खनिज समाचार

KHANIJ SAMACHAR

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खनिज समाचार

KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL. 5, NO-11 , 1st – 15th JUNE , 2021

THE TIMES OF INDIA DATE : 1/6/2021 P.N.4

Surjagarh mining starts, truck held for royalty non-payment

Shishir.Arya@timesgroup.com

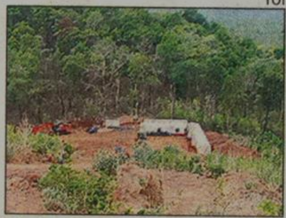
Nagpur: Iron ore mining, which had finally resumed at Surjagarh hills of Gadchiroli district without police protection, ended up with a consignment being caught by authorities for non-payment of royalty. The project which is expected to change the socio-economic situation of the area has been mired in troubles for years.

On last Friday, local villagers intercepted a truck carrying 19 tonne iron ore and reported the matter to district administration. It was found that the material was being taken away without paying royalty. Papers with the driver said the ore was being taken for sampling purpose. Sampling is done to ascertain the grade, on the basis of which royalty is paid. However, questions are being raised about need of taking as much has 19 tonne ore merely for sampling.

Gadchiroli collector Deepak Singla, who confirmed the development, said the company has been fined and the management has assured to comply. The consignment was being taken away without filing the mandatory online details.

An official in the district's mining office said a fine of Rs25,000 has been levied on the company, also confirming that the truck was intercepted by the locals.

TOI



View of the mining area at Surjagarh hills in Gadchiroli

Iron ore mining in Surjagarh area of Naxalite-infested Gadchiroli has always been a controversial issue. The mining lease has been granted to Lloyds Metals and Energy Limited (LMEL). The company could not start full-fledged operations, mainly due to Naxal threat. Over the years, there have been incidents of burning of equipment and also killing of a company officer.

UNEARTHED

Lately, LMEL, which continues to hold the mining licence (ML), had outsourced the contract to mine the ore to Odisha's Triveni Earth Movers.

When LMEL did the mining on its own, it required police protection at the site, which could be not be made available in continuity. This stopped mining operations for long periods. Triveni Earth Movers had started mining a month ago.

BUSINESS LINE DATE : 1/6/2021 P.N.8

Aluminium prices likely to rebound

Rates could rise on global demand, slower output growth in China

SUBRAMANI RA MANCOMBU

Chennai, May 31

Though aluminium prices have dropped from the three-year high witnessed early this month, they are seen rebounding this year as production growth in China is expected to be lower than initial estimates and demand from other parts of the world is likely to increase.

Last month, US ratings agency Fitch Solutions said that it was revising its aluminium price forecast to $2,050 a tonne from $1,850 for this year as "the market is currently tight amidst supply concerns at a time when demand for manufactured goods is recovering strongly".

According to Dutch multinational financial services firm ING, global demand is set to remain strong leading to widening supply gap.

London Metal Exchange aluminium futures ended at $2,434 a tonne during the weekend. The metal prices had hit a three-year high of $2,535 earlier this month before dropping below $2,450.

Undersupply

Prices surged after Chinese aluminium imports increased 36 per cent in April. *Trading Economics* website projected the non-ferrous metal price rising to $3,000 by next year-end as traders see the market undersupplied by 480,000 tonnes. Supply shortage is seen rising to 1.08 million tonnes in 2023.

Dutch multinational financial services firm ING sees the global aluminium market continue tightening into a deficit towards 2025. NG's senior commodities strategist Wenyu Yao wrote in her analysis that the efforts to reduce carbon emissions would have a dual implication for aluminium.

While supply growth in China will be curbed, the global demand for the non-ferrous metal will increase in view of sectors involved in energy transitions such as transport and renewable energy.

Fitch Solutions, too, agreed with the view saying aluminium prices would rule high in the coming years as its demand will be supported by the accelerating shift to a green economy. According to the US ratings agency, aluminium consumption last year was 60.51 million tonnes (mt) against a production of 65.13 mt. This year, demand is projected to increase to 62.36 mt and production to 67.60 mt.

According to International Aluminium, an organisation of bauxite, alumina and aluminium producers, production last year was 65.29 mt against 63.65 mt in 2019. Of this, China contributed 37.33 mt last year (35.79 mt).

During January-April this year, global aluminium production was 22.21 mt compared with 21.34 mt in the same period a year ago.

Podcsat: First agritech https://tinyurl.com/indianagritech

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

MOIL receives first patent on innovation in technology

■ **Business Bureau**

THE city-based CPSE - MOIL Ltd got its first patent on May 10, 2021 for 20 years. This is first patent of MOIL since its inception.

Under the continuous guidance and direction of Mukund P Chaudhari, CMD and Dipankar Shome, Director (Prod & Plng) and with technical back-up of Dr G G Manekar, General Manager (Mines) – Mine Planning, a project of replacement of sand with alternate materials was taken up.

Dr Manekar, who heads Mine Planning Department of MOIL, carried out extensive trials for preparation of pallets from over burden / waste rock of non-mineralised old refuse dumped material lying at mines site in huge quantity for replacement as a fill material in underground for hydraulic stowing in place of sand.

The earlier produced pallets made from the overburden material at Dongri Buzurg mine, located in Bhandara, by use of geosystemic material did not absorb the resistance.

Dr Manekar continued the research and study. Trials were conducted with newly developed product from mix of overburden in 2018 and the success in the trials confirmed that the product developed by the heat treatment from the waste was suitable for hydraulic transportation in underground mine.

Enthused by the success of the project, a patent application was submitted by Dr Manekar in the name of MOIL titled a composition useful as an alternative filling material for hydraulic stowing in an underground mine and the methods thereof on March 31, 2018.

After examination and hearing in the office of Intellectual Property India at Delhi, MOIL got the patent on May 10, 2021 for 20 years.

MOIL gets patent for developing filling material from waste for manganese mines

EXPRESS NEWS SERVICE
PUNE, JUNE 1

MOIL, THE Nagpur-headquartered company mining manganese in Maharashtra and Madhya Pradesh, has been awarded an Indian patent for developing an alternate filling material used for hydraulic stowing in underground manganese mines.

The company operates 11 mines in Nagpur, Bhandara and Balaghat districts in these states, most of which function through underground mining methods. Due to difficult geo-mining conditions as the manganese ores are found at varying depths, and poor wall rock conditions, the need for such a material to allow smooth operations was needed.

Though the company studied and tried to plug the practical problems in carrying out hydraulic transportation at the site, an effort initiated some time in 2018 by G G Manekar, general manager (Mines) – Mine Planning at MOIL -- succeeded.

Along with his team, he took up trial experiments in which pallets from waste rock dumped near the mine site were considered as a primary alternative replacement to sand. This would act as a filling material typically required in underground hydraulic stowing.

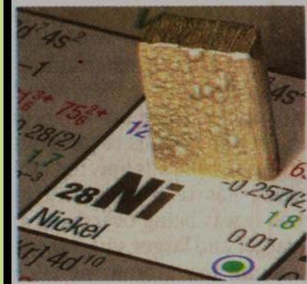
An in-house kiln for carrying out heat treatment of this waste material was prepared. A composition which was treated with water, gypsum, bentonite and dolomite was found suitable for hydraulic transportation in underground manganese mines.

Further fine-tuning of the developed mix and trials confirmed that the bed of pallets developed from such waste material offered sufficient compactness as desired.

Among the many advantages of this composition is that not only is the waste material lying on mine sites reused, but it sets a smooth flooring, permitting the movement of man and machinery on the site. Overall, it will also reduce the dependence on sand being extracted from river banks.

BUSINESS LINE
DATE : 3/6/2021 P.N.8

MCX nickel: Go long if it rallies above ₹1,335



YOGANAND D
BL Research Bureau

The June month futures contract of nickel on the Multi Commodity Exchange of India (MCX) increased one per cent to ₹1,333 per kg on Wednesday.

The contract is now testing short-term resistance at ₹1,335 levels. A conclusive breach of this hurdle will reinforce the bullish momentum and underpin the uptrend that started from the significant base at ₹1,145 levels in late March this year. Following a minor corrective decline in mid-May, the contract found support at ₹1,217 and now trades well above the 21- and 50-day moving averages. The daily relative strength index is on the brink of entering the bullish zone from the neutral region.

An emphatic break above the current resistance level of ₹1,335 will strengthen the up-move and take the contract northwards to ₹1,400 and then to ₹1,450 over the medium term. That said, failure to move beyond the aforementioned resistance can pull the contract down to the immediate support level of ₹1,300. A further decline below this support can drag the contract lower to ₹1,275 and then to ₹1,225 levels.

Traders should tread with caution and consider taking fresh long positions on a strong rally above ₹1,335 levels with a fixed stop-loss.

THE HITAVADA DATE : 3/6/2021 P.N.5

'India's diamond exports to grow 20 pc this fiscal'

MUMBAI, June 2 (PTI)

WITH the export markets recovering from the pandemic, India's diamond-outbound shipments are expected to grow 20 per cent this financial year to over USD 20 billion, according to a report. With the pandemic said to be contained in China, and the US inoculating 40 per cent of its population, consumer confidence has improved in both countries, CRISIL Ratings said in the report. Towards the second half of last fiscal, pent-up demand and stimuli had buoyed consumption of diamonds and jewellery in the US and China, which account for 75 per cent of India's polished diamond exports.

Demand will also be bolstered by improving economic growth and declining unemployment, it noted. Additionally, the report stated that the restrictions on overseas travel and lower spending on hospitality mean celebrations are largely restricted to spending on gifting, including diamond jewellery.

"Exports have been rising and averaging at USD 2 billion per month since October 2020. To be sure, there will be some moderation in the second quarter of this fiscal, which is a lean period typically. But, the festival season that begins in the export destinations from the third quarter will boost revenue to pre-pandemic levels. That will tantamount to a 20 per cent growth in diamond exports by revenue this fiscal," CRISIL Ratings Director Rahul Guha said. The report further stated that revenue from exports reached USD 16.4 billion last fiscal, marking a decline of 12 per cent, well below the plunge expected when the world went into unprecedented lockdowns.

BUSINESS LINE DATE : 3/6/2021 P.N.10

Led by jewellery and petroleum sectors, exports in May rise 67%

Imports in May lower than April; trade deficit at eight-month low

OUR BUREAU
New Delhi, June 2

India's goods exports in May increased 67.39 per cent to $32.21 billion compared to the same month last year, led by sectors such as gems and jewellery, petroleum products and engineering items, according to the trade data released by the Commerce & Industry Ministry on Wednesday.

Exports in May were also higher than the exports of $30.63 billion in April.

Imports of goods in May increased 68.54 per cent to $38.53 billion over May 2020, led by petroleum products, pearls, precious stones and semi-precious stones and electronic goods.

Imports down

Imports during the month were, however, lower compared to $45.72 billion in April. Trade deficit of $6.32 billion in May was at an eight-month low, pointed out Aditi Nayar, Chief Economist, ICRA.

It was less than half of the trade deficit of $15.1 billion in April.

"A predominant 63 per cent of the decline in the trade deficit in May relative to April 2021 was on account of the collapse in gold imports, with the balance led by a narrower oil deficit, led both by higher exports and lower imports," she said.

Exporters' body FIEO said the continuing sharp growth in exports reinforced its assessment that order booking position of exporters is healthy, and the gradual opening up of major global markets and improvement of situation in the country was expected to push exports growth further. It called for an early notification of input duty refund rates under the new RoDTEP scheme to remove uncertainty from the minds of the trade and industry, thereby helping in further forging new contracts with the foreigner buyers.

Like the previous two months, exports of engineering goods saw a substantial year-on-year rise of 53.14 per cent in May, pointed out Mahesh Desai, Chairman, Engineering Export Promotion Council of India. "We expect the order book of exporters to remain strong in the current financial year, given the demand trend from key markets such as US, China and Europe," he said.

While much of the steep increase in exports could be attributed to the low base-effect, owing to last year's pandemic-induced lockdown, exports in May were higher by 7.93 per cent compared to exports in May 2019 when production and exports were normal.

Imports in May were, however, lower by 17.47 per cent compared to imports in May 2019. India's goods exports in April-May 2021 increased 112.29 per cent to $ 62.84 billion compared to the same period last year. Goods imports in April-May 2021 were $ 84.25 billion, an increase of 110.73 per cent over the first two months of last fiscal.

Export target

Encouraged by the healthy performance in exports over the last few months, the Commerce & Industry Ministry has set an export target of $400 billion for 2021-22. This would require a big jump over last fiscal's exports valued at $290.18 billion, which was lower by 7.4 per cent compared to exports worth $313.36 billion in 2019-20.

Value of non-petroleum and non-gems and jewellery exports in May 2021 was $23.97 billion, a growth of 45.96 per cent over May 2020, according to the release. Non-oil, non-gems and jewellery imports were $26.14 billion in May 2021, a growth of 41.32 per cent over May 2020.

THE ECONOMIC TIMES DATE : 4/6/2021 P.N.6

Gold Retreats After Fed Stimulus Comments, Dollar Gains

Market looking for clues on tapering of stimulus, will also be watching US payroll data for inflation signs

Bloomberg

Gold declined from its highest level in almost five months as investors assess the latest comments from US Federal Reserve officials for clues on a potential time frame for tapering stimulus. The dollar rose, adding further pressure to prices.

Philadelphia Fed President Patrick Harker said Wednesday it's appropriate "to slowly, carefully move back" on bond purchases at a suitable time.

Officials have said they will begin scaling back buying when the economy has made "substantial further progress" toward their goals, a condition many Fed-watchers believe will be met later this year.

William Dudley, former president of the Federal Reserve Bank of New York, says he thinks what the Fed is doing to sell holdings of its corporate bond facility established during the pandemic is "pretty unrelated" to monetary-policy tightening.

"I would not take that decision as implying anything about the timing of taper and the timing of actually lifting off and raising short-term interest rates," he said.

Separately on Wednesday, the Fed released its Beige Book survey, which showed the pace of the US recovery from the pandemic picked up in the past two months. Meanwhile, the Fed Board plans to begin gradually selling a portfolio of corporate debt purchased through an emergency lending facility launched last year, as Covid-19 was spreading panic through financial markets.

Bullion has stabilised near $1,900 an ounce in recent days amid growing demand for the haven asset, aided by signs of accelerating consumer prices and the risk of an uneven economic recovery.

Traders will be watching Friday's US non-farm payrolls report for May for further clues on the strength of the labour market and whether growth will spur inflation that could prompt governments and central banks to reduce stimulus.

Investors are shifting their focus to inflation from potential tapering risks, Suki Cooper, a precious metals analyst at Standard Chartered Bank, said in a Bloomberg TV interview on Thursday.

The Fed's view of inflation as transitory has helped lift gold prices higher, she added. BlackRock Inc. Chief Executive Officer Larry Fink also said the potential for a spike in inflation may be underestimated.

Spot gold declined 1.2% to $1,885.96 an ounce by 1:45 p.m. in London. Prices climbed to $1,916.64 on Tuesday, the highest since Jan. 8. Silver, palladium and platinum also fell. The Bloomberg Dollar Spot Index rose 0.3%.

THE HITAVADA
DATE : 4/6/2021 P.N.5

Gold, silver decline amid muted global trends

NEW DELHI, June 3 (PTI)

GOLD in the national capital on Thursday dipped Rs 339 to Rs 48,530 per 10 gram following decline in global precious metal prices, according to HDFC Securities.

In the previous trade, the precious metal had closed at Rs 48,869 per 10 gram.

Silver also tumbled Rs 475 to Rs 70,772 per kilogram from Rs 71,247 per kilogram in the previous trade.

In the international market, gold was trading lower at USD 1,893 per ounce and silver was flat at USD 27.79 per ounce. "Gold prices witnessed selling from five month highs trading below USD 1,900," according to HDFC Securities, Senior Analyst (Commodities), Tapan Patel.

THE HINDU
DATE : 4/6/2021 P.N.5

Steel gets costlier by up to ₹4,900 a tonne

NEW DELHI

Leading domestic steel makers have increased the prices of Hot Rolled Coil (HRC) and Cold Rolled Coil (CRC) by up to ₹4,000 and ₹4,900 per tonne, respectively, industry sources said on Thursday. A tonne of HRC will now cost ₹70,000-71,000 while the buyers will get CRC at ₹83,000-84,000 per tonne. The price revision was made in the last two days, the sources said. PTI

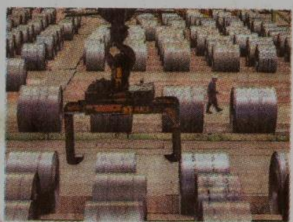
BUSINESS LINE DATE : 4/6/2021 P.N.2

Steel companies hike prices again

Bid to close the gap between domestic and import prices

SURESH P IYENGAR

Mumbai, June 3



Steel companies increased have increased hot-rolled and cold-rolled coil prices to close the gap between the domestic and import prices even as the local demand remained weak due to Covid-induced lockdown across States.

Hot rolled steel prices were increased by ₹4,000 a tonne to ₹70,000 while that of cold rolled was hiked by ₹ 5,000 to ₹85,000 a tonne, sources said.

The present hike comes on the back of ₹5,500 a tonne increase in two instalments last month.

Despite the series of hikes, domestic steel prices are still at a discount of 10 per cent to the landed cost of imports, said a steel company executive.

However, he added that this might be the last hike in India as China's domestic and export prices have corrected sharply in the last fortnight, posing a risk to regional prices.

In fact, HRC prices in India have rallied by ₹14,000 a tonne since March-end. The rally in steel price comes even as the demand in April has fallen by 23 per cent at 6.78 million tonnes compared to March.

Steel output down

Crude steel output in April was down 17 per cent month-on-month at 8.3 mt as steel companies diverted oxygen for medical purposes. The demand and production are expected to come down further in May as most of the steel consuming industries have shut their operations due to strict lockdown announced by different states.

Steel consumption is likely fall in June quarter when compared with the March quarter due to the second Covid wave.

Steel companies have been relying on export market to beat the weak demand in India. Last month, China cracked whips on speculator for taking prices to dizzying heights.

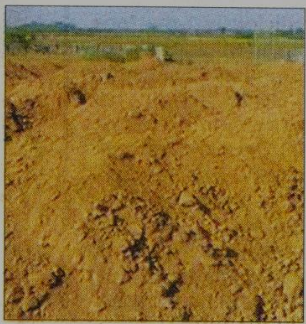
Following this, steel price in China has already fallen by 17 per cent from its recent peaks to $867 tonnes. With the fall in prices in China, global steel prices are expected to fall putting pressure on Indian companies.

THE HITAVADA DATE : 8/6/2021 P.N.1 & 2

State Govt hikes royalty charges on extraction of minor minerals

■ Staff Reporter

MAHARASHTRA Government has increased royalty charges on extraction of minor minerals. As per the notification issued by Revenue and Forests Department, the changes in royalty charges shall come into effect from July 1. Amid COVID-19 pandemic, this increase has not gone down well, and the quarry owners have urged the Government to suspend the hike for the time being.



On June 4, the department has issued the latest notification effecting the hike from July 1. As per the notification, almost all the rates of royalty have been increased by 50 per cent, compared to the rates specified in notification dated May 11, 2015. This has irked the quarry owners, who have been facing the impact of slump in demand due to COVID-19 pandemic.

According to Altaf Ahmed, President, Vidarbha Quarry Owners' Welfare Association, State Government should not have increased the rates of royalty as this will put an extra burden on the market, which is badly affected by COVID-19 pandemic and everyone is reeling under massive economical pressure. He appealed to Chief Minister and Revenue Minister to suspend this increase in royalty rates for time being.

As per the notification dated May 11, 2015, the royalty rate was Rs 400/- per brass limestone and lime shell used in kilns for manufacture of lime used as a building material. Now, as per the new notification, the royalty rate for this category of minor minerals has been hiked to Rs 600/- per brass from July 1, 2021. Similarly, the rate of Rs 400/- per brass has been increased to Rs 600/- per brass for all stones removes irrespective of size including stone dust, either by excavation or collection. The rate of ordinary sand not used for refractory and manufacture of ceramic, metallurgical activities, optical purposes, stowing in coal mines manufacture of silvicrete cement, and manufacture of pottery and glass, has been increased from Rs 400/- per brass to Rs 600/- per brass for area other than Mumbai metropolitan region.

Most importantly, the ordinary earth used for filling or levelling purpose in construction of embankment, roads, railways, and building had the royalty rate of Rs 400/- per brass. It, too, has been increased now to Rs 600/- per brass.

(Contd on page 2)

State Govt hikes royalty charges on extraction of minor minerals

According to Altaf Ahmed, "We used to pay Rs 400/- per brass royalty for basalt, building material stone, and Rs 40/- per brass as mineral development fund. These charges have been increased to Rs 600/- per brass and Rs 60/- per brass respectively. In the given circumstances of demand slump, we have requested the Chief Minister and Revenue Minister to put on hold the increase."

The 2015 notification had caused much furore following which it could not be implemented for two years. Later on, it came into effect without retrospective effect. State Government has powers to issue notification regarding changes in royalty rates every three years. As per the notification dating back to 2015, the dead rent on all minor minerals excluding granite was Rs 6,000/- per hectare or portion thereof. Now, as per the latest notification, it has been increased to Rs 9,000/- per hectare. Thus, overall there has been 50 per cent hike on an average in royalty rates for minor minerals as compared to 2015 notification.

THE HITAVADA DATE : 8/6/2021 P.N.5

Coal India's e-auction sales up 53% in Apr-May

NEW DELHI, June 7 (PTI)

STATE-OWNED CIL on Monday said its e-auction sales registered a growth of 52.5 per cent at 21.5 million tonne (MT) in the first two months of the ongoing fiscal year.

CIL's total allocated quantity under the five auction windows was at 14.1 MT in April-May 2019-20, the coal behemoth said. "Coal India's (CIL) e-auction sales are beginning to look up as the company posted 52.5 per cent growth, in auction bookings, during the first two months of the ongoing fiscal," the statement said.

The company's total allocated quantity this fiscal year till May 2021 moved up to 21.5 MT, under the five auction windows, it added.

With the demand for coal gathering steam, CIL could garner 16 per cent add-on over the notified price during April-May compared to seven per cent of same period last financial year.

To encourage coal consumers lift additional coal quantities, reserve price under all e-auction windows was kept at par with notified price during the first six months of the last fiscal year.

The upward trend in allocation was primarily driven by non-power sector which evincing a healthy appetite for the dry fuel accounted for 50 per cent of total booked quantity of 21.5 MT.

BUSINESS LINE DATE : 8/6/2021 P.N.8

Lead prices may decline by year-end

Surplus supply seen at 96,000 tonnes, secondary output projected to rise

SUBRAMANI RA MANCOMBU

Chennai, June 7

Lead prices in the global market have gained over 7 per cent since the beginning of this year but they could end lower by the year-end as supplies are expected to improve.

According to US credit rating agency Fitch Solutions, secondary lead production or recycling is likely to be boosted in the second half this year through increased recycling of car batteries.

Global demand

The International Lead and Zinc Study Group (ILZSG), an inter-governmental organisation, said global demand for refined lead is projected to increase to 11.7 million tonnes (mt) this year with the usage increasing in Europe, India, Japan and South Korea. At the same time, global lead mine production is expected to increase to 4.71 mt, while refined lead output would be 12.07 mt this year.

"Having taken into account all information received recently from its member countries, the Group anticipates the global supply of refined lead metal will exceed demand by 96,000 tonnes in 2021," the ILZSG said.

On LME, lead three-month contracts dropped to $2,144 a tonne on Friday (June 4) from $2,228.5 a tonne on June 2. Earlier on May 10, it hit an 18-month high of $2,228.5 before slipping to $1,896 on May 18.

Key battery metal

At least 80 per cent of refined lead goes into production of batteries.

Supply-demand mismatch

	2017	2018	2019	2020	2021*
Mine output	4.588	4.59	4.73	4.52	4.75
Metal production	11.89	12.18	12.19	11.68	12.07
Metal usage	12.04	12.23	12.16	11.52	11.97

Source: ILZSG

Global mining and metal research and consultancy group Wood Mackenzie (WoodMac), in its research, said that lead ended strongly in May without any supportive fundamentals. It said that price positives for lead were continuing tightness of concentrate.

'Surprising rally speed'

UK-based business intelligence company CRU Group said that lead had previously been ignored and lagging behind, and that a "catch-up" was due at some point. "However, the speed and strength of lead's rally has been somewhat surprising," said CRU principal lead analyst Neil Hawkes.

Farid Ahmed of WoodMac, in his forecast for the metal this year in January, had told *Investing News* that use of refined lead will continue to grow in the global automotive industry, despite tightening environmental regulations.

Lead battery stocks

CRU's Hawkes said that lead price rise had come at a time when the lead and battery supply chain has struggled in some parts of the world to replenish automotive lead battery stocks.

The CRU expects more spikes on further positive vaccine news, but also occasional dips on negative virus news through winter that could put to the test how much battery stocks have been replenished exactly through summer and autumn.

Long-term forecast

Fitch Solutions, taking a look at the developments till April, has raised its average lead price forecast to $2050 a tonne from its earlier $1,950. It has also raised its long-term price forecast, projecting prices next year to average at $2,113. The US rating agency said that demand growth would outstrip production gains that could erode the annual production surplus this year.

BUSINESS LINE DATE : 8/6/2021 P.N.2

JSW integrates steel, cement sales to promote cross-selling

OUR BUREAU

Mumbai, June 7

JSW Group has integrated institutional sales processes of steel and cement business into a single digital platform to promote cross selling of products.

The move follows similar integration of retail trade across steel and cement into JSW One in the eastern States.

The Group has created an online platform Aikyam where details of large steel and cement buyers are maintained for the sales managers to capitalise on.

Aikyam will digitise the end-to-end institutional sales processes of JSW Group, said the company in a statement on Monday. The platform is expected to unlock large scale volume opportunities for steel and cement businesses of the Group in Maharashtra, Gujarat, Karnataka, Telangana and Andhra Pradesh.

BUSINESS LINE DATE : 8/6/2021 P.N.2

Second Covid wave dents JSPL sales

April sales decline 29% m-o-m and production down 6%

OUR BUREAU

New Delhi, June 8

The April sales of Jindal Steel & Power Ltd (JSPL) declined by a steep 29 per cent on a month-on-month basis to 5.59 lakh tonnes of steel, the firm said on Tuesday.

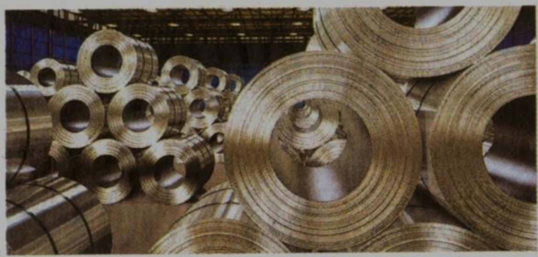
Sales during May fell by another 11 per cent on a month-on-month basis to 4.99 lakh tonnes, JSPL said in a statement. It attributed the reduction to the "slowdown in domestic construction activities due to Covid-19 and logistical challenges faced owing to congestion at ports due to adverse weather conditions" as two cyclones hit the Indian shorelines.

"JSPL continues to take measures to offset the impact of slowdown in domestic demand by exporting in lucrative global markets," the firm said. Exports accounted for 21 per cent of sales volumes in April, with the share rising further to 36 per cent in May.

Steel production

The production of steel during April fell by 6 per cent on a month-on-month basis to 6.81 lakh tonnes.

Production during May picked up slightly to 6.9 lakh tonnes, JSPL said. On a year-on-year basis, total production during the April-May period grew by 31 per cent largely due to the nationwide lockdown enforced during the corresponding period last year. JSPL has supplied about 3,500 tonnes of Liquid Medical Oxygen (LMO) till date, the firm said. "With the Covid-19 situation improving, we remain confident of achieving FY22 production target of 8-8.5 million tonnes," the firm said.



Slowdown in domestic construction activities and adverse weather conditions have taken a toll on the company

Prices may come down

Meanwhile, international and domestic steel prices are likely to slide down as Chinese demand for key raw material iron ore will be diminished during the country's June-July season of higher temperatures and rains leading to weaker construction activity.

"We expect regional steel prices to be subdued in the near term, particularly as China HRC prices have corrected by more than 10 per cent in the past three weeks," Motilal Oswal Institutional Equities said on Tuesday.

THE HITAVADA DATE : 10/6/2021 P.N.7

'Hike in royalty rates for minor minerals unjust'

■ **Staff Reporter**

ORANGE City Stone Crusher Owners' Association has opposed the latest increase in royalty rates for minor minerals, and has called the hike 'unjust'.

Ramesh Girde, President of the Association, stated in a press release that, 50 per cent hike in royalty rates for metal, muroom, boulder, clay, etc. has come as a rude shock to the construction and mining sectors. Already, he pointed out, COVID-19 has affected the world and normal life and economic activities have been thrown out of gear. "In such a situation, the hike in royalty rates may cast a shadow over sustainability of construction and mining sectors," he stated.

Instead of giving a boost to these industries that are almost closed for past one-and-a-half years, the State Government has increased the royalty rates from Rs 400/- to Rs 600 per brass. "This may have an adverse impact on housing schemes of the Government, and also, livelihood of labour force. Hence, we request the Government to re-think and roll back the hike," demanded Girde and Arvind Gajbhiye, Secretary of the Association.

LOKMAT DATE : 10/6/2021 P.N.5

खनिज विकास प्रतिष्ठानमधून राज्यात सर्व पालकमंत्र्यांना डच्चू

केंद्र सरकारच्या आदेशानुसार आता जिल्हाधिकारी अध्यक्ष

यदु जोशी
लोकमत न्यूज नेटवर्क

मुंबई : प्रत्येक जिल्ह्यातील खनिज/खाणबाधित क्षेत्रांचा विकास करण्यासाठी असलेल्या राज्य शासनाच्या खनिज विकास प्रतिष्ठानमधून आता पालकमंत्र्यांना डच्चू देण्यात आला आहे. आता पालकमंत्री नव्हे, तर संबंधित जिल्हाधिकारी प्रतिष्ठानचे अध्यक्ष असतील. केंद्रीय खाण मंत्रालयाने याबाबतचा आदेश नुकताच काढला आहे.

या प्रतिष्ठानमध्ये आतापर्यंत स्थानिक खासदार सदस्य नव्हते, तसेच सर्व आमदारांनाही स्थान नसायचे. आता दोघांचाही समावेश सदस्य म्हणून केला जाईल. राज्यसभेच्या राज्यातील खासदारास त्यांच्या पसंतीच्या जिल्ह्यातील प्रतिष्ठानमध्ये सदस्य म्हणून राहता येईल. एका जिल्ह्यात एकापेक्षा जास्त लोकसभा सदस्य असतील, तर त्या सर्वांनाच सदस्यत्व मिळेल. एका खासदाराचा मतदारसंघ दोन जिल्ह्यांमध्ये असेल, तर त्यास दोन्ही जिल्ह्यांतील प्रतिष्ठानचे सदस्यत्व दिले जाईल.

या निधीतून खनिजबाधित भागात पिण्याच्या पाणीपुरवठा योजना, पर्यावरण संवर्धन उपाययोजना, आरोग्यसुविधा, शाळेच्या इमारती, वसतिगृहे, प्रयोगशाळा, वाचनालये, क्रीडा व इतर सुविधा, माता व बाल संगोपन, ज्येष्ठ नागरिक व दिव्यांगांचे कल्याण, कौशल्यविकास, रस्ते, पुलांची उभारणी, स्वच्छता उपक्रम यासाठी खर्च करण्याची तरतूद आहे. पालकमंत्र्यांचे अध्यक्षपद काढून ते जिल्हाधिकारी वा महसूल उपायुक्तांना देणारा आदेश संपूर्ण देशासाठी लागू झाला आहे.

प्रत्येक प्रमुख आणि गौण खनिज खाणींच्या क्षेत्रातील विकासकामांसाठी खनिज विकास प्रतिष्ठानच्या माध्यमातून कामे मंजूर केली जातात. प्रमुख खनिजांवरील ३० टक्के, तर गौण खनिजांवरील १० टक्के रॉयल्टी त्यासाठी प्रतिष्ठानमध्ये जमा केली जाते. हा निधी काही कोटींच्या घरात असतो.

खासदारांनी केले लॉबिंग; पालकमंत्र्यांना केले दूर

■ सर्वच जिल्ह्यांमध्ये पालकमंत्री या प्रतिष्ठानचे आतापर्यंत अध्यक्ष राहिले. त्यामुळे स्थानिक खासदार व आमदारांना विश्वासात न घेताच ते निधीचे वितरण विकासकामांसाठी करीत असल्याच्या अनेक तक्रारी होत्या.

■ त्याविरुद्ध राज्यातील खासदारांनी केंद्रीय खाण मंत्रालयात अनेक तक्रारी केल्या आणि प्रतिष्ठानचे अध्यक्षपद हे जिल्हाधिकाऱ्यांकडे द्यावे व प्रतिष्ठानमध्ये खासदारांना सामावून घ्यावे, यासाठी दबाव आणला होता.

सर्व आमदारांचाही समावेश

खनिज विकास प्रतिष्ठानमध्ये यापूर्वी जिल्ह्यातील तीनच आमदार सदस्य असायचे. आता जिल्ह्यातील सर्व विधानसभा सदस्य हे प्रतिष्ठानचे सदस्य असतील. विधान परिषद सदस्याने कोणत्या जिल्ह्याच्या प्रतिष्ठानचे सदस्य व्हावे, हे त्यांच्या स्वतःच्या पसंतीवर असेल.

BUSINESS LINE DATE : 10/6/2021 P.N.2

JSW Steel subsidiaries sue three US steel firms for 'cartelisation'

Say defendant companies conspired to boycott and refused supply of feedstock

SURESH P IYENGAR
Mumbai, June 9

The US subsidiaries of JSW Steel have filed a federal court lawsuit against three of the largest US steel companies — Nucor Corp, United States Steel Corp and Cleveland-Cliffs Inc — and its recent acquisition, AK Steel Holding Corp, for indulging in unfair trade practice.

The lawsuit filed in the Southern District of Texas alleges that the defendant companies conspired to boycott and refused to supply JSW Steel (USA) Inc and JSW USA Steel Ohio, Inc with a critical feedstock of semi-finished steel slab since 2018 till date.

JSW alleged that the cartel cost the company hundreds of millions of dollars in lost profits, increased expenses and caused them other damages besides leading to higher prices, significant harm to US steel buyers and fewer jobs for US steelworkers.

Dominant players

Parth Jindal, JSW Steel (USA) Board member, said the three US steel companies have long been the dominant players and continue to use anti-competitive tactics against smaller producers like JSW to succeed at all costs.

Investment plans hit

In 2018, JSW announced its intention to make substantial investments to further expand and upgrade facilities. These companies derailed the plans and the company has filed the suit to respond assertively, he said.

They repeatedly stated that they could make semi-finished steel slab in the quantities and quality to meet JSW needs, but when the company tried to get them to move forward, they dragged things out and made excuses, said Jindal. "We are now convinced that they never intended to make or sell steel slab to us," he said.

JSW alleged that the cartel cost the company hundreds of millions of dollars in lost profits and increased expenses

John Hritz, Board member, JSW Steel (USA) Inc, said the company would have had a modern facility in Baytown, Texas operational by now that would have literally set the standard for green steel production in this country and the world.

"Our costs of production would have plummetted and our production would have increased dramatically. It would have provided US customers an environmentally sound steel products at much better prices," he said.

The three US steel majors, who account for more than two-thirds of US steel production, would have faced stiffer competition, he said.

THE ECONOMIC TIMES DATE : 11/6/2021 P.N.7

Tata Steel Sets Sights on Growth Opportunities After Paring Debt

Co completed deleveraging of net debt by ₹29,390 cr in FY2020-21: Group chairman

Our Bureau

Mumbai: Riding the steel cycle as the commodity price reached record high of around ₹67,000 a tonne last week, Tata Steel has pared its debt far beyond its targets and successfully integrated key acquisitions in 2020-21, group chairman N Chandrasekaran has said.

"Tata Steel is well-positioned for both inorganic and organic growth opportunities," Chandrasekaran said in the company's annual report for FY21. "As part of the enterprise deleveraging plan, Tata Steel completed deleveraging of net debt by ₹29,390 crore in FY 2020-21."

The company's net debt-to-Ebitda ratio dropped to 2.4 times in 2020-21 from 5.8 times in 2019-20 and 3.2 times in 2018-19.

"Despite challenging market conditions, deliveries at Tata Steel India increased 2% over FY 2019-20, enabled by a seamless shift to exports in the first half of the year," the Tata Group chairman said.

The company reported its highest consolidated earnings before interest, taxes, depreciation and amortisation (Ebitda) of ₹30,892 crore in FY21, a 71% jump from the previous year, with an Ebitda margin of around 20%.

"This success has enabled us to continue critical capital expenditure focused on India, including the ongoing pellet plant and cold roll mill commissioning at Tata Steel Kalinganagar," Chandrasekaran said.

These investments will help expand margins by boosting value-added products into the existing mix, he said.

The company has reclassified Tata Steel South East Asia operations to 'continuing operations' from 'held for sale' after the unit reported a 50% increase in its Ebitda to ₹549 crore. This was enabled by higher prices and a focus on raw material cost reduction, Chandrasekaran said.

Following the termination of its discussions with Swedish company SSAB on Tata Steel Netherlands, the company is focused on performance and cash flows in the immediate term. "The process to separate Tata Steel Netherlands and Tata Steel UK are currently underway," Chandrasekaran said. "Tata Steel remains committed to arriving at a strategic and sustainable resolution for its European portfolio."

In India, the company ventured into the steel recycling business, a step towards a lower footprint production process across emissions, resource-use, and energy consumption. "During the year, the company sent out its first raw material consignment of ferrous scrap for trials, from its scrap processing plant (0.5 MnTPA capacity) at Rohtak, Haryana," Chandrasekaran said.

The company is also exploring new manufacturing processes such as scrap-based electric arc furnaces and gas-based direct reduced iron; investing ahead on promising green technologies like carbon capture use and storage (CCUS); assessing the long-term supply of key inputs such as clean electricity and biomass for hydrogen production; and securing the supply of carbon offsets.

As of May 2021, Tata Steel India has cumulatively supplied 55,000 tonnes of liquid medical oxygen as the country was fighting the shortage of the life-saving gas. "We also helped debottleneck oxygen transportation in the country by importing 40 cryogenic tanks, and more tanks are in the pipeline," Chandrasekaran said.

> This success has enabled us to continue critical capital expenditure focused on India, including ongoing pellet plant & cold roll mill commissioning at Tata Steel Kalinganagar
>
> **N CHANDRASEKARAN**
> Group Chairman

NAVBHARAT DATE : 11/6/2021 P.N.4

खनिजों पर बढ़ी रॉयल्टी दरों ने बढ़ाया टेंशन

व्यवसायियों के साथ आम इंसान पर भी पड़ेगा असर

■ राजेंद्र मानकर @ नवभारत

नागपुर. कोरोना की तरह ही महंगाई भी आम लोगों के साथ-साथ व्यवसायियों का पीछा नहीं छोड़ रही है. एक तरफ कोरोना ने जहां सभी तरह के व्यापार व उद्योग को चौपट करने का काम किया है, वहीं अब राज्य सरकार द्वारा खनिजों पर रॉयल्टी दरें बढ़ाकर एक और तगड़ा झटका देने का काम किया गया है. 1 जुलाई से सभी लघु खनिजों पर 50 प्रश शुल्क की बढ़ोतरी हो जाएगी. रॉयल्टी दरों में वृद्धि किए जाने की राज्य सरकार द्वारा एक अधिसूचना निकाली गई है. इस वृद्धि के साथ खदान से निकलने वाले बिल्डिंग पत्थर, बोल्डर, चूना पत्थर, चिकनी मिट्टी सहित अन्य कच्चा माल महंगा हो जाएगा. खनिज से निकलने वाला यह कच्चा माल पर जहां 400 रुपये प्रति ब्रास लगता था, अब इसमें 200 रुपये की बढ़ोतरी किए जाने से यह 600 रुपये प्रति ब्रास पर पहुंच गया है. इस बढ़ोतरी से आम लोगों को गृह निर्माण में उपयोग होने वाली बजरी, मुरुम, चूना पत्थर, भरन के लिए मिट्टी सहित अन्य बेसिक मटेरियल्स के लिए कुछ ज्यादा ही जेबें ढीली करनी पड़ेंगी. इससे घर बनाना महंगा तो पड़ेगा, साथ ही इससे संबंधित व्यवसायियों पर भी इस बढ़ोतरी का असर पड़ेगा.

50% की बढ़ोतरी से घर बनाना पड़ेगा महंगा

600 रुपये पर पहुंची 400 रुपये से बढ़कर

बढ़ाई गई रॉयल्टी पर एक नजर

कच्चा माल	रॉयल्टी दर (रु. प्रति ब्रास में)
चूना पत्थर	600
बोल्डर	600
लैटराइट स्टोन	150
बजरी, मुरुम	600
चिकनी मिट्टी	600
ईंट मिट्टी	240
सजावटी पत्थर	3,000

₹13,300 में पड़ेगा बजरी का एक ट्रक माल

गृह निर्माण की बढ़ जाएगी लागत

सरकार द्वारा दिए गए रॉयल्टी के झटके से एक गाड़ी माल मंगाना लोगों को महंगा पड़ेगा. एक गाड़ी में 500 फुट यानि 5 ब्रास खदान के माल पर 2,000 रुपये की रॉयल्टी और डिस्ट्रिक्ट मिनरल फंड 200 रुपये लगता था लेकिन अब बढ़ोतरी के बाद 3,000 रॉयल्टी और 300 रुपये मिनरल फंड लगेगा. इस तरह से 10,000 रुपये में आने वाली बजरी के लिए अब 13,300 रुपये खर्च करने पड़ेंगे. इस तरह से आम आदमी को महंगे लोहे, सीमेंट की तरह ही बजरी और मलबे का भी अतिरिक्त बोझ झेलना पड़ेगा. सरकार ने चूना पत्थर पर बोल्डर, लैटराइट स्टोन, मुरुम, कंकड़, साधी चिकनी मिट्टी, सड़क, लोहमार्ग व इमारतों के निर्माण करते समय भरे जाने वाले मलबे में उपयोग होने वाली साधी मिट्टी, ईंट मिट्टी, बेटोनाइट, सभी तरह के सजावटी पत्थर और अन्य गौण खनिज को महंगा कर दिया है. इससे स्वतंत्र घरों के साथ-साथ फ्लैट्स की भी निर्माण लागत बढ़ेगी. इसका पूरा बोझ आम लोगों पर ही पड़ेगा.

कोरोना काल में देनी थी राहत

विदर्भ क्वारी ओनर्स वेलफेयर एसोसिएशन के अध्यक्ष अल्ताफ अहमद कहते हैं कि रॉयल्टी बढ़ाना सरकार का अधिकार है लेकिन कोरोना काल को ध्यान में रखते हुए इस पर राहत दी जानी चाहिए. कोरोना के कारण व्यवसायियों को लोन की किस्त व इलेक्ट्रिक बिल भरना मुश्किल हो रहा है तो सरकार ने रॉयल्टी के रूप में एक ओर बोझ लाद दिया है. पहले ही डीजल की कीमतें महंगाई बढ़ा रही हैं और अब ऊपर से गृह निर्माण की भी लागत बढ़ जाएगी. स्थिति सामान्य होने तक मुख्यमंत्री उद्धव ठाकरे सरकार व राजस्व मंत्री को रॉयल्टी दर वृद्धि को वापस लेना चाहिए. तभी व्यवसाय और व्यवसायी मार्केट में बचेगा.

...तो बढ़ जाएगी चोरी

अल्ताफ कहते हैं कि रॉयल्टी वृद्धि से चोरी बढ़ जाएगी और सरकार को इसे रोकना मुश्किल हो जाएगा. इसमें वैध रूप से व्यवसाय करने वाली व्यवसायी पिस जायेंगे और रॉयल्टी की चोरी करने वाले व्यवसायियों की मनमानी बढ़ेगी. इस समय मटेरियल 5 प्रश जीएसटी लगता है लेकिन वहीं रॉयल्टी किताब पर 18 प्रश टैक्स लगता है जिसके बारे में कई व्यवसायियों को पता ही नहीं रहता. वे 5 प्रश के हिसाब से ही टैक्स भरते हैं और 18 प्रश टैक्स के हिसाब से देखा जाए तो कई व्यवसायियों पर करोड़ों की रिकवरी निकलेगी. साथ ही साथ सरकार ने हर रॉयल्टी किताब इश्यू होने के दौरान 16 रुपये प्रति ब्रास जैसा टैक्स हर खदान मालिक पर लगा दिया है. इतने अधिक टैक्स भर-भरकर व्यवसायी परेशान हो गए हैं.

PROFIT JUMPS 90.5% FOR FULL FISCAL AT ₹3,850 CR

SAIL Net Surges 31% in Q4 on Improved Volumes, Efficiency

Our Bureau

Mumbai: Steel Authority of India on Friday reported a 31% increase in consolidated net profit for the fiscal fourth quarter, which the state-owned steelmaker attributed to higher production and improvement in operational efficiency.

Net profit rose to Rs 3,469.88 crore for the quarter ended March 31 from Rs 2,647.52 crore a year earlier. Fourth-quarter consolidated revenue from operations rose 44% to Rs 23,284 crore.

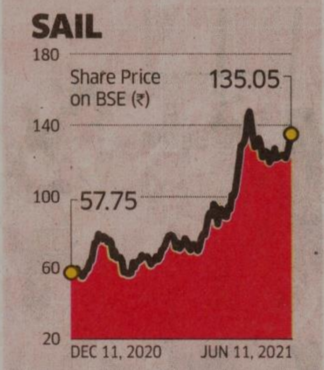
For the fiscal year 2021, SAIL reported a 90.5% increase in net profit at Rs 3,850 crore. Revenue grew 12.2% to Rs 68,452 crore.

SAIL reported its highest ever quarterly production of hot metal, crude steel and saleable steel in the fourth quarter at 4.98 million tonnes (MT), 4.56 MT and 4.42 MT, respectively.

"Our priority remains to increase volumes, with emphasis on enhancing the share of value-added products, in tandem with market requirements while continuously bringing in systemic improvements across the organisation," chairman Soma Mondal said in a news release.

Earnings before interest, tax, depreciation and amortisation at Rs 6,473 crore fell 6.4% from the fourth quarter of fiscal 2020.

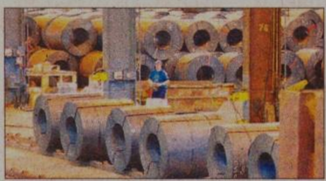
The company said its net debt shrank nearly a third to Rs 35,350 crore as of March 31.



On Friday, its board also declared a dividend of Rs 1.80 a share.

"SAIL's capex at Rs 38 billion (Rs 3,800) crore was slightly lower than our estimate of Rs 40 billion, and the company's revised guidance of Rs 42 billion. Currently, we have a 'HOLD' rating on the stock with a target price of Rs 140," said Amit Dixit, a research analyst at Edelweiss.

On Friday, the shares rose 5% to close at Rs 135.05 on the BSE where the benchmark Sensex gained 0.33%.



BUSINESS LINE DATE : 12/6/2021 P.N.6

Steel firms all set for another quarter of bumper profit: ICRA

Domestic demand to revive this month as lockdowns are lifted

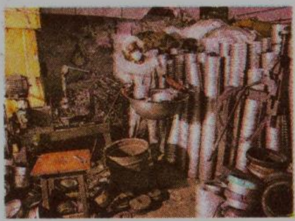
OUR BUREAU

Mumbai, June 11

Steel companies are set for another bumper profit in this quarter despite weak demand and high raw material cost. The second wave of the pandemic has hit the domestic steel demand in the June quarter with 22 per cent fall in April, and further decline of one per cent sequentially in May.

However, compared to last year, the demand in April and May is up 150 per cent as 2020 saw more stringent lockdown.

Despite weak domestic sales, buoyant international demand and steel prices supported the domestic steelmakers, said ICRA. India remained a net exporter of steel with 122 per cent year-on-year growth in April. The export momentum continued in May with a 30 per cent month-on-month growth.



India remained a net exporter of steel with 122 per cent y-o-y growth in April

"Domestic demand is expected to revive in June and push up capacity utilisation with gradual lifting of lockdowns, ease of mobility and improving vaccination coverage," said ICRA.

Chinese impact

Jayanta Roy, Senior Vice-President, Corporate Sector Ratings, ICRA said that the steel prices globally has been buoyant as China's export hot-rolled coil price shot up by 53 per cent to $1,065/tonne between January-May before falling to $945/tonne in the first week of June, following Chinese government's clampdown on the financial markets to rein in the price speculation.

With the proposed steel production cuts in the Tangshan region of China and withdrawal of export rebates since May, market expectation of an export duty on steel would keep international steel prices high.

Gold set to shine as demand returns

Although daily chart appears sluggish, the MCX August expiry contract still exhibits bullish bias

AKHIL NALLAMUTHU
BL Research Bureau

Investment demand seems to be coming back to bullion. Latest World Gold Council (WGC) data shows positive net inflows in gold Exchange Traded Funds (ETF) in May, reversing three straight months of net outflows. The data reveals that global gold ETFs added 61.2 tonnes last month. Initial reaction from the market to this number has been muted. However, if the investment demand, which was the major driver for the price rally during the last couple of years, continues to grow in the coming months, it can prop up prices.

The US 10-year yield, which has been quiet in the last couple of months, declined last week to close at 1.45 per cent on Friday compared to 1.56 per cent before a week. Falling yield is positive for bullion as it reduces the opportunity cost for holding it. But US government data released last week showed consumer price index (CPI) increasing by 5 per cent, the largest 12-month increase since the 5.4 per cent number recorded in August 2008. As long as the Federal Reserve sees inflation as transitory, there may not be a rate hike, which is supportive for the bullion. Otherwise, the prices can come under pressure. One should keenly watch the Fed policy decisions next week.

On the price front, gold was largely flat whereas silver saw marginal appreciation in price last week. Gold closed without much change at $1,877.7 (per ounce) in dollar terms and on the Multi Commodity Exchange (MCX), the futures ended at ₹49,198 (per 10 grams). Silver posted marginal gain and ended at $27.94 (per ounce) and at ₹72,227 on the MCX.

GETTY IMAGES/ISTOCKPHOTO

MCX-Gold (₹49,198)

Extending the sideways movement, gold futures (August expiry) on the MCX traded in a tight range last week. The price action in the last three weeks has been limited to range of ₹48,600 and ₹49,700. Therefore, technically, the near-term trend is flat and the direction of the break from the consolidation range can offer clues on the possible trend. However, until the futures price stays above the base of ₹48,600, the likelihood of a rally is high. Giving the contract a positive inclination, the relative strength index (RSI) and the moving average convergence divergence (MACD) indicators on the daily chart continue to stay in the bullish zone. The price is ruling above the 50-day moving average, keeping the long-term trend intact.

Although the daily chart appears sluggish, the contract still exhibits bullish bias, and the major trend is supportive for the same. Hence one can consider being on the long side of the trade. The price is expected to break out of range and rally past the critical level of ₹50,000. The upward move can accelerate above this level with the nearest resistance at ₹51,000. But in case the contract breaks below ₹48,600, the near-term outlook can turn negative. So, long positions need to be backed by strict stop-loss below ₹48,600. Immediate support below this level is ₹48,100 where the 50-DMA lies.

MCX-Silver (₹72,227)

Even though silver futures performed better than gold futures last week, the former (July expiry) continued to stay within the price band of ₹70,000 and ₹72,800. Though it marked a high of ₹74,222 in mid-May, the contract could not sustain above that level and dropped back to the above-mentioned range. Even as the contract looks flat, there are some elements which hint at a positive bias.

The price is above 21- and 50-DMA and the latter has protected the bulls twice in the past month by offering considerable support. The RSI, which has been flat recently, is now showing fresh uptick and the MACD, which has been tracing a downward trajectory for about a month, is now turning up. These are indications of the uptrend gaining traction, which is also signalled by the average directional index (ADX). Moreover, the outstanding open interest of all active futures contract increased over the past week i.e., on Friday, it was at 12,975 contracts compared to 11,860 contracts a week back. Increase in open interest along with increase in price is a bullish sign.

One can maintain a bullish view and buy the contract as the above factors indicate bullish inclination. On the upside, the contract has the potential to cross-over the important level to rise towards ₹75,000 in the short-term. Above this level, it can touch ₹77,500. The 50-DMA lies at ₹70,525 and thus, the price band of ₹70,000 and ₹70,525 will offer a strong support. Nearest support below that level can be seen at ₹68,000.

BUSINESS LINE DATE : 14/6/2021 P.N.11

Rare earth metals at the heart of China-U.S. rivalry

Beijing's dominance in these minerals, key to the future of manufacturing, is a cause for concern for the West

AGENCE FRANCE-PRESSE
NEW YORK

What if China were to cut off the U.S. and Europe from access to rare minerals that are essential to electric vehicles, wind turbines and drones?

At a time of frequent geopolitical friction among those three powers, Washington and Brussels want to avoid this scenario by investing in the market for 17 minerals with unique properties that today are largely extracted and refined in China.

"The expected exponential growth in demand for minerals that are linked to clean energy is putting more pressure on U.S. and Europe to take a closer look at where the vulnerabilities are and the concrete steps these governments can take," said Jane Nakano, a senior fellow at the Washington-based Center for Strategic and International Studies.

Fight for supremacy: In 2019, the U.S. imported 80% of its rare earth minerals from China, says U.S. Geological Survey. ▪ AP

Heavy dependence

In 2019, the U.S. imported 80% of its rare earth minerals from China, the U.S. Geological Survey says.

The EU gets 98% of its supply from China, the European Commission said last year.

Amid the transition to green energy, in which rare earth minerals are sure to play a role, China's market dominance is enough to sound an alarm in western capitals.

Rare earth minerals, with names like neodymium, praseodymium and dysprosium, are crucial to the manufacture of magnets used in industries of the future, such as wind turbines and electric cars. And they are already being used in consumer goods such as smartphones, computer screens and telescopic lenses.

This week the U.S. Senate passed a law aimed at improving American competitiveness that includes provisions to improve critical minerals supply chains.

U.S. aims to boost production and processing of rare earths and lithium, another key mineral component, while "working with allies to increase sustainable global supply and reduce reliance on competitors," Deputy Director of the National Economic Council Sameera Fazili said on Tuesday.

The best hope for boosting American production can be found at the Mountain Pass mine in California.

Once one of the major players in the sector, the mine suffered as China rose and ate up its market share, aided by Beijing's subsidies.

China is expected to remain dominant for some time to come, but experts say that if recycling is scaled up, "20 to 30% of Europe's rare earth magnet needs by 2030 could be sourced domestically in the EU from literally zero today."

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