in October too with capacity utilization rates of steel mills across China plunging to near 60 per cent.

## Weak demand to persist

Indian rating agency ICRA said Chinese steel-makers could brace for an extended period of weak domestic demand as the economy goes through the process of rebalancing of an overheated property market, which was a key growth engine driving the country's steel demand for the last two decades.

Jayanta Roy, Senior Vice-President & Group Head, Corporate Sector Ratings, ICRA, said: "The Three Red Lines effectively put in place a check to reign in new housing supply in China. Directly and indirectly, real estate related activities reportedly contribute around 30 per cent to the Chinese domestic steel demand."

With the Chinese property sector accounting for around 15 per cent of global steel demand, the ongoing readjustment away from a property driven model of growth in China is likely to have an adverse impact on the steel industry for an extended period, he said.

## Long-term downtrend

In its note on plunging iron ore prices, FSCRIR said it was as per its

expectations. Prices are expected to remain under pressure next year too. For the current year, Fitch Solutions has cut its price outlook to \$155 a tonne (from \$170) and to \$110 for next year (\$130).

"Demand strength from Chinese steel producers peaked in H121, and we expect demand to remain weak going forward with a concomitant improvement in global supply. Over the longer term, we expect iron ore prices to remain a multi-year downtrend..." the rating agency, a unit of the Fitch group, said.

Iron ore prices had embarked on a long rally since the middle of last year besides surging in the first half of this year, but prices began to climb down from July.

## Improving supply

"We expect prices to remain pressured into 2022 as supply improves and demand growth slows. That being said, we do expect that most of the downward movement is now behind us, and prices should not collapse in 2022 from current levels as they did in

2021," Fitch Solutions said. Chinese demand for iron ore stemming from the communist nation's economic recovery and Beijing's stimulus plan supporting the construction industry peaked in the first half.

China's energy crunch resulted in declining steel production and consequently, the demand for iron ore starting in June till now, FSCRIR said, adding that while China's energy crunch has begun to ease and production curbs on steel are being lifted gradually.

In addition, China has been curbing steel production as an avenue to decarbonise the economy. A drop in steel production has impacted iron ore demand, it said.

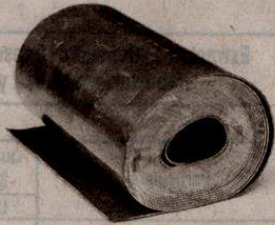
ICRA said China had an unwavering resolve to achieve carbon-neutrality through sustained aggressive supply-side response. This could lead to stricter restrictions on production growth and fresh capacity addition so that the Chinese steel industry can be on track to meet its baseline emission reduction target.





## COMMODITY CALL

**Bet long on  
MCX lead at  
current levels**



GURUMURTHY K

BL Research Bureau

The outlook for the lead futures (₹190 per kg) contract traded on the Multi Commodity Exchange (MCX) is turning bullish.

After a fall from the high of ₹195.6 made on October 15, the contract found support around ₹185. The overall trend is also up since April last year. The uptrend that has just begun marks the beginning of a fresh leg of rally within the overall uptrend. Immediate support is at ₹188 and the next important one is at ₹184.

The contract is likely to move up towards ₹200 in the coming days. Short-term traders can go long at current levels and accumulate on dips at ₹188. Stop-loss can be placed at ₹183 for the target of ₹200. Trail the stop-loss up to ₹192 as soon as the contract moves up to ₹195.

Move the stop-loss further up to ₹195 as soon as the contract touches ₹198. The level of ₹182 is a crucial support for the contract.

The uptrend will come under threat of a reversal only if the MCX-Lead futures contract breaks below ₹182. Such a break can then drag the contract lower to ₹173 and even ₹168 thereafter.

But such a reversal and a strong fall look unlikely at the moment.

THE HINDU DATE : 11/11/2021 P.N.1

## 4 killed in SCCL mine mishap

**Roof of  
underground  
mine collapses**

P. SRIDHAR  
MANCHERIAL

Four coal miners were killed when a portion of the roof of an underground mine of Singareni Collieries Company Ltd. (SCCL) collapsed on them in the Srirampur area of Mancherial district of Telangana on Wednesday.

The miners were engaged in a roof stitch work inside the the SRP 3 & 3A incline underground mine when the roof suddenly caved in at 10.30 a.m., causing fatal injuries, sources said. The SCCL's mines rescue teams rushed to the spot from Ramagundam and Mandamarri and extricated the bodies of the four miners after an operation that lasted for more than four hours.

### Protest held

The four deceased miners were identified as B. Laxmaiah, 60; V Krishna Reddy, 57; G. Satyanarayanaraju, 32; and R. Chandrasekhar, 32.

The incident triggered tensions at the underground



**In deep trouble:** Rescue team searching the underground mine in Mancherial on Wednesday. • ARRANGEMENT

mine as members of various trade unions affiliated to the CITU, the AITUC and the BMS flocked to the mine and staged a protest demanding an ex gratia of ₹1 crore each to the families of the deceased workers, sources added. In a statement, SCCL Chairman and Managing Director N. Sridhar expressed shock and profound grief over the death of four coal miners. He directed the SCCL officials concerned to immediately conduct a thorough probe into the incident and submit a detailed report.

He said matching grant, gratuity and other amounts of around ₹70 lakh to ₹1 crore will be quickly dis-

bursed on behalf of the company to each bereaved family of the four deceased miners. One eligible member from each bereaved family would be immediately provided job in the area of their choice in the company.

In a joint statement, BMS national leader K. Lakshma Reddy and Singareni Coal Mines Karmik Sangh (SCMKS) general secretary P. Madhav Naik demanded that the SCCL management own up responsibility for the death of the four coal miners. They wanted the Government to take stringent action against the company officials concerned for the "safety lapses" and strengthen the safety measures.



# Tata Steel Operating Profit Surges Three-fold

Our Bureau

**Mumbai:** Tata Steel on Thursday reported its highest ever consolidated operating profit of ₹17,810 crore, up more than three times on year, on the back of strong steel prices and higher deliveries. Consolidated net profit surged more than seven times.

Tata Steel reported a consolidated net profit of ₹12,548 crore against ₹1,665 crore in the previous year. It reported a net profit of ₹9,768 crore in the quarter ended June. In the year-ago period, Tata Steel's operating profit was ₹5,527 crore.

"Our steel deliveries in India expanded 11% despite a contraction in market demand... We are watchful of the elevated coal prices and high energy cost as key risks to margins going forward," the company's managing director TV Narendran said.

Tata Steel's revenue from operations, at ₹60,282 crore, climbed 55%. The consolidated expenses during the quarter went up 27% yoy to ₹47,135 crore. Its overall deliveries increased 11% QoQ to 4.58 mn tons.

"Sales volume to the Automotive segment increased 18% QoQ... and we exported around 16% of the sales during the September quarter," Narendran said. The company's standalone earnings before interest taxes, depreciation and amortization were at

₹13,877 crore.

Tata Steel's gross debt declined to ₹78,163 crore with repayments of ₹11,424 crore in the first half of FY22. Net debt declined to ₹68,860 crore. Net debt to EBITDA improved to 1.21 times. The company's Consolidated Free Cash Flow was at ₹3,322 crore during 2QFY22.

"We were able to reduce around ₹11,400 crore in the first half of FY22, while we have set a target to de-leverage by at least \$1 billion a year, we estimate reducing more than that this year," said Narendran.

Tata Steel India operations reported a revenue of ₹32,582 crore, up 50% yoy.

The company's subsidiary Tata Steel Long Products segment reported a revenue of ₹1,637 crore and the European operations reported a revenue of ₹21,424 crore, up almost 59% yoy. "Revenues at Tata Steel Europe increased by 11% QoQ and EBITDA improved 2.2x QoQ to £328 million which translates to an EBITDA per ton of £153," the company said in its media statement.

Tata Steel is also pursuing the hydrogen route in IJmuiden and a detailed assessment is underway, Narendran said.

"This involves the introduction of direct reduced iron (DRI) technology which can make iron using natural gas or hydrogen before it is converted to steel," he said.

## AM Nippon Sept Qtr Operating Profit Hit by Negative Price-Cost Impact

**MUMBAI** ArcelorMittal Nippon Steel India Thursday reported an operating profit (EBITDA) of \$551 million (₹4,103 crore) in the September quarter, which fell sequentially on negative price-cost impact, including higher iron ore and energy costs.

Profit was at \$607 million (₹4,520 crore) in the June quarter. On a consolidated basis, global steel major ArcelorMittal reported an EBITDA increase of 20% to \$6.1 billion (around ₹45,402 crore) in the quarter, the highest since 2008.

"Despite the volatility, we continue to see as a result of the ongoing presence and repercussions of COVID-19, this has been a very strong year for ArcelorMittal," the company's chief executive officer Aditya Mittal said in a media statement.

Mittal said that the company's third-quarter results were supported by the continuing strong price environment, resulting in the highest net income and lowest net debt since 2008. — Our Bureau

### Number Game

**₹60,282 cr**  
Revenue from operations, up 54.8%

**₹47,135 cr**  
Consolidated expenses, up by 27%

Gross debt declined to  
**₹78,163 cr**



Our steel deliveries in India expanded by 11% despite a contraction in market demand... We are watchful of the elevated coal prices and high energy cost as key risks to margins going forward  
**TV NARENDHAN**  
MD, Tata Steel



## NMDC Q2 net profit surges to ₹2,326 cr.

SPECIAL CORRESPONDENT  
HYDERABAD

Consolidated net profit of India's largest iron-ore producer NMDC Ltd. surged to ₹2,326.14 crore for the quarter ended September, from the ₹752.37 crore of the year-earlier period, on the back of higher demand for iron and steel.

A manifold increase, it came as total income rose sharply to ₹6,882.44 crore (₹2,318.67 crore). "Demand for iron and steel has witnessed a boom in emerging markets," CMD Sumit Deb said.

"As a key player, we responded with proactive production-enhancement initiatives and are now reaping benefits of agile response to the demand with an exceptional quarter," he added.

Sales increased 36% to 8.99 million tonnes.

## Tata Steel Q2 profit surges to ₹12,547 cr.

PRESS TRUST OF INDIA  
NEW DELHI

Domestic steel giant Tata Steel on Thursday said its consolidated net profit jumped manifold to ₹12,547.70 crore in the July-September quarter, helped by higher income.

The net profit was at ₹1,665.07 crore in the corresponding quarter of the previous financial year, Tata Steel said in a BSE filing.

Its total income during July-September 2021 stood at ₹60,553.63 crore against ₹39,157.79 crore in the year-earlier period.

Total expenses were at ₹47,135.28 crore in July-September against ₹37,000.28 crore a year earlier.

Tata Steel is among the top steel companies in the world with an annual crude steel capacity of 33 million tonnes per annum.



## Tata Steel Q2 net jumps 8x to ₹12,548cr

**New Delhi:** Tata Steel on Thursday said its consolidated net profit jumped manifold to Rs 12,548 crore in the July-September quarter of 2021-22, helped by higher income. The company's net profit was at Rs 1,665 crore in the corresponding quarter of the previous financial year, Tata Steel said. This would mean the latest quarter's net expanded by over 7.5 times.

Tata Steel's total income during July-September 2021 stood at Rs 60,554 crore against Rs 39,158 crore in the year-ago period. The firm's total expenses were at Rs 47,135 crore against Rs 37,000 crore a year ago. On a standalone basis, the net profit grew to Rs 8,707 crore from Rs 2,539 crore in July-September 2020. Its standalone income was at Rs 32,964 crore during the quarter under review as against Rs 21,820 crore a year ago.

The company said its consolidated steel output was at 7.8 million tonnes (MT), higher from 7.3MT a year ago. PTI

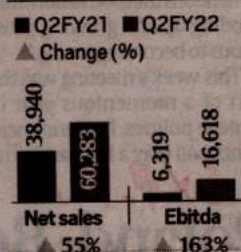
## Tata Steel Q2 net skyrockets 661%

**ENS ECONOMIC BUREAU**  
MUMBAI, NOVEMBER 11

TATA STEEL has reported a 661 per cent rise in consolidated net profit for the September quarter at Rs 11,918 crore as against Rs 1,565 crore a year ago. The company has posted a 54.8 per cent year-on-year rise in consolidated total revenue from operations to Rs. 60,282.8 crore for the second quarter of FY22.

The company also announced the share swap ratio for the merger of Barnipal Steel and Tata Steel BSL into itself. It

### NET SALES UP (in ₹ cr)



Steel BSL

Further, the stake held by Barnipal Steel and Tata Steel in Tata Steel BSL will stand cancelled, the company said.

TV Narendran, MD and CEO, Tata Steel, said, "Our steel deliveries in India expanded by 11 per cent despite a contraction in market demand which is a testament to the strength of our franchise. We continue to drive value accretive growth in our chosen segments and our performance in key segments such as auto was very robust despite the sector being impacted by the semiconductor shortage."

said it will offer one share of the company for every 15 shares held by shareholders of Tata

Prices jump as US inflation rises at the fastest pace since 1990; that's boosting demand for a hedge as Fed holds rates low

## Gold is Back in Vogue With Bulls Loving Faster Inflation

### Bloomberg

For much of this year, rising inflation has been bad news for gold. Now it's giving the metal a shot in the arm. While bullion is often bought as a way to protect wealth when consumer prices are climbing, this year's inflation had weighed on the metal as investors bet that it would spur the Federal Reserve to scale back huge stimulus measures. But with the Fed determined to keep rates low while unemployment remains elevated, worries about out-of-control inflation are boosting gold's allure.

That was clear on Wednesday, when gold jumped to break out of a 15-month downtrend after data showed U.S. consumer prices rose the fastest since 1990. On Thursday, spot prices rose as much as 0.9%, before paring some of the gain.

Inflation "is not transitory," said Nicky Shiels, head of metals strategy at MKS (Switzerland) SA. "It's injected some bullish momentum. That's a change from the previous 'thinking' since the Fed's taper threat is out of the way."

Gold's recent rally shows that the market doesn't expect the Fed - which last week announced the pace of its bond-buying tapering - to do

much more to tackle inflation right now. That's creating a Goldilocks environment for the metal, where inflation erodes bond yields that are kept in check by stimulus measures, burnishing the appeal of non-interest bearing assets like gold.

Bullion had slumped below \$1,700 an ounce by mid-August - taking its decline from 2020's record high to about 19% - on worries about Fed tightening. Prices were up 0.5% at \$1,858.13 an ounce by 1:06 p.m. in London, near the highest since June.

### FED ATTENTION

To be sure, the metal was trading just below a key resistance level



before Wednesday's U.S. inflation report and some of the gains may have been driven by technical buying. Attention now turns to any comments from Fed officials about how they may react to the print.

"We expect the Fed will signal a quicker pace of taper at" next month's meeting, said Aakash Doshi, an analyst at Citigroup Inc. Short-duration bond markets are pricing in faster rate hikes, "possibly alluding to only a temporary or slow bid for gold into the winter," he said.

In contrast to prices, buying through exchange-traded funds remains muted, with holdings

## Again

near the lowest since May 2020. More purchases may be needed to keep the latest rally intact.

It's not just the U.S. seeing inflation accelerate. Data also show prints in China, Japan and Germany climbing the fastest in decades, and there are signs that's sparking fresh physical demand for gold.

"German private investors have already reacted to the recent higher inflation rates with rising demand," said Alexander Zumpfe, a senior trader at refiner Heraeus Metals Germany GmbH & Co. "We are observing a significant increase in buying interest for gold bars."



## Hindalco sees multifold jump in PAT to Rs 3,417 cr in Sept qtr

NEW DELHI, Nov 12 (PTI)

HINDALCO Industries Ltd, the Aditya Birla Group's metal flagship firm, on Friday reported a multifold jump in consolidated profit after tax (PAT) to Rs 3,417 crore for the quarter ended September 30. The results were driven by an exceptional performance by Novelis and India business, supported by favourable macros, strategic product mix, higher volumes and stability in operations.

The company had posted a consolidated PAT of Rs 387 crore in the year-ago period, Hindalco Industries said in a filing to the BSE. Its consolidated revenue from operations in July-September 2021 increased to Rs 47,665 crore as compared with Rs 31,237 crore in the year-ago period, the filing said.

In a statement, the company said, "Hindalco Industries reported its highest net profit in Q2 FY22, surpassing all previous quarterly performances. The company's consolidated PAT

surged 783 per cent to Rs 3,417 crore, a multifold rise of nearly nine times y-o-y." Novelis continued to report a high quarterly EBITDA, as a result of an upswing in demand for innovative and sustainable aluminium products, high recycled contents and outstanding operational performance, the statement said. This is despite the challenges in the automotive segment due to the global semiconductor chip shortage, it added.

Hindalco Industries Managing Director Satish Pai said, "Our record-breaking performance this quarter is an affirmation of our fully integrated business model, which powers our performance in both upstream and downstream markets."

Pai added that Hindalco reported standout performances across all business segments.

"Indian aluminium business set a near-global industry record by achieving the Ebitda (earnings before interest, tax, depreciation and amortisation) margin of 42 per cent," he said.

# Hindalco net jumps to ₹3,417 crore in Q2

Lower base, sharp rise in realisation boost numbers

## OUR BUREAU

Mumbai, November 12

Hindalco Industries, an Aditya Birla Group company, has reported that its net profit jumped over eight times in the September quarter to ₹3,417 crore against ₹387 crore in the same period last year, largely on lower base and sharp increase in realisation.

Revenue from operations was up 53 per cent at ₹47,665 crore (₹31,237 crore). EBITDA soared 56 per cent to ₹8,048 crore (₹5,171 crore).

On a sequential basis, the net profit was up 23 per cent from ₹2,787 crore recorded in June quarter while revenue increased 15 per cent from ₹41,358 crore registered in June quarter.

Revenue from aluminium business was up 63 per cent at ₹7,812 crore, against ₹4,796 crore in same period last year while EBITDA hit an all-time high of ₹3,247 crore (₹1,188 crore) on favourable macros



Satish Pai, MD, Hindalco

and higher volumes. EBITDA margins touched over a decade high of 42 per cent. Aluminium sales were up 12 per cent at 3.38 lakh tonne (3.03 lt).

Cathode production increased 38 per cent to 1 lt (73 lt) while copper cathode rod output remained at 65,000 tonnes. EBITDA of copper business was up 45 per cent at ₹352 crore (₹242 crore) on improved by-product realisation.

## Enhancing capacity

The US subsidiary of Hindalco, Novelis will invest \$130 million to enhance capacity by 1.24 lt and improve finish capability for auto sheets at Oswego, US. It recorded 16 per cent increase in EBITDA per tonne of \$571 (\$493) on higher shipments and firm global aluminium prices.



**CONSOLIDATED REVENUE FROM OPERATIONS  
RISES 53% TO ₹47,665 CRORE IN JULY-SEPT**

# Hindalco Reports Highest-ever Quarterly Profit

Our Bureau

**Mumbai:** Hindalco Industries, Aditya Birla Group's metal flagship company, on Friday reported its highest-ever quarterly net profit of Rs 3,417 crore, up nearly nine times compared with the July-September quarter of last year.

Hindalco had posted a net profit of Rs 387 crore in the fiscal second quarter of last year and Rs 2,787 crore in the April-June first quarter of this fiscal year.

The company reported also an all-time high operating profit (earnings before interest, taxes, depreciation and amortisation) of Rs 8,048 crore, up 55.6% year-on-year. Consolidated revenue from operations rose 53% to Rs 47,665 crore. Around 64% of the revenue came from US subsidiary Novelis, which reported revenue of Rs 30,512 crore. Revenue from the aluminium business was Rs 7,812 crore, while that from copper was Rs 9,587 crore.

"Hindalco's Ebitda margin of aluminium business is one of the best in the world ... we were better prepared for a coal shortage scenario and had a built-up inventory of coal and other raw material, so our cost impact was lesser," managing director Satish Pai told ET.

Record-high LME Aluminium prices too contributed partially to the good margins in Q2, Pai said.

Total expense rose 47% to Rs 43,041 crore.

"Overall cost of production was guided at around 5% increase, and we were at around 4.5% this quarter," he said.

Net debt fell 17.22% from a year earlier to Rs 48,011 crore. Gross debt totalled Rs 66,831 crore.



"Our consolidated Net Debt to Ebitda improved further to 1.93 times as of September 30, 2021, vs 2.59x as of March 31, 2021," the company said in a statement.

Quarterly adjusted Ebitda of Novelis expanded 22% on year to \$553 million.

Aluminium operations in India yielded an Ebitda of Rs 3,247 crore, compared with Rs 1,188 crore a year

earlier, primarily due to favourable macros, improved product mix, higher volumes and better operational efficiencies, the company said.

Its India aluminium production rose to 322 kilo tonnes from 307 Kt a year earlier, while aluminium metal sales increased to 338 Kt from 303 Kt.

Ebitda for the copper business

was Rs 352, up 45% from a year earlier.

Copper cathode production rose to 100 Kt from 73 Kt, while copper metal sales increased to 110 Kt from 75 Kt.

**Hindalco's Ebitda margin of aluminium business is one of the best in the world ... we were better prepared for a coal shortage scenario, says MD Satish Pai**

+++++