



खनिज समाचार

KHANIJ SAMACHAR

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खनिज समाचार

KHANIJ SAMACHAR



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VOL. 5, NO-7 , 1st – 15th APRIL , 2021

THE HITAVADA

DATE : 1/4/2021 P.N.6

'Stainless steel output dips 19%'

STAINLESS steel production in the country declined 19 per cent to 3.17 million tonnes (MT) in 2020, according to the Indian Stainless Steel Development Association (ISSDA). Despite the pandemic-induced lockdown in the April-June 2020 period, which halted the production in the country during the quarter, India continued to be the second-largest producer of stainless steel globally. "Stainless steel melt production in India stood at 3.17 MT in CY2020 (calendar year 2020), registering a decline of 19 per cent over CY2019," ISSDA said. India's stainless steel production for 2019 was recorded at 3.93 MT.

Buy aluminium futures if they exceed ₹180

COMMODITY CALL

AKHIL NALLAMUTHU

BL Research Bureau

Aluminium futures on the Multi Commodity Exchange (MCX) has been rallying since June last year. Although it was in a consolidation phase between December and February, it eventually broke out of the range and established another leg of uptrend.

Consequently, it marked a fresh high of ₹180.15 before a couple of weeks before moderating a bit.

The price action since the beginning of the current month has not really been substantially bullish. Nevertheless, the trend is directionally up, and the contract has been forming higher lows, hinting an inherent bullish bias.

Corroborating the positive bias, the price lies above the 21-day moving average and indicators like the relative strength index and the moving average convergence divergence on the daily chart remains in their respective bullish territory. Moreover, the average directional index, though it does not indicate a strong uptrend, shows that the bulls hold an advantage over the bears.

Traders can take positive view on aluminium futures. But since ₹180 has been acting as a hindrance, one can wait for now and initiate fresh long positions if the contract decisively breaks out of ₹180. Stop-loss can be maintained at ₹176. A breakout of ₹180 can take the contract to ₹187 in the near-term. Above this level, it can face resistance at ₹190.

Core sector output shrinks 4.6% in Feb

Unfavourable base effect to blame;
expected to improve next month

OUR BUREAU

New Delhi, March 31

Output of eight core infrastructure sectors contracted 4.6 per cent (year-on-year) in February with decline in production spread across all sectors, led by petroleum refinery products.

The drop in core sector output in February, owing partly to an unfavourable base effect, follows marginal increases in production posted in January 2021 and December 2020.

Cumulative output down

Cumulative output of the eight infrastructure sectors in the April-February 2020-21 period recorded a decline of 8.3 per cent (year-on-year), per figures released by the Commerce & Industry Ministry on Wednesday.

"While a high base effect of 6.4 per cent for February 2020 was expected to drag down the numbers for 2021, the fact that all sectors have gone negative is a disappointment," said Madan Sabnavis, Chief Economist, CARE Ratings.

The unfavourable base effect particularly contributed to a deeper contraction in coal output and a sharp moderation in growth in electricity

generation in February 2021 relative to the previous month, pointed out Aditi Nayar, Principal Economist, ICRA Ltd.

The economists expect core sector performance to be positively influenced in March by a favourable base-effect as the Covid-19 pandemic had started affecting core output in March 2020.

"Encouragingly, electricity demand has rebounded substantially, with a year-on-year expansion of 21.5 per cent up to March 29, 2021. This could partly be related to the higher-than-normal temperature levels in some parts of the country, a pick-up in the electricity requirement from the commercial and industrial segments, as well as the low base of March 2020," said Nayar.

The eight core industries comprise 40.27 per cent of the weight of items included in the Index of Industrial Production (IIP).

IIP growth

IIP growth will continue to be in the negative territory in February and may range 1.5-3 per cent, per estimates made by the economists.

Petroleum refinery production (weight of 28.04 per



Steel output fell by 1.8 per cent in February while cumulative fall for the sector in April-February 2020-21 was steeper at 12.4 per cent AFF

cent) posted the steepest fall, declining by 10.9 per cent in February. The fall in output was sharper at 12.2 per cent in the April-February 2020-21 period.

Generation of electricity (weight of 19.85 per cent) declined marginally by 0.2 per cent in February. Its cumulative index declined by 2.5 per cent during April-February 2020-21.

Steel output falls

Steel output (weight of 17.92 per cent) fell by 1.8 per cent while cumulative fall for the sector in April-February 2020-21 was steeper at 12.4 per cent.

Production of coal (weight of 10.33 per cent) declined by 4.4 per cent with a lower 2.2 per cent fall posted in April-February 2020-21.

There was a decline of 3.2 per cent in production of

crude oil (weight of 8.98 per cent) in February 2021. The cumulative fall in production in the April-February 2020-21 period was higher at 5.4 per cent.

Natural gas production (weight of 6.88 per cent) declined by 1 per cent in February, while its cumulative index fell by a sharp 9.9 per cent during April-February 2020-21.

A 3.7 per cent fall in fertiliser production (weight of 2.63 per cent) was registered in February 2021 but cumulative production posted an increase of 2.4 per cent in April-February 2020-21.

Cement production (weight of 5.37 per cent) declined by 5.5 per cent in February 2021 while total production of cement in the April-February 2020-21 period dropped by a sharper 15.5 per cent.

अवैध खनन रोकने के लिए ईडी की स्थापना को मंजूरी

चंडीगढ़ | पंजाब में अवैध खनन को रोकने के लिए इनफोर्समेंट डायरेक्टोरेट (ई.डी.) की स्थापना का रास्ता साफ हो गया है। ई.डी. का प्रमुख डिप्टी इंस्पेक्टर जनरल (डी.आई.जी.) रैंक का अधिकारी होगा और इसकी स्थापना जल संसाधन विभाग के माइनिंग और जीओलोजी विंग में से जायेगी। इससे गैर-कानूनी माइनिंग पर नकेल डालने से ही राज्य की आय बढ़ेगी। सरकारी प्रवक्ता ने बताया कि ई.डी. की तरफ से पंजाब की अंतरराज्यीय सरहदों और राज्य में छोटे खनिजों के नाजायज आवाजाही पर रोक लगाने में अग्रणी भूमिका अदा की जायेगी और इस कोशिश में माइनिंग विभाग के अधिकारियों की तरफ से भी सहयोग किया जाएगा।



सोना और चांदी की चमक बढ़ी

व्यापार संवाददाता

नागपुर. वैश्विक बाजारों में बहुमूल्य धातुओं में भारी सुधार के बाद स्थानीय सराफा बाजार में गुरुवार को सोना 600 रुपये की तेजी के साथ 46,500 रुपये प्रति 10 ग्राम पर पहुंच गया। पिछले कारोबारी सत्र में सोना 45,900 रुपये प्रति 10 ग्राम

पर चल रहा था। इसके अनुरूप चांदी का भाव भी 1,100 रुपये की तेजी के साथ 66,900 रुपये प्रति किलोग्राम पर पहुंच गया। पिछले कारोबारी सत्र में चांदी 65,800 रुपये प्रति किलोग्राम पर चल रही थी। अंतरराष्ट्रीय बाजार में सोना तेजी के साथ 1,719 डॉलर प्रति औंस, जबकि चांदी 24.48 डॉलर प्रति औंस पर लगभग अपरिवर्तित रही।

BUSINESS LINE

DATE : 2/4/2021 P.N.9

NMDC iron ore sales rose 6% in FY21

SPECIAL CORRESPONDENT
HYDERABAD

Mining major NMDC Ltd. has posted a 5.58% increase in iron ore sales at 33.27 million tonnes (MT) in FY21 compared with the 31.51 MT in the previous fiscal. The higher sales came on the back of iron ore output of the public sector enterprise rising by 8.32% to 34.11 MT (31.49 MT).

CMD Sumit Deb said he was hopeful NMDC would surpass 42 MT in FY22.

A good show in March when iron ore production increased to 4.57 MT (2.76 MT) and sales grew to 4.08 MT (2.70 MT) also boosted the annual performance.

COVID-19 hits coal production

It's the second lowest production during the last 11 years

B. CHANDRASHEKHAR
HYDERABAD

As expected the COVID-19 pandemic impact on the economic activity has taken a heavy toll on the performance of Singareni Collieries Company Ltd (SCCL) as it has posted the second lowest coal production and despatches in 2020-21 during the last 11 years.

According to the company officials, the public sector coal company could mine only 50.58 lakh tonnes of the fossil fuel mainly used in power generation, cement, steel and other industries as also by railways in 2020-21 against the target of 67.5 million tonnes. In terms of percentage it was only 74.93.

Similarly, the coal despatches by the company too were low at 48.51 million tonnes or 71.87% of the target of 67.5 million tonnes. Compared to the previous fiscal 2019-20, coal production was hit over 21% and despatched by over 22%.

Since 2010-11, it was only in 2013-14 the coal production was the lowest at 50.47 million tonnes as the movement to statehood to Telangana was at its peak and impacted the mining activity with regular strike of work in support of the movement. In despatches too, 2013-14 was the worst-hit when only

SINGARENI COAL PRODUCTION AND DESPATCHES

YEAR	PRODUCTION	DESPATCHES
2020-21	50.58	48.51
2019-20	64.02	62.45
2018-19	64.40	67.67
2017-18	62.01	64.62
2016-17	61.34	60.84
2015-16	60.38	58.68
2014-15	52.54	52.66
2013-14	50.47	47.89
2012-13	53.19	53.27
2011-12	52.21	51.40
2010-11	51.33	50.05

(in million tonnes)

47.89 million tonnes of coal was despatched.

The officials stated that month-wise production of coal was lower by 40% to 45% during the April-August period of the just concluded fiscal. However, production was slightly higher in two months of the fiscal, when compared to the previous year.

"Production was hit for about two months badly during the lockdown period when lay-off was announced in most of the underground mines, except those where coal mining was completely mechanised. The impact of production and demand loss was huge on the company and it is estimated at over ₹5,000 crore," a senior executive of the company said

when contacted.

The coal demand (consumption) was affected up to 60% during the lockdown period and it had reached normalcy only in a phased manner, the senior executive said adding that that reduced coal demand was met from the opencast and five mechanised underground mines.

With the revival of the economic activity following the phased unlock of the restrictions, the demand for coal has picked from all sectors.

The company has set a target of 70 million tonnes of coal production for 2021-22 and to achieve it the company has also decided to acquire new machinery and equipment with over ₹41 crore.

तब्बल सहा वर्षानंतर बरांज कोळसा खाण सुरू

केपीसीएलसाठी रेल्वेने कोळसा कर्नाटक राज्यात रवाना

लोकमत न्यूज नेटवर्क

भद्रावती (चंद्रपूर) : सहा वर्षांपूर्वी कर्नाटक एम्टाची बरांज कोळसा खाण कोळसा घोट्याळ्यात अडकली. न्यायालयाच्या आदेशानुसार सहा वर्षे खाण बंद होती. आता तब्बल सहा वर्षांनी ती सुरू झाली असून, उत्खनन केलेला कोळसा गुरुवारी रेल्वेने कर्नाटक राज्यात रवाना करण्यात आला.

पहाटे पाच वाजता चालबर्डी कोल साइडिंगवरून साईड इन्वार्ज अशोक कुमार महंत यांनी रेल्वेला हिरवी झेंडी दाखवून कोळसा भरलेली रेल्वे 'केपीसीएल'साठी कर्नाटक राज्यात रवाना केली.

कर्नाटक एम्टा कोल माईन्स लिमिटेड ही बरांज खाण नोव्हेंबर २००७ पासून सुरू झाली. त्यानंतर

खाण सुरू झाल्याने स्थानिक प्रकल्पग्रस्तांना काही प्रमाणात रोजगार निर्माण झाला.

प्रकल्पग्रस्तांच्या मागण्यांची अजून पूर्णतः तडजोड झाली नाही. त्यामुळे प्रकल्पग्रस्तांचा लढा सुरूच राहील.

- राजू डोंगे, उपसरपंच, ग्रामपंचायत चेकबरांज

२००८ पासून ते ३१ मार्च २०१५ पर्यंत चालबर्डी साइडिंगवरून कर्नाटक पॉवर कॉर्पोरेशन लिमिटेड (कर्नाटक राज्य) यांच्या वीजनिर्मितीसाठी रेल्वेद्वारे कोळसा वाहतूक सुरू होती; परंतु कोळसा घोट्याळ्यात अडकल्यामुळे ही खाण सर्वोच्च न्यायालयाच्या २५ सप्टेंबर २०१४ च्या आदेशानुसार १ एप्रिल २०१५ पासून बंद आहे. त्यामुळे चालबर्डी साइडिंग येथून

साचलेले पाणी काढून कोळसा खनन

दोन महिने डिवॉटरिंग करून, गेल्या सहा वर्षांत साचलेले पाणी काढून, माती उत्खननाचे कार्य करून कोळसा काढण्यात आला. कर्नाटक पॉवर कॉर्पोरेशन लिमिटेडच्या मागणीनुसार एम.डी.ओ. एम्टा कोल लिमिटेडतर्फे १ एप्रिल २०२१ रोजी पहाटे पाच वाजता चालबर्डी कोल साइडिंगवरून इन्वार्ज अशोककुमार महंत यांनी हिरवी झेंडी दाखवून कोळसा भरलेली रेल्वे कर्नाटक राज्यात रवाना केली.

कोळसा वाहतूक बंद होती. ती १ डिसेंबर २०२० पासून प्रत्यक्ष रूपात सुरू करण्यात आली.

THE HINDU DATE : 3/4/2021 P.N.12

SAIL clocks 'best-ever' quarterly sales of 4.27 MT

Firm's crude steel output rises 6%

PRESS TRUST OF INDIA
NEW DELHI

Steel Authority of India Ltd. (SAIL) clocked its best-ever quarterly sales at 4.27 million tonnes (MT) during the March quarter of the last fiscal year, up 14% from the year-earlier period.

The domestic steel giant's crude steel production, too, increased by 6% during the quarter to 4.55 MT.

"(SAIL), the Maharatna PSU, has recorded its best-ever quarterly performance in both production and sales during Q4 FY'21," the company said. About annual figures, the company said despite the volatility in the market during the year, determined efforts by the



company to improve its volumes saw it clock its best-ever annual sales at 14.87 MT, a growth of 4.4% over 14.23 MT during FY20," it said.

SAIL chief Soma Mondal said, "[a] multi-pronged strategy has helped us top the performances during the month, quarter as well as the year."

भास्कर Original

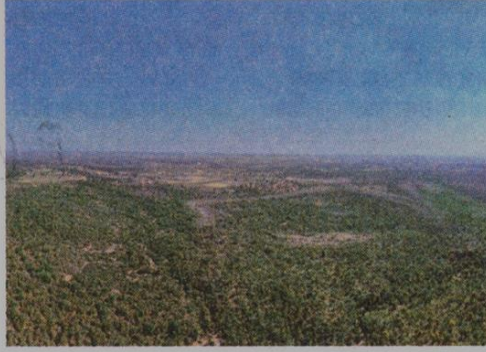
मध्य प्रदेश सरकार 50 साल के लिए बिड़ला समूह को दे रही है पूरा जंगल

छतरपुर में देश का सबसे बड़ा हीरा भंडार मिला लेकिन इसके लिए 2.15 लाख पेड़ों की बलि

बकस्वाहा के जंगलों में लगभग 3.42 करोड़ कैरेट के हीरे दबे होने का अनुमान, पन्ना से 15 गुना ज्यादा

धनश्याम पटेल | छतरपुर (मध्यप्रदेश)

मध्यप्रदेश में छतरपुर जिले के बकस्वाहा के जंगलों में देश का सबसे बड़ा हीरा भंडार मिला है। यहां की जमीन में 3.42 करोड़ कैरेट के हीरे दबे होने का अनुमान है। इन्हें निकालने के लिए 382.131 हेक्टेयर का जंगल खत्म किया जाएगा। लगभग 2,15,875 पेड़ काटे जा सकते हैं। इनमें 40 हजार पेड़ सागौन के हैं। इनके अलावा पीपल, तेंदू, जामुन, बहेड़ा, अर्जुन जैसे औषधीय पेड़ भी हैं। भास्कर को मिली जानकारी के मुताबिक मध्य प्रदेश सरकार ने बुंदेलखंड क्षेत्र में हीरा की खोज के लिए 2000 से 2005 के बीच सर्वे कराया था। ऑस्ट्रेलियाई कंपनी रियोटिंटो की टीम को बकस्वाहा के जंगलों में नाले के किनारे किंबरलाइट पत्थर की चट्टान दिखाई दी। हीरा किंबरलाइट की चट्टानों में की मिलता है। इसे देख टीम को यहां हीरे की मौजूदगी की उम्मीद बढ़ी। बाद में इस दिशा में प्रक्रिया आगे बढ़ी तो इलाके में पन्ना से भी 15 गुना ज्यादा हीरे का भंडार होने की पुष्टि हुई। गौरतलब है कि अभी तक देश का सबसे बड़ा हीरा भंडार पन्ना जिले में है। यहां जमीन में कुल 22 लाख कैरेट के हीरे हैं। इनमें से 13 लाख कैरेट हीरे निकाले जा चुके हैं। जबकि नौ लाख कैरेट हीरे निकालना बाकी है।



छतरपुर के बकस्वाहा क्षेत्र का जंगल, जहां हीरे निकालने से लिए 2.15 लाख पेड़ काटे जाएंगे।

फोटो | मनुज नामदेव

आदित्य बिड़ला समूह ने 382.131 हेक्टेयर का जंगल मांगा

सूत्र बताते हैं कि बकस्वाहा में हीरा भंडार की पुष्टि होने के बाद दो साल पहले प्रदेश सरकार ने इस जंगल की नीलामी की। आदित्य बिड़ला समूह की एस्सेल माइनिंग एंड इंडस्ट्रीज लिमिटेड ने सबसे ज्यादा बोली लगाई है। इसके बाद अब सरकार यह जमीन कंपनी को 50 साल के लिए पट्टे पर दे रही है। जंगल में 62.64 हेक्टेयर क्षेत्र हीरे निकालने के लिए चिह्नित किया है। आदित्य बिड़ला समूह ने इस परियोजना के लिए 382.131 हेक्टेयर का जंगल मांगा है।

5 साल में रिपोर्ट बदली... पहले तेंदुआ था, अब नहीं है

मई 2017 में पेश की गई जियोलाॅजी एंड माइनिंग मप्र और रियोटिंटो की रिपोर्ट में बताया गया था कि इस जंगल में तेंदुआ, बाज (वल्चर), भालू, बारहसिंगा, हिरण, मोर आदि हैं। लेकिन नई रिपोर्ट में इन वन्यजीवों के यहां होना नहीं बताया जा रहा है। दिसंबर में जिला वन अधिकारी और वन संरक्षक, छतरपुर की रिपोर्ट में भी इलाके में संरक्षित वन्यप्राणी नहीं होने का दावा किया है।

राजस्व जमीन पर जंगल विकसित करेंगे

■ जहां खदान बनना है, वहां अभी 2.15 लाख पेड़ का जंगल है। इसके बदले बकस्वाहा तहसील में ही 382.131 हेक्टेयर राजमीन को वनभूमि में डायवर्ट करने का प्रस्ताव कलेक्टर छतरपुर ने दिया है। जंगल विकसित करने की लागत का भुगतान कंपनी करेगी।

-पीपी टिटारे, सीसीएफ, छतरपुर

पर्यावरण मंत्रालय के निर्देश पर फिर जांच करेंगे

■ वर्तमान में पर्यावरण मंत्रालय की ओर से गठित हाई पावर कमेटी के सामने सुनवाई चल रही है। कमेटी से निर्देश मिलने पर नई रिपोर्ट देंगे। दिसंबर 2020 में दी गई रिपोर्ट पुराने डीएफओ ने दी है।

-अनुराग कुमार, डीएफओ, छतरपुर

Centre extends deadline for coal plants to meet emission norms

Deadline pushed by 3 years, but timelines can vary based on pollution levels

OUR BUREAU

New Delhi, April 2

The government has once again extended the deadline for coal-fired power plants to lower their sulphur dioxide emissions.

In an order on April 1, the Ministry of Environment, Forests, and Climate Change had pushed the deadline for thermal electricity generators to install flue gas desulphurisation technology by up to three years.

The Ministry had first set December 2017 as the deadline for the plants to meet SO₂ emission standards, but within a few months had extended it by varying timeframes for different plants, depending on the population density and the pollution levels in their areas. The latest deadline was December 2022.

The new order pushes the deadline to December 2024 for plants that are not located in densely-populated or heavily-polluted areas. Moreover, plants due to retire soon have been given time till December 2025 even if they are situated

in heavily-polluted areas.

Most of the plants nearing retirement are owned by State governments, which would prefer to shut them down rather than invest in the desulphurisation technology, but have been constrained by the politically disadvantageous prospect of laying off the plant workers, said a senior official from the Ministry of Power.

"A different deadline for the plants close to retirement gives the State governments sufficient time to re-deploy personnel elsewhere," the official said.

Rise in tariffs

The installation of the desulphurisation technology, estimated to cost at least \$10 billion on a national scale, will lead to a rise in tariffs that the plants charge from electricity distribution utilities, the official conceded.

The Ministry of Power, however, will now delay the enforcement of merit order dispatch, the regime for the Discoms to buy electricity



Most of the plants nearing retirement are owned by State governments REUTERS

from the cheapest source. This will be done to protect the plants that install the technology early on and raise their tariffs, the official said.

"Now we will extend it from December 2022 to December 2024. Merit order dispatch will kick in when all the plants become FGD-compliant," the official said.

Under the April 1 order, plants due to retire by the deadline for their specific category have the option of not installing the technology and still continue operations even after retirement as long as they pay a penalty of 20 paise per kwh of electricity generated. Varying penalty rates

will similarly be charged from plants that fail to meet their deadline.

The classification of plants under different categories will be done by a task force constituted by the Central Pollution Control Board (CPCB), consisting of representatives from the Ministry of Environment and Forest and Climate Change, the Ministry of Power, the Central Electricity Authority (CEA) and the CPCB.

"This exercise of location-based categorisation in terms of existing pollution level has already been done by the CEA, so we can easily categorise the plants now," the official said.

Will rolling auction improve coal allocation?

While the new mechanism has many positives, its success will depend largely on the cooperation of States



RICHA MISHRA

CAPITAL IDEAS

Allocation of coal blocks has come with its own set of controversies, tainting the image of the government of the day. A conscious effort has been made to ensure that a clean system can be adopted to allocate coal blocks.

As part of this process, on March 25, the Coal Ministry said that it proposes to adopt a 'rolling auction' mechanism for conducting future sales. Coal is the first mineral resource where the rolling auction mechanism is being implemented. In a rolling auction, a pool of coal blocks will always remain available for bidding.

A welcome initiative, one would say, as it will bring in predictability in the process, help bidders to plan and obviate the need to bid unnecessarily aggressively.

As VR Sharma, Managing Director, Jindal Steel and Power Ltd (JSPL), puts it, "The rolling auction mechanism will open the coal economy to its full potential. India has the world's fourth largest coal reserves, but the country imported 247.1 million tonnes (mt) of coal in 2019-20. Commercial coal mining will likely reduce India's dependence upon imported fuel."

But it may not be so easy, as States will play a key role in the process and any delay will lead to cost and time slippages in commissioning these mines.

At present, little is known on how

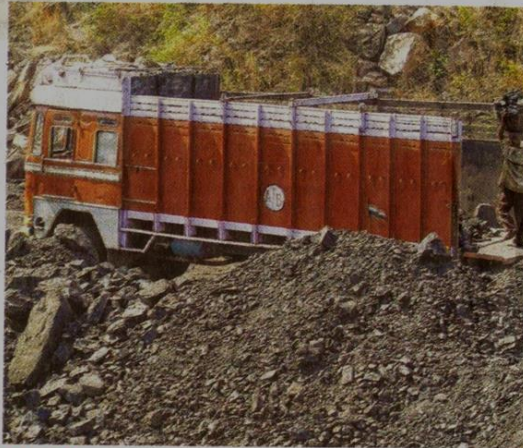
exactly the mechanism will work. According to Jayanta Roy, Group Head and Senior Vice-President, ICRA Ltd, "The auction is being carried out by the government through the MSTC bidding platform. The bidding would be conducted on a forward auction mechanism, where participants would be quoting a percentage of the National Coal Index that it would be sharing with the respective State government. The bidder who quotes the highest revenue share will be awarded the coal block."

"For the upcoming second tranche of auction for the 67 commercial coal blocks, the government will be experimenting with the rolling auction mechanism for the first time. Under this new system, investors will have the option to select the mines to be included in the next tranche of auction. The unsold blocks will be available for sale from the open pool in subsequent rounds of auction. This move is expected to increase investor interest, as it gives them the option to select the blocks to be auctioned that best suits their needs," Roy adds.

Attempts towards streamlining coal block allocations started in 2014 when the Supreme Court declared all allocations of the coal blocks made through the Screening Committee and through Government Dispensation route since 1993 as illegal and cancelled the allocation of 204 coal blocks out of the 218 (Tasra coal block allocated to Steel Authority of India Ltd, Pakri Barwadih coal block allocated to National Thermal Power Corporation, and 12 coal blocks allocated for Ultra

Mega Power Projects were spared).

In the case of 42 coal blocks (37 producing and five likely to come under production), cancellation was to be effective from March 2015.



In a rolling auction, a pool of coal blocks will always be available for bidding

The challenge to create a new system fell on Piyush Goyal, the then Minister of State for Power, Coal & New and Renewable Energy (Independent Charge).

For the management and reallocation of cancelled coal blocks, the government promulgated 'the Coal Mines (Special Provisions) Ordinance, 2014'. This was to ensure smooth transfer of rights, title and interest in the mines along with land and other associated mining infrastructure to the new allottees to be selected through an auction or allotment to government company as the case may be.

E-auction mode

The auction of coal block was decided to be carried out via the e-auction mode. The decision regarding allotment of coal blocks to public sector companies and allocation by auction to private and public sector companies as well as earmarking of blocks for various eligible sectors was made keeping in view the temporary requirement of the sec-

tor at the time of earmarking. Also created was a nominated authority. Whether this attempt was fully successful is another debate. But it did set the tone.

So on March 25, when launching auctions for the second tranche of commercial coal mining, the highest number of mines on offer in a particular tranche of auction after commencement of the auction regime since 2014, the government also proposed rolling auctions.

Coal Minister Pralhad Joshi said, "With rolling auctions, we will upload a comprehensive list of mines along with key technical data and bidders can submit their preferences for the mines to be included in the next tranche of auction. This would be a continuous process and would result in expediting the auction set-up."

But are States on board, as they play a critical role? "The States would play a key role in the process of land acquisition, R&R (rehabilitation and resettlement), granting of statutory clearances, and signing of mining lease. Any delay by the respective State governments to award clearances can lead to cost and time slippages in commissioning these upcoming mines," said Roy.

As far as creating greater transparency in the whole process, he said: "India's transition to an auction-based regime to award coal mines to the private sector has not only created greater transparency in the allocation of resources, but also helped in better price discovery. The proposed rolling auction mechanism, which empowers bidders to select the blocks that would be auctioned, further enhances transparency in the allocation process."

The government stands to gain from the higher revenue share from the auctioned blocks, he said, adding: "Commercial coal mining has the potential for large-scale job creation and reducing India's coal imports, which lead to a sizeable \$15-20 billion in annual foreign exchange outgo."

According to Sharma, while the rolling auction mechanism will yield results, the government should consider dedicating the blocks for coal gasification purposes. "With the government opening coal mine auctions for commercial extraction, an opportunity for the domestic sponge iron industry has emerged. Players could now look to have a coal-gasified direct reduced iron (DRI) plant though investment cost would be a big constraint. We see a potential for at least 10-12 new (coal-gasification-based) DRI plants to come up across the country," he said.

The final verdict on success of the rolling auction mechanism will be out only when there are no differences between the Centre and the States, as any delay will lead to time slippages in commissioning of these mines, as well as add to costs.

Scan & Share



MECL registers best performance

MINERAL Exploration Corporation Limited (MECL), a Nagpur based Miniratna I CPSE of Ministry of Mines, Government of India, has given its best performance in the FY 2020-21, breaking all previous records.

MECL achieved all-time highest physical performance of Exploratory Drilling of 6.39 lakh meters for coal, lignite, gold, copper, iron ore, manganese, bauxite, potash etc., 3.96 lakh meters of Geophysical Logging and 1.3 lakh numbers of Geochemical Sample Analysis.

Also, the organisation also recorded highest ever gross operating revenue (provisional) of Rs 427 crore for the FY 20-21.

MECL expressed gratitude towards all the esteemed clients including Ministry of Mines, Ministry of Coal and other stakeholders from the DMGs of State Governments, says press release issued here.

Gold: Rebound rekindles hope

Breakout of ₹45,700 is key and when this occurs, RSI and MACD signals might enter positive zone

AKHIL NALLAMUTHU
BL Research Bureau



ROADBLOCKS AHEAD

While nearest resistance is at ₹66,700, the silver contract should invalidate the resistance at ₹68,000 for the trend to turn positive

Bullion suffered a sell-off in the first half of the truncated week but made a good recovery in the second half, helped by softening US yields and the dollar index. Both gold and silver took back all the lost ground thereby ending the week flat.

The rise in treasury yields for the past several months has been acting as a big dampener for bullion bulls as interest income, in addition to safety, gives treasuries an edge. As yields rose, the demand for the dollar-denominated assets went up - the combination of these two factors keeping bullion prices in check.

While this trend has not entirely reversed, treasury yields are pausing over the last two weeks. The US 10-year yield barely changed and ended the week at 1.68 per cent whereas the dollar index closed almost flat at 92.87. If this trend continues, a correction if not a reversal can occur in both yields and dollar which can be conducive for bullion. If the Covid situation worsens, that would be favourable for both gold and silver to make a comeback.

On the Multi Commodity Exchange (MCX) of India, gold futures (June expiry) ended at ₹45,418 (per 10 grams), marginally higher against the preceding week's close of ₹45,111. Silver futures (May expiry) ended marginally higher at ₹65,089 (per Kg) compared to ₹64,805 - its preceding week's close. In dollar terms, gold wrapped up the week at \$1,730.1 an ounce; it barely changed compared to the pre-



vious week. Silver ended at \$24.79 an ounce as against the preceding week's close of \$25.04.

MCX-Gold (₹45,418)

The June futures contract of gold on the MCX began the week on a weak footing and witnessed a decline in the first two sessions.

The contract slipped below the prior low of ₹44,386 and marked a fresh low of ₹44,108, creating the possibility of a sharp fall. The price drop followed by a consolidation followed by a breakdown was clearly bearish and so, the stage was set for the bears to run berserk.

However, there was a quick shift in the direction towards the end of the week and the contract rebounded sharply backed by considerable

volume. While it might not be a bullish reversal yet, it is an indication that there is substantial buying interest at current price levels.

Notably, the price has crossed over the 21-day moving average (DMA) - a positive signal.

Moreover, indicators like the relative strength index (RSI) and the moving average convergence divergence (MACD) on the daily chart are showing uptick and the average directional index (ADX) is showing that the recent rally might form the base for a potential uptrend from here.

However, there is no bullish reversal confirmation and the contract has hurdles to cross to establish an uptrend. A breakout of ₹45,700 is key and when this occurs, the RSI and the MACD indicators might enter the pos-

itive terrain. Traders and investors can consider buying if the prices get past the resistance at ₹45,700. Subsequent resistances are at ₹47,000 and ₹48,250. On the downside, the price band of ₹44,000 and ₹44,400 has formed a strong base.

MCX-Silver (₹65,089)

The support at ₹65,000 faced a strong test last week as the May futures contract of silver extended the decline in the early part of the week. Like gold futures, silver futures faced downward pressure during the first part of last week which was quickly overturned. It recovered in the second half after registering an intraweek low at ₹62,500 and the contract managed to close above the crucial base of ₹65,000.

Even though the support at ₹65,000 is relevant, it cannot be taken as a confirmation of a bullish reversal. The daily RSI is in negative region and the slope of the MACD indicator on the daily chart remains negative. The ADX shows that the bulls have more ground to cover before exerting dominance over the bears. The price is still below 21-DMA.

Given the above factors, traders and investors can hold back fresh positions until the contract exhibits solid signs of a trend reversal. While the nearest resistance is at ₹66,700 (the 200-DMA), for the trend to turn positive, the contract should invalidate the resistance at ₹68,000.

The support at ₹65,000 is very critical and a decisive breach of this can give a significant blow to the bulls. Supports below ₹65,000 are at ₹62,500 and ₹60,000.



Scan & Share

सोन्याच्या आयातीमध्ये मार्चमध्ये ४७१ टक्के वाढ

लोकमत न्यूज नेटवर्क

नवी दिल्ली : आयातीवर कमी झालेला कर आणि कमी झालेले सोन्याचे दर यामुळे मार्च महिन्यामध्ये सोन्याच्या आयातील ४७१ टक्क्यांची वाढ झाली आहे. या महिन्यामध्ये देशात १६० टन सोन्याची आयात झाली असून, यामुळे आयात-निर्यात व्यापारातील समतोल ढळण्याची शक्यता आहे.

ऑगस्टमध्ये सोन्याच्या दराने नवीन उच्चांक नोंदविल्यानंतर आतापर्यंत १७ टक्क्याने दर कमी झाले आहेत. त्यामुळे देशामधील सोन्याची मागणी वाढत असून, त्यासाठी आयातीमध्ये वाढ केली जात आहे. मार्च महिन्यामध्ये देशात १६० टन सोने आयात केले गेले. मागील वर्षाच्या याच महिन्याशी तुलना करता आयातीमधील वाढ ४७१ टक्क्यांनी वाढली आहे. मागील वर्षीच्या मार्च महिन्यात आपल्याकडे लॉकडाऊन उशिराने लागले असले तरी जगामध्ये इतर ठिकाणी आधीपासूनच लॉकडाऊन सुरू असल्याने सोन्याची



आयात घटली होती. मागील वर्षाच्या मार्च तिमाहीमध्ये १२४ टन सोन्याची आयात झाली होती. यंदा मात्र ही आयात ३२१ टनांवर आली आहे. अचानक वाढलेल्या या आयातीमुळे देशाच्या आयात-निर्यात व्यापारातील समतोलामध्ये बदल होत असून, आयात वाढल्याने या व्यापारातील तोटा वाढत आहे. याशिवाय रुपयावर मोठा ताण येत असल्याने डॉलरच्या तुलनेत त्याचे मूल्यही कमी होत असल्याचे समोर आले आहे. भारत हा जगातील दुसऱ्या क्रमांकाचा सोन्याचा उपभोक्ता देश आहे. सरकारने देशातील सोन्याची आयात कमी व्हावी, यासाठी मोठ्या प्रमाणात प्रयत्न केले असले तरी सोन्याचे आकर्षण कमी होत नाही.

BUSINESS LINE DATE : 5/4/2021 P.N.3

Steel output falls marginally to 19 mt in January-Feb 2021

Production of 64 countries was 313.1 mt: World Steel data

PRESS TRUST OF INDIA

New Delhi, April 4

India's crude steel output fell by 1 per cent to 19.1 million tonnes (mt) during the first two months of 2021, according to the World Steel Association (worldsteel) data.

The production for the 64 countries reporting to the worldsteel was 313.1 mt in January-February 2021, registering a 5 per cent increase compared to 297.7 mt in the year ago period, the global industry body data showed. China remained the global leader in production of steel, registering 8.86 per cent year-on-



China remained the global leader in production of steel

year growth in output at 173.2 mt during the said period.

Global performance

According to the data, China had produced 159.1 mt steel in the same period last year.

During January-February 2021, Japan's output slipped 6 per cent to 15 mt year-on-year from 16.1 mt. The US produced 13.2 mt steel in the period under review. Its

output was at 14.9 mt in 2020. Russia's output was at 12.4 mt compared to 11.61 mt in 2020. South Korea's steel production was at 11.5 mt, as compared to 11.2 mt in the year-ago period. Turkey produced 6.4 mt of crude steel in period under review. It had produced 5.9 mt in same period in 2020.

While Germany produced 6.4 mt steel in January-February 2021, Brazil and Iran produced 5.8 mt and 5.3 mt, respectively. With members in every major steel-producing country, Brussels-based worldsteel represents steel producers, national and regional steel industry associations, and steel research institutes. Its members represent around 85 per cent of the global steel production.

Import registration made compulsory for slew of aluminium, copper items

Move may discourage inbound shipments of such products

PRESS TRUST OF INDIA

New Delhi, April 4

The Commerce Ministry has made import registration compulsory for 46 copper and 43 aluminium items under non-ferrous metal import monitoring system, a move which could discourage inbound shipments of such goods and promote their local manufacturing.

Registration method

According to a notification of the department of commerce, under the import monitoring system importers would have to submit advance information in an online system for inbound shipments of these products



The move is to reduce import of unnecessary goods

and obtain an automatic registration number by paying specified fee.

The importer can apply for registration not earlier than 60th day and not later than 5th day before the expected date of arrival of import consignment.

"Import of specific (copper and aluminium) items...are subject to compulsory registration under non-ferrous metal import monitoring system," according to the no-

tification. The system will be effective from April 12 this year and the facility of online registration will be available with effect from April 5.

List of items

The copper items include blister copper, refined copper, copper bars, certain copper rod, copper alloys and sanitary ware.

Similarly, the aluminium products include ingots, wire rods, aluminium scrap, aluminium powder for thermite process, certain aluminium tubes and pipes.

The ministry had earlier made similar process for imports of several iron and steel goods and coal. The move is part of an exercise to reduce import of unnecessary goods and boost domestic manufacturing.

Singareni Collieries sets 70 mt coal output target for FY 2022

Eyes 450 million cubic metre of over burden removal

OUR BUREAU

Hyderabad, April 4

The Singareni Collieries Company Limited has set a target of 700 lakh tonnes (70 million tonnes) of coal output for 2021-22 (FY 2022).

N Sridhar, Chairman and Managing Director of the State-owned Singareni Collieries, has instructed various area general managers to set a target of 700 lakh tonnes of coal transport and 450 million cubic metres of over burden removal.

He said that due to Covid 19, the coal production and transport was not up to the mark during FY21. With new mines planned this year, contractors finalised and



the increase in demand for coal, the mining company is keen to create new highs in production and sales this fiscal.

He said he held talks with collectors of five districts for land acquisition and Relief and Rehabilitation problems in starting coal new mines.

While assuring necessary funds would be provided, the CMD suggested that the explosives required for open cast mines can be imported from other countries if necessary.

NAVBHARAT DATE : 6/4/2021 P.N.1

सुप्रीम कोर्ट ने 41 लंबित मामलों में देरी पर दिए आदेश

कोयला घोटाला : 2 और जज करेंगे सुनवाई

नवभारत न्यूज नेटवर्क

दिल्ली. उच्चतम न्यायालय ने 2 न्यायिक अधिकारियों अरुण भारद्वाज और संजय बंसल को 2014 से लंबित सनसनीखेज कोयला घोटाला मामलों की सुनवाई के लिए विशेष न्यायाधीश नियुक्त किया। इससे पहले विशेष न्यायाधीश भरत पराशर कोयला घोटाले से जुड़े करीब 40 मामलों की सुनवाई कर रहे थे। दिल्ली उच्च न्यायालय के महापंजीयक ने शीर्ष अदालत को पत्र लिखा था कि पराशर के स्थान पर किसी अन्य उपयुक्त पीठासीन न्यायिक अधिकारी को नामित करने या नियुक्त करने की अनुमति दी जाए। शीर्ष अदालत ने इस पत्र का संज्ञान लेकर पराशर की जगह 2 न्यायाधीशों को नियुक्त किया। प्रधान न्यायाधीश एसए बोबडे की अगुवाई वाली पीठ ने दिल्ली उच्च न्यायालय



के मुख्य न्यायाधीश द्वारा मुहैया कराए गए 5 न्यायिक अधिकारियों के नामों पर विचार किया। न्यायमूर्ति एस बोपन्ना और न्यायमूर्ति वी रामसुब्रमण्यन भी इस पीठ में शामिल थे। पीठ ने पराशर के स्थान पर किसी एक विशेष न्यायाधीश को नियुक्त करने की बजाय विशेष लोक अभियोजक आरएस चीमा के सुझाव को मानते हुए 2 पीठासीन अधिकारियों को नामित किया। चीमा ने

कहा कि 41 लंबित मामले हैं और 2 अदालतों का गठन करना उचित रहेगा। इसके बाद पीठ ने भारद्वाज और बंसल को कोयला घोटाला मामलों की सुनवाई के लिए गठित 2 अदालतों की अध्यक्षता करने के लिए विशेष न्यायाधीश नियुक्त किया। न्यायालय ने 15 मार्च को दिल्ली उच्च न्यायालय के मुख्य न्यायाधीश से निचली अदालत के उच्च क्षमता एवं पूर्ण सत्यनिष्ठा वाले 5 न्यायाधीशों के नाम मांगे थे, ताकि उनमें से किसी को 2014 कोयला घोटाला मामले की सुनवाई कर रहे भरत पराशर के स्थान पर विशेष न्यायाधीश नियुक्त किया जा सके। शीर्ष अदालत ने 2014 में 214 कोयला खदानों के आवंटन रद्द कर दिए थे, जिन्हें वर्ष 1993 से 2010 के बीच केंद्र सरकार ने आवंटित किया था। साथ ही विशेष सीबीआई न्यायाधीश के समक्ष सुनवाई के आदेश दिए थे।

'Iron ore trade ban costs Karnataka ₹8,000 cr a year'

Trade body FIMI urges govt to remove trade barriers imposed due to e-auction

OUR BUREAU

Bengaluru, April 5

The Federation of Indian Mineral Industries (FIMI), Southern Region has requested the Karnataka government to file a reply before the Supreme Court at the earliest enabling trading of iron ore by lessees.

"We have sought State government's help as the strict conditions have weeded out the illegal elements and established robust monitoring systems for e-auction of iron ore. Prohibition of export of iron ore and pellets are causing sustained loss to State exchequer, and hindering development of minerals and socio-economic development of mining areas," said Santesh Gureddi, Vice-President, FIMI and Chairman FIMI, Southern Region.

Sharing statistics, Gureddi said the gross loss over a 5-year period to Karnataka is about ₹30,000 crore due to e-auction mechanism with restrictions on sale of iron ore outside the State and exports.

"It also reduces the bid premium on ore extracted from recently auctioned captive mines which is over and above the stated loss herein," explained Gureddi.

Discriminatory Policies

According to Gureddi, "These discriminatory policies are specific to Karnataka whereas rest of the India (including Goa and Orissa) is allowed to trade freely as per the EXIM policy of the Centre thereby ensuring fair revenue to the State exchequer including foreign exchange."



Gureddi said, Steel makers from the State have the liberty to source iron ore from any other region of the country and even import from other countries in addition to ever increasing captive mines.

Sauvick Mazumdar, CEO, Vedanta Sesa Goa & FIMI member said, "The lower price for State ore and restrictions on the trade is also drastically reducing the contribution towards DMF and other community development activities in the State.."

FIMI Southern Region also raised concern over non-utilisation of special funds

under DMF and SPV. The iron ore mining fraternity in Karnataka in the past six years has contributed around ₹2,336 crore to DMF Fund and a corpus of around ₹18,000 crore is accumulated under SPV. These funds are earmarked for socio-economic development for the community. Appropriate steps should be taken by the State government to use the unutilised funds.

BUSINESS LINE DATE : 7/4/2021 P.N.3

Cement demand to surpass 340 mt in FY22: ICRA

OUR BUREAU

Hyderabad, April 6

The domestic cement demand is expected to be highest in a decade and estimated to surpass 340 million tonnes in FY2022, driven by sustained rural housing demand and significant pick-up in the infrastructure activity.

On the supply side, the capacity additions are also expected to increase by 22-25 million tonnes per annum in FY2022.

As per an ICRA note, while the cement prices are expected to largely sustain at the recently increased levels supported by the improved demand, the higher input costs are likely to exert pressure on operating margins in FY2022. Though this is likely to result in some moderation in debt coverage metrics, they are likely to remain at healthy levels.

Rajeshwar Burla, Vice-President & Co-Group Head, ICRA, in a statement says, "The sentiment in the rural areas is expected to be positive on the back of fa-

vourable kharif harvest. The continued focus on agriculture and rural development in the Union Budget of 2021-2022 is expected to boost rural housing demand."

The Budget has also increased the capital outlay for infrastructure sector. The gross budgetary support towards capital expenditure has been increased significantly to ₹5.54-lakh crore in 2021-22 BE (up 34 per cent from 2020-21 BE, and 26 per cent from 2020-21 RE) with higher allocation towards the infrastructure sector. The pick-up in the construction activity in infrastructure segment is expected to support the cement demand.

On the supply side, capacity additions are expected to be in the range of 15-17 mtpa in FY2021 as against the earlier estimates of around 20 mtpa owing to the Covid-19 when demand is adversely impacted, and the companies preserved liquidity. The capex is likely to get back to around 22-25 mtpa in FY2022 and FY2023.

Mining majors closely watch Greenland polls

Greenlanders began voting in a parliamentary election on Tuesday that could unseat the ruling political party and help decide the fate of vast deposits of rare earth metals which international companies want to exploit.

The Arctic island of 56,000 people, which former US President Donald Trump offered to buy in 2019 only to be told it was not for sale, is part of the Kingdom of Denmark but has broad autonomy.

International companies are watching the election closely as they compete for the right to develop Greenland's untapped deposits of rare earth metals including neodymium, which is used in wind turbines, electric vehicles and combat aircraft.

But concern in Greenland is mounting about the potential environmental impact of plans to build a large mining complex at Kvanefeld in the south of the island, a site that contains uranium as well as neodymium.

A junior party withdrew from the coalition government in February as opposition to the project mounted, prompting the decision to call Tuesday's snap election to the 31-seat parliament.

Opinion polls before the election showed the social democrat Siumut Party, which has led all governments since 1979 except for one period between 2009-2013, trailing the main opposition party, Inuit Ataqatigiit (IA).

Support from Siumut helped secure preliminary approval for the Kvanefeld project, which is licensed to Australian Greenland Minerals, in which Chinese Shenghe Resources is the biggest shareholder. If IA can form a coalition to govern, it could raise questions about the project. IA has a zero-tolerance policy for uranium and has criticised the project.

Apart from mining, election campaign issues have included housing, the fishing industry and efforts to gain more autonomy.

Greenland's mining potential is widely seen as vital to its prospects of achieving more economic independence, as its \$3-billion economy and large public sector are heavily reliant on grants from Denmark. REUTERS

Copper rallies after top producer Chile shuts border; crude oil climbs on brighter growth outlook

REUTERS

LONDON, April 6

Copper prices climbed on Monday due to supply concerns after top producer Chile closed its borders over a spike in coronavirus infections.

Benchmark three-month copper on the London Metal Exchange (LME) was up 2.1 per cent to \$8,977 a tonne by 1110



Coronavirus cases in Chile surged past 1 million, while infections

which has some of the world's biggest copper mines, are also rising.

LME aluminium rose 1.9 per cent to \$2,266 a tonne; zinc advanced 2.2 per cent to \$2,837; lead added 0.2 per cent to \$1,967, while nickel edged up 2.4 per cent to \$16,595 a tonne.

Crude rebounds

Crude oil prices rose as in-

gains following the previous day's plunge of more than 4 per cent on rising output from OPEC+, while strong economic data from the United States and China brightened recovery prospects.

Brent crude futures rose 38 cents to \$62.53 a barrel at 0507 GMT. US West Texas Intermediate (WTI) crude futures rose

THE HINDU DATE : 7/4/2021 P.N.6

BUSINESS LINE DATE : 7/4/2021 P.N.8

Copper futures likely to rally to ₹700 on MCX

COMMODITY CALL

AKHIL NALLAMUTHU

BL Research Bureau

Post the sharp decline in prices in March last year, the copper futures contract on the Multi Commodity Exchange (MCX) quickly reversed the direction northwards.

The contract bottomed out at about ₹360 and has been rallying since then. The nearest expiry contract i.e., the April series registered a high of ₹732.7 in the final week of February. Therefore, the price more than doubled in an year exhibiting a strong bullish momentum.

But since hitting the high in February, the contract began to lose traction wherein it started to depreciate.

₹660-₹670 provides a good support. On Monday, though, the contract jumped by a little over three per cent with good volume, hinting that fresh buys are coming in and the bulls might make an attempt to take the driver's seat.

The 50-day moving average lies within the support band of ₹660 and ₹670, making it a stronger base. Indicators like the relative strength index and the moving average convergence divergence on the daily chart which has been showing a loss in upward momentum, are now giving signals of fresh bullish momentum being built-up.

Traders can be bullish and go long in MCX copper on dips with stop-loss at ₹660. The contract is likely to rally to ₹700 and then to



Promoted to Secretary in NITI-Aayog

HYDERABAD

The Centre's Appointments Committee of the Cabinet (ACC) has announced promotion as special secretary to K. Rajeshwara Rao, currently working in the NITI-Aayog as Additional Secretary managing urban development, labour & employment, skill development, etc. Mr. Rao hails from Nalgonda district and belongs to the 1988 Tripura cadre IAS batch.

Coal mine officers seek hike in retirement age

HYDERABAD

The Coal Mines Officers Association of Singareni Collieries Company Ltd has thanked Chief Minister K. Chandrababhan Naidu for increasing the retirement age for employees of public sector undertakings along with State government staff from 58 years to 61 years and requested the SCCL management to implement it in the coal company.

BETTER CAPACITY UTILISATION and strong demand will lead to margin sustainability and earnings upgrades, say analysts

Price Hikes to Give Cement Stocks a Boost

Rajesh.Mascarenhas@timesgroup.com

Mumbai: Cement stocks are likely to gain this week as prices of the primary building material are expected to rise by ₹15-30 per bag due to strong demand across states and to negate the increase in input costs. The price rise, coupled with improved capacity utilisation in the March quarter, would result in upgrades of earnings estimates, according to analysts.

"Dealers suggest prices may be hiked by another ₹15-30 per bag across most regions effective from the first week of April, led by continued strong demand and necessitated by cost escalations," said Krupal Maniar, analyst, ICICI Securities. "Consensus of FY22-23 estimated earnings upgrades are likely to continue, given strong demand, price hike in March coupled with the announced price hikes, would ensure the sustainability of YoY margins in the June 2021 quarter."

The sector is poised to benefit from growth in public sector construction activity and revival in the housing market. A price hike of 4.7% in Mar 2021 has resulted in the industry to witness a sequential price recovery of 1% in the March quarter at all India level, but an increase in domestic pet-coke prices by 15% sequentially had nullified the price hike impact, according to analysts.

"Given the sharp increase in fuel prices and freight costs, 1% quarter on quarter price hike is not enough and hence we expect further price hike could be on the cards in the current month," said Binod Modi, head strategy, Reliance Securities. "We further believe that improved capacity utilisation of the cement industry in the March quarter will aid to save on fixed costs and negate the impact of higher fuel prices to an extent and March quarter performance at absolute level is expected to remain robust."

Despite an average rally of 25% since January 1, many of the stocks

Leaders & Laggards

Stock	CMP (₹)	YTD Rtn (%)	PE	5 Yr Avg PE	ROE (%)
UltraTech Cement	6,728.05	27.11	33.37	40.63	15.96
Shree Cement	30,140.00	25.57	69.23	55.80	13.45
Ambuja Cements	306.00	22.97	25.69	30.87	10.10
ACC	1,907.80	18.14	25.05	31.38	11.80
Dalmia Bharat	1,565.30	45.01	136.26	67.82	2.11
Ramco Cements	1,042.05	30.81	39.37	28.49	12.67
JK Cement	2,825.00	49.67	44.65	41.32	17.35
Birla Corp	974.60	35.03	14.86	24.37	10.86
Heidelbergcement India	239.00	5.40	20.20	34.24	21.57
India Cements	177.85	5.08	109.88	67.12	0.93
JK Lakshmi Cement	420.00	23.70	19.92	769.74	15.64

Source: Bloomberg

including UltraTech, Ambuja Cement, ACC and Birla Corp are currently trading lower than their five-year average price to earnings.

"Cement companies have far stronger balance sheets and despite the Competition Commission comments once in a while about price hi-

kes, the actual price increases have been in line or lower than inflation, boosting volumes," said Chakri Lokapriya, CIO & MD, TCG AMC. "In addition to that, a price hike does wonders for their valuation."

While Binod Modi of Reliance Securities is bullish on stocks such as UltraTech, Shree Cement, JK Cement, Ramco Cements and Sagar Cements, Krupal Maniar of ICICI Securities likes Shree Cement, UltraTech, ACC, JK Cement and Ramco Cements. Ramco Cements and ACC are on the verge of a technical breakout, according to analysts.

"Ramco has given a consolidation breakout of the last 6 weeks and entered into lifetime high territory. Positive price setup suggests a momentum towards 1150 with immediate support at 980 zones," said Chandan Taparia, Derivatives & Technical Analyst, Motilal Oswal Financial Services. "ACC has given a consolidation breakout of last four years which makes it more promising to catch the momentum."

Vedanta's Revised Open Offer Gets Only 57.5% bids

Vedanta Resources may now try to raise its stake in the Indian arm through market purchases, analysts

Rajesh.Mascarenhas
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Mumbai: Anil Agarwal-controlled Vedanta Resources' bid to buy back a portion of the shares in its Indian subsidiary Vedanta Ltd got tepid response from investors. The voluntary open offer by the metals and mining giant to acquire 17.5% stake in Vedanta was subscribed 57.5% till Wednesday — the final day.

According to the exchange data, on the last day of open offer on Wednesday, 37.42 crore shares were tendered as against 65 crore shares that the conglomerate offered to buy. Currently, promoters hold 55.1% stake in Vedanta. If Vedanta Resources decide to accept the 37.42 crore shares that were tendered by shareholders, their holding in Vedanta Ltd will go up by 10.01% to 65.18%. The last date for rejection or acceptance of the offer will be April 26. The announcement will be made on May 3.

In January, Vedanta Resources had offered to buy up to 10% in Vedanta at ₹160 per share. In March, it raised the offer price to ₹235 per share and the offer size to 17.5% stake after shares of Vedanta rallied sharply following the sharp run-up in global commodity prices. Analysts said many investors might have decided against tendering their holdings on expectations the share price has more room to appreciate.

Vedanta shares have rallied 28% in the last three months and 92% in the last six months. On Wednesday, Vedanta shares ended at ₹236.90. Vedanta's delisting offer in October last year failed as promoters were able to get only 125.47 crore



bids against the required 134.1 crore shares. While most of the mutual funds tendered their shares during the delisting offer between ₹150 and ₹160 per share, LIC, which held 6.37% stake, tendered all its shares at a price of ₹320, a 267% premium over the floor price of ₹87.25, upsetting Vedanta's calculations.

Promoters cannot launch a delisting offer within one year of the completion of the open offer period.

Vedanta's delisting offer in Oct failed as promoters were able to get only 125.47 cr bids against the required 134.1 c shares

half the public shareholding in their firms or 90% of the total equity capital whichever is higher to become eligible for delisting.

According to bankers, Vedanta Resources may try to increase its stake in the Indian arm through market purchases.

As per the Sebi takeover code, promoters holding more than 25% but less than 75% can buy up to 5% through creeping acquisition in one financial year. Any acquisition of further shares beyond 5% should require the acquirer to make an open offer.

In December, promoters increased their stake in Vedanta Ltd from 50.14% to 55.11% by buying around 5% from the market.

MCX aluminium futures set to head north

AKHIL NALLAMUTHU
BL Research Bureau

Aluminium futures on the Multi Commodity Exchange (MCX), which have been rallying since June last year, faced intermittent corrections either in the form of a minor decline or horizontal price movement. On the similar lines, the April futures contract has largely been moving in a sideways fashion but with a bullish bias.

While the price band between ₹170 and ₹174 acted as a support, the 21-day moving average (DMA) offered the contract a dynamic support which helped it retain



the bullish tone. Following this, it gained enough strength to breach the critical resistance of ₹180 on Tuesday and on Wednesday, the rally was extended which indicates that the breakout is decisive.

Volumes also look good enough.

Additionally, indicators like the relative strength index and the moving average convergence divergence indicators on the daily chart are showing fresh upward momentum. Moreover, the average directional index signals that the bulls have a clear advantage.

Traders can take bullish view and initiate fresh longs with stop-loss at 21-DMA which now lies at around ₹176. The contract is likely to touch the resistance band between ₹188 and ₹190. Subsequent resistance is at ₹195.

THE ECONOMIC TIMES DATE : 9/4/2021 P.N.5

REBOUND IN GLOBAL METAL PRICES HELPS STOCK GAIN 146% IN 6 MONTHS

Tata Steel Makes a New High on Bourses After 14 Years

Analysts expect the stock to run up by 25% after gaining 25% in a month

Rajesh Mascarenhas
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Mumbai: Tata Steel shares on Thursday hit record highs after nearly 14 years extending the recent bullish momentum driven by a resurgence in global metal prices. The company's market value crossed Rs 1 lakh crore for the first time earlier this week as analysts said the stock has room to run up in the near future.

The stock, which hit a record high of ₹953.10 on Thursday, closed at ₹922, up 5.4% over the previous day. Its previous record was on October 29, 2007 when the price touched Rs 914. Since then, the stock has been an underperformer because of weak global metal prices.

The rebound in prices has helped metal companies like Tata Steel catch investors' attention. Analysts expect the stock to run up by 25% after gaining 25% in a month.

"We remain positive on Indian steel amid strong price environment," said Nitij Mangal and Sagar Sahu,

Valuation Metrics

Business	FY22 Est EV (₹Bn)
India	1,249
Europe	201
Other Assets	144
India Acquired Assets	338
Total	1,931
Net Debt	726
Investments	120
Derived Equity Value	1,325
No of Shares	1.20
Target Price (₹)	1,110

Source: JP Morgan



analysts at Jefferies, which upgraded its price target on Tata Steel to ₹1,125 from ₹915. The analysts prefer Tata Steel over JSW Steel.

In the past six months, Tata Steel shares have surged 146% compared to a 26% rise in the Nifty. Tata Steel is currently trading at a price to book of 1.6 times FY21 earnings compared to 1.8 times the stock was trading during its previous peak in 2007.

"Though stock has outperformed Nifty so far this year, valuations at 1.2 times FY22 estimated price to book still offer room for upside," analysts at Jefferies said.

Early this week, the company said that it has achieved record high sales of 17.3 metric tonnes (mt) in its In-

dia operations during FY21, supported by higher exports. Tata Steel Europe (TSE) has reported 18% quarter-on-quarter sales growth or 4% year-on-year growth to 2.49mt.

"While TSE is on track to report among its best ever operating performances in the first half of FY22, its 10mt Europe capacity base offers investors a large delta to earnings in this upcycle which has not been priced in," said Pina-kin Parekh, analyst, JP Morgan. "While there remains a high degree of scepticism on steel profits, we believe the new normal for earnings is higher than the last decade owing to China's de-carbonisation efforts."

India, Indonesia gain from China's ban on Australian coal

REUTERS

Beijing/Chennai, April 8

India and Indonesia have emerged as key beneficiaries of a Chinese ban on Australia's coal exports which is expected to further shift global trade in the fuel used for power generation and steelmaking this year.

Australia, the world's biggest coal exporter, will continue to benefit from growing Indian demand for its coal, made cheaper after it was shunned by China, analysts said. Coal traders and buyers expect India's buying spree of Australian coal to last into next year due to its price and quality.

China has targeted various Australian products with unofficial import restrictions since March 2020 as relations between the two countries

soured. The ban has also benefited coal exporters in Indonesia, Mongolia and Russia as China's buyers switched suppliers, according to the latest Chinese customs data. Indonesia's coal miners signed a \$1.5-billion supply deal with China in November.

"Global trade flows will be self-adjusting with Australian coal flowing to Indian and European markets and South African and Colombian sources coming into China," said Winston Han, chief analyst from China Coal Transportation and Distribution Association at a Coaltrans seminar this week.

As the largest consumer of most commodities apart from oil, China has long had a heavy influence on resources trade through its sheer size. But the



ban has particularly benefited Indian buyers, while Chinese importers are complaining that they are having to pay more for lower quality coal from other countries.

Indian cement companies last year started snapping up cargoes of Australian coal that were being offered at steep discounts after being turned away from China, said Kirit C Gandhi, joint president at Indian cement firm Shree Ce-

ment. India became the second-biggest buyer of Australian thermal coal in February, according to data from consultancy Lavi Coal Info, as it bought less coal from its traditional suppliers Indonesia and South Africa.

Australia, already India's biggest supplier of metallurgical coal, accounted for around 20 per cent of India's thermal coal imports in the first two months of 2021, up from a little over 4 per cent on average in 2020, according to data from Lavi Coal Info.

Chinese fallout

China is expected to relax import restrictions on coal this year, apart from on Australia, with its total coal imports expected to reach around 300 million tonnes (mt) in 2021,

compared to 304 mt in 2020, Han said.

China has imposed import quotas on coal to protect domestic miners.

For Australia, the ban has cut total coal exports by more than 7 per cent to 198 mt in 2020-21 from 213 mt in 2019-20.

Analysts warned that the trade reshuffle will make it harder for China's buyers to source the high quality metallurgical coal that Australia specialises in.

The ban has also hit Chinese utilities, which have complained to state planners about high prices and low inventories in the first quarter, said a Beijing-based coal trader. Record low temperatures during the winter that just ended sent demand for heating surging.

JSW Steel output up 6% in Q4 at 4.19 mt

OUR BUREAU

Mumbai, April 8

Sajjan Jindal-led JSW Steel has registered six per cent rise in March quarter production at 4.19 million tonnes (mt), leading to capacity utilisation of 93 per cent.

However, utilisation was at 96 per cent in March.

Flat product

Flat product output was up four per cent at 2.99 mt (2.87 mt), while that of long products was up 11 per cent at 1.05 mt (0.95 mt).



Even though the average capacity utilisation improved from a low of 66 per cent in last June quarter, the crude steel production last fiscal was down six per cent at 15.98 mt (16.06 mt) mainly due to disruption in production caused by Covid-19 outbreak in June quarter.

Long product

Flat product output last fiscal was down four per cent at 10.87 mt (11.35 mt), while long product output was down 14 per cent at 3.21 mt (3.72 mt), it said.

BEATING PANDEMIC BLUES

JSPL becomes biggest wealth creator among peers

Stock has surged
486% since April 2020

THOMAS ABRAHAM
KS BADRI NARAYANAN

Bangalore/Chennai, April 8

For the world economy, financial year 2020-21 remains one best forgotten. However, that is not the case with domestic private sector steel makers, especially JSPL.

The company's stock climbed from ₹63.20 levels in the early part of April 2020, to ₹370.55 on April 1, 2021, recording a 486 per cent surge during the period. This, perhaps, is the highest return generated among shares of major steel makers in the country, and consequently, the scrip could be considered as the biggest wealth creator in the steel sector during the financial year. In comparison, shares of JSW Steel, SAIL and Tata Steel gave returns in the range of 200-300 per cent.

Metal stocks were in the lime-

light on Thursday as well. JSPL surged 6.95 per cent to ₹415.75 while SAIL jumped 6.5 per cent to ₹95.65. Tata Steel rose 4.90 per cent to ₹917.65 on the BSE.

Despite FY21 being marked by the national lockdown and plummeting demand, JSPL's production climbed 19 per cent to 7.51 million tonnes, while sales rose 20 per cent to 7.28 million tonnes. The company's March sales jumped 61 per cent to 786,000 tonnes, while production rose 21 per cent y-o-y to 7.3 lakh tonnes, during the month.

'15:15:50 target'

VR Sharma, MD, JSPL, said, "The remarkable turnaround and growth of JSPL during an exceptionally tough Covid-19 year has been possible due to our single-minded focus on providing solutions to our customers. Our employees have ensured that our plants are always operating and we produce world-class products for our customers

Stealing the limelight

	April 8, 2021 (₹)	March 31, 2020 (₹)	% gain
Jindal Steel & Power	415.75	82.20	405.78
JSW Steel	614.30	146.45	319.46
SAIL	95.65	23.05	314.97
Tata Steel	917.65	269.75	240.19



everywhere. We are committed to contributing to a self-reliant India. We are also working to achieve our 15:15:50 target, that is, ₹15,000 crore EBITDA, ₹15,000 crore net debt and ₹50,000 crore gross turnover."

Record production

Overall, the steel sector has done well since the beginning of the year 2021, thanks to pent-up demand, and higher exports. China's stoppage of supplies to Vietnam led to gains for Indian steel makers.

During the year, JSPL achieved

the highest-ever production in plates, TMTs, wire rods, and billets. In March 2021, JSPL clocked the highest-ever sales of TMTs at 2.11 lakh tonnes. Average TMT sales, including exports, stood at 1.8 lakh tonnes per month. In the nine months for the year, TMT sales at JSPL stood at 1.62 million tonnes – during the lockdown the TMT market remained closed for 3 months.

Deleverage to help

Starting the year with a debt of above ₹36,000 crore, the company

has reduced it to about ₹25,000 crore – a reduction of about ₹11,000 crore. Expecting the current rate of high demand and profitability to remain intact, Indian steelmakers are likely to embark on new capex going forward, say experts.

"We expect deleveraging will continue and JSPL is well poised for future growth. Volume growth in steel and power will help JSPL's EBITDA to remain elevated despite expectation of softening of steel prices," said Centrum Broking.

IDBI Capital said: "We anticipate steel prices to remain firm in FY22 which should likely accelerate JSPL's deleveraging plans. Jindal Power is likely to witness turnaround in its financials over FY21-23, in our view. With no major capex, focus on debt repayment and unutilised capacities, we believe JSPL stock is likely to be a re-rating candidate over coming few years."

Tata Steel rejoins industry body one year after parting ways

JSW Steel inducts
recently acquired
Bhushan Power

SURESH P IYENGAR

Mumbai, April 9

Tata Steel has rejoined the Indian Steel Association almost a year after it parted ways over the contentious issue of the government advancing the termination of captive mine leases to 2025 from 2030.

In fact last May, TV Narendran, Managing Director, Tata Steel, had quit as President of the association before his term came to an end, besides withdrawing the company's membership from the association as some of the steel companies were in favour of the government's decision.

In a major turnaround, Tata Steel, along with its subsidiar-



ies Tata Steel BSL (formerly Bhushan Steel), and Tata Steel Long Products, rejoined the ISA in April.

Interestingly, the country's largest steel producer JSW Steel also inducted its recently acquired Bhushan Power and Steel into the association.

Pivotal role

Dilip Oommen, President, Indian Steel Association, said the Association over the years has played a pivotal role in addressing and resolving critical

issues that impact the industry.

In a bid to bring parity between legacy iron ore mine owners and steel companies winning mines in auctions, the government amended the Mining and Minerals (Development and Regulations) Act in 2015 and extended the validity of captive mine leases till 2030 but advanced it to 2025. These mines were to be auctioned after the leases expired.

In the last one year, JSW Steel had acquired four iron ore mines committing a huge premium of over 135 per cent.

Differences remain

Even though Tata Steel has rejoined the association, the difference of opinion among the industry on advancing the captive mining lease expiry

date still persist, said a steel company official.

The Ministry of Steel has insisted that the industry should bury its difference and speak in one voice, particularly when the user industries have been mounting pressure on the consistent rise in steel prices, he added.

In February, the Competition Commission of India *suo moto* launched a probe on whether large steel companies had formed a cartel to increase prices.

Addressing the user industry's woes, the government had waived off the anti-dumping duty on a few steel products till September-end and halved the customs duty to 7.5 per cent on imports of semis, flat and long products of non-alloy, alloy and stainless steel.

Gold slips from 1-month high as dollar, yields stage rebound

REUTERS

April 9

Gold retreated on Friday from a more than one-month peak hit in the previous session, weighed by a rebound in the dollar and US Treasury yields.

Spot gold fell 0.6 per cent to \$1,745.99 per ounce at 0914 GMT, having hit its highest since March 1 at \$1,758.45 on Thursday. US gold futures slipped 0.7 per cent to \$1,745.20.

The dollar and benchmark US yields have rebounded from two-week



lows, making gold less appealing.

"Gold's retreat from last year's peak is a 'mini-correction' in a longer bull market," said Davis Hall, head of

capital markets in Asia at Indosuez wealth management. "A lot of that speculative froth has been withdrawn as bitcoin picked up the baton... (but) as long as real yields remain flat to negative, gold has that underlying long-term support."

Silver eased 0.9 per cent to \$25.20, while platinum fell 1.3 per cent to \$1,214.21. Palladium rose 0.1 per cent to \$2,626.41, but was on track for its biggest weekly fall since the week ending February 26.

Gold set to extend the rally

Silver looks positive but lacks the higher volumes required to substantiate bullishness

AKHIL NALLAMUTHU

BL Research Bureau

The data on ETFs (exchange traded funds) from the World Gold Council (WGC) released last Thursday shows that investors' expectation on a gold price recovery is waning. Recording a net outflow of 107.5 tonnes in March, ETFs across the globe have seen a net outflow for the second straight month. This also marked the fourth month of net outflow in the last five months. The outflow in March is the second highest since November 2016, when the outflow stood at 116.5 tonnes. November 2020 saw an outflow of 108.7 tonnes.

These trends indicate that gold prices remaining low in the last several months has pushed investors to look for alternatives. Unless there is a price recovery soon, this trend might continue to weigh on the yellow metal further. Regionally, only Asia has seen net inflows (7.2 tonnes) in March led by China (5.3 tonnes) and India (1.6 tonnes).

The WGC also released data on central bank demand for gold. While they sold nearly 29 tonnes in January, central bank activity remained muted on a net basis in February where the selling amounted to 3.3 tonnes. The largest monthly buying came from India (11.2 tonnes) and the largest selling from Turkey (11.7 tonnes). In the coming months, if the central banks on an aggregate basis become buyers, it can help the price firm up and boost sentiment.

Bullion prices were not much affected by incoming ETF data. They were appreciating for most of the week with a minor correction on Friday. But the



drop was not very significant, and the market seems to have gotten over it and the resilience shown is certainly encouraging. The price could at least stop its descent if there isn't a rally.

Last week, the futures of gold (June expiry) on the Multi Commodity Exchange (MCX) gained 2.6 per cent as they closed at ₹46,593 (per 10 grams) and silver futures (May expiry) on the MCX posted a gain of 2.9 per cent as it ended at ₹66,983. In terms of dollar, gold and silver closed at \$1,743.1 (per ounce) and at \$25.24 (per ounce), thereby appreciating by 0.8 per cent and 1.1 per cent, respectively. The precious metals posted better returns in rupee terms last week as the Indian currency weakened by nearly 1.8 per cent against the dollar.

MCX-Gold (₹46,593)

Even as gold June futures witnessed a sluggish start last week, the contract

gained momentum and gained steadily in subsequent sessions. It moved past resistance at ₹45,700 and the price is now above both 21- and 50-day moving averages (DMAs). While it closed the week at ₹46,593 after marking an intraweek high of ₹46,900, the price action over the past week is bullish and provides room for further increase in price.

This is supported by the daily relative strength index (RSI), which is now above the mid-point level of 50 for the first time since January. The moving average convergence divergence (MACD), which has started to trace positive trajectory a week ago, is now on the verge of entering positive territory. Moreover, good volumes are implying that the rally is not thin and the likelihood of it sustaining is high.

Given the above factors, futures will most likely climb above the nearest hurdle at ₹47,000 in the coming week.

Hence, one can initiate new trades on declines and maintain stop-loss at ₹45,500. On a break of ₹47,000, the futures can be expected to rise to ₹48,300. Above that level, it can face resistance between ₹49,800 and ₹50,000. Notably, the 200-DMA coincides at ₹49,800 currently, making the resistance stronger. Supports from the current levels are at ₹46,000 and ₹45,500.

MCX-Silver (₹66,983)

Extending the recovery that happened in the second half of the week before, the May futures contract of silver went up throughout last week. The contract eased past the critical resistance of ₹65,000 and summed up the week at ₹66,983, thereby gaining 2.9 per cent.

Indicators such as RSI and MACD are showing signs of fresh momentum being built up. While the former has entered the bullish zone, the latter is showing that the trend is potentially turning bullish.

However, the rally is not substantiated by higher volume and moreover, the contract remains below the crucial resistance at ₹68,000. Also, unlike gold futures, silver futures could not rally past the prior high i.e., it was unable to form higher high. Since the contract has now gone back above ₹65,000, the chances of a decline from the current level is slim.

Hence, one can stay on the sidelines now and consider going long if the contract decisively breaches the resistance at ₹68,000. Once past ₹68,000, the futures can most probably rise to ₹71,850 with subsequent resistance at ₹75,000. Notable support below ₹65,000 can be spotted at ₹62,500.

Vedanta signs MoU for bauxite residue reuse

To maximise value-extraction from the residue for further usage downstream

OUR BUREAU

Mumbai, April 12

Vedanta, one of the largest producers of aluminium and its value-added products, has signed a memorandum of understanding for value-creation from bauxite residue (red mud), which is a by-product generated during processing of bauxite into alumina.

Bauxite is the primary ore for producing aluminium. It undergoes an intermediate refining stage to produce alumina and then through electrolysis aluminium is produced. About three tonnes of bauxite produces one tonne of alumina and about two tonnes of alumina gives one tonne of aluminium.

Last August, Aditya Birla Group company Hindalco Industries signed an agreement with its group company UltraTech Cement to supply 1.2 million tonne of red mud an-



nually. UltraTech Cement will use the red mud for replacing up to 3 per cent of clinker raw mix volume. Use of red mud reduces the cement industry's dependence on natural resources and promotes a circular economy.

Bauxite residue has many metal values like iron, alumina, rare earth elements and titanium dioxide. Creating indigenous capabilities for extraction of REEs from bauxite residue has been the brainchild of NITI Aayog.

Research institutes

Along with other aluminium producers, Vedanta has

entered into the partnership with three research institutes namely CSIR-National Metallurgical Laboratory, Jamshedpur, Institute of Minerals and Materials Technology, Bhubaneswar, and Jawaharlal Nehru Aluminium Research, Development & Design Centre, Nagpur.

All three research institutes will work together to develop technologies for red mud beneficiation for REE enrichment, recovery of alumina values, recovery of iron values and process for extraction and separation of Titanium and REEs. Once established, the processes will be validated through an integrated facility.

Rahul Sharma, Deputy CEO - Aluminium, Vedanta, said the aim is to maximise value-extraction from bauxite residue for further usage downstream. Vedanta produced 1.9 million tonnes of aluminium in FY20. It is a leader in value-added aluminium products that find critical applications in core industries.

BUSINESS LINE DATE : 14/4/2021 P.N.7

BIS ready for mandatory hallmarking of gold

OUR BUREAU

New Delhi, April 13

The Bureau of Indian Standards has decided to bring more than 80 per cent of the products that come under its purview under a simplified licensing procedure to enable manufacturers to get licence within one month.

As part of various initiatives to reduce compliance burden, it has also decided to bring down the annual minimum marking fee paid by micro enterprises, start-ups and women entrepreneurs for BIS certification.

Speaking to mediapersons on Tuesday, Leena Nandan, Secretary, Consumer Affairs Ministry said that this is being done in a bid to incentivise start-ups, women entrepreneurs and micro enterprises to



Gold hallmarking is a purity certification and is voluntary at present AFP

focus on quality. The annual minimum marking fee has been reduced by 50 per cent and old licence holders will also get 10 per cent rebate.

Simplifying process

Pramod Kumar Tiwari, DG, BIS said that several measures such as automation of the entire certification process of certification, automatic renewal of licences are being in-

troduced to expedite licensing process.

In a bid to contain cheap imports and reduce production of sub-standard products, BIS has also issued quality control orders for 354 products which require mandatory certification, including steel products, footwear, electronic products and toys among others.

Tiwari said that so far 250 toy makers have got licences and notices have been sent to malls and airports so that they ensure only BIS certified toys are sold.

Gold quality certification

Meanwhile, the Ministry said that it is fully prepared to implement mandatory hallmarking of gold jewellery and artefacts from June 1, 2021.

Gold hallmarking is a purity certification and is voluntary at present.

Earlier, it was to become mandatory from January 15 but the industry got an extension of four months due to the pandemic.

"BIS is fully geared and involved in giving approvals to jewellers for hallmarking," Nandan said.

So far, 34,647 jewellers have registered with the BIS and in the next couple of months, one lakh jewellers are expected to register, Tewari added. From June 1, jewellers will be allowed to sell gold jewellery of only 14, 18 and 22 carats.

BIS has nearly 21,000 and is making them available free of cost. These can be downloaded from the Standardisation Portal of e-BIS.

THE HITAVADA DATE : 14/4/2021 P.N.7

Govt to implement mandatory gold hallmarking from June 1

NEW DELHI, Apr 13 (PTI)

THE Government on Tuesday said it is fully prepared to implement mandatory hallmarking of gold jewellery and artefacts from June 1, 2021.

Gold hallmarking is a purity certification of the precious metal and is voluntary in nature at present. The Centre, in November 2019, had announced that hallmarking of gold jewellery and artefacts would be made mandatory across the country from January 15, 2021.

The Government had given jewellers more than a year to shift to hallmarking and register themselves with the Bureau of Indian Standards (BIS).

But the deadline was extended for four months till June 1 after the jewellers sought more time to implement in the wake of the COVID-19 pandemic.

"No extension has been sought. BIS is already fully engaged and involved in giving approvals to jewellers for hallmarking," Consumer Affairs Secretary Leena Nandan said in a virtual press conference here.

Elaborating more, BIS Director-General Pramod Kumar Tiwari said, "From June, we are fully prepared to implement (mandatory hallmarking). And at present, we have received no proposal to extend the date."

So far, 34,647 jewellers have registered with the BIS.

MCX copper could top ₹700



AKHIL NALLAMUTHU

BL Research Bureau

Copper has been one of the best performing commodities over the past year and as a result the price of futures continuous contract on the Multi Commodity Exchange (MCX) went up from about ₹360 in March last year and topped ₹745 in the last week of February.

But the futures contract witnessed sell-off in the last week of February and in the first week of March. Consequently, the April futures contract dropped from about ₹732 to ₹664 levels, losing about nine per cent. Nevertheless, the contract started to move in a sideways trend wherein it was largely oscillating between ₹664 and ₹682.

Last week, the contract broke out of the range with good volume which also resulted in the price moving past the 21-day moving average (DMA). While the futures stayed flat in the past few trading sessions, the price band of ₹678 and ₹682 has been offering good support. As long as the price stays above this level, the short-term trend will be positive.

Traders can be positive and initiate fresh long positions on declines with stop-loss at ₹675. Although ₹700 can be a hindrance, the contract will most likely breach this level and appreciate towards ₹718 in the near-term.

Steel production down 10% in 11 months of FY21

Domestic prices likely to rise further

OUR BUREAU

New Delhi, April 14

Domestic production of finished steel fell by 10.3 per cent on a year-on-year basis to 85.6 million tonnes during the first 11 months of the just-concluded financial year, according to data provided by the Ministry of Steel's Joint Plant Committee.

Consumption during the



same period too fell by 9.9 per cent to 84.7 million tonnes.

Steel producers have made rapid gains after producing half their usual volume during the initial months of the pandemic. Production during February rose 7.4 per cent on a year-on-year basis to 9.2 million tonnes. The scale-up comes amid a sharp rise in domestic and global steel prices.

Domestic prices are expected to rise further on the back of higher international prices. "Domestic steel prices, which remained firm

in March, trades at an ₹6,000 discount to prices from Korea, indicative of a further upside in prices," Motilal Oswal Financial Services said in a note on Monday. "Spreads on steel prices remain firm despite a rise in iron ore prices."

Exports for the 11-month period have also risen 22 per cent on a year-on-year basis to 9.5 million tonnes. On the other hand, imports are down 9 per cent to 4.3 million tonnes.

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