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KHANIJ SAMACHAR

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KHANIJ SAMACHAR



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BUSINESS LINE

DATE:1/11/2022 P.NO.12

Copper drifts on concerns over Chinese demand



London: Copper prices fell as rising Covid-19 cases and weaker than expected manufacturing data in China, the biggest consumer, raised concerns over demand weakness. Benchmark copper on LME was down 1.5 per cent at \$7,437 a tonne. Prices of the metal used in the power and construction industries have fallen more than 30 per cent from their March peak. REUTERS

Tata Steel's Q2 profit dives 90%

Mumbai: Tata Steel's second quarter profit plunged 90% to Rs 1,297 crore due to drop in metal prices and elevated input costs. Concerns over slowdown in key economies, geopolitical issues and seasonal factors have led to a "volatile operating environment", MDT V Narendran said.

Operating profit, a yardstick for underlying business performance, slumped 62% to Rs 6,271 crore during Q2 FY23. "Utilisation of high-cost inventory of raw material and steel coincided with drop in realisations to result in margin decline across geographies," CFO Koushik Chatterjee said.

Operating profit of the main India business dipped 62% to Rs 5,135 crore while that of the European unit fell 46% to Rs 1,788 crore. Second-quarter revenue from operations marginally declined to Rs 59,878 crore. The management expects the operating environment to improve in the second half of this fiscal on government measures and restocking. The margins should benefit across geographies from gradual recovery in Indian markets and favourable movement in raw material prices, especially coking coal, it said. TNN

Aluminium cos looking at acute margin compression on higher input cost

MUMBAI, Oct 31 (PTI)

DESPITE robust demand, aluminium makers are staring at intense compression in operating margins to the tune of 1,200 basis points to 22-24 per cent this fiscal due to lower realisation and higher production cost, says a report. However, a Crisil report sees aluminium companies maintaining robust operating profits due to healthy domestic demand.

Operating margin of primary aluminium producers is expected to decline more than 1,200 basis points (bps) this fiscal to 22-24 per cent from a decadal high of 36 per cent last fiscal, due to lower realisations and higher cost of production, mainly power, Crisil said in a report on



Monday. Aluminium producers saw record earnings last fiscal on the back of strong realisations - prices reached a historical high amid post-Covid economic recovery, with the global aluminium market turning supply-deficit. In the current fiscal, however, operating margin is seen retreating closer to past levels, but will still be higher than the average of 17 per cent over fiscals 2017-21, said the report

based on the analysis of three companies which account for the entire domestic capacity of 4.1 million tonnes.

In spite of the moderation in margins, operating profit may remain better than the past five-year average, partly due to strong demand growth of 6-7 per cent on-year mainly from the power and construction sectors. The two sectors comprise 70 per cent of total sales volume. For primary aluminium makers, profitability is a function of global and domestic factors that affect prices and costs. London Metal Exchange prices for aluminium have fallen 40 per cent from its March 2022 peak to USD 2,300/tonne now primarily because of the extended lockdowns in China.

Surplus likely in global nickel this year as output set to exceed usage

Subramani Ra Mancombu
Chennai

Global production of primary nickel this year will exceed its usage in 2022 and 2023 resulting in a surplus of 1.44 lakh tonnes this year and 1.71 lakh tonnes next year, the International Nickel Study Group has said.

Production this year has been forecast at 3.036 million tonnes (mt) and in 2023, it will likely increase to 3.387 mt, the International Nickel Study Group (INSG) has said. The INSG estimate has not tried to adjust for any possible production disruption, a statement from the inter-governmental organisation founded in 1990 said.

The organisation has estimated the global usage of primary nickel at 2.775 mt in 2021. For this year, it projects the usage to increase to



2.892 mt and 3.216 mt in 2023. "The implicit market balances are therefore a deficit of 163kt (1.63 lakh tonnes) in 2021, and surpluses of 144kt (1.4 lakh tonnes) in 2022 and 171kt (1.71 lakh tonnes) in 2023," said the INSG, which comprises producer-, consumer- and trading nations.

The estimate has been released after government and industry participants extensively discussed current nickel market trends. "The INSG forecasts the global nickel market to shift to a

International Nickel Study Group pegs output higher at 3.036 million tonnes, forecasts usage at 2.89 million tonnes

supply surplus this year and to continue to remain in surplus next year due to negative growth expectations in the stainless-steel sector," said ING Think, an economical and financial analysis wing of Dutch multinational financial services firm ING.

HALT IN TRADE

Currently, nickel is quoted at \$22,201 up 12.60 per cent year-on-year. This is a far off from the \$100,000 a tonne it hit on the London Metal Exchange on March 8 this year after a Hong Kong-based

trader got trapped going short. Trade in nickel was suspended for a few days before it resumed a few days later.

Before trading on LME was halted, the metal gained soon after the Ukraine war broke out as Russia makes up 7.2 per cent of the global supply. Research agency Fitch Solutions Country Risk and Industry Research has forecast nickel prices at \$22,500 in 2022 and \$23,200 in 2023.

It said for 2022, the organisation expects negative growth in the stainless steel sector and increasing usage of nickel in batteries for electric vehicles (EV). In 2023, both sectors are projected to expand output.

It pointed to the world stainless association figures for the first three months of 2022 showing that stainless steel melt shop production decreased by 3.8 per cent year-on-year to 14.5 mt. "

COMMODITY CALL.

Retain shorts on MCX copper

Akhil Nallamuthu

bl. research bureau

MCX Copper



Copper futures on the Multi Commodity Exchange (MCX) began the week with a gap-down. Incidentally, today is the expiry of the October futures. Post the session open today, prices have dropped.

However, from a broader perspective, the continuous copper futures contract has moved in a range since the final week of August. That is, since then, it has largely oscillated within a band of ₹632 and ₹675. Although, technically, the next leg of trend will be uncertain while the price stays within this range, the overall trend is bearish.

If the support at ₹632 is breached, we might see a quick fall to the support band of ₹585-600. Subsequent support is at ₹550. On the other hand, a breakout of ₹685 could turn the stance bullish. Resistances above ₹685 are at ₹700 and ₹720.

We have been recommending shorts since the beginning of September at various price points between ₹640 and ₹675, with initial stop-loss at ₹715. The stop-loss was revised to ₹685 in early October. Hold these positions if you have initiated shorts earlier.

Going forward, revise the stop-loss to ₹670 if the contract slips below the ₹600-mark, and move it down further to ₹615 when the price touches ₹585. Exit the shorts at ₹550.

For fresh positions, wait for now, and go short after the support at ₹632 is breached. Stop-loss and adjustments can be the

FALLING STEEL PRICES, HIGH INPUT COSTS HURT

Tata Steel's Net Profit Plunges 90% to ₹1,297 cr

Despite headwinds, co's India deliveries were at a record 4.91 mt in Q2: MD

Our Bureau

Mumbai: Tata Steel Monday reported a 90% decline in its second-quarter net profit, as softening steel prices and higher input costs squeezed operating profit margins at Asia's oldest manufacturer of the primary infrastructure alloy.

The legacy steelmaker, which also has operations in western Europe, reported a consolidated bottom line of Rs 1,297 crore, compared with Rs 12,548 crore in the year-ago period. The extent of decline in Tata Steel's net profit was in line with that of other steelmakers facing similar headwinds. Tata Steel's consolidated revenue for the quarter came in at Rs 59,878 crore, down marginally on-year.

Earnings before interest,

tax, depreciation and amortisation (EBITDA), or operating profit, declined 62% on-year to Rs 6,271 crore. The EBITDA margin shrank more than 17 percentage points to 10.5%.

"Concerns about slowdown in key economies and persisting geopolitical issues, coupled with seasonal factors, led to a volatile operating environment," TV Narendran, Managing Director, Tata Steel, said in a press statement.

Despite the seasonal factors and global cues, Tata Steel's India deliveries stood at a record 4.91 million tonnes during the quarter, up 7% year-on-year, he said.

While the company recorded record steel sales, it didn't help the bottom-line much as the bulk of the sales included high-cost inventory sold at lower market prices.

HEFTY DIVIDEND LIFTS STOCK; ANALYSTS RAISE TARGETS

Coal India Soars, May Rise 20% More

Excitement After Strong Q2

Brokerage	Recommendation	Price Targets Q2 (₹)	
		Before	After
Kotak - Inst Equities	Reduce	225	250
ICICI - Inst Equities	Buy	294	294
CLSA	Buy	250	280
Antique Stock Broking	Buy	294	294
Spark Capital Advisors	Add	205	255
Citi	Neutral	220	240
Macquarie	Outperform	256.3	256.3
Motilal Oswal	Buy	265	325
Systematix Group	Sell	149	165
Equirus Securities	Reduce	227	220

SOURCE: Bloomberg

Our Bureau

Mumbai: Shares of state-owned Coal India surged to their highest levels in two-and-a-half years after its second-quarter earnings beat Street estimates. Some analysts raised their price targets. A hefty interim dividend (₹15 per share) also fuelled the bullish momentum in the stock that advanced nearly 3% on Wednesday.

Shares of Coal India closed at ₹256.85 apiece on the NSE, up 2.98% from the previous close.

Motilal Oswal has the most bullish view and expects the stock to

hit ₹325, translating into a further 21.2% upside from the current price. "Strong results; consensus continues to upgrade," the firm said in a client note. "Renewables continue to be unreliable with problems either related to availability, costs, storage or safety. As a result, dependence on coal is likely to increase in the near term whether investors prefer the same or not."

ICICI Securities and Antique Broking have set their price targets at ₹294, while CLSA expects the stock to touch ₹280 over the next 12 months.

BUSINESS LINE

DATE:3/11/2022 P.NO.12

QUICKLY.

Copper edges lower due to manufacturing slump



London: Copper prices edged lower on Wednesday as rising expectations that China will ease Covid controls next year were offset by a bleak short-term outlook for manufacturing and metals demand. Benchmark copper on LME was down 0.1 per cent at \$7,645 a tonne, as of 1116 GMT, after rising 2.7 per cent on Tuesday. REUTERS

BUSINESS LINE DATE:3/11/2022 P.NO.13

Illegal mining case: Jharkhand CM Soren to appear before ED today

Our Bureau
New Delhi

The Enforcement Directorate summoned Jharkhand Chief Minister Hemant Soren for questioning on Thursday in connection with an illegal mining case. A team of ED officials reached Ranchi on Wednesday to question Soren under the

Prevention of Money Laundering Act (PMLA). According to the sleuths, they were able to trace proceeds of the alleged crime committed by way of illegal mining in the State which is said to be to the tune of more than ₹1,000 crore.

'CONSPIRACY'

It is learnt Soren is exploring other legal options against the

probe in which the ED had earlier arrested his political aide Pankaj Mishra and others — Bachhu Yadav and Prem Prakash. Soren said on Tuesday, "I've been summoned too. But I'm not scared. They've tried to show how powerful ED is. If Sonia Gandhi, Rahul Gandhi can be summoned, so can a CM. We'll give a reply to that. It's a conspiracy," he claimed.

Russia supplied nearly 85% of India's pig iron buy in H1

DIP IN OUTPUT. The rise in shipments coincided with a decline in domestic production

Abhishek Law
New Delhi

Russia has emerged the biggest exporter of pig iron — a key steel making raw material — to India for the April-September period of FY23.

Data from the Steel Ministry, accessed by *businessline*, show that in H1 FY23 nearly 31,700 tonnes of pig iron came into India, of which 26,600 tonnes (or 84 per cent) were from Russia. In values terms, nearly ₹100 crore worth pig iron was imported from Russia (at ₹30,000 per tonne approximately).

Import of the raw material skyrocketed in September this year — up by 3,386 per cent YoY to 27,500 tonnes, mostly coming in from Russia, trade sources said. The sharp rise coincided with the time Indian mills went slow on production as they advanced blast furnace maintenance in view of monsoon, a slowdown in steel demand globally and recessionary pressures.

FALL IN PRODUCTION

As per data available, pig iron production in India during H1 FY23 fell by nearly six per cent YoY to 2.882 million tonnes (mt) — from 3.058 mt in the year-ago-period.

Vedanta, during its analyst conference call, also corroborated the same pointing out



SLOWING GLOBAL DEMAND. Pig iron production during H1 FY23 fell by six per cent YoY to 2.882 mt from 3.058 mt in the year-ago-period

that company's pig iron production was lower because of shutdown of smaller blast furnaces. In the July-September period, production declined 42 per cent to 1,21,000 tonnes.

Major steel mills such as SAIL, RINL, Tata Steel, AM/NS, JSW and JSPL together produced 0.653 mt (23 per cent share) down by 28.6 per cent. The rest (2.229 mt) came from the other producers, up by four per cent.

Other major markets from where Indian players imported pig iron from (in H1FY23) were South Africa (2,100

tonnes) and China (1,700 tonnes).

On the other hand, export of pig iron (from India) witnessed a decline of 77 per cent, 97 per cent and 65 per cent, for July, August and September, respectively. Primary overseas markets include the US followed by Oman, the UAE, Nepal and Bangladesh.

CHEAPER OFFERINGS

According to trade sources, Russian pig iron offerings were mostly taken up by the secondary or rolling mills and they came in cheaper by at

least 10-14 per cent (over Indian price). Price from Russia is currently working out at ₹40,000 per tonne. Most payments were made in euro or alternative currencies. As per a Steelmint report, a stock of 35,000 tonnes of pig iron has been booked from Russia and is expected to land in Paradip port later this month.

As per ship tracking data available, the carrier, Hong Tai Shun Hang, is currently at the Indo-Malacca Strait after beginning its journey from the eastern Russian port of Nakhoda.

Consider betting short in zinc at current levels

COMMODITY CALL

Akhil Nallamuthu
bl. research bureau



The continuous futures contract of zinc on the MCX, which has moved in a range since early September, breached the lower boundary of ₹260 early this week. This was against last week's prediction of a bounce off ₹260. As a result, the stop-loss of our long position would have been triggered on Monday.

Now that the support at ₹260 is taken out, the probability of a further decline has gone up significantly. From the derivatives data, we see a short build-up in October. That is, zinc futures depreciated by 1.4 per cent and the cumulative open interest went up from 1,851 contracts by end of September to 5,076 contracts on October 31. In the near-term we forecast zinc futures on MCX to decline to ₹242. If this level is breached, the contract could extend the fall and it could find support

at ₹225. On the other hand, the contract should rally past ₹275, a resistance, to turn the trend bullish.

Currently trading at ₹257, the contract is facing the support-turned-resistance level of ₹260. Even if the contract gets over this level, it is less likely to break out of the hurdle at ₹275.

Traders can initiate fresh shorts at the current level of ₹257 and add shorts if the contract moves up to ₹265. Place the initial stop-loss at ₹282. When the contract falls in line with our expectation and touches ₹242, book half of your position and then tighten the stop-loss to ₹252.

Move the stop-loss further down to ₹242 when the price slips below ₹235. Exit the remaining shorts at ₹230.

Gold Dips 1% as Hawkish US Fed Lifts Dollar

Reuters

Gold prices fell to a more than one-month low on Thursday as the dollar and US Treasury yields jumped after hawkish remarks from Federal Reserve Chair Jerome Powell on interest rate hikes dented the non-yielding metal's appeal.

Spot gold fell 0.7% to \$1,623.08 per ounce by 10:18 a.m. ET (1418 GMT) after hitting its lowest since Sept. 28 earlier. US gold futures dropped 1.6% to \$1,624.30.

"The reality is that people were expecting some dovish tilt (from the Fed), there was no dovish tilt. Inflation remains high globally ... and the Fed is sticking to its mandate," said Phillip Streible, chief market strategist at Blue Line Fu-



tures in Chicago.

"I don't see the tide turning for gold and it gathering bullish momentum again until after the Fed is done raising rates, probably not till March of 2023."

The US central bank raised interest rates by 75 basis points on Wednesday as expected. How-

ever, Powell said it was "very premature" to think about pausing and that the peak for rates would likely be higher than previously expected.

Following the Fed's suit, the Bank of England raised interest rates to 3% on Thursday from 2.25%, its biggest rate rise since 1989.

Higher interest rates increase the opportunity cost of holding gold.

The dollar gained 1.5% against its rivals, making gold more expensive for overseas investors. Benchmark US 10-year Treasury yields climbed towards recent peak.

"With the dollar and yields surging higher gold and silver are at risk of resuming their downtrends with gold traders in particularly keeping a close eye on the \$1,615 area," said Saxo Bank analyst Ole Hansen in a note.

Focus now shift to US non-farm payrolls data for October due on Friday that could offer more clarity on the Fed's rate-hike trajectory.

Spot silver edged 0.2% lower to \$19.24 per ounce, platinum dropped 1.4% to \$916.75 and palladium fell nearly 3% to \$1,800.34.

Aluminium: Stay away until futures rally to ₹205

COMMODITY CALL.

Akhil Nallamuthu
bl. research bureau

For the last one month, aluminium prices have moved horizontally. The continuous contract of the metal on the MCX has been stuck in the range of ₹195-212. In the last couple of weeks, it has oscillated in the narrow range of ₹195-205. Thus, it is not ideal to take positional trades at this juncture. One can possibly consider short-term trades.

From the current level of ₹200, we expect the contract to decline to ₹195 at first, and then it could possibly drop to ₹188. The 20- and 50-day moving average, both at ₹200, could offer resistance to the bulls in taking the contract up-



wards. Even if this level is invalidated, there are strong barriers at ₹205 and ₹212. Considering the above factors, our trade recommendation is as follows:

Stay on the fence for now and initiate fresh short positions if the MCX aluminium futures rallies to ₹205. Place stop-loss at ₹214 at first and then revise it down to ₹205 when the price slips below ₹195. Exit the shorts at ₹188. The price band of ₹186-188 is a good support from where the contract can rebound.

Macroeconomic fundamentals, strong dollar weaken outlook for tin in 2022, 2023

Subramani Ra Mancombu
Chennai

The outlook for tin has dulled following weakening macroeconomic fundamentals, a strong dollar and higher inflation. This has resulted in analysts cutting down the price forecast for the metal this year and 2023.

The gloomy outlook for tin, which is used in plating cans, bearings and for soldering in electronic and electrical products, has dragged down its prices by 11 per cent over the past month. The metal has lost over 52 per cent since the start of 2022.

Currently, the three-month London Metal Exchange (LME) contract is quoted at \$18,101 a tonne, while for ready cash delivery, the price is \$18,125.



PRESSURE ON PRICES. The gloomy outlook has dragged tin prices by 11 per cent over the past month

PRICE FORECAST

Research agency Fitch Solutions Country Risk and Industry Research (FSCRIR), said, "We anticipate that prices will remain pressured over the rest of 2022 and into 2023 as the global economy continues to slow and major economies fall into recession."

The research agency said while supply has remained "fairly consistent", the demand outlook has fallen.

In view of these developments, Fitch Solutions has lowered its tin price forecast for 2020 to \$30,000 a tonne from \$31,650. For 2023, the

forecast has been reduced, rather sharply to \$20,000 from \$33,000.

FACTORS

The lowering of the price forecast comes amid a significant drop in prices in the second and third quarters this year. "A combination of demand-side factors caused a major decline in prices in past months, and will continue to pressure prices into 2023," it said.

Higher inflation will cut consumer spending on electronics, a major source of tin demand.

Additionally, the dollar's strength is capping the demand for a range of industrial metals priced in the currency, while negative market sentiment has placed a lid on commodity prices in general, Fitch Solutions said.

BUSINESS LINE

DATE: 5/11/2022 P.NO.10

Copper at 6-week peak



London: Copper prices vaulted to the highest level in six weeks on Friday as the dollar plunged and more rumours swirled about China loosening its strict Covid-19 measures. Three-month copper on the London Metal Exchange shot up 4.2 per cent to \$7,875 a tonne in official open-outcry trading. It climbed as much as 5.8 per cent, touching its highest since Sept. 13 at \$7,997. REUTERS

Hold the longs

BULLION CUES. Stick to the target levels and liquidate once reached

Akhil Nallamuthu
bl. research bureau

Bullion ended the week on a high as the dollar weakness triggered a rally on Friday. Gold and silver appreciated 2.3 and 8.4 per cent to end the week at \$1,680.3 and \$20.84 an ounce in the international market.

Similarly, in the domestic market, gold and silver futures (nearest expiry) on the Multi Commodity Exchange (MCX) gained 1.3 and 5.3 per cent, as they closed the week at ₹50,866 (per 10 gram) and ₹60,538 (per kg), respectively. The upside was limited in the local market as the rupee strengthened against the dollar over the past week.

On the fundamental front, the demand trends released by the

World Gold Council (WGC) show that the total demand for the yellow metal in the third quarter of 2022 was almost flat at 1,215 tonnes compared to 1,208 tonnes in the same period last year.

While the demand from jewellery and the central bank improved, there were considerable outflows from the global gold ETFs (Exchange Traded Funds) due to the lack of investor confidence.

That said, the charts of both gold and silver show some positivity by forming a base which is likely to keep the short-term trend bullish. However, the medium-term trend remains weak.

MCX-GOLD (₹50,866)

The December gold futures on the MCX has strengthened its

TRADE PLAN

- Medium-term bullion trend remains weak
- Exit gold futures long at ₹52,000
- Liquidate silver futures long at ₹62,000

base at ₹50,000 by bouncing off this level towards the end of last week. Currently trading at ₹50,866, the contract is likely to face a minor resistance at ₹51,000. However, we expect the gold futures to break out of this level and touch ₹52,000 in a couple of weeks. This is a strong resistance from where we could see a correction. But if there is a breakout, the subsequent resist-

ance can be spotted at ₹52,800.

Given the prevailing conditions, the contract is less likely to fall below ₹50,000 immediately. So, traders can prefer to stay long on gold futures.

Trade strategy: We suggested going long on gold futures a couple of weeks ago. Buy price was at ₹50,300 with stop-loss at ₹49,700. Hold the longs for the target of ₹52,000.

Fresh longs are not recommended now as the risk-reward ratio is not favourable. One can consider longs if there is a dip to ₹50,300 from here.

MCX-SILVER (₹60,538)

Silver fared better than gold for the third week in a row as the December futures posted a gain of 5.3 per cent versus gold futures' gain of 1.3 per cent. Silver futures has managed to close above the ₹60,000-mark and this means the price will soon rise to the resistance band of ₹62,000-62,800. The 200-day moving average lies at ₹62,420. A breach of ₹62,800 can quickly lift the contract to the next resistance at ₹65,000.

On the downside, ₹58,500 and ₹57,000 can offer good support.

Trade strategy: We suggested buying silver futures at ₹56,800 with stop-loss at ₹54,200. Since the contract has crossed over ₹60,000, the revised stop-loss would now be at ₹58,800. Hold the longs, but exit when the price touches ₹62,000.

After liquidating, one can consider going long again after the decisive breakout of ₹62,800. In such a case, stop-loss can be placed at ₹59,900 and one can aim for the target of ₹65,000.

GETTY IMAGES/ISTOCKPHOTO

India saw zero iron ore exports in September

HARD TIMES. September and October of FY23 are the worst two-month-period for Indian iron ore traders in the last four years

Abhishek Law
New Delhi

Drying up of orders from China because of Covid related restrictions and a high duty saw Indian iron ore exports hit rock-bottom in September and October months of this fiscal. Data compiled by the Ministry of Commerce and other trade sources show there were no exports for iron ore in September, while in October sales were barely 0.13 million tonnes (mt).

September and October of FY23 are now the worst two-month-period for Indian iron ore traders in the last four years (between FY20 and FY23), data accessed by *businessline* show. In October, exports saw an 80 per cent drop y-o-y vis-a-vis last



AT A LOSS. There were no orders in September with the China market closed due to Covid

year when it stood at 0.63 mt.

Export for the seven-month period (April to October) of FY23 stood at 7.1 mt;

down 64 per cent YoY. Ex-

ports for the seven-month period of FY22 was 19.53 mt. Data show FY21 has been

the best year for exports with

September and October sales being 4.78 mt and 4.28 mt, respectively. The seven-

month sales were 34.40 mt.

"There were no export orders in September with China market being closed because of Covid. In October, there was a slight recovery, but it is barely something to cheer about. The market condition remains depressed even in November," RK Sharma, Secretary General, Federation of Indian Mineral Industries (FIMI), said.

China is the largest buyer of iron ore from India and bought 21 mt iron ore and concentrates last fiscal, trade sources say.

DUTY BURDEN

According to Sharma, apart from China, a high export duty burden imposed here hit overseas sales and access to other markets. Low-grade offerings, which is over 90

per cent of iron ore export is the worst hit. The Centre in May raised the export tax on low-grade iron ore lumps and fines - with iron content below 58 per cent - to 50 per cent from zero. The duty on pellets was increased to 45 per cent.

"The duty h... dian iron ore o... costly. Natural slowdown in m...modity cycle p... costlier offering... no takers," he sa... Global recess... sures played the

Coal Dispatches to Power Sector Drop 5.5% to 56.5 mt in October

Press Trust of India

New Delhi: The dispatch of coal to the power sector registered 5.5 per cent decline at 56.49 million tonne last month. The coal supply to the power sector was at 59.79 million tonne (MT) in October 2021.

"The power utilities dispatch has reduced by 5.51 per cent to 56.49 MT during October 2022 as compared to 59.79 MT in October 2021," provisional statistics of the coal ministry showed.

However, in April-October

period of ongoing financial year, the dispatch increased 13.07 per cent to 413 MT from 365.25 MT in the year-ago period.

The overall dispatch of the dry fuel to different sectors in October also dropped to 67.02 MT from 70.21 MT in the year-ago period. The supply to captive power plants also fell to 3.54 MT from 4.97 MT.

Many states faced power outages due to shortage of coal in the summer season this year.

However, the coal ministry had said the "power crisis" happened mainly on account of the sharp decline in electricity generation from different fuel sources and not due to the non-availability of domestic coal.

The government had attributed the low coal stocks at power plants to several factors such as heightened power demand due to the boom in the economy post-COVID, early arrival of summer, rise in price of gas and imported coal and sharp fall in electricity generation by coastal thermal power plants.



MEAI की नई कार्यकारणी



■ नागपुर, व्यापार प्रतिनिधि. हाल ही में सपन्न माइनिंग इंजीनियर्स एसोसिएशन ऑफ इंडिया के नागपुर चैप्टर की आम सभा में नई कार्यकारणी का वर्ष 2022-2024 के लिए चयन किया गया जिसमें आईबीएम के चीफ कंट्रोलर ऑफ माइंस पीएन शर्मा को चेयरमैन चुना गया. वेकोलि के पूर्व जनरल मैनेजर आरसी सानोडिया को वाइस चेयरमैन, आईबीएम के कंट्रोलर ऑफ माइंस वायजी काले को सचिव, आईबीएम के सह कंट्रोलर अरुण चाचने को सहसचिव, ऐडी सेलोकर को कोषाध्यक्ष चुना गया. जेसी झंवर को एक्स ऑफिशो मेंबर चुना गया. चुने गये कार्यकारणी सदस्यों में प्रा. एमएस तिवारी, एके रैना, राजेश भट्टाचार्य, वीआर पारीडा, बीके शुक्ला, सीएस गुन्डेवार, एचआर कलिहारी, सीताराम लोमारोर का समावेश है. सीजी पिल्लई ने चुनाव अधिकारी की भूमिका निभाई और निर्विरोध चुनाव कराए.

खनन क्षेत्रों को राहत

1.33 लाख परियोजनाएं पूरी



■ दिल्ली, न्यूज एजेंसियां. प्रधानमंत्री खनिज क्षेत्र कल्याण योजना (पीएमकेकेकेवाई) के तहत मंजूर 2,52,995 परियोजनाओं में से 1,33,144 परियोजनाएं अबतक पूरी हो गई हैं. सरकार ने सोमवार को यह जानकारी दी. सरकार ने खनन परिचालन वाले क्षेत्रों के प्रभावित लोगों को राहत के लिए जिला खनिज फाउंडेशन (डीएमएफ) के कोष से पीएमकेकेकेवाई की शुरुआत की थी. खान मंत्रालय ने बयान में कहा कि इस साल सितंबर तक 63,534.07 करोड़ रुपये आवंटित किए गए. इसमें से 37,422.94 करोड़ रुपये खर्च किए गए हैं. ताजा आंकड़ों के अनुसार 23 राज्यों के 622 जिलों में डीएमएफ बनाया गया है. डीएमएफ की अवधारणा को खान एवं खनिज एमएमडीआर अधिनियम, 1957 में संशोधन के जरिये पेश किया गया था.

COMMODITY CALL.

Bet long on MCX copper

Akhil Nallamuthu
bl. research bureau



Copper futures on the Multi Commodity Exchange (MCX) largely moved sideways through October. For most part of the month, the November contract was held majorly in the ₹646-664 price band.

But as November came, the contract began to attract fresh longs and the momentum turned bullish, enough to raise the price above ₹664.

However, the broader trend is still bearish, and a decisive close above ₹700 can change this otherwise. Nevertheless, the contract might touch ₹700 in a couple of weeks. A breakout of ₹700 can quickly lift the price to ₹720 where the 200-day moving average lies currently.

TRADE STRATEGY

As the price action of late shows a positive signal, traders can risk going long now. We suggest buying MCX copper futures at the current level of ₹675 and add more longs if price dips to ₹666. Keep stop-loss at ₹648 at first and move it up to ₹678 when the contract crosses over ₹690. Exit the longs ₹700.

For traders who can take a bit more risk, book three-fourth of your positions at ₹700 and hold the rest for a higher target of ₹718. But make sure to tighten the stop-loss to ₹690 once the contract gets over ₹700.

NAVBHARAT

DATE:9/11/2022 P.NO.7

खनिज का पता लगाने 13 को मान्यता

■ दिल्ली, न्यूज एजेंसियां। सरकार ने मंगलवार को कहा कि देश में खनिज की खोज को लेकर अब तक 13 निजी एजेंसियों को मान्यता दी गयी है। खान मंत्रालय ने बयान में कहा कि इसके साथ सरकारी एजेंसियों की कुल संख्या बढ़कर 22 पर



पहुंच गयी है। पिछले साल खान और खनिज अधिनियम में संशोधन के बाद निजी कंपनियों को खदानों की खोज में भाग लेने की अनुमति दी गई है। ऐसी एजेंसियों को भारतीय गुणवत्ता परिषद के नेशनल एक्झीडिशन बोर्ड फॉर एजुकेशन एंड ट्रेनिंग (एनएबीईटी) से मान्यता लेने की आवश्यकता होती है।

वैरागडचे हिरे, भिवापूरचे सोने, कुहीचे टंगस्टन जमिनीतून काढणार कधी?

विदर्भात दडलाय मौल्यवान धातूंचा खजिना : भूवैज्ञानिकांनी सर्वेक्षणातून दिले होते संकेत

निर्शात वानखेडे

लोकमत न्यूज नेटवर्क
नागपूर : भूवैज्ञानिक सर्वेक्षण ऑफ इंडिया (जीएसआय)च्या सर्वेक्षणानुसार नागपूर जिल्हाच्या भिवापूर परिसरात सोन्याचे साठे, कुही तालुक्यात 'टंगस्टन' तर गडचिरोलीच्या वैरागड परिसरात हिऱ्याची खाण असण्याची शक्यता आहे. एवढेच नाही तर विदर्भात वेगवेगळ्या भागात सोने, कोबाल्ट, निकेल, शिसे अशा मौल्यवान धातूंचा खजिना दडलेला आहे. हा खजिना राज्याच्या संपत्तीत भर घालू शकतो. त्यामुळे जीएसआयच्या या अहवालावर काम कधी सुरू होईल, असा सवाल उपस्थित केला जात आहे.

कोळसा, मँगनीज व काळा दगड या खनिज संपदेसाठी विदर्भ देशभरात प्रसिद्ध आहे. मात्र, मुबलक वनसंपदेने

नटलेल्या विदर्भाच्या भूगर्भात सोने, निकेल, कोबाल्टसारख्या मौल्यवान धातूंचा खजिनाही दडलेला आहे. जीएसआयच्या भूवैज्ञानिकांनी वेगवेगळ्या भागात केलेल्या सर्वेक्षणातून याबाबतचे संकेत दिले आहेत.

जीएसआयच्या भूवैज्ञानिकांनी याबाबत सविस्तर अहवाल सादर केला होता. देशात बस्तर खोरे मौल्यवान खनिज संपदेसाठी प्रसिद्ध आहे. भूवैज्ञानिकांच्या मते काही दशलक्ष वर्षांपूर्वी भूगर्भात बस्तर क्रेटॉन व बुंदेलखंड क्रेटॉन यांच्यात वारंवार धडक झाल्या आहेत. त्यामुळे



या आहेत महत्त्वाच्या नोंदी

- नागपूर जिल्हाच्या कुही तालुक्यात टंगस्टनचा साठा आहे. जवळपास ८.७५ दशलक्ष टन टंगस्टन असण्याची शक्यता आहे. विजेचा दिवा प्रकाशित करणारी तार या घातूने बनलेली असते.
- भिवापूर परिसरात सोन्याचे साठे आहेत पण ते प्रमाण अत्यल्प आहे.

- नागपूरच्याच रानमंगली, कोलार, भोंडरी या भागात शिसे आणि ब्रिक घातूचे साठे असल्याची नोंद आहे.
- वैरागड, जिल्हा गडचिरोली येथे हिऱ्याची खाण असण्याचे संकेत आहेत.
- भंडाराच्या आसपास कायनेट घातूचा साठा ३४ हजार ९८८ टन असण्याची शक्यता आहे.
- साकोली भागात निकेल, कोबाल्ट, क्रोमाईट आणि प्लॅटिनम गटातील घातूंच्या खाणी असल्याच्या नोंदी आहेत.

भूगर्भातील खनीज संपदा वर आली असावी, असे संकेत मिळतात. विदर्भातील भंडारा, गोंदिया व गडचिरोलीचा भाग हा बस्तर खोऱ्यात येतो. या भागात मोठ्या प्रमाणात सोने असण्याची शक्यता मिळाली होती. मात्र, वनक्षेत्राचा प्रदेश असल्याने पुढे त्यावर संशोधन होऊ शकले नाही.

गडचिरोलीच्या सुरजागड परिसरात लोहखनीजच्या खाणी आहेत. जीएसआयच्या अहवालानुसार या परिसरात ११८.४५ मेट्रिक टन लोहखनीज असू शकते. आयरन ओरचे साठे सिंधुदुर्ग परिसरातही आहेत. या भागात २५०.२ मेट्रिक टन लोहखनीज असण्याची शक्यता आहे. जीएसआयच्या या सर्वेक्षणाचा अहवाल काही वर्षांपूर्वी राज्य व केंद्र सरकारकडे सादर केल्याचे सूत्रांनी सांगितले. मात्र त्यावर पुढे काही कारवाई झाली नाही.

हवामान बदलावरही संशोधन

हवामान बदलामुळे होणाऱ्या परिणामांचा अभ्यास करण्यासाठी जीएसआयचे कार्य सुरू आहे. मात्र, बहुतांश काम आसाम, सिक्कीम, गुवाहाटी, मेघालय, शिलींग या पूर्वांचल राज्यात सुरू आहे. या भागातील नमुने गोळा करण्यात येत असून त्यावर फरिदाबाद येथील प्रयोगशाळेत संशोधन सुरू आहे.

- सी. एच. चव्हाण, वरिष्ठ भूवैज्ञानिक, जीएसआय.

निर्माणकार्य क्षेत्र में सुस्ती, दिवाली के बाद लोहे के दाम 4 रुपए प्रति किलो घटे



■ घाट बंद होने से रेत महंगी सीमेंट के दाम भी ऊपर

व्यापार प्रतिनिधि | नागपुर

दीपावली के बाद अचानक कंस्ट्रक्शन उद्योग में सुस्ती छा गई है, जिसके चलते लोहे के दाम में 4 रुपए प्रति किलो तक की गिरावट दर्ज की जा रही है। दीपावली के पहले खुदरा बाजार में लोहा 65 से 66 रुपए प्रति किलो बिक रहा था, जो अब घटकर 61-62 रुपए प्रति किलो के स्तर पर पहुंच गए हैं। बाजार में 10-12 एमएम की सरिया 61 रुपए प्रति किलो और 6-8 एमएम का सरिया 62.80 रुपए प्रति किलो बिक रहा है। राज्य में अब तक रेत की घाट की निलामी नहीं हुई है, जिससे सभी रेत की घाट बंद हैं। शहर में मध्यप्रदेश के रेत की घाट से रेत

थोक में सरिया 51000 रुपए बिक रहा

लोहे के थोक व्यापारी राजेश सारडा ने बताया कि

थोक बाजार में सरिया 51000 रुपए प्रति विंटेनल बिक रहा है। इसपर 18 प्रतिशत जीएसटी लगाता है।

जीएसटी लगने के बाद 51 रुपए प्रति किलो वाला सरिया 60360 रुपए प्रति किलो के स्तर पर पहुंच जाता है। थोक बाजार में एंगल 52,000, इंगट 46,000 और सरिया 51,000 रुपए प्रति विंटेनल बिक रहे हैं।

की आवक हो रही है। जिससे रेत की दाम भी काफी बढ़े हुए हैं। शहर में 325 से 350 फीट भरती रेत की दाम 26000 रुपए में मिल रहा है। वहीं सीमेंट के दाम भी बढ़े हुए हैं। अंबुजा सीमेंट 380 रुपए और अल्ट्राटेक सीमेंट 375 रुपए प्रति बोरी बिक रहा है।

Steel mills see demand improving in H2

Abhishek Law
New Delhi

Steel mills have held domestic prices steady in November even as demand remained on the lower side on account of festival season.

In effect, domestic steel prices for the benchmark HRC (hot rolled coils) are ₹57,000-58,000 per tonne, while that of cold rolled coils (CRC) ₹65,000 (for early November deliveries), sources told *businessline*.

For the export market, mills continue to find the going tough because of slowdown of orders in key markets, even at \$570/tonne.

PRICES UNDER PRESSURE

Exports remain depressed because of global recessionary pressures and increased price of Indian offerings compared with the



PICKING UP PACE. Mills predict improvement in demand on the back of infrastructure projects and order flow resuming

competition. The HRC price dipped by ₹200/tonne to ₹56,000-56,500. Cold rolled coils witnessed a steeper fall at ₹1,700 and was trading at ₹63,000-64,000, according to Steel-Mint. Prices of galvanised pipes (GP) remained flat at ₹68,000 per tonne.

In October, some of the mills had to roll back announced price hikes.

"Some sluggishness in

demand continues in November, extending by over a month.

In October, it was the festival season and extended monsoons that slowed the buying," a steel mill official said.

India's crude steel production for the April-October period saw a 6 per cent rise year-on-year to 71.29 million tonnes (mt). Crude steel production by PSUs

decreased 5 per cent; while production by private players increased 8 per cent, for the period under review, data from the Ministry of Steel show.

H2 OUTLOOK

With the end of monsoon, steel prices are expected to pick up from mid-November, driving margin improvement, said TV Narendran, MD & CEO, Tata Steel, during an analyst call on Tuesday.

A reduction in coking coal prices in Q3 should also help margins.

Mills predict improvement in demand on the back of infrastructure projects coming back on track, and orders resuming specially with the fall in price. Some of the North Indian markets continue to be jittery because of a construction ban (except roads and highway project) because of a spike in air pollution in Delhi-NCR.

'Power consumption per capita to double by 2040'

Our Bureau
New Delhi

Coal Minister Pralhad Joshi on Wednesday said that demand for coal will continue for the next 2-3 decades with domestic per capita power consumption expected to double by 2040.

Speaking at the first investor conclave in Indore, Joshi reaffirmed that coal demand is going to stay at least for the next 25-30 years and that per capita power consumption is not even one-tenth as com-

pared with some of the other developed economies.

It is estimated that the per capita consumption is going to double by 2040 for which coal is the necessity, Coal Ministry said in a statement.

India's per capita electricity consumption rose from 16 units in 1947 to 1,208 units in 2021.

COAL OUTPUT

The focus of the present government under Prime Minister Narendra Modi is to become a net zero carbon emission country by



Coal Minister Pralhad Joshi

adopting better technological processes, he added.

Emphasising the government's commitment to in-

crease coal production, Coal Secretary Amrit Lal Meena said the Ministry will extend any help required by the prospective bidders.

The Ministry has completed the successful auction of 64 coal mines in the first five tranches of commercial coal auctions.

It has also launched the process for auction of 133 coal mines under 6th round of auctions and 8 coal mines under second attempt of the 5th tranche of commercial auctions where single bids were received in the first attempt.

Lead: Go short at current level, stop-loss at ₹185

COMMODITY CALL

Akhil Nallamuthu
bl. research bureau

The November futures of lead on the MCX have been rallying since taking support at ₹170 in the final week of September.

However, currently trading at ₹180, the contract is nearing a strong resistance region of ₹182-184. Lead futures have not been able to crack this resistance after several attempts since July and thus, the ₹182-184 band remains a strong hurdle. Until these levels are breached, the contract will exhibit a bearish bias. We forecast

that the contract could start falling from the current level of ₹180 or after inching up to the price band of ₹182-184. On the downside, it is likely to depreciate to ₹175, a support level. Subsequent support is at ₹173.

TRADE STRATEGY

Since the probability of the MCX lead futures falling from the current level is high, traders can initiate fresh short positions. That is, one can short now at around ₹180 and add more shorts if price moves up to ₹182. Place initial stop-loss at ₹185. When the contract touches ₹175, book three-fourth of the shorts and then tighten the stop-loss to ₹177. Book the remaining positions when price dips to ₹173.

Mining Engineers' Assn of India, Ngp Chapter elects new body

IN THE recently held annual general body



P N
Sharma



R C
Sanodia

meeting of the Nagpur Chapter of the Mining Engineers' Association of India a new Executive



Dr Y G
Kale



Arun S
Chachane

Committee was elected for the tenure of 2022-24. During the election proceedings, P N Sharma, Chief Controller of Mines (In Charge), Indian Bureau of Mines was elected as a Chairman while R C Sanodia, Ex-Chief General Manager, WCL was elected as Vice-Chairman.

Dr Y G Kale, Controller of Mines, Indian Bureau of Mines was elected as Secretary and Arun Chachane, Assistant Controller of Mines, Indian Bureau of Mines has been elected as Joint Secretary.

A D Selokar, Mineral Economist, IBM was elected as Treasurer. Dr J C Jhanwar, Chief Scientist, Central Institute of Mining and Fuel Research was elected as Ex-Officio Member.

Jindal Steel Consolidated Net Falls 91% in September qtr

Mumbai: Jindal Steel & Power (JSPL) reported a sharp decline in its consolidated profit for the July-September quarter on account of high input costs even as steel prices sharply corrected and a one-off provision related to a loan extended to its Mauritius subsidiary.

The company's consolidated bottom line for the quarter slumped 91% year-on-year to ₹219 crore, though revenue remained flat at ₹13,521 crore.

Earnings before interest, tax, depreciation and amortisation (Ebitda) declined 58% on-year to ₹1,931 crore. This included a one-off foreign exchange gain of ₹473 crore.

"The steel industry has been in a death spiral," Bimlendra Jha, the newly appointed managing director of JSPL told ET. He was referring to the sharp and continuous dip in steel prices that followed the alloy's historically high prices in April this year. —

Our Bureau

Co produces highest-ever volumes; No noticeable slowdown in India, says MD Hindalco Q2 Net Falls on High Energy Costs

Our Bureau

Mumbai: Aluminium major Hindalco's September quarter profit declined as the company's input costs surged even as the price of the silvery-white metal corrected during the quarter.

The Aditya Birla Group company reported a consolidated profit of Rs 2,205 crore, down 35% year-on-year and 46% sequentially. Aluminium prices had reached historically high levels during the preceding quarter before getting closer to the long-term average during Q2. The stock of Hindalco gained 3.53% to close at Rs 429.75 in a buoyant Mumbai market that ended nearly 2% higher. The earnings were disclosed during trading hours.

The company said that demand for aluminium in India during the quarter was robust and it produced highest-ever volumes. There was "no noticeable slowdown in India," Satish Pai, managing director, Hindalco, said in a post-earnings media call.

Consolidated revenue during



the quarter was higher 18% year-on-year and marginally lower sequentially at Rs 56,176 crore. Earnings before interest, tax, depreciation and amortisation (EBITDA) were down 29% year-on-year to Rs 5,362 crore. EBITDA margin was at 9.5% compared to 15.9% in the year-ago period. The main impact came from the power and fuel costs that almost doubled year-on-year to just over Rs 5,000 crore.

Novelis, the US-based subsidiary of Hindalco, contributed around two-thirds to the consolidated EBITDA during the quarter, with its performance marginally lower year-on-year.

DAINIK BHASKAR DATE:12/11/2022 P.NO.7

मॉयल ने पहली छमाही में 10% उत्पादन और परिचालन लाभ वृद्धि दर्ज की

नागपुर | मॉयल के निदेशक मंडल ने 30 अक्टूबर को समाप्त तिमाही और छमाही के वित्तीय परिणामों को मंजूरी दी है। मॉयल ने वित्त वर्ष की पहली छमाही में मैग्नीज अयस्क के उत्पादन में 10% की वृद्धि दर्ज की है, पिछले वर्ष की समान अवधि की तुलना में मैग्नीज अयस्क का उत्पादन 5.63 लाख मीट्रिक टन था। वर्तमान में इस्पात उद्योग के सामने आ रही चुनौतियों के बावजूद, वित्त वर्ष 2022-23 की पहली छमाही के दौरान मॉयल का कर पूर्व परिचालन

लाभ 11% बढ़कर 128.46 करोड़ हो गया है। इसी तरह, कर पूर्व लाभ और कर पश्चात लाभ वित्त वर्ष 2021-22 की पहली छमाही की तुलना में क्रमशः 159.42 करोड़ और 122.03 करोड़ से बढ़कर 167.30 करोड़ और 130.12 करोड़ हो गया है। मॉयल की निदेशक (मानव संसाधन) उषा सिंह ने एक प्रेस विज्ञप्ति में बताया कि कंपनी वित्त वर्ष की दूसरी छमाही में उत्पादन और बिक्री के संबंध में बेहतर प्रदर्शन के लिए तैयार है।

BUSINESS LINE DATE:12/11/2022 P.NO.9

'Global aluminium demand depends on US, China bounceback'

bl.interview

Suresh P. Iyengar
Mumbai

Hindalco Industries faced challenging times with domestic aluminium demand remaining strong and LME-benchmarked prices dropping amid increasing cost of production.

The company managed to ride the difficult times with its focus on downstream products. Satish Pai, Managing Director, Hindalco Industries, shares his views on the way ahead. Excerpts:

Will demand for



We hope with coal supply increasing, the government will lift the 75 per cent cap on linkage coal supply

SATISH PAI
MD, Hindalco Industries



aluminium and copper sustain, given the economic uncertainty?

The demand for both aluminium and copper has been strong in India across sectors, and this is expected to remain strong, given the growth momentum. Globally, aluminium supply has been

tight. Going ahead, global demand will depend on what is happening in the US and China. The recent inflation and other numbers, released by the US, looks like they will not slip into a recession. Shanghai is struggling to come out of lockdown as part of its zero-Covid

policy. We need to keep a watch on these countries to ascertain the global demand for aluminium and copper.

Will cost pressure ease in the coming months?

Coal prices have started coming down due to slowing demand from power producers. We hope with coal supply increasing, the government will lift the 75 per cent cap on linkage coal supply. Coal prices have doubled compared to last year, but I believe it has peaked and will fall in the coming months.

About 40 per cent of aluminium production cost is power and coal. The cost of imported pet coke will go

up due to rupee depreciation, but its impact will be minimal.

Are you planning to cut capex, given the current challenges?

We are sticking to our capex plan of ₹3,000 crore for this year, but will be spending about ₹2,500 crore. This is due to the delay in getting some statutory approvals and delay in supply of machinery from Europe. It has nothing to do with the current economic uncertainty.

We have about ₹10,000 crore as surplus in the balance sheet. Moreover, the projects being implemented will go on stream in three years and

by then demand will bounce back.

How do you plan to utilise the ₹1,000-cr fund being raised?

We had availed a bank loan of ₹2,500 crore last March and, according to regulations, we have to raise 25 per cent of this via corporate bonds.

So, we had taken the board approval for this fund raise. Ultimately, we may not raise ₹1,000 crore, but restrict it to the mandatory requirement.

Are aluminium imports still a worry?

Yes, it is a concern. The government is in the process of investigation for levying anti-dumping duty.

as there can be du China due to slow their economy. exports about 4-tonne of aluminium in Europe. Now with in Europe, these can be diverted to lower price.

Will US slowdown hit Novelis?

About 60 per cent of Novelis' business comes from Europe. The auto business for 20 per cent of the company has order-book.

Building construction account for the 10 per cent and this may slow down in dem

Mining, power lift Sept industrial growth to 3.1%

Shishir Sinha
New Delhi

The Index of Industrial Production rose to 3.1 per cent in September as against the 0.7 per cent contraction in August, according to National Statistical Office data released on Friday. However, this is lower than the 4.4 per cent growth in September 2021.

The recovery was led by mining sector growing 4.6 per cent, up from -3.6 per cent in

August and electricity sector at 11.6 per cent (1.37 per cent). However, the manufacturing sector posted an anaemic growth of 1.8 per cent (-0.5 per cent).

Aditi Nayar, Chief Economist, ICRA, said, "We expect the overall IIP growth to ease to sub-2 per cent in October as a higher number of holidays in the month and flagging external demand likely constrained the performance of the manufacturing sector."

A note by India Ratings said

trends in labour intensive manufacturing sectors such as textiles, apparels, leather and lift related products are worrying. The festival demand effect was seen mainly in beverages, motor vehicles and transport equipment sectors, and is likely to continue in October.

Further, it said though the demand for capital/infrastructure goods would continue to get support from the sustained government capex spending both at the Central and State levels, the weak re-

covery in other sectors could cap the overall growth of factory output in the near term. Going forward, the spell of abnormal rains in October appears to have an impact on coal and electricity sectors.

"The high frequency indicators suggest that the coal production in October was up 3.4 per cent y-o-y and the power generation was up 3.1 per cent y-o-y. All in all, Ind-Ra expects the factory output to have a y-o-y growth in low-single digits in October," it said.

Hindalco net falls 35% on higher costs

ON A ROLL. Total shipments of flat-rolled products rise to 9,84,000 tonnes on recovery in auto shipments

Our Bureau
Mumbai

Hindalco Industries, an Aditya Birla Group company, has reported that its net profit in the September quarter was down 35 per cent at ₹2,205 crore against ₹3,417 crore logged in the same period last year, largely due to lower realisation and higher costs.

Revenue was up 18 per cent at ₹56,176 crore (₹47,665 crore) on higher volumes. EBITDA dipped 29 per cent to ₹5,743 crore (₹8,045 crore).

Aluminium upstream revenue was up 11 per cent at ₹8,215 crore (₹7,421 crore), but EBITDA was down 57 per cent to ₹1,347 crore (₹3,128 crore) due to higher input costs and unfavourable macros.

Downstream aluminium



REVENUES RISE. Hindalco's revenues were up 18 per cent at ₹56,176 crore on higher volumes

revenue was up at ₹2,884 crore (₹2,549 crore), while sales was up 11 per cent at 95,000 tonnes (86,000 tonnes). Downstream EBITDA more than doubled to ₹200 crore (₹76 crore), primarily due to better pri-

cing. Revenue from the cop- per was up 1 per cent at ₹9,658 crore on account of higher volumes, while EBITDA was up 55 per cent at ₹544 crore (₹352 crore) on the back of higher domestic sales. The US subsidiary of

Hindalco, Novelis, reported 1 per cent fall in EBITDA to ₹4,047 crore (₹4,100 crore) due to higher inflationary pressures and unfavourable foreign exchange translation. Total shipments of flat-rolled products was up at 2

per cent at 9,84,000 tonnes (9,68,000 tonnes), driven by recovery in automotive and aerospace shipments.

REVENUE OF NOVELIS
Novelis' revenue was up 17 per cent at \$4.8 billion (\$4.1 billion) on higher volumes and higher average aluminium prices.

Satish Pai, Managing Director, Hindalco Industries, said despite a surge in input costs, the company produced the highest-ever aluminium metal as the company transitioned to an integrated business model, which supports profits even in challenging times.

While the upstream aluminium business' EBITDA was impacted due to elevated raw material and energy costs, the downstream business EBITDA more than doubled due to better pricing and market demand.

MOIL posts 10% production & operating profit growth

■ Business Bureau

THE Board of Directors of MOIL approved the financial results for the quarter and half year ended on September 30, 2022. MOIL has registered an increase of 10 per cent in the production of manganese ore in H1 of the 2022-23 fiscal at 5.63 lakh MT as compared to same period last year. Despite challenges being faced by the steel industry currently, MOIL's operating profit before tax has increased 11 per cent to 128.46 crore during H1 of 2022-23 fiscal. Likewise, the profit before tax and profit after tax have increased to Rs 167.30 crore and Rs 130.12 crore from 159.42 crore and Rs 122.03 crore respectively in comparison to the first half of 2021-22 fiscal.

Usha Singh, Director (Human Resource) and CMD (Addl. Charge) on the occasion mentioned that the company

is geared up for much better performance with respect to production and sales in the second half of the fiscal and positive changes in sentiments in the industry will facilitate the same.

MOIL Limited is a schedule-A, Miniratna category-I CPSE under the administrative control of Ministry of Steel, Government of India. MOIL is the largest producer of manganese ore in the country and operates eleven mines in Maharashtra and Madhya Pradesh. MOIL holds 34% of manganese ore reserves of the country and is contributing 45 per cent of the domestic production. The company has ambitious vision of almost doubling its production to 3.00 million tonnes by 2030. MOIL is also exploring business opportunities in Gujarat, Rajasthan and Odisha besides other areas in Madhya Pradesh.

NAVBHARAT DATE:13/11/2022 P.NO.7

MOIL के उत्पादन और परिचालन में 10% की वृद्धि

नागपुर, बिजनेस कनेक्ट. मॉयल के निदेशक मंडल ने 30 सितंबर को समाप्त तिमाही और छमाही के वित्तीय परिणामों को मंजूरी दी. मॉयल ने वित्तीय वर्ष की पहली छमाही में मैंगनीज अयस्क के उत्पादन में 10% की वृद्धि दर्ज की है. यह पिछले वर्ष की समान अवधि की तुलना में 2022-23 में 5.63 लाख मीट्रिक टन रहा. वर्तमान में स्टील उद्योग द्वारा चुनौतियों का सामना करने के बावजूद वित्त वर्ष 2022-23 की पहली छमाही के दौरान टैक्स से पहले मॉयल का परिचालन लाभ 11% बढ़कर 128.46 करोड़ हो गया है. इसी तरह वित्त वर्ष 2021-22 की पहली छमाही की तुलना में कर से पहले लाभ और कर के बाद लाभ क्रमशः 159.42 करोड़ और 122.03 करोड़ से बढ़कर क्रमशः 167.30 करोड़ और 130.12 करोड़ हो गया है. सीएमडी उषा सिंह ने इस अवसर पर उल्लेख किया कि कंपनी वित्तीय वर्ष की दूसरी छमाही में उत्पादन और बिक्री के संबंध में बेहतर प्रदर्शन के लिए तैयार है.

Bulls orchestrate the play

BULLION CUES. Gold could outperform silver in the coming weeks

Akhil Nallamuthu
bl. research bureau

The bullion appreciated last week triggered by a sharp fall in the US dollar and the Treasury yields. In the international market, gold and silver appreciated 5.4 and 4.2 per cent to close the week at \$1,771.4 and \$21.71 an ounce, respectively.

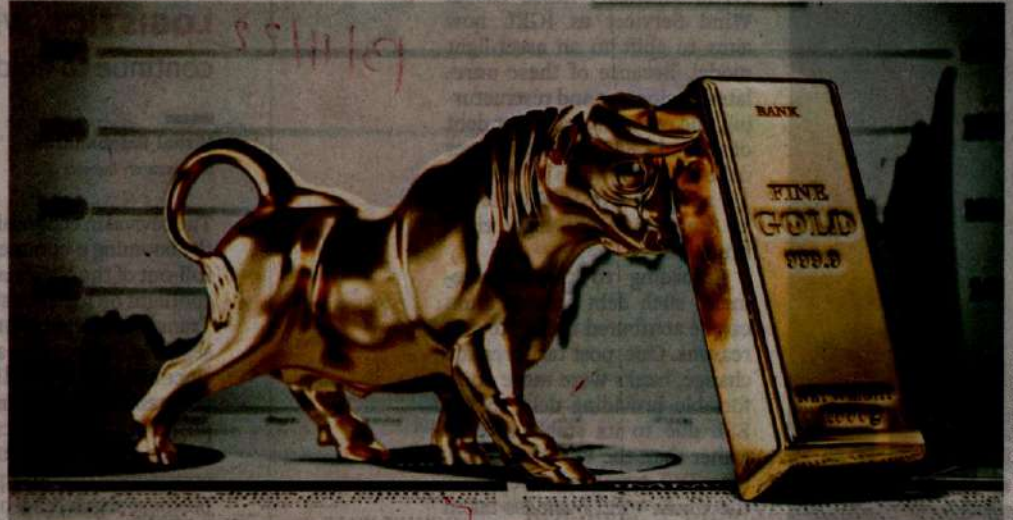
Similarly, the futures contract of gold and silver on the Multi Commodity Exchange (MCX) were up 2.9 and 1.7 per cent to end the week at ₹52,334 (per 10 gram) and ₹61,571 (per kg), respectively.

The gains in the domestic market were lower as the Indian currency strengthened sharply against the US dollar.

MCX-GOLD (₹52,334)

The December gold futures on the MCX moved along expected lines to hit the target of ₹52,000 on our long positions. In fact, the contract closed the week above this level, retaining the positive outlook. Supporting this, there was fresh long build-up last week as the cumulative Open Interest (OI) of gold futures on the MCX increased to 15,755 contracts on Friday compared to 13,928 a week ago.

Going ahead, we expect gold futures to move past the minor hurdle at ₹52,850 and rally to ₹54,000. After hitting ₹54,000, there could be a price correction,



GETTY IMAGES/STOCKPHOTO

possibly to ₹52,000. But if ₹54,000 is breached, we can expect the contract to see a quick rise to ₹55,500.

Trade strategy: Traders can go long at the current level of ₹52,334. Add more longs if there is a price dip to ₹51,600. Place stop-loss at ₹50,000. When the contract rallies past ₹53,000, tighten the stop-loss to ₹52,300. When price touches ₹53,500, alter the stop-loss to ₹52,800. Book profits at ₹54,000.

MCX-SILVER (₹61,571)

The December futures, rallied in the first half of last week and hit our target of ₹62,000 on Tuesday. However, it faced the 200-day moving average resistance at

around ₹62,350. There is also a resistance at ₹63,000. Thus, the contract could not rally beyond the price band of ₹62,350-63,000 and ended the week at ₹61,571.

Nevertheless, the outlook remains positive and there has been a long build-up over the past week. That is, along with the rally in price, the cumulative OI went up to 19,966 from 19,299.

But note that there is a chance for the silver contract on the MCX to witness a dip to ₹59,500. Eventually, the contract is expected to break out of ₹63,000 and rally to ₹66,000. A breach of this can lift it to ₹70,000 — a key psychological level.

Trade strategy: Stay on the fence for now. There are two al-

● GOLDEN STRATEGY

Traders can go long at the current level of ₹52,334 and add more longs if there is a price dip to ₹51,600

ternatives. One, go long with stop-loss at ₹61,500, if the silver futures decisively break out of ₹63,000. Liquidate the longs at ₹66,000.

Two, if there is a price dip, buy when price touches ₹59,500 and place stop-loss at ₹57,000. When the contract surpasses ₹63,000, tighten the stop-loss to ₹61,500. Book profits at ₹66,000.

MCX aluminium: Go long, accumulate on dips to ₹209

COMMODITY CALL.

Gurumurthy K
bl. research bureau

The aluminium futures contract on the MCX surged 5 per cent on Friday and closed on a strong note for the week. It is currently trading at ₹211 per kg. On the daily chart, the rally on Friday indicates a bullish breakout above the key resistance level of ₹208.7. This leaves the short-term bias bullish.

However, key resistances are ahead at ₹212.8 — the 100-week moving average

and then at ₹216-₹217. The bullish case will strengthen only if the contract breaks decisively above ₹217.

The break above ₹217 is possible if the MCX aluminium futures contract manages to sustain above ₹208.7. Such a break can take the contract up to ₹220-₹221 in the short term. The contract will come under pressure again if it declines below ₹208.7.

Traders with a short-term perspective can go long at current levels. Accumulate on dips to ₹209. Keep the stop-loss at ₹206. Trail the stop-loss up to ₹213 as soon as the contract moves up to ₹216.

China demand propels copper to 5-month high



London: Copper prices hit near five-month highs on Monday on optimism about demand in top consumer China after officials moved to shore up the country's property sector and ease its strict Covid restrictions. However, selling spurred by a firmer dollar, higher inventories and profit-taking saw copper prices later retreat. Benchmark copper on the LME traded down 1.6 per cent at \$8,360 a tonne in official rings from an earlier \$8,600 a tonne, the highest since June 23. REUTERS

Vedanta Looks to Sell Electrosteel

Wants to focus on core mining, industrial biz, cut debt; AMNS, JSW, Jindal Steel & Power, Tatas tapped

Arijit.Barman@timesgroup.com

Mumbai: Four years after scooping up Electrosteel Steels Limited to make a big splash in the steel industry, Anil Agarwal-led Vedanta Group has decided to sell business to focus on its core mining and industrial businesses and deleverage the balance sheet which had a debt of \$11.7 billion at March-end, said people with knowledge of the matter.

The group has approached steel companies such as ArcelorMittal Nippon Steel (AMNS), Tata Steel, JSW and Jindal Steel and Power Limited, and a select group of financial investors, said the people. Top executives like ArcelorMittal CEO Aditya Mittal have also visited the site along with Vedanta Group officials in recent weeks, they said.

Vedanta Group said it did not want to comment on market speculation. ArcelorMittal Nippon Steel and JSW declined to comment.

"We don't have any acquisitions under evaluation currently," Tata Steel CFO Koushik Chatterjee told ET.

Hot Metal

Vedanta beat Tata Steel to buy Electrosteel in 2018 for ₹5,230 cr under IBC

Owns 95.5% in steel co

ELECTROSTEEL

Capacity 1.5 MTPA at Bokaro & Coa facilities

Expansion: 3 MTPA hot metal (to be completed by FY23)

Capex: \$348 m

Iron Ore: 12 MTPA

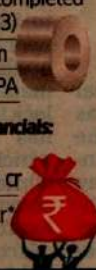
Segment-wise financials

Steel revenues

Q2FY23: ₹1,985 cr

Ebitda loss: ₹12 cr*

*Source: Company



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