खनिज समाचार

KHANIJ SAMACHAR

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KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL. 6, NO-1 , 1st – 15th JANUARY, 2022

THE HITAVADA DATE : 1/1/2022 P.N.7

Mining in Goa must go on: Anil Agarwal

NEW DELHI, Dec 31 (PTI)

VEDANTA Resources Chairman Anil Agarwal on Friday said mining in Goa must go on and its resumption will be a big relief for hundreds of people. Mining operations in Goa came to a grinding halt in March 2018 after the Supreme Court quashed 88 mining leases.

In a tweet, Agarwal said that "the resumption of Goa mining will be a big relief for hundreds of people."

He added that India cannot afford to stop production in the State of Goa as the halt has deprived three lakh people of employment and livelihoods.

"Mining must go on and any decision can be implemented without stopping the operations," Agarwal added in the tweet. Through a letter to Chief Minister Pramod Sawant, the Goa chapter of the Mining Engineers' Association of India (MEAI) on Thursday said it had made a plea to the State Govt for immediate resumption of mining in Goa to address the unemployment crisis and earn much-needed revenue for State.

Anil Agrawal

The industry body said auction is not suitable for sustainable mineral development in Goa, owing to the peculiar land-related legacies in the state and pending matter in the court. Further, auction will make the mines unworkable due to adverse cost implications and reduced mining business, thus affecting state royalty and mineral revenues.

It also expressed apprehensions regarding the current efforts of the state government to identify and grant the mining blocks/ greenfield (fresh) leases through the auction process.

It added that there is a little clarity about the procedures like 'exploration' which is fundamental for working out the feasibility of business and for ensuring the fair and competitive auctioning process.

Mining Engineers' Association of India (Goa Chapter) Chairman Cletus D'Souza said, "The mining industry has been the lifeline of the Goan economy for over 70 years supporting the livelihood of almost 300,000 people. With the closure of the industry, several people have become unemployed and the problem is increasing."

BUSINESS LINE DATE : 1/1/2022 P.N.3

Output growth of 8 core sectors disappoints at 3.1% in November

Numbers reflect downbeat infra sector, particularly steel and cement: Experts

Key numbers

- Coal production up by 8.2%, natural gas 23.7%, refinery products 4.3%, fertilisers 2.5%, steel 0.8% and electricity 1.5% in November
- Crude oil and cement saw a y-o-y contraction of 2.2% and 3.2%, respectively

OUR BUREAU

New Delhi, December 31

The eight core industries output for November 2021 grew at a lower-than-expected 3.1 per cent, reflecting some slackening of momentum post the festival season. In October, the output of eight core industries grew a robust 8.1 per cent.

The latest reading was, however, better than the contraction of 1.1 per cent recorded in November 2020.

Growth in 6 sectors

Slowdown in output growth was seen in November 2021 in as many as six of the eight core sectors. These six sectors were coal (8.2 per cent), natural gas (23.7 per cent), refinery products (4.3 per cent), fertilisers (2.5 per cent), steel (0.8 per cent) and electricity (1.5 per cent).

The other two sectors — crude oil and cement — saw a year-on-year contraction of 2.2 per cent and 3.2 per cent, respectively. Moreover, the YoY growth of only fertiliser output recorded a rise in November 2021 relative to the previous month (0.4 per cent), as rabi sowing progressed.

Meanwhile, the government has revised upwards the core industries' output growth for August 2021 to 12.2 per cent from 11.6 per cent announced previously.

For April-November 2021, core industries output grew 13.7 per cent as compared to contraction of 11.1 per cent in the same period last year, an official release said.

Commenting on the latest core sector numbers, Madan Sabnavis, Chief Economist, CARE Ratings, a ratings agency, said the core sector data come as a disappointment as it shows a slowdown to 3.1 per cent despite a low-base effect. Clearly, there has been a lull in the infrastructure space with both steel and cement being downbeat. This does not augur well for the IIP growth for the month and investment, he said.

The Centre needs to expedite its capex which is running lower at 49 per cent compared to 58 per cent of budget last year, he added.

Aditi Nayar, Chief Economist, ICRA, a rating agency, highlighted that cement, crude oil and refinery products reported a sobering contraction in November 2021 relative to November 2019.

"With the considerable moderation in the core sector growth and the sequential decline in the GST e-way bills, we expect the IIP growth to flatten to under 2.5 per cent in November 2021, in spite of the low base (-1.6 per cent in November 2020)," she said.

BUSINESS LINE DATE : 5/1/2022 P.N.3

India eyes lithium, cobalt mines in S. America, Australia

Mines Ministry creates joint venture company KABIL to identify, acquire assets

RISHI RANJAN KALA

New Delhi, January 4

India is working on acquiring mines of strategic minerals such as lithium and cobalt in producing countries like Australia, Argentina, Bolivia and Chile. The government's move is aimed at ensuring a committed supply of raw materials, especially for renewable energy (RE) and e-mobility sectors.

The Mines Ministry has created a joint venture company — Khanij Bidesh India (KABIL) — with participating interest from National Aluminium Company (Nalco), Hindustan Copper (HCL) and Mineral Exploration Corporation (MECL). The equity participation is 40:30:30, respectively.

This initiative will cater to the requirements of e-mobility, renewable energy, medicine, aerospace and aviation sectors REUTERS

To ensure India's mineral security and attain self-reliance in the area of critical and strategic minerals, KABIL is mandated to identify and acquire overseas mineral assets of critical and strategic nature such as lithium and cobalt, the ministry said in a statement.

Catering to requirements

This initiative, aimed at giving further fillip to Atmanirbhar Bharat, will cater to the requirements of crucial sectors such as e-mobility, renewable energy, medicine, aerospace and aviation, it added.

"Based on a commissioned study and selection criteria, select source countries have been shortlisted for exploring possibilities of mineral asset acquisition abroad. So far, engagement of KABIL is under way with source countries like Australia, Argentina, Bolivia and Chile which are endowed with cited critical and strategic minerals," the ministry informed. The primary interface has been the respective Embassies and Missions of India in those countries for sharing of information primarily with State-owned organisations for taking up due diligence and investment decisions with respect to prospective mineral acreages.

In 2020, KABIL signed a non-binding memorandum of understanding with non-disclosure agreement with three State-owned Argentinian organisations in July, September and December for the purpose of information sharing regarding prospective mineral acreages.

In the country, the Atomic Minerals Directorate conducted preliminary surveys on surface and limited subsurface exploration, which revealed presence of lithium resources of 1,600 tonnes (inferred category) in the pegmatites of Marlagalla-Allapatna area in Mandya district of Karnataka.

THE ECONOMIC TIMES DATE : 5/1/2022 P.N.6

ANALYST VIEWS

'Steel Stocks Look Attractive Buys Post Correction'

Gaining Strength

Stock	LTP (₹)	3M Return (%)	% Fall from 52W High	Target Price (₹)
JSW Steel	670.4	-1.58	-13.66	775.1
Tata Steel	1,148.8	-13.24	-25.14	1,739.5
Steel Authority of India	109.9	-8.69	-27.40	161.8
Jindal Steel & Power	388.2	-7.22	-22.62	577.4
Jindal Stainless	198.8	13.37	-4.38	210.5

Jindal Steel, JSW Steel, SAIL, Tata Steel, NMDC may give decent returns in the mid to long term

Rajesh.Mascarenhas
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Mumbai: The production cut in China, reduction in leverage, increasing profitability, and sharp correction in stock prices in the past three months make Indian steel stocks a good buy, according to analysts who recommend stocks such as Jindal Steel, JSW Steel, SAIL, Tata Steel and NMDC for a decent return in the mid to long term.

The Nifty Metal index has declined 12% from the yearly high or 3.45% in the last three months compared to a percent gain by the Nifty due to muted demand. Tata Steel has plunged 13% in the past three months, while Jindal Steel and SAIL have declined nearly 8% each.

"Despite improving fundamentals of Indian steel companies on both leverage and profitability side, their valuation multiples have de-rated, and most steel stocks have corrected sharply in the past three months," said Siddharth Gadekar, analyst, Equirus Securities. "With coal prices hardening, we believe costs are likely to have peaked, and the recent price correction presents a buying opportunity in steel stocks."

Following record levels of China's steel output in the first half of 2021, November 2021 marked six months of lower output. China Metallurgical Industry Planning and Research Institute (MIPRI) expects steel production to decline by 2.2% to 1,017mt in 2022 with strict production cuts during the March 2022 quarter. The Chinese government intends to reduce air pollution for the Beijing Winter Olympics in February 2022, which has widened the curbs to 64 cities from 44 in 2020.

India's steel players are enjoying multiple tailwinds, including higher coking coal costs for China, China's removal of export rebate of $ 50-70 per tonne, and captive iron ore. Domestic steel companies have seen sharp deleveraging in FY21, with net debt-to-EBITDA at 2.3 times compared to 5.8 in FY20, according to Equirus estimates.

Jindal Steel has reduced its debt from Rs 35,900 crore to Rs 22,100 crore in FY21, while Tata Steel's debt has declined from Rs 1,04,800 crore to Rs 75,500 crore during this period.

The Nifty Metal index has declined 12% from the yearly high or 3.45% in last 3 months compared to a percent gain by the Nifty

Analysts expect India's steel demand growth to accelerate by 7.9% in FY23 compared to an estimated 6.2% in FY22.

"Owing to China's stunt of regressive production cuts, its share of the world's steel market is declining, which also is further indicates that consumption stories outside this box will see better growth and opportunities," said Shilpa Rout, analyst, Prabhudas Lilladher. "Our top picks would be Tata Steel and JSW Steel, where the correction has been very rigorous, and the scrips have been bottoming out likely. A quick upside of 10%-15% cannot be ruled out from current levels in the short term time frame."

According to Amit Dixit of Edelweiss Securities, the recent uptick in Chinese domestic prices raises hopes of a positive rub-off on the domestic market. "Among domestic ferrous stocks, we prefer Tata Steel due to sustainably better performance of Tata Steel Europe and Jindal steel owing to longs prices faring relatively well," he added.

Red-hot white metal: MFs eye silver ETFs

ICICI Pru Silver ETF will be the first-ever financial instrument tracking silver

SURESH P IYENGAR

Mumbai, January 4

After a slew of new fund offers, mutual funds are gearing up to flood the market with silver exchange traded funds. ICICI Mutual Fund will launch its silver ETF on Wednesday while Nippon India MF will hit the market with ETF on the white metal next Thursday.

Aditya Birla MF, HDFC MF and Mirae MF have already received market regulator SEBI's approval to launch silver ETF and they are expected to unveil them sooner than later.

Unlike other existing index-based equity ETFs, gold and silver ETFs hold physical inventory of London Metal Exchange-approved metals. Though silver in physical form has been available to investors, ICICI Pru Silver ETF will be the first ever financial instrument tracking silver. Along with silver ETF, Nippon India MF will also launch a silver fund of fund that will invest in its own ETF and help investors without a demat account to invest in silver.

NIMF is the largest in the ETF space with asset under management of ₹50,977 crore as of last November and commands investor folio market share of 60 per cent. NIMF ETFs recorded over 70 per cent market share in ETF volumes on NSE and BSE in September.

Its Nifty BeES, one of the oldest ETFs, tracks Nifty index and is the most liquid among its peers. Launched in 2007, gold BeES has given returns in excess of 10 per cent since inception.

The annual expense ratio for the ETF is capped by regulation at 1 per cent of assets but the fund house is likely to maintain it at 0.5-0.6 per cent. The expense ratio of FoFs is capped at one per cent.

The passive asset under management of mutual funds has grown multi-fold to ₹3.82 lakh crore as of last November against ₹11,400 crore in 2014.

With most active funds failing to beat their benchmark index, investors are more satisfied about getting market returns than chasing alpha.

SIP for as low as ₹100

Hemen Bhatia, Head ETF, Nippon Life India Asset Management, said investors can start Systematic Investment Plan of as low as ₹100 in silver FoF; most broking firms facilitate SIP in ETFs.

The price of silver has moved from about $30 per ounce at the start of 2012 to about $23 an ounce on weak demand from industrial activity. While Nifty and gold have negative co-relation, silver and Nifty are positively co-related as both are driven by improved industrial activity. Hence, silver ETF cannot be considered as part of diversification from equities, unlike gold ETFs.

BUSINESS LINE DATE : 5/1/2022 P.N.3

Steel companies expect market to stay stable in 2022

With economic activity gradually picking up, domestic demand saw a recovery last year

SURESH P IYENGAR
Mumbai, January 4

Steel demand in 2022 is expected to remain buoyant after hitting an all-time high in 2021 despite price pressure. With economic activity gradually picking up, domestic steel demand registered a sharp recovery last year.

Prices also increased sharply on the back of high input costs of materials such as coking coal and iron ore.

Dampened by rain

Although the industry remains hopeful, steel demand, which started slowing down during the monsoon in the September quarter, has not recovered fully due to unseasonal rain hampering infrastructure activities in key consumption States.

Moreover, the steel demand from the automobile sector is yet to bounce back to the pre-Covid level even as other steel-consuming sectors such as white goods, packaging and real estate are limping back to normalcy.

Supported by the government's infrastructure push, the domestic finished steel consumption is estimated to grow 16 per cent in 2021, albeit on a low base and expected to halve in 2022 depending on the impact of Omicron and subsequent restriction to be imposed by the government.

With the rising input cost and falling selling price, profitability of steel companies is expected to come under pressure. However, the reduction in overall debt will lead to lower interest outgo and cushion the drop in margins to an extent.

Profits up

Steel companies had managed to register a rise in September quarter net profit despite a sequential moderation in steel spreads due to cost pressures, largely supported by higher sales following the recovery in economic activity post the second wave.

Input cost pressures for domestic mills may moderate somewhat towards the later part of March quarter, as seaborne coking coal prices have declined 20 per cent from the high of mid-November, the benefit of which would slowly get reflected in mill margins after a lag of 2-3 months.

VR Sharma, Managing Director, Jindal Steel and Power, said steel prices are expected to remain stable with downward bias till the March quarter and from there it will

With the rising input cost and falling selling price, profitability of steel companies is expected to come under pressure REUTERS

depend on sustainability of domestic demand. Australian coking prices are expected to fall from the current $340-350 a tonne to below $300 and the benefit of it will creep into India by April, he added.

MSMEs feel the pinch

The sharp rise in steel price has crushed the small-scale user industries, forcing them to reach out to the government for help. Steel prices have gone up to ₹70,000-75,000 per tonne from ₹35,000-40,000 over the past year and pushed up the working capital requirement of MSMEs by almost 70 per cent. Following the complaint by MSMEs, the government has directed steel companies to reduce prices for small companies.

"Our concerns are with MSMEs which have been sandwiched between original equipment manufacturers and steel producers even while steel companies are ready to extend a helping hand," he said.

Large OEM (original equipment manufacturers) companies such as Maruti Suzuki, M&M, Hyundai and Larsen & Toubro, which get their work done by MSMEs, should revise contracted price as soon as they get the request so that there is no working capital strain on contractors. Any delay in revision of prices even for a month will wipe out many small industries as they do not have the withholding power, he added.

Exports outlook

With the domestic demand expected to hold the fort in 2022, steel exports are expected to moderate.

Seshagiri Rao, Joint Managing Director, JSW Steel, said exports have moderated to pre-Covid levels with revival of domestic demand. Government spending still remai[n]s the major driver even as the[re] is some traction in private se[c]tor spending in select sector[s]. It is a matter of a few month[s] before the private sector take[s] over, he said.

Ritabrata Ghosh, Assista[n]t Vice-President, ICRA, said ste[el] prices went up to an all-tim[e] high in 2021, helping mills r[e]port a surge in earnings an[d] thereby an accelerated pace o[f] deleveraging.

China led the first leg of th[e] recovery in global steel ma[r]kets during 2020 and the earl[y] part of 2021. However, goin[g] forward, the sustenance of th[e] upcycle in the second le[g] would hinge on the health [of] demand momentum continu[-]ing outside of China, he said.

While international stee[l] prices in 2022 are poised t[o] settle at lower levels compare[d] to 2021, the industry's absolut[e] profitability metrics are sti[ll] expected to remain at health[y] levels in the next 12 months, h[e] added.

BUSINESS LINE DATE : 6/1/2022 P.N.8

COMMODITY CALL

MCX nickel: Wait for clarity on prices

AKHIL NALLAMUTHU
BL Research Bureau

The latest run up in nickel price, which began in March 2021, seems to have slowed down towards the end of October. Thus, the continuous futures contract of nickel on the Multi Commodity Exchange (MCX) started to chart a horizontal path. However, since October last year, the contract has been forming lower highs and higher lows, effectively forming a triangle pattern on the daily chart. Even though triangles are considered to be trend continuation pattern, in this case bullish, the contract should move out on the upside to increase the chances of establishing a rally.

In early December, we had recommended longs at ₹1,550 and ₹1,535 with stop-loss at ₹1,480. Currently, the contract is trading around ₹1,575. Because the price action did not develop enough positive momentum since then, traders advised to tighten the stop-loss to ₹1,545 and reduce the risk of loss.

On the upside, exit the position if the price rallies to ₹1,600. For fresh positions, we will have to wait for more clarity on the price action front. Thus, until then participants looking for fresh opportunities can stay away.

A breakout of the triangle can induce fresh upward momentum wherein the contract can be expected to swiftly appreciate to ₹1,630. Above this level, it can rally to ₹1,668. On the other hand, if the contract breaks the triangle pattern on the downside, it can drop to ₹1,520 and then possibly to ₹1,500. Subsequent support is at ₹1,470. A breach of this level has the potential to turn

BUSINESS LINE DATE : 6/1/2022 P.N.8

Demand for gold to be buoyant this year, too

SURESH P IYENGAR

Mumbai, January 5

The buoyancy in gold jewellery demand is expected to continue through this year even as prices are expected to scale back close to previous highs with concern on inflation ruling the roost.

Though, fundamentally, the expected increase in the US Fed interest rates and rollback of the stimulus will strengthen dollar and pull down gold prices, analysts believe that the too many uncertainties posed by new variants of Covid and geo-political developments could support prices.

Investors and analysts believe that since rising interest rates make bonds and other fixed-income investments more attractive, money will flow into higher-yielding investments from gold.

Though the Covid-induced restrictions have marred jewellery demand in the first half of 2021, it recovered from September quarter due to pent-up demand and wedding season sale.

After muted demand in the last two years, the jewellers are expecting a bumper sales in the December quarter and expect it to continue if there are no harsh restrictions on retail outlets.

Ramesh Kalyanaraman, Executive Director, Kalyan Jewellers, said with continued easing of Covid-related restrictions and return of buoyancy in consumer sentiments across the markets, festival sales was very positive and dawn of new normal.

The December quarter was one of the most important period for the jewellery industry and the market response was encouraging with gold prices dipping, he said.

Prithviraj Kothari, Managing Director of RiddiSiddhi Bullions, said the fiscal advancement and the effect of pent-up gold demand are expected to herald a period of robust demand this year.

US interest rates

The growth in Indian gold market is dependent on US interest rates that are predicted to surge in the first quarter of the year.

The development also depends on the anxiety of inflation being under control or being on the higher side, he said.

Jewellers see bumper sales in the December quarter and expect it to continue

Gold prices will be driven by expected tapering of \$20-30 billion fiscal stimulus every month by the US Fed. If interest rates increase and tapering continues, gold prices would move down to about \$600-700 an ounce.

If the inflation fear is higher owing to a global rise in cases due to third wave, then the gold prices will inch to \$1600-\$1700.

Gold prices will increase to \$2,000 an ounce in the unlikely event of the US ignores inflation fear and postpones tapering, said Kothari. Kaushik Das, Vice-President, ICRA, said the industry is expected to record a strong growth of about 35 per cent last year, albeit on a smaller base, with the demand for jewellery exceeding pre-pandemic levels in the recent months.

Organised players are expected to witness a higher-than-industry growth of over 20 per cent, fuelled by renewed store expansion undertaken across markets coupled with an increasing shift towards hallmarked products.

Price outlook

Nish Bhatt, CEO, Millwood Kane International, said after two stellar years of returns, gold prices underperformed most asset classes in 2021.

It attracted investment in a low-interest rate regime, the current rising interest rate scenario will continue to put pressure on the yellow metal. Interest rates, inflation, and the manner in which countries control the new variant will guide gold prices for a good part of this year, he said.

BUSINESS LINE DATE : 7/1/2022 P.N.8

Hold longs on MCX aluminium

COMMODITY CALL

AKHIL NALLAMUTHU
BL Research Bureau

The continuous contract of aluminium on the Multi Commodity Exchange (MCX), which was flat for the past couple of weeks, rallied on Wednesday and closed above the important level of ₹228.

Thus, the bulls seem to be gaining traction and prices are likely to goup.

Supporting the positive outlook, the relative strength index (RSI) and the moving average convergence divergence (MACD) on the daily chart are showing good bullish momentum.

Also, the contract has been forming higher lows and higher highs over the past two months. Moreover, the total number of outstanding open interest (OI) of all active aluminium futures on the MCX has seen an increase in the last month – it stood at 2,929 contracts on Wednesday compared to 2,353 contracts a month ago. That is, a price increase along with increase in OI is a bullish indication.

Notably, we had advised long positions in aluminium futures during the final week of December at ₹225 and ₹220. Recommended stop-loss was at ₹214.

Traders, who already hold longs, can continue to hold but tighten the stop-loss to ₹220.

On the other hand, one can also consider fresh positions at current level with same stop-loss i.e., ₹220.

For both existing and new longs, when the contract rallies past ₹238, revise the stop-loss to ₹228.

Liquidate the longs at ₹250 as there can be a price correction off this level.

BUSINESS LINE DATE : 7/1/2022 P.N.8

2022 offers fear and hope for commodity markets

COMMENTARY

G CHANDRASHEKHAR

Global commodity markets have had a mixed start to the new year — optimism over an imminent rebound in economic growth mingled with fears engendered by the latest wave of the Covid-19 pandemic.

While the markets are caught between hope and fear, specific commodities are diverging. The interplay was visible in the first few days of trading, as the market shows no sign of directional decisiveness.

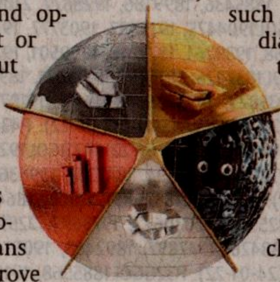
Crude oil

Despite OPEC+ confirming its plan to produce an additional 400,000 barrels a day in February, Brent crude is trading above the psychological $80/barrel.

The decision should have exerted a downward pressure on prices, but market participants have other ideas, with many interpreting it as a signal for demand growth.

Moreover, some countries are unable to meet the production quotas.

Without doubt the market is moving towards a surplus in 2022. The question is how long the demand optimism will last or will Omicron put paid to these hopes. The next meeting of OPEC+ on February 2 to discuss upcoming production plans should prove interesting.



Gold

The precious metal ended 2021 down by 3.5 per cent — the first yearly price slide in three years, caused mainly by large ETF outflows.

In 2022, the yellow metal continues to struggle, unable to decisively breach the psychological $1,800-a-troy ounce level. Rising bond yields and dollar appreciation remain a headwind for gold. Unless investment demand picks up, the metal will continue to face challenges.

Despite optimistic statements of demand growth in major consuming markets such as China and India, 2022 is likely to see tepid physical demand because of inflation, currency depreciation and lower purchasing power.

Base metals

The complex is caught between supply bottlenecks and demand concerns. Zinc has gained 2 per cent so far this week to touch $3,600 a tonne, while aluminium has moved up by one per cent to $2,840 a tonne.

High energy prices in Europe are forcing aluminium and zinc producers to announce production cuts. Concern over inadequate supply is lending buoyancy. LME warehouse stocks are also declining following a rise in cancelled warrants.

Despite the supply-side developments, demand concerns have not waned. Rising virus infections in the US and UK is sparking worries of renewed restrictions and even lockdowns. "The world cannot afford another global supply disruption," a large industrialist cautioned.

Under the circumstances, business entities with exposure to physical commodities are most likely to watch the market for early signals and not take far-forward positions. At the same time, the conditions are ripe for those with risk appetite to take informed decisions for speculative trading.

The writer is a policy commentator and commodities market specialist. Views are personal

THE HNDU DATE : 8/1/2022 P.N.14

JSW to expand steel capacity at ₹15,000 cr.

NEW DELHI

JSW Steel said it has earmarked ₹15,000 crore to set up five million tonne per annum steel-making capacity at its integrated plant in Vijayanagara, Karnataka. PTI

THE HINDU DATE : 9/1/2022 P.N.6

NMDC'S BEST EVER PERFORMANCE

NMDC on a steady growth trajectory, produced 3.95 MT and sold 3.40 MT of iron ore in the month of December, 2021. The largest iron ore producer of India registered marginal growth in production over CPLY and delivered the highest ever production in any December month since inception. Cumulative production and sales figures for the first nine months of FY22, up to December 2021, stood at 28.32 MT and 28.36 MT respectively, recording the best ever 9 months physical performance of NMDC. The company achieved a growth of 30% in production and 27% in sales over the same period last year. Congratulating the NMDC team for yet this impressive performance, CMD NMDC Mr. Sumit Deb said, "I'd like to congratulate the team for continuing to deliver solid results at the start of an exciting year. In 2022 with the completion of several of our projects you will see NMDC transition into a very different company with stronger fundamentals and exciting, cutting edge mining technologies."

BUSINESS LINE DATE : 9/1/2022 P.N.6

Precious metals in no man's land

Despite a fall, gold and silver are now above their respective supports

AKHIL NALLAMUTHU
BL Research Bureau

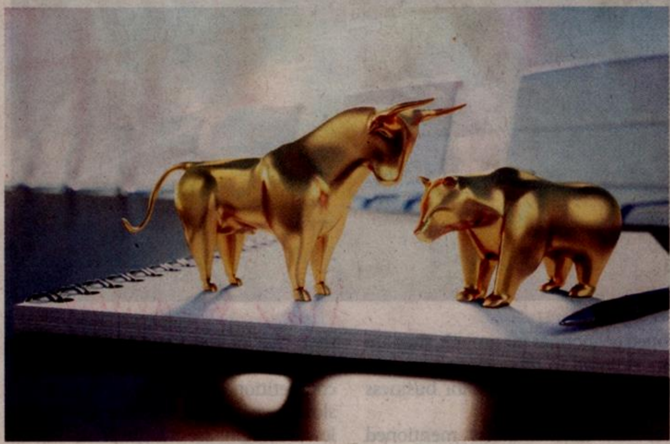
The World Gold Council (WGC) came up with the latest monthly central bank statistics on gold which shows that the central banks offloaded 21.5 tonnes of gold in November – the first monthly decline since January 2021. But despite the net sales in November, central banks are on course of being net buyers in 2021, according to WGC.

While the full year gold demand trend in 2021 is expected to be published by the WGC at the end of this month, the data on the gold backed ETFs (exchange traded funds) was released last week.

In 2021, global ETFs saw net outflow of about 173 tonnes as risk-on sentiment dominated the markets. The ETFs have seen net outflows for the first time in the last six years. The inflows seen in Europe and Asia were not enough to compensate the North american outflows. But notably, the gold ETF holdings are significantly above the pre-pandemic levels as 2020 saw a record inflow of 875 tonnes.

On the trading front, the bullion saw its price depreciate during the first week of this year. In terms of dollar, gold and silver lost 1.1 and 3.3 per cent as they closed at $1,795.6 and $22.3 per ounce, respectively. On the Multi Commodity Exchange (MCX), gold futures lost 1.3 per cent as it ended at ₹47,452 (per 10 grams), whereas silver futures was down by 3.3 per cent by closing the week at ₹60,607 (per kg).

While that was with respect to the price movements, on the regulations front, market regulator SEBI (Securities and Exchange Board of India) has come up with rules for vault managers. This follows SEBI's proposal in September for setting up a gold exchange where gold will be traded in the form of Electronic Gold Receipts (EGRs), and this will be treated like any other financial security.


GETTY IMAGES/ISTOCKPHOTO

The regulations lay down the obligations for vault managers and the rules for depositing and withdrawal of gold. If someone intends to deposit gold with the vault manager, they will have to make it through an accredited refinery or a nominated agency. Vault managers or their authorised persons will create and issue EGRs in the name of the depositor against their deposit. When the beneficial owner of EGRs seeks to withdraw gold, they shall place a request with the depository and the depository shall intimate the withdrawal approval to the concerned vault manager. Post withdrawal, the vault manager will extinguish the EGRs and intimate the same to the depository. With the new regulations, we are one step closer in creating a strong gold ecosystem in India and this will lead to domestic price discovery.

MCX-Gold (₹47,452)

The February futures of gold on the MCX was trading with a bearish bias all through the week and posted a weekly loss of 1.3 per cent. However, the contract remains within the price range of ₹47,400-48,550, within which it has been oscillating for more than a month. Although, it briefly crossed over ₹48,550 to mark a high of ₹48,785 in mid-December.

Even though the price action and the indicators like the relative strength index (RSI) and the moving average convergence divergence (MACD) are showing some weakness, the futures should move out of this range to provide some clarity with respect to the next leg of trend. Following a rally above ₹48,550 three weeks ago, we had recommended to go long at around ₹48,600 with initial stop-loss at ₹47,600. But a couple of weeks back, we advised to tighten the stop-loss to ₹47,250. Traders who have this position can continue to hold for the coming week. Traders considering fresh bets can wait for some more clarity on the price action before pulling the trigger on either side.

In case if the contract breaks out of ₹48,550, it can appreciate to the immediate resistance at ₹50,000 in the near-term. Subsequent resistance is at ₹52,500. But if the contract breaks below ₹47,400, the short-term trend can turn bearish wherein the price could drop to ₹46,500 and could even decline to ₹45,920.

MCX-Silver (₹60,607)

Silver futures (March expiry), which was consistently testing the crucial resistance at ₹62,500 for the past three weeks, showed some bullish bias. So, we suggested to consider longs once ₹62,500 is breached. But last week, the contract saw a considerable fall of 3.3 per cent, shattering the hope of the bulls.

Yet, the contract remains above the critical support level of ₹60,000. As such the trend has not turned negative yet. However, the futures contract should rally past ₹62,500 to establish a sustainable rally.

So, unless the contract sees a daily close above ₹62,500 or a daily close below ₹60,000, there will be no clarity on the next swing in price. The contract fluctuating within these price levels in the short-term is also a possibility. Therefore, participants are advised not to take fresh trades and wait for silver futures to move out of this range.

From the current levels, resistance can be seen at ₹61,300 and ₹62,500; while the supports are at ₹60,000 and ₹57,800.

BASE METALS

BEAR ON THE PROWL

Will the robust 2021 rally in base metals continue into 2022? Here's what fundamental and technical factors tell us

GURUMURTHY K
BL Research Bureau

The year 2021 was robust for the base metals complex. After surging in 2020, metal prices continued to rise in 2021 as well.

The Bloomberg Base Metal Spot Price Index surged 32.8 per cent in 2021 after witnessing a 19 per cent rally in 2020, closing at 278.83 for the year 2021.

Among the metals, Aluminium outperformed others by rising about 42 per cent last year. The Aluminium 3-month rolling forwards contract on the London Metal Exchange (LME) rose from $1,979.50 per tonne in 2020 to close the year 2021 at $2,807.5, up 41.83 per cent.

Scan & Share

Zinc, Copper and Nickel prices on the LME were up 28.46 per cent, 25.17 per cent and 24.94 per cent respectively. LME Lead prices rose by 15.55 per cent, underperforming peers for the second consecutive year.

Supply disruptions due to locked shipments and energy crisis in China in the second half of 2021 were the major factors that drove metal prices higher. Coupled with this, increased demand on the back of the easy money from stimulus measures of global central banks also supported metal prices in 2021.

Will the rally continue in 2022? Both fundamental and technical factors point otherwise. Here's more:

Cooling global growth

The global economy has recovered well after having hit a trough in 2020 on the back of the coronavirus outbreak. However, the growth across key geographies is likely to slow down in 2022 as compared to 2021.

The International Monetary Fund (IMF) projects the global economy to grow at a slower pace of 4.9 per cent in 2022, from a projected 5.9 per cent growth in 2021.

The US Federal Reserve has forecast the US to grow at a slower 4 per cent in 2022 compared to a projected growth of 5.5 per cent in 2021. According to the IMF, the growth in the Euro area is likely to slow down, from 5 per cent in 2021 to 4.3 per cent in 2022.

History shows that a year of slower growth compared to the previous year has always resulted in a fall in metal prices. In 2011, 2015 and 2018 — when global growth slowed down from the previous years — the base metals price index tumbled to give negative returns.

The Bloomberg Base Metals Spot Price Index had tumbled 23 per cent, 24 per cent and 17 per cent respectively in these years. As such, the expected slowdown in global economic growth in 2022 is more likely to drag metal prices lower.

Slowdown in China

China is the world's largest producer and consumer of base metals. The energy crisis in China in the second half of 2021 saw metal prices surging on the back of supply cuts. Seasonal production cuts in the country also pushed up prices. However, an easing energy situation alongside possible increase in production after winter — possibly from March — can aid supplies and soften metal prices.

Besides, data shows that China's Construction Business Activity Index has been on a decline. The index has dropped from 62.3 in March to 56.3 in December last year. Other economic activity data points also indicate a slowdown in China. For instance, the 'new export order' metric under the Purchasing Managers' Index for China has also come down, from 51.2 in March to 48.1 in December last year. So, unless growth in China's property sector picks up pace, demand is likely to remain sub-

CONTD.. ON PAGE 16

CONTD.. FROM PAGE 15

BUSINESS LINE DATE : 9/1/2022 P.N.2

GETTY IMAGES/ISTOCKPHOTO

dued. The IMF projects China to grow at 5.6 per cent in 2022, significantly down from the 8 per cent growth seen for 2021. So, a slowdown in China, coupled with a possible increase in supply, can drag metal prices lower.

Higher supply, lower demand

The base metals complex is largely likely to be in surplus in 2022. Many closed down smelters are set to resume operations, easing the supply disruption caused in the second half of 2021. Demand, on the other hand, is likely to remain moderate.

The easy money available in the form of pandemic stimulus from the global central banks was also one of the major drivers of prices in 2021. This easy money is likely to vanish in 2022 and can bring down the demand. Major central banks like the Central Bank have already begun the process of winding down the stimulus. In addition to this, the uncertainty prevailing over the spread and impact of the Omicron variant remains a threat to demand.

The International Lead and Zinc Study Group (ILZSG) has forecasted a surplus of 24,000 tonnes in lead and 44,000 tonnes in zinc for the year 2022. However, these are lower than the surplus of 27,000 tonnes and 217,000 tonnes in lead and zinc respectively estimated for 2021. Nickel is likely to turn to a surplus after a deficit forecast in 2021. According to the International Nickel Study Group (INSG), nickel can end with a surplus of 76,000 tonnes following a projected deficit of 165,000 tonnes in 2021. Copper is forecast to run into a surplus of 328,000 tonnes in 2022 from a deficit of 42,000 tonnes in

pace demand in 2022 can keep metal prices under check.

Easing freight cost

The lockdowns and travel restrictions imposed in 2020-2021 stalled the shipment of goods across countries and took freight costs sharply higher. The Baltic Dry Index, a measure of average price paid for shipping dry bulk commodities, skyrocketed 311 per cent from 1374 in January to 5650 in October last year as shipments stalled. Thereafter, the index has come off sharply by 59 per cent to 2,289, indicating easing of prices and resumption of shipments. Low freight cost can increase the shipments and improve the supply crunch, which in turn can ease commodity prices.

Strong dollar as a check

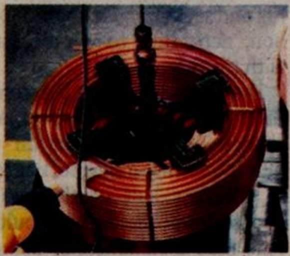
The movement in the US dollar will also be a major factor. The dollar and commodity prices are inversely correlated. That is, a strong dollar will result in weak commodity prices. Since commodity prices are denominated in dollar, that makes it costlier for buyers when the US dollar strengthens. Conversely, weakness in the US dollar makes it cheaper for the buyers and can drive the commodity prices higher.

The US is in the process of tightening its policy. Accordingly, the US Federal Reserve will end its bond purchases by March this year. In its December economic projections, the Fed has hinted at the possibility of three rate hikes in 2022. The US 10Yr Treasury yields have risen from around 1.4 per cent to 1.76 per cent now.

Market is now expecting a much faster pace of rate hikes by the Fed. Though the US dollar index has been broadly in the range of 95.50-97, a further surge in the Treasury yields can take the dollar index above 97 towards 98 initially. A further rise past 98 can take the dollar index up to 100 and 102 levels in 2022. Unless the Fed changes its stance by hinting at a slower pace of rate hike or fewer than three hikes in 2022 on the back of the Omicron effect, the dollar is likely to remain strong in 2022 which in turn can drag metal prices

BUSINESS LINE DATE : 11/1/2022 P.N.8

MCX copper: Buy more on declines



GURUMURTHY K
BL Research Bureau

The short-term outlook for the copper futures contract traded on the Multi Commodity Exchange (MCX) is bullish. The pull-back move from the high near ₹772 per kg made in December last week seems to be ending. The contract has strong support in the ₹728-₹725 region. It is currently trading at ₹740 per kg. Chances are high for the contract to sustain above the support at ₹725. A fresh rise either from here or after a dip to ₹728-₹725 can take the contract up to ₹750-₹755 initially. A break above ₹755 will then pave way for a further rise to ₹770 and ₹780-₹785 in the coming weeks. Traders can go long at current levels, accumulate on dips at ₹729. Keep the stop-loss at ₹718. Trail it to ₹743 once the contract moves up to ₹752. Move the stop-loss further to ₹753 once the contract rises to ₹762. Book profits at ₹770. The bullish view will go wrong if the contract breaks below ₹725 decisively. Such a break can drag copper futures to ₹710 initially. A further break below ₹710 can see the fall intensifying towards ₹690 and ₹680 eventually. But the price action in the last couple of days indicate that the contract has been getting buying interest at lower levels. As such the break and fall below ₹725 is less probable.

THE HINDU DATE : 11/1/2022 P.N.3

SCCL aims for ₹27,000 cr. turnover this fiscal

Company records turnover of ₹19,002 crore in first three quarters

SPECIAL CORRESPONDENT
HYDERABAD

The management of Singareni Collieries Company Ltd (SCCL), which is into thermal and solar power generation as diversification besides the core activity of coal mining, is aiming for a record turnover of ₹27,000 crore from coal and energy sales this financial year.

Confidence of the company to achieve the target stems from its performance in the first three quarters of the current fiscal in which the company has recorded a turnover of ₹19,002 crore from coal and energy sales against ₹9,525 crore achieved during the same period in the previous financial year hit by COVID pandemic and its impact on the economy.

The company, as part of its plans to reach the production target of 68 million tonnes, has fixed a daily target of mining at least 2.2 lakh tonnes of coal till March 31. As of December-end, three quarters of the fiscal, Singareni has achieved a production of 46.52 million tonnes coal.

Further, the management has also decided to scale-up the work hours of heavvy machinery used in mining to 18 hours a day from the present 13-14 hours a day to achieve the production and turnover targets. Except in December (2021-22), the coal production was higher in the remaining eight months of the three quarters of the fiscal compared to the first nine months of the 2020-21 fiscal. The production of coal in December 2021 was 5.65 million tonnes and against 5.72 million tonnes mined in December 2020.

According to SCCL officials, the company has achieved a turnover of ₹16,110 crore from coal sales and ₹2,892 crore from energy sales till December-end this fiscal against ₹9,525 crore and ₹2,461 crore achieved till the same time during the last fiscal with a growth rate of 69% and 17%, respectively. Together, the growth rate in turnover so far is 58% compared to the last fiscal, when the turnover was ₹11,986 crore in three quarters.

In power generation, the Singareni Thermal Power Plant (STPP), a unit of SCCL, has generated 6,904 million units of energy in the first three quarters of the current fiscal against 5,353 million units generated during the same period of the last fiscal with a growth rate of 30% in terms of generation.

The company hopes to generate more turnover from energy sales in the last quarters.

BUSINESS LINE DATE : 12/1/2022 P.N.8

Zinc: Wait and watch

AKHIL NALLAMUTHU
BL Research Bureau

The continuous contract of zinc futures on the Multi Commodity Exchange (MCX) witnessed a downtrend between October and November last year. In this period, the contract declined from the high of ₹326.8 to ₹260. Although there has been a recovery, there is no strength in the rally. It is currently hovering around ₹286.

Following some positive signs, in the third week of December, we had advised to go long on zinc futures at around ₹278 and at ₹270 with initial stop-loss at ₹260. We suggested partially booking profits i.e., 50 per cent when price rallies to ₹290 before revising stop-loss to ₹278. As expected, the contract rose to a two-month high of ₹293.75 last week. As it stands, we will be holding 50 per cent of the longs with stop-loss at ₹278 and target at ₹300. The recent price action shows the contract has not got enough momentum for a strong rally. Prolonged consolidation could dent chances of further rally. Indicators like the relative strength index and the moving average convergence divergence are indicating a lack of trend.

Hence, for existing longs, traders can further tighten the stop-loss to ₹282 from ₹278 and wait for the target at ₹300. So, the exit would be either at ₹282 or at ₹300.

BUSINESS LINE DATE : 12/1/2022 P.N.8

Nickel prices soar to highest since 2014

REUTERS
London, January 11

Nickel prices touched their highest in more than seven years on Tuesday as global inventories pointed to solid demand while an outage at the London Metal Exchange (LME) hit trading.

The overnight outage at the world's largest marketplace for industrial metals lasted five hours and hampered activity because some trades did not go through, traders said."The outage from the LME last night certainly played a part and we expect some shorts were stopped out overnight," said Sucden Financial's head of research, Geordie Wilkes.Prices for stainless steel, where most nickel supply is used, jumped as producers cut production to carry out maintenance.

THE ECONOMIC TIMES DATE : 12/1/2022 P.N.6

NO OMICRON IMPACT Infra, auto players aid growth; cos to focus on exports if curbs are imposed

Steel Production Strong in Q3, Cos Remain Upbeat on Demand

Bhavya.Dilipkumar@timesgroup.com

Mumbai: India's top steelmakers remain bullish on demand and have reported strong production numbers for the quarter ended December 2021, even as the Omicron variant of Covid-19 has led to a raging third wave of the pandemic.

JSW Steel reported a combined crude steel production of 5.35 million tonnes for the third quarter of FY22, up 6% quarter-on-quarter and up 28% year-on-year. Tata Steel's crude steel production in India increased by 4.3% to 4.80 MT during the quarter from 4.60 MT in the year-ago period.

"We haven't seen much impact on output or demand due to the third wave. The severity of the cases are mild and there are guidelines but no business restrictions in place as of now, so, there is no supply disruption," said Jayant Acharya, director of commercial and marketing at JSW Steel.

Acharya said buying activity has improved with a rise in pent-up demand and new infrastructure projects and fresh demand coming in from auto and appliances.

Rating firm Moody's in a recent report said that India's steel consumption will rise by high single-digit percentages through 2022, with strong demand from infrastructure and construction, but weaker auto demand amid semiconductor shortages.

Arcelor Mittal Nippon Steel (AM/NS) India's top executive said judicious restrictions, Covid protocols and effective vaccine administration by the company have helped to keep production unaffected in December and the current quarter. "A series of initiatives undertaken by the government, which got delayed due to the second wave, is coming into play now. Yellow goods and infra segment have been doing very well," said AM/NS India's chief marketing officer Ranjan Dhar.

VR Sharma, managing director of Jindal Steel and Power, too, did not foresee any disruptions. "The demand has only been improving since November. We do not see any disruption in production. Only if different states start putting full lockdowns there will be an impact," said Sharma.

Steelmakers are closely watching the situation and plan to switch back

exports if a complete lockdown is imposed, which could slow down domestic demand. "We do not foresee very stringent restrictions and overall, we are positive in terms of demand and output. However, we will be closely monitoring the situation," said Dhar. "A complete lockdown is very unlikely as the world is moving towards economic recovery," Acharya said.

Steel prices have been falling in the domestic and international markets. Fitch Solutions released a report with expectations that steel prices will fall from an average of $950 per tonne to $750 per tonne in 2022 and drop to $535 per tonne over 2023-2025. Indian hot-rolled coil (HRC) steel prices doubled over the period from June 2020 to October 2021 but are down 12% since then to ₹64,000 a tonne due to softening of coking coal and iron ore prices in the domestic and international markets.

"We believe Indian steel margins have peaked in 1HFY22 and will fall sharply by FY23, albeit settle above historical levels," said Jefferies in a sector report. Steel prices are likely to touch ₹58,000 a tonne in FY23, lower than the spot price, the report said.

Analysts say that companies like the state-owned SAIL will be impacted more in terms of margins. "Factoring the consumption lag and softening of steel prices, we estimate SAIL's Ebitda to decline by around 50% in 2H of FY22 versus 1H of FY22," said Kotak Institutional Equities.

LOKMAT DATE : 13/1/20224P.N.4

गौण खनिजांची अवैध वाहतूक कराल, तर होईल गुन्हा दाखल

वर्षभरात १४५ प्रकरणात ४२ गुन्हे दाखल :२९ आरोपींना अटक

लोकमत न्यूज नेटवर्क

नागपूर : वाळू, मुरूम यासारख्या गौण खनिजांचे अवैध उत्खनन व वाहतूक करणे कायद्याने गुन्हा आहे. त्यामुळे गौण खनिजांचे अवैध उत्खनन व वाहतूक करताना कुणी आढळून आल्यास त्याच्याविरुद्ध गुन्हा दाखल केला जातो. नागपूर जिल्ह्याचा विचार केला, तर गेल्या वर्षभरात गौण खनिजाची जिल्ह्यात तब्बल १४५ प्रकरणे पोलिसांनी उघडकीस आणली असून, ४५ प्रकरणांत गुन्हे दाखल करण्यात आले आहे. इतकेच नव्हे, तर २९ आरोपींना अटकसुद्धा झाली आहे.

४.११ कोटींचा दंड वसूल

वर्षभरात ४ कोटी ११ लाख १८ हजार ५०० रुपयांचा दंडसुद्धा वसूल करण्यात आला आहे. कारवाईची एकूण प्रकरणे व दंड वसुलीत हिंगणा तालुका आघाडीवर आहे. हिंगणा तालुक्यात २७ प्रकरणी कारवाई करण्यात आली असून, २ कोटी ९८ लाख ८० हजार ७०० रुपयाचा दंड वसूल करण्यात आला. त्याखालोखाल सावनेर तालुक्यात २२ लाख १३ हजार ६००, नागपूर ग्रामीण १५,४५,१०० रुपये, मौदा १६,५५,३००, तर नरखेड तालुक्यात १४,४५,९०० रुपयांचा दंड वसूल करण्यात आला.

अशी झाली कारवाई

तालुका	एकूण प्रकरणे	दाखल गुन्हे	आरोपी अटक
नागपूर शहर	१५	८	०
नागपूर ग्रामीण	१७	४	४
हिंगणा	२७	१८	१७
मौदा	९	०	०
कामठी	१३	२	०
काटोल	३	०	०
नरखेड	११	०	०
सावनेर	३	१	१
कळमेश्वर	६	२	०
रामटेक	१	१	१
पारशिवनी	१८	२	२
उमरेड	१३	१	०
भिवापूर	५	२	३
कुही	५	१	१
एकूण	१४६	४२	२९

३७ वाहने जप्त

अवैध उत्खनन व वाहतूकप्रकरणी करण्यात आलेल्या कारवाईदरम्यान ३७ वाहने जप्त करण्यात आली आहेत. यात हिंगणा तालुक्यात सर्वाधिक १९ वाहने त्याखालोखाल नागपूर ग्रामीण व नागपूर शहरात प्रत्येकी ८ वाहने आणि रामटेक व पारशिवणीत प्रत्येकी एक वाहन जप्त करण्यात आले.

Minor minerals: State allows mining at night if required, revises royalty rates

■ Staff Reporter

MAHARASHTRA Cabinet, in its meeting held on Wednesday in Mumbai, gave its nod to allowing extraction and transport of minor minerals at night, 'if required' for infrastructure and water resources projects of Central or State Governments. Besides, it also cleared revision in rates of royalty and dead rent for 31 minor minerals.

Uddhav Thackeray, Chief Minister, chaired the cabinet meeting. State Cabinet gave its nod to effecting requisite amendments in this regard to Maharashtra Minor Minerals Extraction (Development and Regulation) Act, 2013. As per the cabinet decision, Divisional Commissioner concerned can allow extraction and transport of minor minierals even at night, 'if required', for infrastructure development or water resources projects of Central or State Governments. Besides, the families from Kumbhar (potter) and Wadar communities that are still into traditional occupations of mining, they will be allowed to extract minerals either using explosives for blasting or without making use of explosives.

According to sources, the prevailing laws allow extraction/blasting for extraction of minerals only 'from sunrise to sunset' and not at night. For, blasting is not allowed at night considering mines safety issues, said sources. As far as transportation is concerned, it was allowed at night but issues cropped up when the administrative authorities did not allow it at some places. There were litigations too in this regard. Against this backdrop, the State Cabinet decision comes as a new thing in case of extraction and as an

(Contd on page 2)

Minor minerals: State allows conditional mining at night...

official approval to transportation at night. The real import of the decision will be seen only when it is implemented on ground.

Also, State Cabinet took another decision vide which transporter or mining lease holder will have to pay regulation charges and service charges per metric tonne or per brass to State Government in accordance with charges prescribed from time to time by the Stat Government. Further, in case of appeals against the District Collector's order under the provisions of Maharashtra Minor Minerals Extraction (Development and Regulation) Act, 2013, can be filed with Additional Divisional Commissioner too apart from Divisional Commissioner.

In another step, State Cabinet decided to revise rates of royalty and dead rent for 31 minor minerals. 'Dead Rent' means minimum guaranteed amount of royalty per year payable as per rules of agreement under a mining lease. As per the decision, royalty rates for mineral agate (common rock formation) and corundum will be Rs 200/- per metric tonne or 20 per cent of sale price, whichever is higher. In case of china clay, dolomite, fire clay, laetrite, quartzite, shell, silica sand and other declared minor minerals, the royalty will be Rs 100/- per metric tonne or 10 per cent of sale price, whichever is higher. Royalty payable will be Rs 100/- pe metric tonne or 20 per cent of sale price, whichever is higher, in case of Felspar; Rs 150/- per metric tonne or 20 per cent of sale price, whichever is higher, in case of Pyrophyllite; Rs 120/- per metric tonne or 10 per cent of sale price, whichever is higher, in case of Quartz. The rate of dead rent will be Rs 9,000/- per hectare, as per the cabinet decision.

DAINIK BHASKAR DATE : 13/1/2022 P.N.1

गौण खनिजों की रॉयल्टी दर को मंजूरी : केंद्र सरकार द्वारा घोषित 31 गौण खनिजों के रॉयल्टी और डेड रेंट की दरों में संशोधन करने के फैसले को राज्य मंत्रिमंडल ने मंजूरी दी है। महाराष्ट्र गौण खनिज उत्खनन (विकास व विनियमन) नियम 2013 के संबंधित नियमों में संशोधन करने के लिए स्वीकृति दी गई है। गौण खनिज अगेट और कोरंडम के लिए रॉयल्टी प्रति मीट्रिक टन 200 रुपए अथवा बिक्री मूल्य का 20 प्रतिशत, इनमें से जो दर अधिक होगी, देय होगी। चाइना क्ले, डोलोमाइट, फायर क्ले, लैटराइट, क्वार्टजाइट, शेल, सिलिका सैंड और अन्य घोषित गौण खनिज प्रति मीट्रिक टन 100 रुपए अथवा बिक्री मूल्य का 10 प्रतिशत, इनमें से जो अधिक होगा, देना होगा। फेल्सपार के लिए रॉयल्टी प्रति मीट्रिक टन 100 रुपए अथवा बिक्री मूल्य का 20 प्रतिशत, इनमें से जो अधिक होगा, देनी होगी। पाइरोफिलाइट के लिए प्रति मीट्रिक टन 150 रुपए अथवा बिक्री मूल्य का 20 प्रतिशत, इनमें से जो अधिक होगा, वह दर वसूली जाएगी। क्वार्टज प्रति मीट्रिक टन 120 रुपए अथवा बिक्री मूल्य की 10 प्रतिशत राशि, इनमें से जो अधिक होगी, देनी होगी। वहीं, डेड रेंट 10 फरवरी 2015 को अधिसूचना के अनुसार 9 हजार रुपए प्रति हेक्टेयर रहेगा।

सरकारी परियोजनाओं के लिए रात में खनिज उत्खनन को मिल सकेगी अनुमति : केंद्र, राज्य सरकार अथवा जल संसाधन विभाग की परियोजनाओं के लिए आवश्यकता पड़ने पर विभागीय आयुक्त अब रात के समय भी खनिजों का उत्खनन और परिवहन की अनुमति दे सकेंगे। पारंपरिक व्यवसाय के लिए कुंभार और वडार समाज के परिवार का आवेदन आने पर विस्फोटक का इस्तेमाल करके अथवा उसके बिना उत्खनन करने की अनुमति दी जाएगी। खनिज परिवहन के लिए सरकार द्वारा तय प्रति मीट्रिक टन व प्रति ब्रास 'नियमन शुल्क' और सेवा शुल्क परिवहन करने वाले अथवा खान पट्टाधारकों को अदा करना पड़ेगा। जिलाधिकारी द्वारा दिए गए किसी आदेश के बारे में विभागीय आयुक्त सहित अतिरिक्त विभागीय आयुक्त के पास अपील की जा सकेगी। इन प्रावधानों के लिए महाराष्ट्र गौण खनिज उत्खनन (विकास व विनियमन) नियम, 2013 के नियमों में संशोधन किया जाएगा।

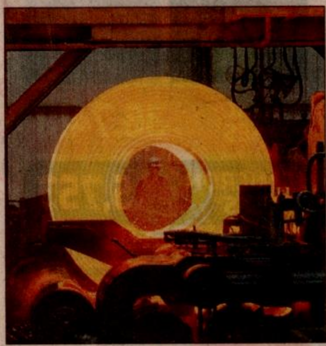
THE ECONOMIC TIMES DATE : 15/1/2022 P.N.6

JPMORGAN BULLISH ON TATA STEEL, SAIL, HINDALCO, NMDC

'Steel Cos Attractive on Risk-Reward & Possible Upgrades'

Brokerage firm overweight on cos; outlook for base materials strong

Our Bureau



Mumbai: JPMorgan is bullish on Tata Steel, SAIL, Hindalco and NMDC on account of attractive risk-reward and likely consensus earnings upgrades for the sector.

The brokerage has an overweight rating on SAIL with a target price of ₹165. On Tata Steel, JPMorgan has an overweight rating with a target price of ₹1,850. The brokerage has an overweight stance on Hindalco Industries and NMDC as well, with target prices pegged at ₹605 and ₹210, respectively.

"We continue to see consensus earnings upgrade risk for the sector in general and steel in particular, given that regional HRC steel prices did not go below $800/tonne even in the low point of CY21 and that incrementally with demand set to improve further in first half both locally and globally, steel prices should move higher," said JPMorgan.

It noted that domestic steel stocks underperformed global peers by an average of 11-15% over the last one to six months. The Ebitda or earnings before interest, taxes, depreciation and amortisation per tonne for the steelmakers likely peaked in the June quarter of FY22 and companies were also exposed to coking coal price inflation. As such, margins of Indian steel companies fell.

JPMorgan noted the domestic steel demand is seasonally strong in March and June quarters.

The brokerage said that with the global growth outlook being robust, and the supply side especially in China not materially expected to ramp up, the outlook for base metals prices remains strong.

"While steel has lagged base metals over the past three months, as the European Energy crisis impacted base metals versus steel, where China's sharp demand slowdown in the December quarter impacted steel prices negatively...China's demand should improve from the December quarter lows and support steel prices," said JPMorgan.

BUSINESS LINE DATE : 14/1/2022 P.N.9

Vedanta Aluminium, India's largest consumer of green energy in 2021

OUR BUREAU

New Delhi, January 13

Vedanta Aluminium Business on Thursday claimed that it has become India's largest industrial consumer of renewable energy in 2021 by procuring around 2 billion units for its aluminium smelter in Jharsuguda, Odisha.

The mining conglomerate procured the electricity from power exchanges – Indian Energy Exchange (IEX) and Power Exchange India (PXIL). It helped the company cut down on greenhouse gas emissions intensity at its smelter by more than 1,540 kilotonnes of CO2 equivalent, the company said in a statement.

G-TAM platform

The Jharsuguda unit is India's largest renewable energy buyer on the Green Term Ahead Market (G-TAM) platform at IEX. Vedanta's subsidiary BALCO has led the renewable energy trading session, procuring 59 per cent of the traded RE certificates in November 2021 alone, and a total of over 2.86 million RECs in the year, it added.

The company's aluminium division produced 1.97 million tonnes of metal in FY21. The Jharsuguda unit has 1.6 million tonnes per annum smelting capacity and contributes 37 per cent of India's aluminium production, with high-quality aluminium and value-added aluminium products.

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