



खनिज समाचार

KHANIJ SAMACHAR

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खनिज समाचार

KHANIJ SAMACHAR



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MCX zinc: Time to consider longs



AKHIL NALLAMUTHU

BL Research Bureau

Post the breakout of ₹310 in early March, the continuous contract of zinc on the Multi Commodity Exchange (MCX) rallied sharply and hit a hit of ₹376.65 a week ago. However, the rally lost steam and what followed was a sharp fall. The contract is currently trading around ₹310.

Despite the sharp fall over the past week, the major bull trend remains intact and it will remain so until the support at ₹290 is breached. A decisive break below ₹290 can turn the short-term trend negative and the invalidation of the support at ₹260 can turn the medium-term trend bearish.

Nevertheless, as it stands, the inclination in bullish and the recent price decline can be counted as a corrective fall that can be used to initiate fresh long positions.

Traders can consider fresh longs at ₹310 and ₹300 with stop-loss at ₹285. When the contract rallies and touches ₹350, book one-third of the longs and alter the stop-loss to ₹305.

Liquidate the rest if price rallies to ₹375.

BSE Metal, BSE Energy indices slip on worries over fall in Chinese demand, but analysts remain bullish

Local Commodity, Energy Stocks Take a Hard Knock

Cold Press



Stock	LTP (₹)	% Chg	3M Return (%)	PE	Target Price (₹)#
JSW Steel	641.2	-3.56	-2.26	19.48	744.9
Tata Steel	1,233.8	-4.88	11.00	19.34	1,638.7
Vedanta	357.7	-4.82	4.84	11.42	432.8
Hindalco Inds	559.8	-5.26	17.71	24.02	667.3
Hindustan Zinc	305.5	-1.40	-3.57	16.17	326.9
Coal India	172.9	-4.13	18.38	8.39	199.0
Jindal Steel & Power	452.5	-5.01	19.95	8.75	585.0
NMDC	147.6	-5.57	10.69	6.89	192.4
SAIL	94.9	-4.43	-11.47	9.45	143.5
National Aluminium	113.7	-3.48	12.52	16.31	142.1
Hindustan Copper	114.2	-4.48	-8.46	95.60	--
Jindal Stainless	175.8	-5.46	-11.33	20.44	263.3

Bloomberg Consensus Estimates

Rajesh Mascarenhas
@timesgroup.com

Mumbai: Shares of commodity and energy companies plunged on Tuesday amid fresh worries about the economic fallout of surging Covid-19 cases in China and Hong Kong. China is one of the largest importers and consumers of various commodities and crude. Analysts, however, remain bullish on domestic commodities stocks as sanctions on Russia are expected to keep prices of aluminum, nickel, steel, and thermal coal elevated.

The BSE Metal index declined nearly 5%, while the BSE Energy was down by 2.5%. Metal stocks such as Tata Steel, SAIL, Jindal Steel, and JSW Steel declined between 4% and 5%.

"Commodity stocks are seeing a decline largely due to cool-off in commodities price as well as uncertainty in global markets, citing the resurgence of Covid-19 cases in China," said Ajit Mishra, analyst at

Religare Broking. "Going ahead, we expect commodity-driven sectors like metal, mining, oil to remain highly volatile."

After a sharp rally over the past month in the wake of the Russia-Ukraine war, metals—ferrous and non-ferrous—and crude have seen a reversal. Brent crude prices have corrected nearly 21% over the past week and fell below \$100 per barrel on Tuesday. Prices of base metals like aluminum declined 3%, while zinc and lead have corrected 8% each. Global steel prices have corrected by 4% over the past week, while iron ore prices have fallen by 12% over the same period.

"The fresh outbreaks of Covid-19 in China and Hong Kong has threatened to slow the pace of broader recovery, which clouded the demand outlook for industrial metals," said Pankaj Pandey, head of research at ICICI Securities. "This is a temporary setback, but it doesn't mean that the story for metal stocks is over. Structurally Indian metal companies are well-positioned for mid- to long-term growth."

Go long on MCX aluminium



AKHIL NALLAMUTHU

BL Research Bureau

The price of aluminium saw a sharp fall last week. Consequently, the continuous futures contract of aluminium on the Multi Commodity Exchange (MCX) – which had hit a high of ₹325.4 per kg in the first week of this month – made a U-turn and declined. It marked a fresh three-week low of ₹262.15 on Tuesday and is currently trading around ₹270.

Despite the recent drop in price, the overall bullish trend remains valid. The price stays above the key support band of ₹255-260 and the futures continues to trade above 50-day moving average (DMA). Coincidentally, the 50-DMA remains within the support band of ₹255-260. The contract also lies above the upward sloping trendline, showing that the uptrend stays intact.

Considering that the major trend is up, and the price has corrected and stays above key support levels, it could be the right time for the bulls to make a comeback.

We recommended fresh long positions in the first week of March at ₹300 and ₹275 with stop-loss at ₹260. Those who hold these positions can retain them but widen the stop-loss a bit to ₹255 i.e., the lower end of the support band and revise the target from ₹350 to ₹325. Others can consider fresh longs at current level of ₹270 with stop-loss at ₹255.

When the contract rallies above ₹290, alter the stop-loss to ₹270. At ₹310, liquidate half of your total long positions and further tighten the stop-loss to ₹290. Exit the leftover longs at ₹325.

Bet long in MCX lead futures

AKHIL NALLAMUTHU

BL Research Bureau

The uptrend in lead, which is in place since May 2020 lost traction in September 2021. As a result, the continuous contract of lead on the Multi Commodity Exchange (MCX), which started its rally from about ₹130 could not extend beyond ₹195. Although there was no bearish

trend reversal, the contract was largely charting a



sideways trend. That is, since September last year, it has been oscillating between ₹180 and ₹195.

In the first week of March this year, the contract hit a high of ₹198. It then declined and is now trading around ₹183. The price band of ₹180-182 has been acting as a strong support band for over six months and the contract has bounced off this support several times in the recent months. Given that the trend has been sideways and the futures is trading just above the support band, one can consider taking fresh long positions. The contract is likely to go back to test the upper end of the range i.e., ₹195.

Therefore, traders can initiate fresh longs at current levels with stop-loss at ₹175. Exit the longs when price hits ₹195. Stick to the stop-loss strictly because a breach of the support at ₹180 can turn the outlook negative. Below ₹180 the contract can decline to ₹173 initially and then possibly to ₹168, which is a strong support level.

स्टील दहा हजारांनी स्वस्त; घराचे स्वप्न पूर्ण होणार का?

बांधकामांचे दर वाढले : कंपनी केव्हाही वाढवितात दर

लोकमत न्यूज नेटवर्क

नागपूर : गेल्या सहा महिन्यात बांधकाम साहित्यांचे दर मोठ्या प्रमाणात वाढल्यामुळे घराचे चौरस फूट दर वाढले आहेत. जुन्या प्रकल्पांना रेराचे बंधन असल्यामुळे बिल्डर्सला घराच्या किमती वाढविता येत नाहीत.

पण नवीन प्रकल्पातील घरांचे दर ५०० रुपये चौरस फूट वाढण्याची शक्यता आहे. गेल्या दोन महिन्यात स्टीलचे दर दुपटीवर अर्थात ८३ रुपये टन झाले होते. पण आता ठोकमध्ये जवळपास दहा रुपयांची घट झाली असली तरीही किरकोळ बाजारात स्टील ७७ ते ७८ रुपये किलो विकली जात आहेत. त्यामुळे बांधकामाचे दर वाढत आहेत. यामुळे सामान्यांचे घराचे स्वप्न पूर्ण होणार काय, असा सवाल आहे.

बांधकाम साहित्याचे दर वाढल्यामुळे गुंतवणूक वाढली आहे. व्यवसायावर परिणाम झाला आहे. उन्हाळ्यात घराचे बांधकाम वाढते; पण यंदा दरवाढीमुळे कमी झाली आहे. पुढे दर कमी होताच विक्रीत वाढ होण्याची शक्यता आहे. - राकेश माटे, व्यापारी, नंदनवन



एका टनाचा किरकोळ भाव ७७ हजार

स्टीलचे प्रकार आणि आकारानुसार आहेत. किरकोळमध्ये टनाचा भाव ७७ रुपये आहे. पुढे मागणीअभावी दर कमी होणार असून, ७० रुपयांवर येण्याची शक्यता आहे. याशिवाय सर्वच बांधकाम साहित्यांचे दर वाढल्यामुळे लोकरना घराचे बांधकाम करणे कठीण झाले आहे.

बांधकाम साहित्याचे भाव

साहित्य	भाव
सिमेंट	३७५
मातीच्या विटा	८
सिमेंट विटा	६
खडी	नऊ हजार डोजर
रेती	२० हजार डोजर



बांधकाम साहित्याच्या दरावर सरकारचे नियंत्रण नसल्यामुळे सिमेंट आणि स्टील कंपनी केव्हाही दर वाढवितात. त्यामुळे बांधकाम खर्चात वाढ होते. सध्या घरांच्या किमती कमी होणार नाहीत.

- विजय दर्गण, अध्यक्ष, क्रेडाई नागपूर मेट्रो

India's gold output could rise 12X if hurdles are removed: WGC report

REUTERS

Mumbai, March 17

India's annual gold production could surge to 20 tonnes from a mere 1.6 tonnes if the government removes bureaucratic hurdles and encourages investment in the sector, the World Gold Council (WGC) said in a report published on Thursday.

The second-biggest consumer of the metal in the world, India fulfils most of its demand through imports. Higher local output could help the country cap its imports.

India splurged a record \$55.7 billion on gold imports in 2021, buying 1,050 tonnes - the most in a decade, and far more than the 430 tonnes imported in 2020.

"It makes sense for India to develop mining capacity. But change is needed for this to happen, legacy hurdles must be reduced considerably, and investments encouraged," said Somasundaram PR, Regional



India splurged a record \$55.7 billion on gold imports in 2021, buying 1,050 tonnes

Chief Executive Officer of WGC. The council added that securing a mining licence is a lengthy process here, with approvals needed from multiple agencies, which dissuades investment, particularly from multi-national companies.

Rules, logistics, labour

Additionally, most gold mining areas are in remote locations with poor road and rail linkage, which makes moving materials

to and from sites difficult and expensive, the report said.

Currently, Hutti gold mines in Karnataka employs more than 4,000 workers and contractors, and accounts for the bulk of production. Gold mining could provide employment to another 3,000-4,000 people, but it needs to attract investment of more than \$1 billion to convert resources into reserves and ultimately construct mines, the WGC said.

Continue to hold long positions in copper

AKHIL NALLAMUTHU

BL Research bureau

The continuous contract of copper on the Multi Commodity Exchange (MCX) was moving in a sideways trend between ₹735 and ₹760 since the beginning of 2022. But in early February, the contract rebounded from the support at ₹735, consequently breaking out of ₹760.

A rising trendline support, which can be observed in daily chart, also coincided at ₹760, making it a strong base. This has now become a support and the outlook will turn positive as long as the contract is above ₹760 or above the rising trendline. One should track this trendline actively as this is a dynamic support. Post breakout, the contract hit a high of ₹791.5 last week. But it has now come down and hovering around



₹765. Thus, the support at ₹760 stays valid. Nevertheless, bulls have an edge over bears until price stays above ₹760.

Before a week, we suggested to initiate longs at around ₹780 and on a dip to ₹768. Recommended stop-loss was at ₹755.

Traders can continue to hold this position. One can also buy afresh if you have not done before with same stop-loss. Exit the longs at ₹810 as this is a critical resistance.

Aluminium, the green metal

It can fast-track development of India's solar industry

ANAND KHANNA

The pressing need for climate action has got countries taking rapid strides to develop, expand and increase output of the renewable energy (RE) industry, with solar energy emerging as the predominant source of green power. Today, India not only stands fourth in the world in terms of installed RE capacity — 5th in solar and 4th in wind — it is now pursuing an ambitious target of 450 GW of RE capacity by 2030 (source: PIB)

According to a World Bank report on green energy revolution, aluminium is the only metal that is both high-impact and cross-cutting, in all potential clean power technologies.

For a sun-soaked country like India, solar photovoltaics (PV) is not only a clear energy option, but it comes with two advantages — module manufacturing can be done in large plants, which allows for economies of scale, and being a very modular technology, it also allows for deployments in very small units at a time. This makes the potential of applications limitless, as solar-powered systems can range from personal electronics to utility-scale power generation facilities.

Special properties

Aluminium is used in most clean energy technologies, especially in solar where it accounts for 85 per cent of most PV components in the form of the frames and mounting structures that hold the PV panels together and support them.

Aluminium will also find extensive usage in transmission and distribution of the energy generated, as it is the material of choice for energy transmission over long distances.

Aluminium is heralded as the green metal of the future. Owing to special properties like high strength-to-weight ratio, superlative corrosion resistance, high surface reflectivity, excellent electrical and thermal conductivity, as well as 100 per cent recyclability at the end of life, make aluminium suitable for solar PV applications.

Moreover, aluminium is quick to cool down compared to traditional materials, which is of significant advantage in solar PV, as increase in temperature of PV cells

reduces the efficiency of electricity generation. Yet another advantage is aluminium's ability to be endlessly recycled. Aluminium recycling is cost-effective and requires significantly less energy.

The Indian aluminium industry, with its 4.1 MTPA production capacity, can easily cater to the domestic aluminium demand for the RE sector.

Domestic aluminium producers have significantly invested in R&D and innovation to indigenously develop special high-performance alloys for various industries. In fact, Vedanta Aluminium is the world's largest producer of wire rods (ex-China), and India's largest producer and exporter of billets. The company has also indigenously developed alloys for various industry sectors, which were earlier entirely imported into India.

The country is already witnessing strong strides in aluminium usage in the RE sector. For example, on the back of 100GW solar capacity addition over the next 2-3 years, the government has confirmed that there will be an anti-dumping duty of 40 per cent w.e.f.

April 1 on imports of solar cells and modules from China to encourage domestic manufacturing of solar PV components in India.

However, factors such as lack of financing support, unfavourable policy structures, lack of scale and competition

from low-priced Chinese imports have stunted India's domestic module manufacturing growth. Per MNRE data, solar PV cell production capacity in India is only 2.5 GW/year and solar PV modules capacity is around 9-10 GW/year, whereas the annual requirement for the next 10 years is around 10 GW/year.

As a result, the Indian solar industry relies heavily on imports of important components such as solar cells, modules and solar inverters.

Aluminium, as the green metal of the future, holds massive economic promise for the evolving global renewable energy sector. This is India's opportunity to strengthen its position in the global RE value chain, by not only producing domestically to meet our RE targets, but also become the global manufacturing hub in aluminium and solar PV components.

The writer is retired faculty of IIT Bombay



Tin prices to stay elevated on rising demand

Supply growth unable to match consumption

SUBRAMANI RAMANCOMBU

Chennai, February 17

Tin prices are likely to break new record highs this year and stay elevated in the longer term as rapid recovery in demand has outstripped the slow pace of supply growth. "The slow pace at which global tin supply has recovered from the Covid-19 pandemic has been outpaced by the rapid recovery in demand. Supply tightness should begin to ease by end (of 2022...)" said US research agency Fitch Solutions Country Risk and Industry Research (FSCRIR).

Robust offtake

On Thursday, tin for delivery in April was quoted at 328,550 Chinese yuan a tonne (\$51,878) on Shanghai Futures Exchange. On the London Metal Exchange, the metal was quoted at \$43,785 a tonne for cash and the three-month contract ruled at \$43,700.

Currently, tin prices, which have gained nearly 12 per cent since the beginning of this year, are off the record high of \$44,284

seen on February 10. Fitch Solutions said tin prices will continue to edge higher over the years as demand will "continue to be robust and increasingly outstrip supply".

However, the World Bank projected a slight decline in prices this year after a huge rise last year in its "Commodity Outlook" released in October. However, it concurred with FSCRIR's views that "demand continues to grow rapidly, and global supply may struggle to keep pace."

Production rebounds

Market intelligence platform IndexBox has supported Fitch Solution's views, projecting that tin prices will not return to pre-pandemic levels in view of high costs for energy resources.

According to the International Tin Association (ITA), refined tin production rebounded from pandemic lows last year, led by Chinese Yunnan Tin, and it will increase another four per cent this year. The current rise in tin prices can be attributed to the shutdown of the Laibin smelter of Guangxi China Tin Group for maintenance from February 10. ITA said the smelter, which has a



Tin prices have gained nearly 12 per cent since the start of this year

capacity to produce 25,000 tonnes, would be shut for 45 days and would result in 1,200 tonnes of refined tin being "unavailable to the Chinese tin market".

The World Bank said growth in electronics and photovoltaic installations had significantly increased demand for tin.

FSCRIR said the main reason for demand growth to outstrip increase in supply is that the Covid pandemic led to increased sales of medical and home equipment and personal devices. All these products use tin for soldering. "The resulting reduction of global refined tin stockpiles has contin-

ued to force prices higher, and left the market significantly exposed to price increases, that was especially seen during China's power crunch," Fitch Solutions said.

Besides medical and home equipment, tin is becoming consumed in a big way by the greening of the economy as tin solder is used in photovoltaic cells.

Price outlook revised

The current bull run of tin has resulted in Fitch Solutions raising its price outlook for the metal to \$42,000 a tonne this year from its earlier projection of \$32,500. Similarly, the outlook for next year

has been increased to \$38,000 from \$29,000. FSCRIR said prices have been on a strong uptrend since 2020 due to severe supply tightness resulting from Covid-19 lockdowns (especially in Malaysia and Indonesia, major tin producers accounting for a combined 30 per cent of global refined tin production in 2020). "Supply has yet to match up with demand despite easing slowly," it said.

The World Bank said tin prices had increased for 16 consecutive months through August 2021 before falling a tad in September. It concurred with Fitch Solutions view that Covid lockdowns interrupted mine production in Indonesia and Malaysia.

IndexBox said tin prices have been driven higher by a deficit of the metal due to rising demand from the electronics sector, while global production stagnated over the past decade. "Limitation of metal smelting in China due to environmental restrictions further propelled tin prices," it said.

Research agency Fitch Solutions said tin market's fundamentals are expected to ease slightly over 2022-2023, driven by supply increases. There are signs that this is already happening.

Mineral output up 14.2% in April-January

OUR BUREAU

New Delhi, March 18

The index of mineral production of mining and quarrying sector for January 2022 was at 124.7, up 2.8 per cent as compared to the same period of 2021.

As per the latest statistics of Indian Bureau of Mines (IBM), the cumulative growth for the 10-month period between April 2021 and January 2022 saw a year-on-year (YoY) increase of 14.2 per cent.

According to a statement by the government, the production level of coal in January 2022 stood at 796 lakh tonnes – up 8.2 per cent YoY; while that of lignite stood at 46 lakh tonnes – up 25.2 per cent, YoY.

Gold production rose 13.3 per cent YoY, to 107 kg.

Natural gas (utilised) stood at 2,767 million cubic metres in January indicating an annual increase of 11.7 per cent; while petroleum (crude) production stood at 25 lakh tonnes, down by 2.4 per cent on a YoY comparison.

Bauxite production during the month stood at 2,157,000 tonnes – up 13.4 per cent YoY; while chromite production at 3,98,000 tonnes was down 17.6 per cent.

Copper concentrate production was at 10,000 tonnes, down by 15.4 per cent YoY; while iron ore production at 215 lakh tonnes in January 2022 witnessed a contraction of 4.9 per cent, YoY.

Manganese ore production went down by 10 per cent YoY.

Aluminium gains on renewed Russia worries

REUTERS

London, March 18

Aluminium prices extended gains on Friday on renewed worries about supply from Russia after peace talks faltered with Ukraine, while LME nickel tumbled 12 per cent to hit limit down again.

Three-month aluminium on the London Metal Exchange (LME) added 0.4 per cent to \$3,399 a tonne in official open outcry trading, but was down about one per cent on the week.

Metals were also buoyed by calmer conditions in top metals consumer China.

LME nickel slid by its maximum price limit for the third day running, dropping 12 per cent in thin volumes to \$36,915 a tonne when it opened. LME copper edged down 0.1 per cent in official activity to \$10,235 a tonne; zinc added 0.4 per cent to \$3,842; lead gained 0.7 per cent at \$2,267, and tin climbed 1.6 per cent to \$42,350 a tonne.

Coal imports likely to be lower by 35-40 mt in 2021-22

Increase in global coal prices, domestic output will help bring down imports, say experts

SHOBHA ROY
Kolkata, February 18

The sharp increase in international coal prices, increase in domestic production and a series of measures undertaken by Coal India Ltd (CIL) is likely to bring down country's coal imports substantially during FY22.

The country's total import of coal (coking and non-coking) is likely to be lower by around 35-40 million tonnes (mt) in 2021-22.

However, imports may witness a surge again in 2022-23, industry experts said.

Import of coal is likely to be close to 180-190 mt in FY-22, as compared with 214.99 mt in FY21.

It is to be noted that the country's total import during last fiscal (2020-21) came down by around 33.55 mt from 248.54 mt in 2019-20. Imports could increase to close to 250 mt in 2022-23.

However, increased renewable penetration for power generation, coal gasification for steel production which substitutes imported coking coal, accelerated commercial mining and higher coal production

productivity at CIL can bring down imports in the long term.

Savings of forex

According to Ministry of Coal, the overall import has reduced by nearly 11 per cent to 147.14 mt during April to November 2021 compared to 165.57 mt during the corresponding period of FY 20. This has resulted in significant savings of forex reserves during the current fiscal especially when the coal prices are at a high level in the international market.

Infact, import of coal by domestic coal-based power sector, for blending purpose, reduced by 22 per cent during April-November 2021 (from 7361 mt to 5,733 mt), as per data available in the conference call transcript of Coal India.

There has been a decrease in import of thermal coal till December'21 at 85,062 mt as compared to 105.58 mt same period last year and import of lower grade (substitutable coal i.e. G9 to G15) reduced to the extent of about 40 per cent to close to 44,093 mt till December'21 against 73,165 mt same period last year.

"Whereas, coal imports are



Coal imports are down to a nine-year low due to a sharp increase in international prices

down to a nine-year low due to a sharp increase in international prices. This put the onus on CIL to step in with increased supplies to ensure uninterrupted power generation which it did," CIL said.

CIL's enhanced ACQ

CIL has enhanced the annual contracted quantity (ACQ) for power plants and coastal power plants and has been offering large quantities of domestic coal through various formats of e-auctions to substitute imports during the current fiscal. The company has enhanced ACQ for power plants from 90 per cent of the normative requirement to 100

per cent and for coastal power plants from 70 per cent of the normative requirement to 100 per cent. "For promoting import substitution, thrust is being made to offer large quantities of domestic coal through various format of e-auctions so that the consumers are not inclined towards import of coal. Around 83.71 mt has been booked during April-December 2021, against 81.45 mt booked same period last year. The additional coal booked by the consumer/traders from the auction windows during April-December 2021 helped reduce coal import to the extent of 2.26 mt," CIL said.

The trigger level has been in-

creased from 75 per cent to 80 per cent for FY2021-22 which will be implemented through side agreement for the power plants opting for the same.

According to Atanu Mukherjee, President and Chief Executive Officer, MN Dastur, continued expansion of India's economy is expected during 2022-24, with annual average GDP growth of 7.4 per cent and this would be fuelled at least partially by coal.

"Coal consumption is likely to increase at an average annual rate of over three per cent, to reach around 13 billion tonnes in 2024 according to IEA. There will be some substitution of coal by renewables on power consumption side, but in general increased demand will be met by continuing imports and increased support through commercial mining. Coal imports are therefore likely to increase in the medium term as commercial mining and renewable substitution cannot catch up with the rate of increase in demand," Mukherjee told *BusinessLine*.

CIL despatch

Meanwhile, Coal India Ltd (CIL) has clocked marginally higher despatch at around 575 million tonne (mt) as of February 16, as compared with 574.5 mt dur-

ing whole year 2020-21. The company's despatch to power plants was up by nearly 23 per cent at 468.4 mt compared to 381 mt corresponding period last year.

"Amid wild fluctuations the total coal-based power generation went up sharply to around 11 per cent in FY'22 till January, against comparable period last year, after a decline during previous two years. To handle such volatility in demand is difficult for a mining company but CIL managed to do so with increased volume supplies," the company said.

CIL aims to scale up its supplies to the regulated power sector to 548 mt ending 2021-22 as per the projection of Central Electricity Authority, an increase of 103 mt compared to the power sector's despatch of 445 mt in FY'21. The company's average despatch to non-power sector is 3.32 lakh tonnes per day so far in the current fiscal which is the normal average. With sufficient coal availability and production looking up, meeting the average despatch of the non-regulated sector will not be an issue, it said.

CIL's current coal production is at 2.3 mt a day and expected to scale up to 2.6 mt a day and above in the high yielding month of March.

एनएमडीसी ने 4 करोड़ टन लौह अयस्क के उत्पादन का बनाया रिकॉर्ड

एजेंसी | नई दिल्ली

सरकारी क्षेत्र की कंपनी राष्ट्रीय खनिज विकास निगम लिमिटेड (एनएमडीसी) ने एक साल में चार करोड़ टन लौह अयस्क का उत्पादन कर एक नया कीर्तिमान बनाया है। इस्पात मंत्रालय ने शनिवार को एक बयान में कहा कि वार्षिक उत्पादन का यह लक्ष्य तय करने वाली एनएमडीसी पहली कंपनी है और इसने वर्ष 2030 तक वार्षिक 10 करोड़ टन के उत्पादन का लक्ष्य रखा है। कंपनी ने 60 के दशक के आखिरी वर्षों में 4 लाख सालाना उत्पादन के साथ काम शुरू किया था। वर्ष 1977-78 में इसका उत्पादन एक करोड़ टन और 2004-05 में तीन करोड़ टन तक पहुंच गया था। इस्पात मंत्रालय ने कहा कि कंपनी इस समय अत्याधुनिक प्रौद्योगिकी का इस्तेमाल कर रही है और इसने डिजिटल ढांचे का इस्तेमाल कर अपने कारोबार के तौर-तरीकों में सुधार कर कोविड के कारण आयी मंदी और समय-समय पर उतार-चढ़ाव का सामना किया है। एनएमडीसी के चेयरमैन एवं प्रबंधन निदेशक सुमित देब ने कहा कि एनएमडीसी ने एक ऐतिहासिक उपलब्धि दर्ज करते हुए सालाना चार करोड़ के लौह अयस्क का उत्पादन करने वाली देश की पहली कंपनी बन गयी है। तमाम बाधाओं के बावजूद कंपनी ने चुनौतियों का सामना करने की क्षमता का उल्लेखनीय प्रदर्शन किया है।

ड्रोन से खनिजों की खोज के लिए एनएमडीसी-आईआईटी खड़गपुर में करार

एजेंसी | नई दिल्ली. इस्पात मंत्रालय के अंतर्गत केंद्रीय सार्वजनिक क्षेत्र के उपक्रम राष्ट्रीय खनिज विकास निगम लि (एनएमडीसी) ने ड्रोन की मदद से खनिजों की खोज के लिए भारतीय प्रौद्योगिकी संस्थान (आईआईटी), खड़गपुर के साथ एक समझौता किया है। इस दौरान एनएमडीसी के अध्यक्ष एवं प्रबंध निदेशक सुमित देब, निदेशक (वित्त) अमिताव मुखर्जी, निदेशक (तकनीकी) सोमनाथ नंदी, निदेशक (उत्पादन) डी के मोहंती तथा संस्थान के प्रोफेसर उपस्थित थे। मंत्रालय ने शनिवार को विज्ञप्ति जारी कर बताया कि एनएमडीसी पिछले छह दशकों से व्यापक किस्म के खनिजों की खोज करता रहा है, जिनमें अन्य खनिजों के साथ-साथ तांबा, रॉक फास्फेट, चूना पत्थर, मैग्नेसाइट, हीरा, टंगस्टन और समुद्री तट रेत शामिल है।

एनएमडीसी और आईआईटी खड़गपुर के बीच सहयोग से खनिज उत्खनन और खनन प्रौद्योगिकी में क्षमता निर्माण कार्यक्रमों के लिये सॉफ्टवेयर स्पेक्ट्रल टूल्स का विकास होगा। एनएमडीसी के मुख्य प्रबंध निदेशक (सीएमडी) सुमित देब ने कहा, "एनएमडीसी भारत का पहला केंद्रीय सार्वजनिक क्षेत्र उपक्रम होगा, जो देश में खनिजों के अन्वेषण के लिये ड्रोन-आधारित भू-भौतिकी सर्वेक्षण और हाइपर-स्पेक्ट्रल अध्ययन करेगा आईआईटी खड़गपुर के साथ एनएमडीसी के समझौते से नया अध्याय खुलेगा तथा देश के लिये खनिज अन्वेषण के क्षेत्र में मानक स्थापित होंगे।"

Commodity prices soar on Russia supply fears

Prolonged Disruptions And Global Inflation May Mount Input Cost Pressures On Multiple Sectors

TIMES NEWS NETWORK

Mumbai/Chennai: Input costs will increase and squeeze margins across multiple sectors if the spike in commodity prices are not passed on. Prices of crude, aluminium, nickel, steel and palladium, among other commodities, have soared since the US and European nations imposed sanctions on Russia following its invasion of Ukraine.

There are fears of prolonged supply crunches and global inflation mounting input cost pressures for multiple sectors. While steel and aluminium sectors benefit from the rally, automobile, consumer durables, construction and real estate industries will feel the pinch.

The automobile sector is unlikely to get a respite from the ongoing microchip shortage, said rating agency Crisil in its report dealing with the Russia-Ukraine war's strain on multiple sectors. That's because Russia and Ukraine produce 75% of the neon gas used to manufacture semiconductors. A protracted strife and sanctions on Russia would further curtail semiconductor production, Crisil said.

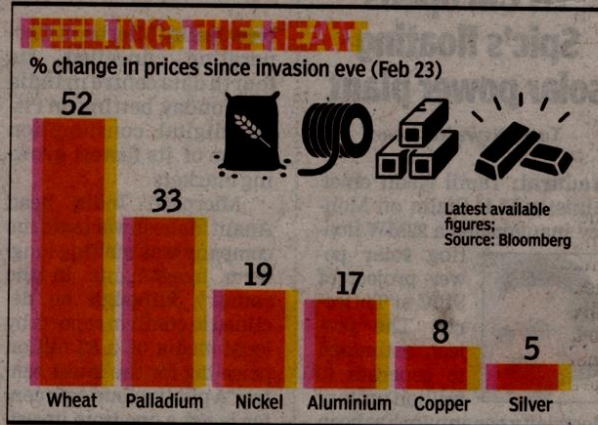
Import dependence on palladium and platinum, which are used in catalytic converters, and nickel, which is used as a cathode in lithium-ion batteries, is relatively low and hence would have a minimal impact on domestic automobile companies. However, aluminium and copper, which have

become costlier, will push up raw material costs.

Volvo Eicher Commercial Vehicles MD Vinod Aggarwal said, "Costs will go up as the sourcing price for high precision metals like aluminium and copper have gone up. As a result, there will be price hikes, which will impact demand just when the commercial vehicle industry has started recovering." Aluminium is used by

mand for aluminium.

Chemicals and paints industries, which use crude oil-linked derivatives as their primary feedstock, may see some margin squeeze in the first quarter of next fiscal "as inventories bought at lower prices run out", Crisil said. Spot prices of natural gas, which are also linked to crude, could continue to climb. Urea makers, which use it as feedstock, can pass on the



the automobile industry for wheels as well as light-weighting, while copper is used in wiring harness. More than 70% of the revenue of automobile manufacturers goes towards raw material costs.

India Ratings & Research associate director Shruti Saboo said, "In the first 10 months of FY22, steel and aluminium prices have increased by 15% and 34%, affecting the total cost of manufacturing of vehicles." Also, India's electrification drive has increased the de-

mand for aluminium. higher prices, Crisil said. But if the war prolongs, domestic availability of urea could become a bother for the farm sector because 8% of the requirement is imported from Russia and Ukraine.

Diamond polishers could see a squeeze in margins as continued trade disruption could make roughs costlier. Alrosa, Russia's largest diamond miner, accounts for 30% of the global production of roughs, the prices of which had surged 21% in 2021.

BUSINESS LINE

DATE : 20/3/2022 P.N.12

GMDC gets nod to mine deeper for lignite

OUR BUREAU

Ahmedabad, February 19

The Environment Ministry has granted approval to the State-run Gujarat Mineral Development Corporation Limited (GMDC) to go deeper up to 135 metres to mine lignite from Tadmashwar block near Surat.

On Saturday, the company said that it had received an amendment to its earlier approval of 94 m. Roopwant Singh, MD, GMDC, said, "The lignite mines in Tadmashwar are strategically located in Surat, a large industrial belt. This is indeed a good development and will help us cater to the increasing demand-supply gap and energy requirements in the State and across the country."

GMDC shares last quoted at ₹135.45 on the NSE on Friday, lower by 3.22 per cent over the previous close.

Recovery in sight

Uptrend in gold and silver remains valid

AKHIL NALLAMUTHU

BL Research Bureau

Investors weighed on the interest rate hike by the Federal Reserve, and they seem to have dumped gold in the past week. With a 25-bps (basis points) rate hike, an interest-bearing instrument such as treasuries might look attractive at a time of rising inflation. However, political and economic uncertainties created by the Ukraine war is a plus for the safe-haven asset.

On the trading front, both gold and silver posted weekly losses. The spot gold in dollar terms, at \$1,921 an ounce, depreciated 3.2 per cent. Similarly spot silver, at \$24.95 per ounce, lost 3.3 per cent. On the Multi Commodity Exchange (MCX), gold futures (April expiry) was down by 2.7 per cent as it ended at ₹51,447 (per 10 grams) and silver futures (May series) lost 3.5 per cent as it closed at ₹67,876 (per kg).

MCX-Gold (₹51,447)

The April futures of gold on the MCX extended the decline and made an intra-week low of ₹51,028 on Wednesday, before ending the week at ₹51,447. Therefore, the stop-loss at ₹51,400 that we had for the longs would have triggered.

As it stands, the support at ₹51,000 is holding well. However, the price action indicates that the price could touch ₹50,000 before the contract can turn upwards. On the upside, the resistances are at ₹52,000 and ₹53,500.

Hence, traders can stay on the sidelines for now and buy when contract falls to ₹51,000. Accumulate more



GETTY IMAGES/ISTOCKPHOTO

longs at ₹50,000 and place initial stop-loss at ₹49,000. Once the contract recovers above ₹52,000 after our longs are triggered, alter the stop-loss to ₹50,800. Liquidate the longs at ₹53,500.

But if the contract rallies past ₹52,000 without dropping to ₹50,000, one can aim for short-term trades. That is, buy on a clear break of ₹52,000 with stop-loss at ₹51,200 for a target of ₹53,500.

MCX-Silver (₹67,876)

The May futures of silver on MCX declined last week and made an intra-week low of ₹67,117. But it recovered and closed the week at ₹67,876. Therefore, the support band of ₹66,350-67,500 stays valid and this means the bulls are not out of the game. Notable support below ₹66,350 is at ₹65,000. Yet, until the support at ₹66,350 stays valid, one can retain near-term bullish view.

A recovery from here can take the contract to ₹70,000 and a breach of this level can lift it to ₹73,000. Therefore, traders can hold the longs that we initiated at around ₹69,000 with a stop-loss at ₹66,000. However, revise down the target from ₹76,000 to ₹73,000 since this is a strong hurdle.

Gold-en days ahead

Silver likely to underperform gold

AKHIL NALLAMUTHU

BL Research Bureau

Gold seems to be getting its sheen back as it hit a new eight-month high in dollar terms (\$1,902.8) and one-year high in the domestic market (₹50,438). Geo-political concerns and higher inflation seem to be supplying enough energy to keep the gold bulls going.

The interest in this precious metal is improving and seems to be drawing investors. Global ETFs (Exchange Traded Funds) have seen a net inflow of 573 tonnes this year, as on February 11. Overall, the yellow metal seems to be gaining good traction of late. Silver, on the other hand, appears to be lagging. Though it gained for the week, unlike gold, silver did not scale to new heights.

To sum up, gold and silver in the international market gained 2 and 1.6 per cent and ended the week at \$1,897.6 and \$23.93 per ounce, respectively. Likewise, gold and silver futures on the Multi Commodity Exchange (MCX) appreciated 2 and 1.5 per cent to end the week at ₹50,112 (per 10 grams) and ₹63,902 (per kg), respectively.

MCX-Gold (₹50,112)

The April futures of gold on the MCX closed the week above the critical level of ₹50,000 last week. This is likely to entice more buyers, which can push the prices further up. The breakout above ₹50,000 has confirmed a bullish ascending triangle pattern.

While the nearest resistance is ₹52,250, the triangle pattern suggests a rally to ₹56,000. Last week, we recommended buying MCX-Gold fu-



GETTY IMAGES/ISTOCKPHOTO

tures at around ₹49,100 and on a dip to ₹48,650 with stop-loss at ₹48,000. The idea was to exit at ₹52,000. But given the current momentum and the development on the charts, a rally to ₹56,000 look highly likely. Therefore, traders can exit one-third of their longs at ₹52,000 and carry the remaining for a target of ₹56,000. Maintain the stop-loss at ₹48,000 for now and move it to ₹49,900 when the contract breaches ₹52,250.

MCX-Silver (₹63,902)

The March silver futures, which sustains above the key level of ₹62,500, is lagging gold futures. However, the outlook for the metal is positive and will most probably appreciate in the coming weeks, although not at the same pace of gold. The nearest hurdle can be spotted at ₹65,500. Nevertheless, the contract can be expected to rise to ₹67,000. On the downside, the support at ₹62,500 is expected to give good protection.

Last week, we advised that traders could consider longs in MCX-Silver futures with stop-loss at ₹61,450. The recommended target was at ₹67,000 since the price band of ₹67,000-68,300 is a considerable resistance band. One can retain the long positions with same stop-loss and target.

3 reasons why gold may rule high this year

Russia-Ukraine war, inflation and fears over Covid will aid uptrend: Analysts

SUBRAMANI RA MANCOMBU

Chennai, March 21

Gold prices are likely to rule at elevated levels in 2022 in view of the geopolitical risks created by the Russia-Ukraine conflict besides factors such as inflation, chances of global growth being affected and fears of new Covid-19 variants emerging, analysts say.

Last week, US investment bank Goldman Sachs raised its gold target for this year to \$2,500 an ounce citing increased central banks' demand along with economic, geopolitical uncertainty and resilient Asian retail demand.

US research agency Fitch Solutions Country Risk and Industry Research (FSCRIR), a Fitch unit, has raised its gold price forecast for 2022 and 2023 to \$1,900 from



\$1,700 and \$1,800 from \$1,650, respectively.

The research agency said the forecast has been raised "on the back of the Russian invasion of Ukraine that has sparked an uptick in the demand for the safe-haven asset as investors adopt a risk-off sentiment".

ING Think, a financial and economic analysis wing of Dutch multinational financial services firm ING, pointed out that speculators are building long positions in the yellow metal, an indicator of the bullish outlook.

On Monday, gold was quoted at \$1,923.85 an ounce, up a tad over Friday's close. The yellow metal hit a high of \$2,075 on

March 8 before dropping below \$1,900 and then recovering to current levels.

Domestic prices for pure gold were quoted at ₹51,460 per 10 gram, while ornament gold ruled at ₹50,230 in Mumbai.

Capping factors

Fitch Solution said it sees a strong resistance at the record high of \$2,075, while there is new support at the \$1,820-mark.

"Gold prices will be dictated largely by the war in the coming months, we expect US dollar strength and recovering bond yields to cap gold's rally. On the one hand, gold is being supported by the Russia-Ukraine war, rising global inflation, and the still persisting Covid-19 pandemic," FSCRIR said.

ING Think said speculators continued to boost their long positions. Net longs in COMEX gold was 147,501 lots last week, down from the previous week as short positions increased to over 38,000. It was also one of the weeks when gold had its worst

seek in the last eight months.

The World Gold Council, a body of gold producers, in its outlook for 2022, said the yellow metal will face "two key headwinds" of higher interest rates and a strong dollar.

However, the impact of these might be offset by factors including high, persistent inflation, market volatility linked to COVID, geopolitics etc., and robust demand from other sectors such as central banks and jewellery.

Goldman Sachs said gold's uptick will come from rising investor demand for inflation-hedged assets and Asian consumption.

But FSCRIR said the US Federal Reserve's normalisation of monetary policy, recovering bond yields, strengthening dollar, and continued easing of Covid-19 restrictions as vaccination rates continue to rise will put a lid on gold prices. Still, it expects prices to rule higher than pre-Covid levels as the Russia-Ukraine conflict is evolving.

Retain longs on zinc futures

AKHIL NALLAMUTHU

BL Research Bureau

The continuous zinc contract on the Multi Commodity Exchange (MCX) bounced off the crucial support band of ₹300-310 last week and is currently trading around ₹327.

Since the major trend remains bullish, and the contract rebounded from its support level, we forecast an uptick in price movement in the upcoming sessions. Indicators like the RSI and the MACD have remained bullish over the past week.

Along with the price rally, the cumulative open interest (OI) of all active zinc futures on the MCX have increased too.

The contract is expected to reach ₹350, a resistance level, in a month. A breach of this can lift the contract to ₹375. On the downside, ₹320 can act as minor support. Below this is the support band of ₹300-310.



We recommended buying at the support band of ₹300-310 a week ago with stop-loss at ₹285.

Traders who had initiated longs, then, can continue to hold, but revise the stop-loss to ₹295. Others can consider going long if the price dips to ₹320.

Add more longs, in case the contract retest ₹310. The stop-loss can be at ₹295. When the contract rallies to ₹350, book one-third of your holdings and alter the stop-loss to ₹330.

Liquidate the remaining when the price rallies to ₹375.

Gondia forest dept okays mining in wildlife area

3,141 Trees To Be Felled For Project

Vijay.Pinjarkar
@timesgroup.com

Nagpur: At a time wildlife is crying for space, and landing up in conflict with humans, the Gondia forest division has recommended a proposal to divert 17.56 hectare protected forest land, equivalent to 44 football fields, for iron ore mining at Manegaon under the Amgaon forest range. The project will lead to the felling of 3,141 trees.

Sustaining Environment and Wildlife Assemblage (SEWA), a NGO working for wildlife conservation in Gondia, and wildlife conservationists have opposed the move to allow mining in the forest. They say it is a habitat for leopards, Indian wolves,

FACTS OF THE MATTER

► Jayaswal Neco gets environment clearance on **Nov 6, 2006**, for mining in **37.34 ha**

► Land includes **19.78 ha** revenue and **17.56** protected forest

► Mining is already underway on **11 ha** revenue land



► Company has Stage I clearance for forest land

► Process for Stage-II begins afresh after **13 years** as company fulfils Stage I conditions

► Greens oppose move as over **3,000 trees** will be cut, and forest area is **rich in wildlife**

black bucks, four-horned antelopes, jackals, and spotted deer. All these species are listed under various schedules of the Wildlife Protection Act (WPA), 1972.

Documents in possession of **TOI** show that the Indian Bureau of Mines (IBM) had approved a mining plan in 2005, based on which Jayaswal Neco Industries Limited, Nagpur, had sought environment clear-

ance (EC). The MoEF considered the company's proposal and granted EC for iron ore mining for 20,000 TPA in November 2006. The total mining lease area is 37.34 hectare (19.78 ha revenue land and 17.56 ha protected forest).

The company was granted Stage-I clearance under Section 2 of Forest Conservation Act (FCA), 1980, with stipulated conditions in March 2009.

However, after a gap of 13 years, the proposal has suddenly come alive with new officials moving the issue ahead.

Associate director of Jayaswal's Neco Sangram Swain said, "One of the conditions to convert 17.56 non-forest land (equivalent forest land to be diverted) to reserve forest after taking up compensatory afforestation. The land had to be mutated in favour of the forest department. Notification for this land was issued in 2020. Hence, the delay."

Swain added, "Of the 19.78 hectare revenue land, we are already mining 11 hectares, and remaining 8 hectare non-mineral land has been surrendered. We have deposited NPV of ₹2.73 crore for forest land. We have also paid revised NPV as per the latest circular issued by MoEFCC this month."

► Mining zone, P 4

CONTD..ON PAGE 19

BUSINESS LINE DATE : 23/3/2022 P.N.4

Area a notified mining zone, state govt mine also exists there: Neco

► Continued from P 1

Associate director of Jayaswal's Neco Sangram Swain said, "We have also paid revised NPV as per the latest circular issued by MoEFCC this month. The area is a notified mining zone and there is an existing mine of the state government."

However, SEWA founder Sawan Bahekar says, "Predecessors of present deputy conservator did not show interest in the proposal as the area is important from a wildlife point of view. Though the core boundary of Navegoan-Nagzira Tiger Reserve (NNTR) on the eastern

side is 12km away from the proposed mining area, wildlife still uses it."

"SEWA has been working in the area since 2005 and we have records to show that the proposed forest area has a breeding population of wolves, blackbucks, and other species," Bahekar added.

Gondia deputy conservator (DyCF) Kulraj Singh said, "We have been asked by the regional MoEFCC office at Nagpur to submit a site inspection report for Stage II clearance and hence we did the same."

"Already mining is going on in revenue land. Compensatory afforestation land has been mutated in the name of forest depart-

ment and revised NPV has also been paid," he said.

However, a copy of the site inspection report by the DyCF ignores wildlife presence in the forest area, and it seems Gondia forest officials are batting for the project. On a question of whether the area is important from a wildlife point of view, the DyCF's reply says indirect signs of blue bulls and black bucks were seen and suggested fencing off the forest area.

Bahekar says the report states that 29,000 teak trees would be planted by filling the mining areas. "This seems to be the biggest joke as the forest department

should show one area where compensatory afforestation has been successful. To get clearance, the user agencies make tall promises that are never fulfilled. Nowhere has a natural forest lost for mines ever been regained."

SEWA and other NGOs have decided to petition the MoEFCC, opposing the diversion of forest land for the mining projects. They have also demanded a detailed scientific study of the forest area proposed to be diverted.

The Manegaon gram panchayat has called a meeting on March 24, to discuss the issue of grant of NOC to the company. Earlier, a meeting was called on February 25, where the project was opposed by many locals.

TO MINE OR NOT

Bet long on MCX copper contracts

COMMODITY CALL

AKHIL NALLAMUTHU

BL Research Bureau

The continuous contract of copper on the Multi Commodity Exchange (MCX) has been displaying bullish bias since February.

After bouncing off the strong base at ₹732, the contract rallied sharply and hit a record high of ₹886 in early March.

However, what followed was a swift fall in price.

Nevertheless, the overall trend remains bullish and it has been forming higher highs and higher lows since



February. Supporting the bullish bias, the price remains above the 21- and 50-day moving averages (DMAs) and it has bounced off the 21-DMA thrice in the last two months.

The RSI and the MACD indicators on the daily chart

lie in their respective positive territory.

Moreover, the cumulative open interest (OI) of copper futures on the MCX has increased to 4,432 contracts as on Tuesday compared to 4,036 contracts a week back. Increase in OI along with a rally in a bullish sign.

Therefore, the contract can be expected to retest ₹886 in the near-term. A breach of this level can lift the contract to ₹935 over the medium-term. So, one can take bullish bets on copper.

In early March, we recommended longs at ₹850 and then at ₹810 with stop-loss at ₹780.

Traders can retain the buy trades. Others can also consider

initiating fresh long positions at the current level of ₹815 with the same stop-loss i.e., ₹780.

Shift the stop-loss to ₹840 when the contract decisively reaches ₹886. Liquidate the longs when price touches ₹935.

The price band of ₹800-810 is a strong support

'Cement industry to register 18-20% volume growth in FY22'



NEW DELHI, Mar 23 (PTI)

THE cement industry is expected to record an 18-20 per cent volume-based growth and even surpass pre-COVID levels by 6 per cent in the current fiscal, according to a report.

However, high input costs on account of inflationary pressure are resulting in a decline in operating margins by 440-480 basis points to

around 19.8-20.2 per cent in FY2022, ICRA said.

"For the full year, FY2022, ICRA expects 18-20 per cent volumetric growth to around 355 million metric tonnes which is expected to surpass pre-COVID levels by 6 per cent, driven by continued strong rural housing demand and pick-up in infrastructure activity," it said in the report released on Wednesday.

ICRA AVP & Sector Head, Corporate Ratings, Anupama Reddy said that despite the increase in the net sales realisations by 5 per cent, the Operating Profit Before Interest, Taxes, Depreciation and Amortisation (OPBITDA) per metric tonne declined by 10 per cent Y-o-Y in the first 9 months of FY2022 to Rs 1,124. This is "primarily due to increase in input prices - the raw material, power & fuel and freight expenses which are higher by 12 per cent, 31 per cent and 5 per cent Y-o-Y respectively," she added.

For the full year, the continued elevated costs would push down the OPBITDA/MT by 16-18 per cent to Rs 1,030-1,050/MT, Reddy said. According to the report, all-India cement production registered a growth of 25 per cent at 290 million metric tonnes in the first 10 months of FY2022 compared to the year-ago period. It was higher by 4 per cent when compared to pre-Covid levels of 10M FY2020," it said.

Production plummets



Global steel production dropped by 5.7 per cent year-on-year in February to 142.5 million tonnes. It was also 8 per cent lower compared with January this year. World output has been affected, as China, which contributed 53 per cent of total global steel production, reported a drop for the eighth consecutive month. REUTERS

Further upside in prices likely, but analysts caution investors of expensive valuations

Metals Extend Winning Streak on D-St Amid Commodity Surge

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Mumbai: Metal stocks have remained outperformers on Dalal Street in recent weeks in the wake of the Russia-Ukraine conflict that has triggered a surge in global commodity prices. With metal prices expected to remain strong, analysts see further upsides for shares of companies, making them strong bets for traders. But for investors, analysts are recommending against fresh purchases as the recent surge in stock prices have made their valuations expensive.

The Nifty Metal index ended flat at 6,500.2 on Friday but it has gained about 10% in the last seven sessions and over 18% in the last one month, outperforming the benchmark Nifty. The Nifty has gained nearly 3% in the last seven sessions. Analysts said the metal index could rise by another 5-10% as sentiment remains sanguine after the recent jump in prices.

The metal index has topped the highs made in early March which signals that the uptrend will continue, they said.

"We see 5-10% more upside from here," said Rohit Srivastava, founder, Indiacharts.com.

More Steam Left

COMPANY	CLOSING PRICE MARCH 25	% CHG SINCE PREVIOUS CLOSE	% CHG SINCE FEB 24 WHEN RUSSIA INVADED UKRAINE	YEAR TO DATE % CHG
Jindal Steel & Power	529.65	1.53	31.43	40.40
Hindalco Industries	622.70	0.12	20.05	30.94
Tata Steel	1,338.95	-0.86	17.55	20.47
Coal India	186.10	-0.69	17.41	27.42
JSW Steel	721.35	0.87	17.35	9.97
Vedanta	410.55	-0.15	16.57	20.33
Adani Enterprises	1,867.00	1.87	10.56	9.22
NMDC	157.15	0.03	10.09	17.89
APL Apollo Tubes	900.20	-0.17	8.92	-9.96
Steel Authority of India	103.10	-0.87	8.64	-3.82
Ratnamani Metals & Tubes	2,336.60	-3.33	5.84	20.17
National Aluminium Co	121.70	-1.93	4.82	20.50
Welspun Corp	153.60	-0.10	4.49	-13.93
Hindustan Copper	115.55	-1.49	-0.39	-7.34
Hindustan Zinc	310.80	-0.08	-0.69	-1.89

Compiled by: ETIG Database

Jindal Steel and Tata Steel are top bets of Axis Securities in the metals space.

"Jindal Steel is best placed currently due to higher price hikes in longs, which is around 70% of its product portfolio and 50% of

coking coal requirement is likely to be met through its overseas mines in Mozambique and Australia," said Axis Securities. "Tata Steel should benefit from higher prices in Europe which would partly offset weakness in

Indian steel spreads," said Axis Securities.

Analysts said Ukraine and Russia account for around 15% of global steel trade and 40% of European imports. The supply disruption from these two countries and the rise in energy costs in Europe has led to a 50% month-on-month rise in European spot steel prices, said analysts. Russia is a key global producer of aluminium and nickel.

"This (rally) is likely to sustain. With the Russia-Ukraine war continuing, these countries won't be exporting and China has also said that it will produce less steel this year, which will lead to supply side pressures continuing," said Bhavesh Chauhan, analyst at ID-BI Capital Markets & Securities.

The rally in metal prices in the past 12-15 months has helped domestic companies repair their balance sheets by lowering their debt. Analysts said investors are bullish on the sector also because of their improved financials.

"The debt to EBITDA of the metal industry was 6 times two years ago. Now the dynamic has changed after the rise in metal prices, the debt to EBITDA is 1," said Amit Gupta, vice president and fund manager-PMS at ICICI Securities.

Coal mining operations resume in Assam reserve

It was temporarily suspended in 2020

**SPECIAL CORRESPONDENT
GUWAHATI**

Coal mining operations have resumed in a part of eastern Assam's Dehing Patkai Elephant Reserve almost two years after they were suspended following reports of illegal mining in forestlands and protests over its ecological impact.

Union Minister of Coal, Mines and Parliamentary Affairs, Pralhad Joshi on Saturday inaugurated the resumption of the mining operations at the Tikok opencast project (OCP) of the North Eastern Coalfields (NEC), a unit of Coal India Limited.

Mining operations in Tikok and the adjoining Tirap OCP were temporarily suspended in June 2020 following reports of illegal mining in forestlands and protests over its impact on the 111.19 sq. km Dehing Patkai Wildlife Sanctuary.

The national park is part of the 937 sq. km Dehing Patkai Elephant Reserve that includes the British-era collieries and oil refinery town Digboi.

Environmentalists had

cried hoarse when the National Board for Wild Life had in April 2020 recommended using 98.59 hectares of a proposed reserve forest within the elephant reserve for coal mining as 57.20 hectares had already been broken up by the NEC. Protests led to the suspension of operations.

Election promise

With resumption of operations, the NEC hopes to produce 4 lakh tonnes of coal per annum from two collieries – the Tikak OCP and the Tikak Extension OCP. The Tirap OCP will also start operating in a few months with a target of producing 10 lakh tonnes of coal annually.

Assam Chief Minister Himanta Biswa Sarma said the government fulfilled yet another election promise with the resumption of mining operations. "But while operationalising the Tikok Colliery, we have ensured that mining activities continue in sync with nature as we are committed to maintain a balance between development and environment," he said.

After the Turnaround, GMDC Sets its Sights on Higher Growth

Guj-govt backed co ropes in top consultants BCG, Deloitte and AT Kearney and is paying them top dollar for their help in its turnaround

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Mumbai: After turning around the operations of Gujarat government-backed Gujarat Mineral Development Corporation (GMDC) - from the mining company reporting its first loss ever to posting its highest ever quarterly revenue in less than a year - the newly appointed duo of Rajiv Kumar Gupta and Roopwanti Singh now have their sights on growth.

The company has hired top consultant like BCG, Deloitte and AT Kearney and is paying them top dollar for their help in its turnaround. The agenda include getting its new lignite coal mines operational, turning around its loss-making power plant and increasing metals operations to reduce dependence on coal.

GMDC is also exploring mining of rare earth metals in Gujarat, which could have great potential if it fructifies, Singh told ET.

Last June, when the government appointed the two IAS officers - Gupta as the chairperson and Singh as the managing director - it was clearly looking for an overhaul. A mining company turning a loss was unheard of. But legacy inefficiencies and bad deals pushed GMDC into the red in FY21.

The brief given to the bureaucrats was simple - put GMDC back on track.

"(There's) nothing great that we did. We just put our house in order," Singh told ET in an interview.

This involved making several reappointments and cutting down on inefficiencies. Marketing and sales were streamlined, sales prices were revised, and production was ramped up, according to Singh. Even small conveniences

Bouncing Back

Price of coal revised, production ramped up and marketing and sales streamlined

Strategic call on the loss-making power plant to be taken soon

Considering utilisation of limestone overburden in its coal mines

EXPLORING RARE EARTH METALS MINING IN GUJARAT

When I took over, the daily cash burn from our power plant was ₹28 lakh

like online payment were missing, which were introduced. "Till 2022 we didn't have online payment in our company. People were running around with (demand) drafts," Singh said. But problems are far from over. The 250-megawatt power plant

operates in Kutch continues to lose money. It has lost around ₹1,600 crore in the last 16 years. "When I took over, the daily cash burn from our power plant was ₹28

lakh," he said. While the new management has put an end to the daily cash burn, the plant is still bleeding money and the company has hired AT Kearney to advise it on how to resolve that.

Investors have already rewarded the new management's efforts, with GMDC's stock almost tripling in the last six months.

"GMDC is undergoing a metamorphosis under the leadership of (Gupta and Singh)," analysts at Edelweiss Securities noted in a recent report. "They have taken steps to maximise the strength of existing operations, develop the adjacent businesses and explore the promising rare earth business," the report further read.

The company is exploring rare earth metals mining in Gujarat

and is close to appointing a consultancy firm for advice, Singh's

"In our reserves we have decent resources. But we need a strategic and technological know-how. Among other efficiency measures being planned, the company is working on recovering the limestone overburden at its coal mines. It is scouting for cement maker partner with to put the limestone commercial use. GMDC has 1700 million tonnes of limestone reserves, Singh said.

The management has grand visions for GMDC. It wants to increase the company's metal mining operations even as it expands its coal mining. The target is to have half the top 10 from metals in the long term, compared to 85% coming from today, Singh said. It is also trying to utilise the limestone overburden in its lignite mines for making cement.

How many mining activities illegally continuing in Amravati, HC asks govt

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Nagpur: A bunch of villagers from Masod in Amravati district knocked the Nagpur bench of Bombay high court's doors against stone mining on the outskirts of their village.

A division bench comprising justices Nitin Jamdar and Anil Pansare directed director general of mines safety (DGMS) to place on record data on how many mining operations are being carried out in the entire district without permission required under the Regulation 106(2) (b) of the Metalliferous Mines Regulation, 1961.

According to the petitioners, deep hole blasting thro-

ugh heavy earth machinery has led to cracks in their home. Through counsel Mohan Sudame, they claimed the DGMS permission was not sought before continuing mining in their village by the respondents. The permission is necessary for mining activities as per Regulation 106(2)(b) of the 'Metalliferous Mines

Regulation, 1961'. Deep hole blasting throughout the day is also turning out to be an environmental hazard, petitioners Prashant Chambhare and others pointed out.

While taking cognizance, the HC bench directed its registry to convert the petition into a public interest litigation (PIL) and issued notices to the respondents, including

the Maharashtra government through secretary of the department of mining and geology.

"Though the petitioners have cited an instance of one particular mine next to their village, according to them, the issue raised by them is of a general nature for the purpose of the entire Amravati district in larger public interest," the judges said, while asking the respondents to reply before March 30. Government pleader Ketki Joshi accepted the notices on behalf of the state departments.

Sudame pointed out that despite Amravati being affected by mining related operations, the government has not established the 'district mine-

ral foundation' as per section 9-B of the 'Mines and Minerals (Development and Regulation) Act, 1957'. "This foundation is required to work in a district affected by mining operations. The 'mining related operations' would include excavation of minor minerals such as stone," he said.

The petitioners argued that the foundation's objective is to work for the interest and benefit of persons and areas affected by mining related operations and therefore it should be established. From the fund available to the foundation, various ameliorative measures could have been taken to reverse the damage to the ecology of the area and assist the people affected, they said.

COURT RAP

NAVBHARAT DATE : 28/3/2022 P.N.11

स्टील प्लांट के स्लैग से देश की पहली पहल हुई गुजरात में स्टील की सड़कों पर दौड़ेंगे वाहन

■ दिल्ली, नवभारत न्यूज नेटवर्क. गुजरात में देश की पहली स्टील सड़क बनाई गई है. नाम से भले ही ऐसा लग रहा हो कि यह सड़क स्टील की होगी लेकिन ऐसा नहीं है. दरअसल हर वर्ष तमाम स्टील प्लांट से कई मिलियन टन स्लैग (स्टील वेस्ट) निकलता है. स्टील प्लांट से निकले इस स्लैग के कई पहाड़ तक बन गए हैं. अब सरकार इस स्लैग का इस्तेमाल सड़क बनाने में कर रही है, जिससे कचरे से तो निजात मिलेगी ही, विकास कार्य भी होगा.

काफी दिनों की रिसर्च के बाद काम : काफी दिनों की रिसर्च के बाद गुजरात में देश की पहली स्टील सड़क बनाई गई है. स्टील के कचरे से बनी यह स्टील सड़क 6 लेन की है. अभी सिर्फ ट्रायल किया जा रहा है, इसलिए सिर्फ 1 किलोमीटर लंबी 6 लेन की सड़क बनाई गई है. आने वाले दिनों



ऐसे बनता है रोड

स्टील सड़क बनाने सबसे पहले स्टील प्लांट से निकले स्लैग से गिट्टी बनाई जाती है. इसके बाद इस गिट्टी का इस्तेमाल सड़क बनाने में किया जाता है. स्लैग से बनी यह सड़क गुजरात के हजीरा पोर्ट के पास बनी है जहां करीब 1 किलोमीटर लंबी सड़क भारी-भारी ट्रकों के चलने की वजह से खराब हो गई थी. अब भी इस सड़क से भारी ट्रक गुजरते हैं लेकिन सड़क पर कोई असर नहीं पड़ रहा. एक्सपर्ट का मानना है कि स्टील सड़क काफी मजबूत और टिकाऊ है जिसे अब पूरे देश में बनाने पर विचार किया जा रहा है.

में देश के अलग-अलग राज्यों में हाइवे बनाने में स्टील के कचरे का इस्तेमाल होगा.

DAINIK BHASKAR DATE : 28/3/2022 P.N.7

सेकेंडरी स्टील क्षेत्र पर राष्ट्रीय सम्मेलन आज

नई दिल्ली | देश में पुराने लोहे और इस्पात को गला कर इस्पात बनाने वाले सेकेंडरी स्टील उद्योग की क्षमता और महत्व तथा उसके विस्तार के उपायों पर चर्चा के लिए इस्पात मंत्रालय रविवार 27 मार्च को राष्ट्रीय राजधानी के विज्ञान भवन में एक राष्ट्रीय सम्मेलन का आयोजन करने जा रहा है। इस्पात मंत्रालय की एक विज्ञप्ति के अनुसार इस सम्मेलन में 20 राज्यों से इस क्षेत्र के प्रतिनिधि शामिल होंगे। सम्मेलन का उद्घाटन इस्पात मंत्री राम चंद्र प्रसाद सिंह करेंगे। इस आयोजन के विभिन्न सत्रों में प्रतिभागी सेकेंडरी स्टील उद्योग के लिए कच्चे माल, हरित इस्पात के उत्पादन की ओर बढ़ने, लॉजिस्टिक एवं बुनियादी ढांचे, गुणवत्ता एवं दक्षता और कौशल विकास सहित क्षेत्र के सभी पहलुओं को शामिल करने वाले मुद्दों पर विचार-विमर्श करेंगे।

Rally on the cards

Gold and silver form good short-term base

AKHIL NALLAMUTHU
BL Research Bureau

Uncertainties with respect to geopolitics and accelerating global inflation are feeding the gold bulls. Even as the US treasury yields rose, gold and silver prices advanced last week. In the global spot market, gold appreciated by 4.2 per cent and closed at \$1,958.2 an ounce and silver gained 2.3 per cent as it ended at \$25.52 per ounce.

Similar trend was seen on the Multi Commodity Exchange (MCX). That is, gold futures (June expiry) rallied 1.1 per cent to end the week at ₹52,388 (per 10 grams) whereas silver futures (May series) went up by 1.4 per cent to close at ₹68,836 (per kg).

On the fundamental front, there seem to be some divergence between investors and traders. Global gold ETFs (Exchange Traded Funds) has seen a net inflow of 216.3 tonnes this year until March 18, taking the overall holdings to 3783.2 tonnes. On the other hand, the net longs on the COMEX came down to nearly 875 tonnes as on March 22 compared to about 1,000 tonnes on March 8.

MCX-Gold (₹52,388)

The June futures of gold on the MCX, after fluctuating in the narrow band of ₹51,500-52,200 in the past two weeks, closed the week above ₹52,200, increasing the odds for the futures to rally this week. While ₹53,000 can be a hurdle, the contract is likely to get past this level and hit ₹54,000 in a month or so. At the other end, it has good support at ₹52,200 and ₹51,500.

Our trade recommendation last week was to go long on a break of



₹52,000 with stop-loss at ₹51,200 for a target of ₹53,500. But that was based on April contract. Traders are now advised to roll over to June futures as April series is nearing the expiry and adjust the stop-loss and target levels accordingly. Tighten the stop-loss a little to ₹51,400 now and revise it further up to ₹52,000 if the contract breaches ₹53,000 decisively. Exit the longs at ₹54,000.

MCX-Silver (₹68,836)

The May futures of silver on the MCX made a recovery last week and thus it has formed a good base at ₹67,200. The contract will most probably rally along with gold futures in the short-term and could retest the key level of ₹73,000.

On the downside, the contract has a confluence of supports i.e. one at ₹67,200 and the other is the support band of ₹65,000-66,350. Not that the short-term trend will be bullish until the futures witness a daily close below ₹65,000. Continue to hold the longs that we suggested a couple of weeks back at around ₹69,000. Rein the stop-loss at ₹66,000 and target at ₹73,000.

Bet long on aluminium



AKHIL NALLAMUTHU
BL Research Bureau

After retracting sharply from the high of ₹325.4 in early March, the continuous contract of aluminium on the Multi Commodity Exchange (MCX) remained subdued in the first half of the month. Nevertheless, the price band of ₹255-260 offered good support. Given that the major trend remained bullish, the contract resumed the uptrend though the rally has been slow compared to the fall. It went past an important level of ₹285. Currently, it is hovering around ₹287.

Going forward, the currently rally is expected to stretch in the coming sessions. Supporting the positive bias, the cumulative open interest (OI) of aluminium futures on the MCX increased to 3,344 contracts on Friday against 2,482 contracts in mid-March, when the contract bottomed out. A price rally, accompanied by increase in OI, indicates long build-up. The contract has the potential to rally past ₹300-mark to ₹325. But, ₹310 can be a hurdle for the bulls. We advised to go long at ₹300 and at ₹275 in early March and mid-March, respectively. Based on our recommendation, the revised stop-loss will now be ₹270. Traders can remain bullish and can consider rolling over to the April contract. Maintain stop-loss at ₹270. With respect to exit, liquidate half of total long positions at ₹310, tighten stop-loss at ₹290. Exit the leftover longs at ₹325.

WCL Ballarpur area's Dhoptala mine opens



■ Business Bureau

IN A virtual ceremony, Union Minister of Coal, Mines & Parliamentary Affairs Pralhad Joshi inaugurated Dhoptala Mine of Ballarpur area in WCL on Tuesday. Minister of Road Transport & Highways Nitin Gadkari and Minister of State for Rail, Coal & Mines Raosaheb Patil Danve were guests of honour. On the occasion, Western Coalfields Limited CMD Manoj Kumar welcomed the guests and briefed about the project.

He said that opening of Dhoptala Mine will not only

increase coal production but also contribute to employment in that area. He mentioned that 795 land oustees will get direct employment due to this project and will significantly contribute to indirect employment in the area. While mentioning the opportunities arising out of the project, he said that the project will last for 26 years. The capacity of the mine will be 2.5 Million Tonnes Per Annum. Total of Rs 720.87 crore will be invested on this project.

On the occasion, Pralhad Joshi and Nitin Gadkari and Raosaheb Patil Danve inaugurated the First

Mile Connectivity Project at Mungoli Mine of WCL's Wani Area. In this FMC project, rail siding will be directly connected to the coal handling plant, which may reduce road transportation of coal by about 12 km. The inception of FMC will make coal transportation easier, safer and eco-friendly. Total investment on the project will be Rs. 470.92 crore.

While addressing the gathering, Pralhad Joshi said that all coal companies should be ready to handle increasing coal requirements of the nation.

In his address, Gadkari said that starting new mines is important to make the nation 'Atma Niarbhar'. The virtual event was joined by MPs and MLAs from WCL's operating areas. Also, Anil Kumar Jain, Secretary, MoC, Promod Agrawal, Chairman, CIL, officials from Ministry of Coal, CIL, WCL, other subsidiaries of CIL, NTPC, Mahagenco, MPPGCL, etc. joined the event.

NAVBHARAT

DATE : 30/3/2022 P.N.7

MECL ने 25 खनिज ब्लॉकों की रिपोर्ट सौंपी

दिल्ली. भारतीय भूवैज्ञानिक सर्वेक्षण (जीएसआई) और खनिज अन्वेषण निगम लिमिटेड (एमईसीएल) ने राज्य सरकारों को पन्ना, ग्लैकोनाइट और पोटैश जैसे खनिजों के 25 ब्लॉकों की भूवैज्ञानिक रिपोर्ट प्रस्तुत की है. अब राज्य इन ब्लॉकों की नीलामी के लिए प्रक्रिया शुरू कर सकते हैं. यह जानकारी संसद को दी गयी.

BUSINESS LINE DATE : 30/3/2022 P.N.8

Go long on lead futures

Price level of ₹180 is a strong support

AKHIL NALLAMUTHU

BL Research Bureau

The continuous contract of lead on the Multi Commodity Exchange (MCX) has been on an uptrend since May 2020. But the bulls lost traction in September 2021 after reaching ₹195. Since then, although there has been no bearish reversal, the contract has largely been trading in a sideways trend - fluctuating between ₹180 and ₹195. Nevertheless, it is worth noting that ₹180 is a strong support and it has been preventing decline below this level for over six months. So, as long as the contract remains above this level, the trend will be bullish.

Currently trading at around ₹180, the contract could see a rally from here and retest the range top of ₹195. So, even though the



next leg of trend can be assumed only if either ₹180 or ₹195 is breached, one can consider fresh longs because the horizontal trend is expected to stay for a while and the risk-reward ratio favours the longs at current levels.

Therefore, traders can initiate fresh longs at current levels with stop-loss at ₹175. Exit the longs when the price hits ₹195. Stick to the stop-loss strictly because a breach of the support at ₹180 can turn the outlook negative. Below ₹180, the contract can decline to ₹173 initially and then possibly to ₹168, which is a strong support level.

Fifth tranche of coal auctions launched; 18 new mines on offer

OUR BUREAU

New Delhi, March 30

The Coal Ministry, on Wednesday, offered a total of 122 mines, which includes 18 new ones, under the fifth tranche of commercial auction of coal mines. The government has cautioned 42 mines so far.

The commencement of sale of tender documents will start from Wednesday, and the details of mines, auction terms and timelines can be accessed on the MSTC auction platform. The auction will be held online through a transparent two-stage process, on the basis of Percentage Revenue Share.

SBI Capital Markets is the sole transaction advisor to the Coal Ministry for the commercial coal mine auction. It has devised the methodology and is assisting the Ministry in the auction. In terms of break-up, 109 coal mines are under the 15th tranche of Coal Mines (Special Provisions) Act, 2015, and 5th Tranche of Mines and Minerals (Development & Regulation) Act, 1957.

Coal & Mines Minister Pralhad Joshi said that along with ensuring energy security of the country, this will provide employment opportunities to more than 1.17 lakh people. The success of these auctions indicate that right steps are being taken by the government to provide further momentum to the growth of the coal sector. The Ministry of Coal is on the journey to reform the sector and unlock its potential. The recent reforms initiated in the coal sector will further strengthen the vision of Aatmnirbhar Bharat, he added.

The list of mines has been finalised after detailed deliberations. The mines falling under protected areas, wildlife sanctuaries, critical habitats having forest cover greater than 40 per cent or having a heavily built-up area, have been excluded from the auction, said the Ministry.

Zinc prices may rule at multi-year highs on costlier energy

Soaring crude and coal prices force major European producers to cut output

SUBRAMANI RA MANCOMBU

Chennai, March 30

Zinc prices are likely to rule at multi-year highs in 2022 in view of high energy costs due to the Russia-Ukraine conflict that continues to affect crude oil, natural gas and coal supplies.

According to Dr Heinz-Jürgen Büchner, Director of Industrials and Automotive, IKB Deutsche Industriebank AG, zinc prices will rule around \$3,500 a tonne by the middle of this year, with a fluctuation band of \$500 either way.

Research agency Fitch Solutions Country Risk and Industry Research (FSCRIR), a Fitch Unit,

said it had raised the 2022 price forecast to \$3,500 from \$2,900 a tonne. On Tuesday, benchmark zinc futures on the London Metal Exchange ended at \$4,027. The metal - used in die-casting alloys, castings, chemicals, medicine, fertilizer, paints, batteries and other products such as brass - has gained nearly 14 per cent since the beginning of the year. Over the past month, it has gained 7.5 per cent, the Tradingeconomics.com website said. Fitch Solutions said the metal has averaged \$3,688 year-to-date. "At these levels, zinc is close to reaching its all-time high of \$4,442/tonne reached in 2006. Our 2022 price forecasts imply that we expect prices to stabilise and weaken from here on in the coming months, despite remaining elevated compared to historical standards," it said.

In October last year, the World Bank, in its commodity forecast,



Zinc has gained nearly 14 per cent since beginning of year

said the average price of zinc will fall to \$2,400 in 2022 against \$2,700/t at the end of 2021. But the Russia-Ukraine conflict has changed the market fundamentals.

Fitch Solutions said global refined zinc output continues to be pressured, as major producers Nyrstar and Glencore have announced a cut in production on the back of the energy crisis in Europe. "Most recently in March, Nyrstar restarted the Auby zinc smelter in France but

stressed that high electricity prices still hinder the smelter's full production, and the restart of the smelter is more due to government subsidies," the research agency said.

Severity of supply shock

Energy costs have soared since February 24 when Russian troops entered eastern Ukraine. Prices of energy commodities such as crude oil, natural gas and coal have been swinging wildly over the past month. Though crude oil and natural gas have gained, coking coal has dropped after having topped \$500 a tonne at one point of time.

ING Think, the financial and economic analysis wing of Dutch multinational financial services firm ING, said zinc has been caught in the web of aluminium, which is the primary metal to be hit by the energy crisis.

Shanghai Metals Market (SMM) news said aluminium and zinc ranked higher in terms of severity of "supply shock" that is likely to continue and become the main price moving factor.

Fitch Solutions said it expects the steel sector consumption to boost demand for zinc in the coming months, though the demand growth would start slowing. Crude steel production growth is likely to be similar to last year at 3.4 per cent (3.6 per cent in 2021) and this suggests robust growth in production of galvanised steel, which is the main source of demand for zinc.

IKB Deutsche Industriebank's Büchner said zinc faced a supply deficit of 1,00,000 tonnes in 2021 after a surplus of 5,30,000 in 2020. Though stocks with LME and Shanghai Futures Exchanges correspond to six days of consumption, the overall supply was satisfactory.

Ministry of Coal puts 122 mines on auction

NEW DELHI, Mar 30 (PTI)

THE Ministry of Coal on Wednesday said, it has put on auction 122 coal and lignite mines under the commercial auction process. Addressing the fifth tranche of auction launch, Union Minister of Coal, Mines and Parliamentary Affairs Pralhad Joshi said 42 coal mines have already been auctioned successfully so far.

In a statement, the ministry said it "has placed on offer 122 coal/lignite mines today under commercial auction of coal mines, including 18 new coal mines."

Sharing the details of mines under different tranches for auction, it said there are 109 coal mines under 15th Tranche of Coal Mines (Special Provisions) Act, 2015 and 5th Tranche of Mines and Minerals (Development & Regulation) Act, 1957. Of the 109 mines on offer, 59 are fully explored mines and 50 are partially explored mines. Four coal mines are under second attempt of 14th Tranche of Coal Mines (Special Provisions) Act, 2015 and Second Attempt of 4th Tranche of Mines and Minerals (Development & Regulation) Act, 1957. Total 9 coal mines are under 2nd attempt of 13th Tranche of Coal Mines (Special Provisions) Act, 2015 and Second Attempt of 3rd Tranche of Mines and Minerals (Development & Regulation) Act, 1957.

Key features of auction process include introduction of National Coal Index, ease in participation with no restriction for prior coal mining experience, full flexibility in coal utilisation, optimized payment structures, efficiency promotion through incentives for early production and use of clean coal technology. Further, incentives are being contemplated by Ministry of Coal.

Corrective dip likely in zinc before it tops ₹350

AKHIL NALLAMUTHU
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The rebound from the support of ₹310 a couple of weeks back lifted the continuous futures of zinc on the Multi Commodity Exchange (MCX) to an intra-day high of ₹347.9 last Wednesday before closing at ₹345.6. Since then, it has been trading sideways. It is currently hovering around ₹338.

As the overall trend is bullish, the contract has the potential to rally further. But since ₹350 is a hurdle, the zinc futures could see a minor correction, possibly towards ₹320, before scaling new heights. Above ₹350, there is a resistance at ₹375. A decisive breach of this level can result in a swift rally, possibly taking the price to ₹400 over the medium term. A couple of weeks ago, we suggested buying zinc futures at around ₹310 with initial stop-loss at ₹285, which was revised to ₹295 last



week. Traders holding this position can retain their longs. For fresh trades, it is better to wait and buy at ₹320 as we expect a corrective decline towards this level before breaking out of ₹350.

Stop-loss can be at ₹295. When contract rallies to ₹350, book half of your holdings and modify stop-loss to ₹320. Liquidate the remaining when price rallies to ₹375 since there might be some profit-booking at this level, which can drag down price to some extent.

