खनिज समाचार

KHANIJ SAMACHAR

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खनिज समाचार

KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL. 7, NO –10 , 16th –31st MAY 2023

THE INDIAN EXPRESS DATE:16/5/2023 P.N15

Private sector's response to commercial coal mining encouraging, says coal secretary

ENS ECONOMIC BUREAU
MUMBAI, MAY 15

THE RESPONSE to the commercial coal mining from private sector players has been very encouraging so far and the sector is likely to contribute about 20-25 per cent to the overall domestic coal production by 2030, Coal Secretary Amrit Lal Meena said.

The government opened up the commercial coal mining for private entities in 2020. So far, six tranches of auctions have been concluded successfully and 87 coal mines have been auctioned.

"...this is not a reality. The response from the private sector on commercial coal mining is quite appreciable. So far, we have done a total 6 rounds of coal mine auctions in which 87 mines have gone to the private sector for the commercial purposes," Meena said, when asked about media reports that said the demand from the private sector has been tepid.

He was speaking to reporters on the first day of 3rd Energy Transmission Working Group (ETWG) Meeting under India's G-20 Presidency in Mumbai

He said the 7th round of auctions for 106 coal blocks, launched in March 2023, is also expected to get good response.

Out of 892 million tonnes of coal produced by the country in FY23, about 115 million tonne, or 14 per cent, came from the private sector, he said.

"By 2030, it is expected that the private sector will contribute about 20-25 per cent over the total coal production," the secretary said.

THE TIMES OF INDIA
DATE:16/5/2023 P.N15

Will shut 30 coal mines in 3-4 yrs to make way for forest: Coal secy

Chittaranjan.Tembhekar
@timesgroup.com

Mumbai: Around 30 coal mines will be closed over the next three to four years to pave way for forests or water bodies, ministry of coal secretary **Amrit Lal Meena** said on the sidelines of the third Energy Transitions Working Group meeting, part of G20 summit, in Mumbai on Monday. Meena said there will also be a substantial reduction in the quantum of imported coal. This despite the demand of coal for thermal power generation expected to grow till 2040, reports Chittaranjan Tembhekar.

Meena said that while "decoaling" or coal mine closures would have a good impact on the environment, it would have an adverse impact on society and the community at large as livelihood of 50 lakh people, who are directly or indirectly engaged in the business, will get impacted. "Our focus is to ensure that they and their livelihood are not impacted much," he added.

"The de-coaled lands are being put to environment-friendly use by filling them up with fly ash and creating forest cover, agriculture lands, solar plants and water bodies. Of the expected over 2 lakh hectares of de-coaled lands, around 20,000 hectare has been identified," Meena said.

He added that Coal India and other government agencies that deal in coal mining are set to achieve net zero target of 5,200 solar power production by 2026 to offset the carbon emissions due to energy usage re-

BUSINESS LINE DATE:16/5/2023 P.NO8

Copper futures can fall further, retain the shorts

Akhil Nallamuthu
bl. Research Bureau

Copper futures on the Multi Commodity Exchange (MCX) is now stuck between ₹730 and ₹760. Nevertheless, the overall trend is bearish and the likelihood of the contract falling below ₹730 is high.

Substantiating the bearish outlook, the copper futures confirmed a double-top pattern towards the end of April, according to which, the price could decline to ₹700. Considering that there is minor support at ₹710, we can assume that the price band of ₹700-710 can offer good support.

The bearish outlook will change only if the contract decisively breaks out of the resistance at ₹760. If that occurs, we might see a rally to ₹780 or even to ₹800. However, the broader inclination remains bearish at this juncture. Nearly three weeks back, we had recommended initiating short positions on copper futures at three levels i.e., ₹733, ₹750 and ₹760. These shorts were triggered and thus, the average short price is ₹747. Stop-loss was suggested at ₹775.

Traders who hold these shorts can retain them. Going ahead, when the contract falls below ₹720, tighten the stop-loss to ₹740. When the price touches ₹710, liquidate half of the shorts and then alter the stop-loss to ₹722. Exit the remaining positions at ₹700.

DAINIK BHASKAR DATE:16/5/2023 P.N0 13

नहीं पहुंचा विदेशी कोयला, देसी का स्टॉक भरपूर

- **कोराडी औष्णिक विद्युत केंद्र में 8 दिन और खापरखेड़ा में 25 दिन का बचा है स्टाक**

भास्कर संवाददाता | नागपुर. बिजली खपत को पूरा करने के लिए बिजली की मांग भी बढ़ गई है। बिजली उत्पादन के लिए कोयले का स्टॉक 24 घंटे उपलब्ध रहना जरूरी है। फिलहाल कोराडी व खापरखेडा औष्णिक विद्युत केंद्र में देसी कोयले की कोई कमी नहीं है। कोराडी में 2 लाख 55 हजार मीट्रिक टन व खापरखेड़ा में 4 लाख 90 हजार मीट्रिक टन कोयले का स्टॉक उपलब्ध है।

कोयले की आपूर्ति में आई तेजी

कोराडी में हर दिन 2190 मेगावाट व खापरखेडा में 1340 मेगावाट बिजली का उत्पादन होता है। कोराडी में हर दिन 30 हजार मीट्रिक टन व खापरखेड़ा में हर दिन 20 हजार मीट्रिक टन कोयले की जरूरत होती है। दोनों

जगह कोयले का स्टॉक कम होने के बाद ऊर्जा विभाग के वरिष्ठ अधिकारियों ने दिल्ली में केंद्रीय रेल व कोयला राज्य मंत्री रावसाहब दानवे से भेंट कर कोयले की आपूर्ति बढ़ाने की मांग की थी। श्री दानवे ने अधिक से अधिक कोयला उपलब्ध कराने व इसके लिए रेलवे की रैक भी बढ़ाने का वादा किया था। बैठक के बाद कोयले की आपूर्ति में तेजी आई है। फिलहाल कोराडी औष्णिक विद्युत केंद्र में 8 दिन से अधिक का व खापरखेड़ा में करीब 25 दिन का कोयला है।

इस महीने पहुंचने की उम्मीद

बिजली उत्पादन के लिए देसी कोयले के साथ ही विदेशी कोयला भी जरूरी होता है। एमएसईबी होल्डिंग कंपनी के स्वतंत्र निदेशक विश्वास पाठक ने शीघ्र ही विदेशी कोयला महाराष्ट्र में पहुंचने का दावा किया था, लेकिन विदेशी कोयला अब तक नहीं पहुंचा है। बिजली उत्पादन के लिए देसी कोयले में 6 फीसदी विदेशी कोयला मिलाया जाता है। इसे ब्लेंडिंग कहते हैं। पिछले एक महीने से देसी कोयले से ही काम चलाया जा रहा है। इस महीने के अंत तक इंडोनेशिया से कोयला पहुंचने की उम्मीद है।

BUSINESS LINE DATE:16/5/2023 P.NO4

Decarbonising the steel sector will pay off

Accelerated shift to cleaner production methods will help save huge amounts of forex and make India a supplier of green steel

Rajat Gupta
Kunwar Singh

As the economy grows, India's crude steel production is expected to increase to about 435 million tonnes (mt) by 2050, from about 118 mt in 2021. India's steel industry accounts for about 11 per cent of the country's emissions currently, and to meet demand, coking coal-based steel-making capacity additions of 50-70 mt have been announced. These have a life-cycle of 30-50 years, and will also result in continued rise in emissions.

Coking coal-based steel-making is considered the preferred route to add capacity as hydrogen-based steel-making remains uncompetitive for hydrogen prices above $1/kg, especially in absence of a carbon cost for emissions. However, a carbon price of $50 per tonne of emissions can make green steel competitive by 2030, even at a hydrogen price of $2/kg, and can catalyse a 150 mt shift from coal-based to hydrogen-based steel-making.

Considering much of the India envisioned for 2050 is yet to be built, an 'accelerated steel industry decarbonisation' offers a clear opportunity for India to build it right at the outset.

The actions that could be considered for an orderly transition are:

Introducing CO2 pricing and enabling rapid development of hydrogen: Hydrogen-based low carbon steel-making technology is in early stages of commercial development. Introduction and calibration of CO2 pricing in the next few years will encourage investments in low carbon technologies and accelerate adoption of hydrogen-based steel-making. It will also accelerate investment in other green technologies in the steel value chain such as green hydrogen and renewables-based electricity.

Policies for material efficiency: Scrap-based steel-making has the lowest carbon emissions of all current commercial steel-making technologies, but is dependent on price and availability of quality scrap to be economic and to achieve scale. India relies on scrap imports, which will become a challenge in the future as quality scrap demand increases globally for steel-making.

To scale up domestic scrap-based steel-making, policies incentivising scrap collection and recycling would need to be implemented, to set up dismantling, collection and processing centres.

Encourage green steel consumption in end-use: The government could encourage the use of green steel, set up targets for embodied carbon in public and private construction, and in automotive uses. This will support creation of a domestic green steel market for domestic steel-makers, who can initially tap export markets where green steel commands a premium.

OPPORTUNITY. To build it right

Incremental levers to decarbonise existing assets: For existing assets, steel-makers can implement energy-efficiency and process improvement measures to achieve up to 25-30 per cent abatement, depending on plant configuration. These measures could include higher usage of scrap in the BF-BOF process, sourcing of green power, use of biomass and setting up of process control systems.

Investing in carbon capture, utilisation and storage (CCUS): CCUS is currently an expensive but an important lever for reducing emissions. To make it a viable decarbonisation solution for the steel industry, more R&D efforts are required to reduce capture costs, besides creating hubs in steel producing centres like in Odisha and Jharkhand.

Implementing these actions won't be easy as it will result in increased cost of production, which will flow downstream into higher prices of housing and automobiles. The industry will have to do incremental spending on green power and hydrogen, which will entail an additional capex of about $135 billion — about 40 per cent more than the capex allocated for the steel value chain across technologies.

On the other hand, cumulative emissions would be lower by five billion tonnes by 2050 in the 'accelerated decarbonisation scenario' relative to the 'line-of-sight scenario'; the latter scenario is based on announced policies and expected technology adoption. In addition, in the accelerated transition, forex savings of approximately $500 billion would accrue by 2050 from reduced spending on coking coal alone. A greener steel industry can also enable India to be a global green steel manufacturing hub.

Rajat is Senior Partner, and Kunwar is Partner, McKinsey & Company

LOKMAT DATE:17/5/2023 P.NO5

जगभरातील देश सोने खरेदी का करताहेत?

लोकमत न्यूज नेटवर्क । जागतिक अर्थव्यवस्थेत डॉलर कमकुवत झाल्याने, अनेक देशांच्या परकीय गंगाजळीतून डॉलरचे प्रमाण कमी होत आहे. त्यातच वाढती महागाई आणि जागतिक मंदीच्या भीतीच्या अनेक देशांनी डॉलरला पर्याय म्हणून अन्य उपाययोजना करण्यास सुरुवातही केली आहे. त्यानुसार, अनेक देशांचा सोने खरेदीकडे कल वाढला आहे. मागील चार वर्षांमध्ये जगातील प्रमुख बँकांकडील सोन्याच्या साठ्यात जवळपास ५० टक्क्यांनी वाढ झाली आहे.

लोकमत इन्फोग्राफिक्स

डॉलरचे घटते प्रमाण

जगभरातील परकीय गंगाजळीतून डॉलरचे प्रमाण सातत्याने कमी होत आहे. १९९४ नंतर प्रथमच मार्च, २०२२ मध्ये डॉलरचा वाटा ५८ टक्क्यांवर आला आहे. विशेष म्हणजे, २००१ मध्ये हे प्रमाण ७१ टक्क्यांपर्यंत वाढले होते. मात्र, सोने खरेदीकडे कल वाढल्याने डॉलरचे प्रमाण टप्प्याटप्प्याने कमी होत गेले.

गंगाजळीतील सोन्याचा साठा किती?

भारतीय गंगाजळीतही मागील दोन वर्षांत सोन्याचे प्रमाण जवळपास २.२ टक्क्यांनी वाढले आहे. गंगाजळीतील सोन्याचा वाटा हा फेब्रुवारी, २०२३ मध्ये ८.७ टक्क्यांवर (७९४.६ टन) पोहोचला आहे. दरम्यान, मागील दोन वर्षांत भारताने तब्बल ४५६ टन सोन्याची खरेदी केली.

प्रमुख देशांची सोने खरेदी (२०२० ते २२, टनांमध्ये)

THE HINDU
DATE:17/5/2023 P.NO9

Bet long in aluminium

Akhil Nallamuthu
bl. Research Bureau

Aluminium futures on the MCX have largely been moving in a sideways range since mid-March. Except for a temporary rally to ₹216 in mid-April, the contract has been range-bound between ₹204 and ₹212 for nearly two months.

COMMODITY CALL.

However, aluminium has been outperforming other base metals such as copper and zinc for the last two months.

Note that the ₹200-204 price band is helping the contract to avoid a fall, at least until now. Since aluminium futures have bounced off the above-mentioned support band several times in the last six months, we believe that the probability of a rally is higher as long as it trades near this base. The immediate resistance levels can be seen at ₹212 and ₹216.

A breach of ₹216 can trigger a leg of upside where the contract can see a swift rally to ₹228. On the other hand, if the support at ₹200 is breached, the aluminium futures is likely to be dragged to ₹188.

From a trading perspective, risk-reward ratio favours long positions. Therefore, we suggest going long on aluminium futures at the current level of ₹206 and add more longs if price dips to ₹202. Place stop-loss at ₹196.

When the contract hits ₹212, exit half of the buys and then tighten the stop-loss to ₹209. Liquidate the remaining at ₹216.

After 12% fall this year, lead likely to stabilise

OFFERING SUCCOUR. Chinese auto sector may stop price fall

Subramani Ra Mancombu
Chennai

Lead prices will likely be supported by demand from China's automobile sector for the remainder of the year, with the global offtake expected to grow by 1.7 per cent this year, analysts say.

The outlook comes on the heels of the metal, which is used in automobile batteries, ammunition, weight belts, and soldering, dropping over 12 per cent in 2023, with 5 per cent of the dip coming in the past month.

Currently, lead for cash is quoted at $2,060 a tonne, and the three-month contract is ruling at $2,072 a tonne. In Shanghai, the near-term contract is quoted at $2,157.77 a tonne.

PILING UP. Inventory of lead ingots across China reached 36,100 tonnes, an increase of 8,600 tonnes from May 8 REUTERS

MINE OUTPUT GROWTH

According to the International Lead and Zinc Study Group (ILZSG), a UN body, global demand for refined lead metal is anticipated to increase by 1.7 per cent this year to 12.53 million tonnes (mt).

World lead mine production is forecast to grow by 2.8 per cent to 4.56 mt in 2023, principally due to an expected significant increase in Australia. ILZSG said global demand for refined lead metal will exceed supply by 20,000 tonnes this year.

PRICE FORECAST

Research firm BMI, a unit of the Fitch Solutions company, said rebounding global lead demand will result in a slight global production deficit in 2023, compared to a significant surplus in 2022.

"Lead demand growth will strengthen in 2023 due to stronger vehicle sales and production, particularly in Mainland China," it said.

"Stronger lead consumption by Mainland China's auto sector will prevent significant further declines in global lead demand and prices in 2023. In the longer term, environmental restrictions on lead mining and smelting will constrain production growth," said BMI.

BMI forecast lead prices to average $2,150 per tonne in 2023, which would result in similar price levels to 2022.

According to ING Think, the economic and financial analysis wing of Dutch multinational financial services firm ING, total lead production gained 2.7 per cent year-on-year (YoY) to 3.08 mt, while consumption fell by 1.3 per cent YoY to 3.1 mt during January–March 2023.

"The lead market was estimated to have seen a marginal supply deficit of 19,000 tonnes in the first quarter, lower than the 1,43,000 tonnes deficit during the same time last year," it said.

BMI said accelerating lead demand, mainly due to China's economic reopening, will support lead prices in the coming quarters.

ILZSG said that after rising by 0.9 per cent last year, Chinese demand is forecast to increase by a further 0.7 per cent in 2023. Rises are also expected in India, Japan, the Republic of Korea, Mexico, and the US, it said.

Shanghai Metal Market (SMM) Research said refined lead production will continue to decline slightly in May, and the average operating rate of primary lead producers will drop by 0.61 percentage points to 68.70 per cent.

It said inventory of lead ingots across Shanghai, Guangdong, Zhejiang, Jiangsu, and Tianjin reached 36,100 tonnes, an increase of 8,600 tonnes from May 8.

ILZSG said further rises are expected in China, India, Kazakhstan, and Mexico supplies. "Output is also anticipated to increase in Australia, India, Kazakhstan, South Korea, Mexico, Taiwan, and the United Arab Emirates, where new capacity is expected to be commissioned," it said.

LONG-TERM PROJECTION

BMI forecasts a growth in global refined production by just 0.7 per cent in 2023.

BMI said lead mine production growth will start to decelerate in the coming quarters as the post-Covid rebound loses steam. "Slow growth should lift output back to around level with the 2013 peak by 2032," it said.

DAINIK BHASKAR DATE:18/5/2023 P.NO9

अमेरिका-चीन में मांग कम; हीरा निर्यात, दाम 10% घटे

2022-23 में 1.81 लाख करोड़ का कट-पॉलिश्ड डायमंड एक्सपोर्ट

एजाज शेख | सूरत

बड़ी अर्थव्यवस्थाओं में सुस्ती से हीरों की मांग कमजोर पड़ी है। अमेरिका और चीन जैसे मुख्य आयातक देशों से ऑर्डर घटने के चलते भारत से डायमंड निर्यात 10% घटा है। घरेलू बाजार में इनके दाम भी मोटे तौर पर 10% घटे हैं। मार्च में खत्म हुए वित्त वर्ष 2022-23 में भारत से कट और पॉलिश्ड डायमंड का निर्यात 2,200 करोड़ डॉलर (करीब 1.81 लाख करोड़ रुपए) रह गया। 2021-22 में ये आंकड़ा तकरीबन 2 लाख करोड़ रुपए था।

जेम एंड ज्वेलरी एक्सपोर्ट प्रमोशन काउंसिल (जेजीईपीसी) के चेयरमैन विपुल शाह ने बुधवार को कहा, 'इस साल बिक्री में सुस्ती लंबी खिंच सकती है। कुल मिलाकर 2023 हीरा उद्योग के लिए मुश्किल वर्ष हो सकता है। अमेरिका में महंगाई ज्यादा है। उधर चीन में महामारी से संबंधित पाबंदियां हटने के बाद आर्थिक गतिविधियों में रिकवरी उम्मीद से कम है। इस बीच सोने की कीमत में उतार-चढ़ाव भारतीय हीरा व्यापारियों के लिए चुनौती खड़ी करेगा।'

सूरत में घटी डायमंड की कटिंग-पॉलिशिंग

पॉलिश्ड हीरों की मांग घटने से डीसीटी (डीबियर्स डायमंड ट्रेडिंग) वेबसाइट पर बड़े आकार के रफ डायमंड के दाम 10% घट गए हैं। दुनिभर की डायमंड इंडस्ट्री में मंदी का सीधा असर सूरत के हीरा उद्योग पर देखा जा रहा है। प्रोडक्शन घटा है। कुछ फैक्टरियों में दो दिन की छुट्टी और कुछ में काम के घंटे कम किए गए हैं। पॉलिश्ड डायमंड की मांग घटने से हीरा उद्योग स्टॉक कर रहा है।

काम कम, कुछ फैक्टरियों में अभी 1 माह की छुट्टी

जीजेईपीसी, गुजरात के पूर्व अध्यक्ष दिनेश नावड़िया ने बताया कि अभी पॉलिश्ड डायमंड की डिमांड कमजोर है। स्थिति ये है कि सूरत की कुछ डायमंड फैक्टरियों में एक माह की छुट्टी चल रही है।

DAINIK BHASKAR
DATE:18/5/2023 P.N01

दुर्लभ ब्लू डायमंड

206 करोड़ रुपए में बिका 11 कैरेट का हीरा

जेनेवा | दुनिया के सबसे दुर्लभ ब्लू डायमंड की नीलामी रिकॉर्ड 206 करोड़ रुपए में हुई। सोदबी नीलामी घर में रखा यह हीरा महज 4 मिनट की बोली में ही बिक गया। यह 11.16 कैरेट का 'लैग्यूना ब्लू' फैमिली का डायमंड है। यह अब तक पाए गए दुनिया के सबसे बड़े नेचुरल ब्लू डायमंड में से एक है।

DAINIK BHASKAR DATE:18/5/2023 P.NO5

भारत सरकार

खान मंत्रालय

भारतीय खान ब्यूरो

G20

कार्यालय अध्यक्ष का कार्यालय भारतीय खान ब्यूरो

ब्लॉक "डी" चौथी मंजील, इंदिरा भवन, सिविल लाइन्स, नागपुर-440001

एक्सप्रेशन ऑफ इंटरेस्ट (ईओआई) आमंत्रण सूचना

भारतीय खान ब्यूरो, नागपुर इंदिरा भवन, सिविल लाइंस, नागपुर स्थित अपने मुख्यालय की **08 वी** और **9 वी मंजिल** पर करीब **21,000 वर्गफुट** के रिक्त क्षेत्र **[9वी मंजिल पर 02 ब्लॉक (प्रत्येक 3500 वर्गफुट) और 08 वी मंजिल पर 04 ब्लॉक (3500 वर्गफुट प्रत्येक, पूरी मंजिल)]** हेतु भारत सरकार के कार्यालयों / संगठनों / संस्थानों / निगमों, सार्वजनिक उपक्रमों, स्वायत्त निकायों, वैधानिक निकायों, सार्वजनिक क्षेत्र के बैंकों या भारत सरकार / राज्य सरकार / निजी संगठनों द्वारा स्थापित ऐसे संगठनों / संस्थानों से कार्यालय उपयोग हेतु किराए पर देने के विशिष्ट उद्देश्य के लिए ईओआई आमंत्रित करता है। इमारत लिफ्ट आदि से सुसज्जित है और दो और चार पहिया वाहनों के लिए पर्याप्त पार्किंग की जगह है।

इच्छुक पार्टियां संपर्क करने वाले व्यक्ति के मोबाइल नंबर के साथ अपना नाम, पता, व्यवसाय की प्रकृति वित्तीय स्थिति (नवीनतम वार्षिक रिपोर्ट या बैलेंसशीट की एक प्रति के साथ) लिखित रुप में देते हुए अपना आवेदन प्रस्तुत कर सकती हैं। आवेदन कार्यालय प्रमुख के कार्यालय, **ब्लॉक "डी" चौथी मंजिल, इंदिरा भवन, भारतीय खान ब्यूरो, सिविल लाइंस, नागपुर - 440001** के पते पर दिया जाना चाहिए, ताकि कार्यालय में **30.06.2023 को 18.00 बजे** तक या उससे पहले पहुंच सके।

चुनी हुई पार्टियों से बाद में "बोलियां" आमंत्रित की जाएंगी।

हस्ता/-

(पराग एम. ताडलिम्बेकर)

अधीक्षक खनन भूवैज्ञानिक एवं

कार्यालय प्रमुख

Blackstone Set to Buy Diamond Grading Co IGI for Up to $550m

PF fund to buy IGI from Fosun, founders & shareholders in a deal likely to be signed this weekend

Arijit Barman & Deborshi Chaki

Mumbai: Blackstone, the world's largest private equity firm, is set to buy out International Gemological Institute (IGI), the world's biggest independent diamond-grading firm, from China's Fosun International and other small shareholders and founders Lorie family for $500-$550 million in enterprise value (EV), said two people directly aware of the development. The company has $150 million of debt.

Blackstone is expected to sign a binding agreement with Fosun and the IGI's other shareholders in Europe, maybe as early as this weekend.

Founded in 1975, the Antwerp-based IGI provides grading certifications for diamonds, coloured gemstones and jewelry for clients worldwide. IGI certifications are internationally accepted for both mined and lab-grown diamonds. India is the world's biggest diamond cutting and polishing hub, accounting for nine out of ten stones sold worldwide predominantly from Surat. US is the world's largest market for finished diamonds.

Diamonds, especially, mined in Russia, is at centrestage of potential G7 sanctions as NATO allies look to block diamond exports from Russia in an effort to squeeze out funding for the ongoing Ukraine war. Emails sent to Fosun International remained unanswered until presstime on Wednesday. Blackstone declined comment.

ET had first reported on March 10 that three private equity suitors that included Blackstone, Goldman Sachs private equity and CVC Capital were in the fray to acquire IGI, which has a large part of its operations based in India, also one of its biggest markets.

Globally, IGI operates 20 laboratories that grade finished jewelry, natural diamonds, lab-grown diamonds and gemstones. It also runs 14 schools of gemology that train professionals in the diamond industry.

IGI provides its services to the public through diamond dealers, and jewelry manufactures. IGI provides independent grading reports, colored stone reports, identification and appraisal reports, diamond authentication and attestations of origin, and laser inscription services. They also offers diamond and colored stone courses through IGI's Schools of Gemology. The IGI school was the first to offer the practical 'rough diamond' course. Since 2010, it opened its lab in Surat — it's fifth in the world.

In 2018, China's Fosun International acquired 80% stake in the business, taking control of the company from its founders, the Lorie family of Belgium. China is the world's second-largest diamond market after the US.

Fosun put the company on the block in January this year and Deutsche Bank was appointed as the sell-side advisor.

One of China's largest conglomerates, Fosun is currently shrinking its balance sheet by slashing costs to bolster its finances.

Chinese billionaire Guo Guangchang's Fosun conglomerate has been the poster boy of overleveraged companies. The owner of French resort group Club Med and English football club Wolverhampton Wanderers has been on a divestment spree to tackle his $36-billion debt pile.

BUSINESS LINE
DATE:19/5/2023 P.NO6

Initiate fresh longs if zinc futures break out of ₹240

Akhil Nallamuthu
bl. research bureau

Zinc futures contract on the Multi Commodity Exchange (MCX) has been falling for the past four months. However, currently trading at around ₹226, the contract is at a strong base – the price band of ₹225-230 is a solid support.

Nonetheless, the support alone does not confirm a trend reversal. Probably a rally past ₹240 can be taken as a sign of bullish reversal. In a case where the prices go above ₹240, the contract might rally towards the resistance at ₹262. If this level is taken out, the medium-term could also become bullish, potentially leading to an upswing to ₹300 or even to ₹325.

On the other hand, if the contract slips below the support at ₹225, we might see a quick decline to ₹200.

TRADE STRATEGY

We suggest traders to stay on the fence for now. Initiate fresh longs when zinc futures break out of ₹240. Target and stop-loss can be at ₹260 and at ₹230, respectively.

BUSINESS LINE DATE:19/5/2023 P.NO3

SAIL seeks levy of countervailing duties on Chinese stainless steel imports

Abhishek Law
New Delhi

The Steel Authority of India (SAIL) has written to the Revenue Secretary, Sanjay Malhotra, seeking imposition of anti-subsidy duties or countervailing duties on Chinese stainless steel coming into India, to create a "level playing field". The PSU steel-maker has in its letter pointed out that the company is unable to utilise production capacities at Salem in Tamil Nadu — one of the largest facilities in the country.

Production of a particular popular grade of stainless steel is down y-o-y in FY23, it said, adding that the steel-maker is unable to sell its offerings in domestic markets since the Chinese products are coming in at least 19 per cent lesser the cost, which includes subsidies.

In fact, a senior Steel Ministry official in an internal note — a copy of which has been reviewed by *businessline* — also suggested the Ministry too take up the matter. "SAIL should get a level playing field to encourage its efforts to optimise the utilisation of full production capacities.... (if) the anti-subsidy duties are restored on Chinese imports, we shall be able to utilise a very significant part of our capacities," the letter by one of the ED's of the steel plant mentions.

AT A LOSS. SAIL said the Indian industry is losing 20-30% market share due to cheaper Chinese imports

SAIL in its letter has referred to an investigation carried out by the Directorate General of Trade Remedies (DGTR) and its recommendation that had mentioned that the Chinese products in question — called 200 series product in technical parlance — were subsidised to the extent of 19 per cent and it has "caused injury" to the Indian industry (in terms of Indian players losing market share) to the extent of 20 – 30 per cent. It recommended "extension of anti-subsidy duties on imports from China".

The domestic stainless steel industry has also been trying to take up the matter across required fora. "....kindly consider the DGTR recommendation, and invoke anti-subsidy duties..." the letter further mentions. "We must also write from our end," a senior official in an internal note suggested:.

UNDERUTILISED

Salem steel plant, which is on the Centre's disinvestment radar, has an annual production capacity of 1,80,000 tonnes of stainless steel flat rolled products; while its installed capacity is currently at 70,000 tonnes per annum in its cold rolling mill and 3,64,000 tonnes per annum in the hot rolling mill.

SAIL while building its case said, owing to low-priced imports, the (Salem) plant has suffered from underutilised production capacities.

THE HITAVADA DATE:19/5/2023 P.NO 1

India's coal production grows 8.5 pc to 73 MT in Apr

NEW DELHI, May 18 (PTI)

INDIA'S coal production rose by 8.5 per cent to 73.14 million tonnes (MT) during April 2023, according to the ministry of coal.

In April 2022, the country's overall coal production was at 67.20 MT, as per the ministry data. India achieved 94.89 per cent of the 77.08 MT production target for April 2023, the data showed.

Coal India along with its subsidiaries produced 57.57 MT coal, up 7.67 per cent over 53.47 MT in April 2022.

The coal production of Singareni Collieries Company Ltd (SCCL) rose by 4.77 per cent to 5.57 MT, from 5.32 MT in the same month a year ago.

While the production from other captive mines was at 10 MT, against 8.41 MT in April 2022, registering a rise of 18.93 per cent.

Against the 82.26 MT target for April 2023, India's coal despatch was at 80.35 MT, up 11.66 per cent from 71.96 MT during April 2022.

The despatch to power utilities rose by 6.66 per cent to 65.41 MT last month, as compared to 61.33 MT in April last year.

India is among the top five coal-producing countries in the world. However, some parts of its coal requirement are met through imports as the country is also among the major consumers of the dry fuel.

For coking coal, the country remains heavily dependent on imports as the key steel making raw material is not available in the country in sufficient amounts.

India produced just 4.89 MT coking coal in April, 18.07 per cent higher from over 4.14 MT in April 2022.

THE TIMES OF INDIA DATE:20/5/2023 P.NO11

JSW Steel plans to raise over ₹25k cr to finance growth plans

Names New CEO, Gets Nod For Fifth Buy Under Bankruptcy

Reeba.Zachariah
@timesgroup.com

Mumbai: Business tycoon **Sajjan Jindal**'s flagship JSW Steel plans to raise over Rs 25,000 crore through various instruments to finance its growth plans.

Its proposed fund-raise programme covers issuance of equity shares worth Rs 14,000 crore through the qualified institutional placement (QIP) route, issuance of non-convertible bonds of up to $1 billion (nearly Rs 8,300 crore) in the international market, and of non-convertible debentures (NCDs) totalling Rs 3,000 crore through private placement or public offering.

The money will be used to meet capital expenditure needs, repayment of outstanding loans and for general corporate purposes, JSW Steel said. It has a debt of over Rs 59,000 crore as of March 31.

Meanwhile, the company has named Jayant Acharya as joint MD & CEO of the company. Acharya (60), who served as director (commercial & marketing) before being elevated as deputy MD in April 2022, took over from Seshagiri Rao on Friday. Rao superannuated on April 5. Acharya will have five years in the new role as the retirement age for executive directors at JSW Steel is 65 years. The alloy maker also inducted Gajraj Singh Rathore, currently chief operating officer, into the board. During his 27-year tenure with the company, Rathore (58) has led its Vijayanagar and Dolvi steel units.

The company also said that the Mumbai bench of NCLT has approved its Rs 425-crore proposal for National Steel and Agro Industries under the bankruptcy process. It has routed the acquisition through its wholly owned subsidiary JSW Steel Coated Products. This is Jindal's fifth M&A via the bankruptcy process *(see graphic)*.

STEELMAKER'S CAPEX PUSH

How JSW plans to raise over ₹25k cr

₹14,000cr	₹8,300cr	₹3,000cr
Qualified institutional placement (QIP)	Non-convertible bonds	Non-convertible debentures (NCDs)

Jindal's M&A deals via the bankruptcy process (Rs crore)

Bhushan Power & Steel	19,700
Monnet Ispat & Energy	2,650
Asian Colour Coated Ispat	1,550
National Steel And Agro Industries	425
Vardhman Industries	64

Q4 profit up 12%

On Friday, JSW Steel, the country's largest steelmaker by capacity, reported a 12% rise in Q4FY23 profit at Rs 3,741 crore. However, the year-ago quarter had an exceptional charge of Rs 741 crore. If this is excluded, its Q4FY23 profit declined 27% to Rs 4,249 crore. Falling metal prices and rising input costs have been impacting the sector's earnings since the start of last fiscal.

BUSINESS LINE DATE:21/5/2023 P.NO6

Supports being tested

BULLION CUES. Silver appears weaker than gold

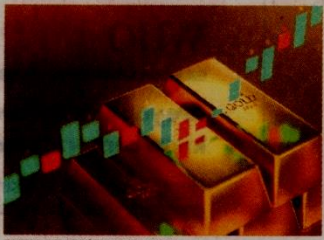
Akhil Nallamuthu
bl. research bureau

Gold and silver broadly remained under selling pressure last week. In dollar terms, gold and silver lost 1.7 per cent and 0.4 per cent to end the week at $1,976.6 and $23.8 per ounce, respectively.

On the Multi Commodity Exchange (MCX), the gold futures contract was down 0.8 per cent, in line with global trend, and ended at ₹60,379 (per 10 gram). However, the silver futures produced a marginal gain of 0.4 per cent to close at ₹73,321 (per kg).

MCX-GOLD (₹60,379)
The June gold futures, despite facing selling pressure, managed to close above the support band of ₹59,000-59,600. In case there is a recovery from here, it might face a barrier at ₹61,800. A breach of this can lift the contract to ₹63,000. sSupport below ₹59,000 is at ₹57,500.

Trade strategy: The pending buy order at ₹59,600 would have been triggered last week. Before that, we recommended longs at ₹60,511. Thus, the average buy price is now at ₹60,056. Retain this trade. However, revise the target lower from ₹62,800 to ₹61,500. Stop-loss can be the same at ₹58,800.



GETTY IMAGES/ISTOCKPHOTO

Yet, traders, who wish to avoid risk, exit the longs.

MCX-SILVER (₹73,321)
Silver futures closed the week with a gain. Thus, the support at ₹72,000 is holding well for the contract. Although there is some bearishness exhibited by silver futures, until the support at ₹72,000 holds true, further decline is less likely.

As it stands, there is a good chance that the contract will start consolidating between ₹72,000 and ₹75,000.

Support below ₹72,000 are at ₹70,000 and ₹67,000. Resistance above ₹75,000 is at ₹78,500 and ₹80,000.

Trade strategy: We suggest staying out now and wait for the breach of the ₹72,000-75,000 range. But traders with higher risk-appetite can go short if the silver futures move up to ₹74,500. Target and stop-loss can be at ₹72,000 and ₹76,100.

THE ECONOMIC TIMES DATE:22/5/2023 P.NO 12

PE Firm Blackstone Buys Diamond Grading Co IGI for $570 million

China's Fosun and founders sell stake; PE firm sees growth in lab-based diamonds

Our Bureau

Mumbai: Blackstone on Sunday said that it has acquired the global diamond certification agency, International Gemological Institute (IGI), from China's Fosun and Roland Lorie, part of the founding family, for an undisclosed sum. Sources in the know said Blackstone is paying $570 million as enterprise value for the company, inclusive of cash. ET first reported about this transaction in its edition dated May 18.

Founded in 1975 in Antwerp, IGI is a global leader in independent certification of diamonds, gemstones, and jewellery, with a global footprint of 29 laboratories and 18 schools of gemology across 10 countries. Since 2005, IGI has pioneered the certification of lab-grown diamonds, a rapidly growing industry. IGI is the largest certification player globally for lab-grown diamonds and the second largest certification player globally for natural diamonds. India is one of the largest geographies for IGI.

IGI is a zero-debt company with net cash of $35 million on its books. Fosun held 80% stake in the company, while the rest was held by the Lorie family. The investment thesis is based on the strong tailwinds of increasing acceptance of lab-grown diamonds (LGD) (>50% volume CAGR in the last 4 years). The global LGD retail market is currently $7 billion and has grown at 15% CAGR over CY19-22A.

These synthetic diamonds are identical to natural diamonds — they have the exact same chemical and optical properties but are priced lower (around 30% of cost of natural diamonds), environment-friendly, and conflict-free, which has driven consumer adoption of LGD in the US (especially among millennials).

IGI is a zero-debt company with net cash of $35 million on its books

Globally, G7 countries are trying to impose fresh sanctions on Russian-mined diamonds that are polished and processed largely in Surat, a hub that dominates 90% of the trade, to put a curb on the Kremlin's war machine in Ukraine.

LGD emerged as a category only in late 2017 with advances in production technology. As LGD production technology continues to improve, prices will continue to decline and consumers will get to buy larger stones (i.e. similar absolute dollar spend per purchase).

Globally, natural diamond jewelry retail sales are a near $80-billion market growing at 3% CAGR. Between IGI and GIA, another diamond certification agency based in Europe, the market is a duopoly.

"As more customers choose certification of jewellery, IGI has spearheaded the certification of natural diamonds, lab-grown diamonds, and colored stones, becoming a global market leader and providing confidence to manufacturers, retailers, and consumers around the world," said Mukesh Mehta, senior managing director in Blackstone Private Equity Group.

According to officials involved, Blackstone identified TIC (testing, inspection, and certification) as a good neighbourhood with mission-critical nature of service, high customer RoI, high profit margin, strong FCF conversion and sticky customer base. Trust, a long track record, and brand recognition give rise to a high barrier to entry in this industry which is similar to industries such as rating agencies (Moody's, S&P), credit card networks (Visa, Mastercard) and IRB/ethical review (Advarra, WCG).

IGI has 18 gemology labs in India. The majority of IGI's revenue and profits are from Indian operations. It has a leading market share in natural diamond certification and jewellery certification sold to the Indian retail market and in certifying lab-grown diamonds manufactured in India and typically sold to the US retail market.

"IGI's business is more diversified and solid with a more globalized landscape. We believe IGI is about to embark on a new journey of rapid growth with Blackstone's global synergy," said Kevin Shikun, co-chief investment officer of Fosun.

Fosun put the company on the block in January this year and Deutsche Bank was appointed as the sell-side advisor.

One of China's largest conglomerates, Fosun is currently shrinking its balance sheet by slashing costs to bolster its finances.

BUSINESS LINE DATE:22/5/2023 P.NO4

Blackstone acquires International Gemological Institute for $570 m

Janaki Krishnan
Mumbai

Blackstone India has acquired gems testing and certification firm International Gemological Institute (IGI) from Shanghai Yuyuan Tourist Mart (Group) Co, a subsidiary of Fosun and founding family member Roland Lorie.

The total enterprise value of the deal is $535 million. With zero debt and net cash of $35 million, the transaction values the company at $570 million.

Blackstone acquired an 80 per cent stake from Fosun and the remaining stake from the founding family.

IGI has a significant presence in India, where it gets a major share of its revenue and profits. It operates 18 gemology labs in the country out of the 20 laboratories worldwide.

RETAIL PRESENCE

IGI has a significant presence in the certification of natural diamonds and jewellery sold in the Indian retail market and the certification of lab-grown diamonds made in India for sale to the US retail market.

The global lab-grown diamonds retail market is worth $7 billion, growing at an annual 15 per cent from 2019 to 2022. The global natural diamond jewellery retail sales are at about $80 billion. Around 90 per cent of rough diamonds are polished in India.

Mukesh Mehta, Senior Managing Director in Blackstone Private Equity Group, said that IGI had spearheaded the certification of gems and the private equity firm was bringing its best into the business, including operational expertise, technological capability "and global track record in building successful businesses to help the company expand its global footprint."

Lorie said the founders were happy to entrust Blackstone with taking IGI to its next stage of development. "Under the patronage of Blackstone, we intend to get even closer to the consumer and to grow the business exponentially," he added.

Fosun Co-Chief Investment Officer, Kevin Shikun, said the company is expecting a positive impact on its financials through the sale of stakes and "further focusing of resources on the company's key strategies and projects."

BUSINESS LINE DATE:22/5/2023 P.NO3

With steel in high demand, India may increase exports to Tanzania

Abhishek Law
New Delhi

The Indian Mission in Tanzania has asked Indian steel mills to explore the possibility of upping exports to the African nation.

At present, China, South Africa and Japan dominate the Tanzanian market; the Union Steel Ministry might consider pushing Indian offerings, which are already in high demand.

The High Commissioner of India to Tanzania, Binaya Srikanta Pradhan, has proposed sending a business delegation by the end of this year to facilitate a buyer-seller meeting.

businessline has reviewed a copy of the letter. "....while India is leading in certain segments such as bridges, lock gate towers, doors and windows, pillars and column rods and angles, it lags in other segments such as iron or non-iron alloy steel... A visit by Indian stakeholders dealing in steel sectors will be a good idea to promote our steel sector export," the letter by Pradhan stated. According to the letter, the Steel Ministry can consider sending a business delegation during September-December period.

"We discussed the issue with major importers and local steel manufacturers who manufacture basic items using scrap as raw material. It is felt that with some effort, India can increase its exports in the segments where it is at present lagging," said the letter.

MARKET SHARE

In 2022, Tanzania — one of the largest countries in the African continent — bought iron and steel and articles worth $1,250.27 million. Indian export was $105.52 million. India is the fourth largest supplier of iron and steel to the African nation, with a market share of 8.44 per cent in 2022. Market share fell from 8.75 per cent in 2021, but improved in 2020 when it was 6.15 per cent.

Other countries such as China improved its share to 41.47 per cent (versus 38 per cent in 2021 and 36.6 per cent in 2020). South Africa's market share is 12.58 per cent (an improvement over 9.84 per cent in 2021 and 8.45 per cent in 2020), while Japan is at 11.43 per cent (it declined from 15.82 per cent in 2021 and 8.31 per cent in 2020).

EXPORTS

In the iron and steel export category, Indian players had a stable market share of 6 per cent (compared to 2020) or $49.25 million in 2022; while in the category-specific break-up (classified as articles of iron and steel), its market share doubled to 14 per cent (over 2020) to $56.27 million. According to documents available with the Ministry, in the flat-rolled products of iron or non-alloy steel, hot rolled, plated, and coated category, India was among the top six suppliers, with exports being valued at $0.91 million.

In fact, exports in the category fell from $2.59 million in 2020 to $1.17 million in 2021. Against this, Chinese exports increased from $68.32 million in 2020 to $182.21 million in 2022.

In the flat-rolled product category, the country lost market share, slipping to the 10th spot from the eighth in 2020. In value terms, exports stood at $0.10 million in 2022, versus $0.32 million in 2020.

Indian exporters topped in the bridge segment, which stood at $23.05 million in 2022, up three-fold over the 2020 levels of $7.28 million. Railway track and construction material exports were a category in which India saw some gains, but value-wise it remained at 2020 levels at $0.14 million.

THE ECONOMIC TIMES DATE:23/5/2023 P.NO 11

JSW Steel to Acquire National Steel and Agro Inds for ₹621 cr

Co gets NCLT approval for its resolution plan, expected to complete acquisition within 30 days of effective date

Our Bureau

Mumbai: JSW Steel will acquire flat-steel producer National Steel and Agro Industries (NSAIL) through the bankruptcy court for a cash consideration of ₹621 crore through its wholly-owned subsidiary JSW Steel Coated Products, the company informed stock exchanges on Monday.

The steelmaker had got the approval from the Mumbai bench of the National Company Law Tribunal (NCLT) for its resolution plan last week, and the acquisition will be completed within 30 days of the effective date as in the resolution plan.

National Steel and Agro Industries, a manufacturer and exporter of steel from central India, had a turnover of ₹815 crore in 2021-22 (April-March), and is primarily known for its flat steel products which include cold rolled coils, galvanised corrugated sheets, colour coils and pre-painted profile sheets etc.

In accordance with the resolution plan, shares of National Steel and Agro will now be delisted from the exchanges

This buyout is seen bringing synergy in terms of operations, procurement, marketing and sales for JSW Steel, it said. In accordance with the resolution plan, shares of National Steel and Agro will now be delisted from the exchanges.

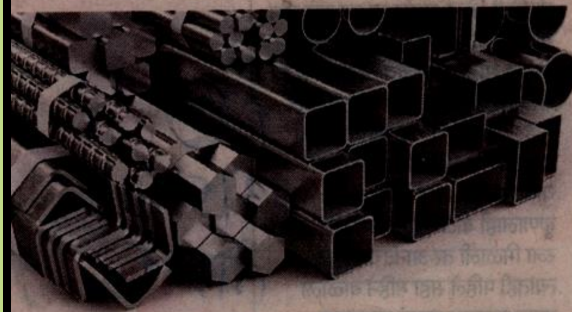
JSW Steel has, in the past, acquired Bhushan Power and Steel and Monnet Ispat and Energy through the bankruptcy route as well. It currently has the capacity to produce 27 million tonne of steel in India.

LOKMAT DATE:23/5/2023 P.No8

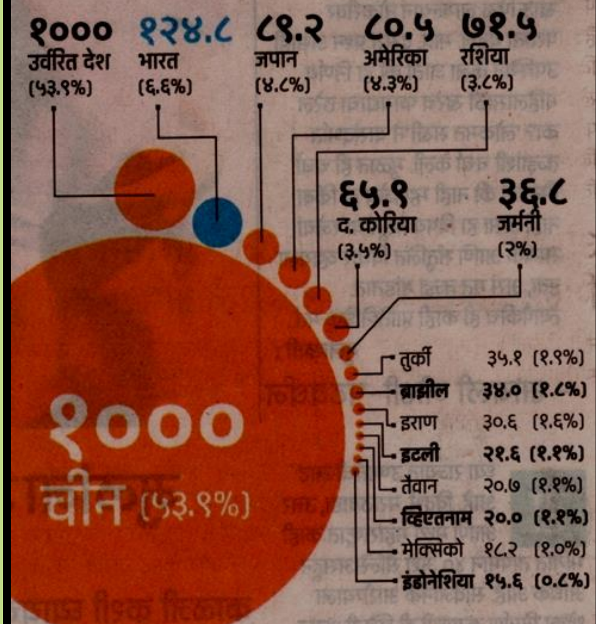
जगाचा पोलादी 'कणा' कोण?

भारतात वाढ, जगभरात घट

लोकमत न्यूज नेटवर्क : औद्योगिक क्षेत्रासाठी प्रत्येक देशाला स्टीलची गरज असते. स्टील म्हणजे औद्योगिक क्षेत्राचा कणा. या क्षेत्रात सध्या चीनची मक्तेदारी आहे. स्टील उत्पादनात चीन जगात पहिल्या क्रमांकावर आहे, तर भारत दुसऱ्या स्थानी आहे. गेल्या तीन दशकांमध्ये चीनने स्टील उत्पादनात मोठी झेप घेतली आहे. यापूर्वी रशिया आघाडीवर होता. मात्र, आता रशिया पाचव्या स्थानी घसरला आहे.



२०२२ मधील उत्पादन (आकडे टन)



कंसातील आकडे जगातील वाटा

६० व ७०च्या दशकात रशिया, अमेरिकेचे वर्चस्व होते. रशियात १०२ दशलक्ष टन उत्पादन होते, तर जपान तिसऱ्या स्थानी होता. चीनने ९०च्या दशकात मोठी झेप घेतली.

भारतात उत्पादन वाढले

भारत, इराण आणि इंडोनेशिया याच देशांनी वाढ नोंदविली आहे. चीनसह जगातील प्रमुख स्टील उत्पादक देशांत उत्पादनात घट झालेली आहे, परंतु भारतात उत्पादन वाढले आहे.

१.८ अब्ज

टन एवढे स्टीलचे उत्पादन २०२२ मध्ये जगभरात झाले.

१ अब्ज

टन एवढे उत्पादन चीनमध्ये झाले.

१२४

दशलक्ष टन एवढे उत्पादन भारतात झाले.

BUSINESS LINE DATE: 24/5/2023 P.N0 8

Aluminium futures: Exit half the longs if contract hits ₹212

Akhil Nallamuthu
bl. Research Bureau

Aluminium futures on the MCX rallied over the past week, in line with expectations. However, while we expected the contract to move up to ₹212 before a correction, it faced a minor hurdle at ₹210 and has slightly declined to ₹209.

COMMODITY CALL.

The prevailing price action hints at a possible correction towards ₹207.50-208 price region before the aluminium futures surpass ₹210. That said, we expect the contract to eventually resume the rally and appreciate to ₹212 or even to ₹216 in the next few weeks.

In case the contract falls below ₹207.50, the downswing could extend to ₹205, a support. Below this level, there is a support band between ₹200 and ₹202. A fall below ₹200 is less likely. But note that if ₹200 is breached, it can open the door for a fresh leg of downtrend. This can drag the contract to ₹188 quickly.

Yet, broadly, the aluminium futures contract is more likely to see an upward move to ₹212 or ₹216 after a possible softening in price to ₹207.50-208 range.

TRADE STRATEGY

We suggested taking long position at ₹206 last week; stop-loss at ₹196. Taking the above factors into account, we recommend revising the stop-loss from ₹196 to ₹207. If the contract recovers and hits ₹212, exit half of the buys and then tighten the stop-loss to ₹209. Liquidate the remaining at ₹216.

DAINIK BHASKAR DATE: 25/5/2023 P.N0 7

ज्वेलरी सेक्टर की कमाई इस साल 12-15% बढ़ेगी

बिजनेस संवाददाता | नई दिल्ली

अप्रैल से शुरू वित्त वर्ष में देश का ऑर्गनाइज्ड ज्वेलरी रिटेल मार्केट 12-15 फीसदी बढ़ सकता है। रेटिंग एजेंसी इक्रा के मुताबिक वैश्विक अनिश्चितताओं और बीते साल के हाई बेस यानी अच्छी खरीदारी के बावजूद इस वित्त वर्ष ऑर्गनाइज्ड ज्वेलरी रिटेलर्स की कमाई में 15 फीसदी तक इजाफा होगा। सोने की कीमतें बढ़ना और रिटेलर्स का बिजनेस विस्तार इसकी वजह होगी।

इक्रा के वाइस प्रेसिडेंट कौशिक दास के मुताबिक, देश में गोल्ड ज्वेलरी की डिमांड मजबूत है। आगामी महीनों में इनकी बिक्री बढ़ेगी। इसके अलावा बीते साल भर में सोने की कीमतों में 10-12 फीसदी की बढ़ोतरी भी हुई है। इसकी वजह से मूल्य के आधार पर रिटेल सेक्टर की ग्रोथ 15 फीसदी तक पहुंच सकती है। हालांकि बिक्री के आधार पर इंडस्ट्री की ग्रोथ 8-10 फीसदी ही रहने का अनुमान है। हाई बेस, महंगाई और वैश्विक आर्थिक परिस्थितियां इसकी वजह होंगी।

7 फीसदी तक रह सकता है रिटेलर्स का मार्जिन

इक्रा के मुताबिक, आक्रामक मार्केटिंग और स्टोर की संख्या बढ़ाने के चलते रिटेलर्स का खर्च बढ़ेगा। इसे चलते इनके मार्जिन में 0.40% से 0.70% तक की कमी आ सकती है। फिर भी ज्वेलरी रिटेलर्स का मार्जिन कोविड पूर्व के स्तर 6.7 फीसदी से 7 फीसदी के बीच पहुंच सकता है।

THE ECONOMIC TIMES DATE:25/5/2023 P.No 8

Hindalco Net Profit Falls 37% to ₹2,411 crore in Q4

Press Trust of India

New Delhi: Hindalco Industries on Wednesday reported a 37% fall in its consolidated net profit to ₹2,411 crore for the March quarter due to a rise in operational costs. The company had posted a net profit of ₹3,860 crore during the January-March quarter of 2021-22, the company said in a regulatory filing.

Total income of the company was ₹56,209 crore in the quarter under review against ₹56,057 crore in the year-ago quarter. The expenses were higher at ₹53,372 crore against ₹51,026 crore a year ago due to a rise in power and fuel charges, employee benefit expenses and inventory costs.

Hindalco's MD Satish Pai in a statement said, "Our copper busi- ... that go beyond carbon emissions, and encompass other planet-critical aspects like waste, biodiversity, water positivity, and community inclusion."

He further said Novelis has shown quarter-on-quarter recovery supported by improved product pricing and favourable product mix. Novelis, Hindalco's Atlanta-based subsidiary, reported a 7% year-on-year (y-o-y) fall in its net income at $175 million during the quarter, the company statement said.

"Its total shipments of flat rolled products were at 936 kt (kilo tonne) in Q4 FY23 vs 987 kt in Q4 FY22, down 5% y-o-y, and up 3% q-o-q supported by higher aerospace and record automotive shipments in Q4.

BUSINESS LINE DATE:26/5/2023 P.No 11

NMDC looking for partners for lithium mining in Australia

Abhishek Law

New Delhi

Indian iron ore merchant miner NMDC is eyeing partnerships with Australian miners and prospecting agencies for lithium mining. It is also in talks with the Australian government to take up mines as and when they come up, said sources in the Indian government.

NMDC, which is under the Steel Ministry, recently signed an MoU with Australia's Hancock Prospecting Pty Ltd for lithium, but things are at a very nascent stage, said those familiar with the development.

Lithium deposits are critical for India as the country looks at promoting EVs. Lithium-ion batteries are critical for EV transition – both in the public and private transportation space. India depends on import, primarily for non-ferrous, alkali metal, and also imports all major components that go into lithium-ion cell manufacturing.

"NMDC signed the MoU with Hancock, some six months back for prospecting lithium. But things are at a nascent stage now. We can determine the deposit or nature of the reserve post prospecting. Most of the prospecting will be in the West Australian region," an official told *businessline*.

"They are also on the lookout for more tie-ups, mostly partnerships, for lithium exploration. Some discussions are on with the government, too, on taking up lithium mines," said the official.

Australia is among the top six lithium producers globally, along with Bolivia, Argentina, Chile, the US and China. NMDC has a Perth-based subsidiary, Legacy Mineral, which is the joint owner of the Mt Bevan iron ore project in West Australia. The prospecting activities that it are carrying out, also with Hancock, include exploration and mining of rare earth and other critical minerals, such as copper, tungsten, cobalt, nickle and lithium.

BUSINESS LINE DATE: 26/5/2023 P.No10

Go short on lead futures

Akhil Nallamuthu
bl. research bureau

Lead futures on the Multi Commodity Exchange (MCX) have charted a sideways trend since April this year, with the continuous contract oscillating in a band of ₹182 and ₹185.

On Wednesday, it declined to close below the support at ₹182, opening the door for a further fall.

COMMODITY CALL.

While ₹180 is a potential support, we expect the contract to drop below this level and touch ₹175, a support in the near-term. Subsequent support is at ₹173.

On the other hand, if the contract starts recovering, it could rally towards the ₹184-185 price band. The 50-day moving average lies at ₹184.

Nevertheless, the probability of a decline is high and, therefore, traders can consider taking fresh short positions.

TRADE STRATEGY

Go short on MCX lead futures at the current level of ₹181.

Add more shorts if the price rises to ₹182.50. Place the initial stop-loss at ₹183.50.

When the contract touches ₹178, tighten the stop-loss to ₹180. Book profits at ₹176.

BUSINESS LINE DATE: 27/5/2023 P.No 3

Steel body expects demand to grow 7.5% in FY24

Our Bureau
New Delhi

Steel demand in India is expected to grow by 7.5 per cent to 128.85 million tonnes (mt) in FY24 against 119.86 mt FY23. In FY25, demand is expected to grow 6.3 per cent to 136.97 mt, according to estimates put out by the Indian Steel Association (ISA), an industry body that includes the largest steel mills such as Tata Steel, JSW, SAIL, JSPL and AMNS India.

Driven by strong infrastructure spending and sustained growth in urban consumption, steel demand is expected to expand by 8-9 mt each year for the next two financial years.

Calling India a "bright spot" that has defied global trends, the ISA said the steel sector has benefited from strong economic growth.

GOVT PUSH

The rising share of investment in GDP, backed by strong capital expenditure outlay by the government and improving private investment will drive sectors such as construction, railways and capita goods, it said in a statement.

The government increased its budgeted capex in FY24 by 33 per cent to ₹10-lakh crore, of which 50 per cent has been allocated for road and railway infra, benefiting the steel sector's growth. "Project completion in the real estate sector is also expected to be robust, whilst the government's push towards affordable housing has seen a 66 per cent increase in outlay. The investment in infrastructure, renewables, mining as well as within the steel sector itself, is expected to benefit the capital goods sector," the statement mentioned.

MIXED OUTLOOK

On the other hand, consumption-driven sectors, including automotive and consumer durables, will also see "healthy growth".

"Private consumption will largely be sustained by urban consumption, while rural consumption is expected to witness a steady recovery," ISA said.

The intermediate goods sector, which is also dependent on both the automobile sector's growth and exports is seen as a "mixed bag" since sluggish global demand will limit the potential of exports.

THE HINDU DATE:27/5/2023 P.No14

NALCO's profit for FY23 almost halves to ₹1,544 crore

The National Aluminium Company Limited (NALCO) reported net profit for FY23 almost halved to ₹1,544 crore while revenue from operations rose to ₹14,255 crore, its highest ever. Registering robust performance across business units with best-ever annual production and sales during FY23, NALCO said net profit for the fourth quarter ended March was estimated at ₹522 crore against ₹274 crore in the third quarter while revenue from operations rose 11% to ₹3671 crore.

BUSINESS LINE DATE:28/5/2023 P.No3

How you hold gold is key

DE-TAX. Want to buy/sell gold in physical form or digital? Here are the tax rules that apply

Venkatasubramanian K
bl. research bureau

Gold is one product that has multiple tax rules applicable when you buy and sell, depending just on the way you hold the yellow metal.

There are four modes of buying gold, with varying degrees of popularity.

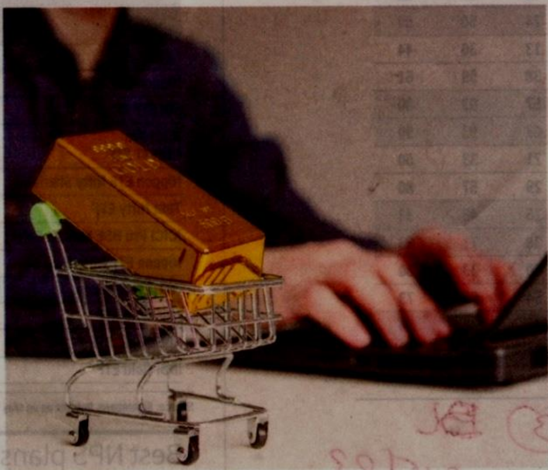
Physical gold: This is usually held in the form of jewellery and coins or bars.

Digital gold: An electronic mode of investing in gold doesn't require you to hold it physically; the precious metal is held in vaults on your behalf. Transaction is done via wallets or platforms.

Gold ETF: Gold exchange traded funds are offered by mutual funds. You can redeem them for cash by selling in the market or you have the option of taking gold in return.

Sovereign gold bonds: SGBs are issued by the Reserve Bank of India and track gold prices. Each bond represents one gram of gold. An interest of 2.5 per cent is paid on these bonds.

Taxation rules differ; therefore, it is important for you to know what you must pay when you sell gold in a specific form.



GETTY IMAGES/ISTOCKPHOTO

INDEXATION BENEFIT

When you wish to sell your jewellery, bars or coins that you bought or received as inheritance, the holding period must have been at least 36 months for the gains to be classified as long term.

Now, it would be good to maintain invoices of gold purchased to establish the holding period. In the case of inherited jewellery, invoices or Will or any other document to establish the time of purchase may be useful. The holding period starts from the time the jewellery, bar or coin was purchased by the original owner in the case of inheritance. Indexation benefit is available for long-term gains.

Long-term capital gains are taxed at 20 per cent (plus 4 per cent cess) after indexation.

In the case of digital gold, it is just physical gold held in vaults by companies on your behalf. Therefore, the same tax rules apply for digital gold.

Short-term gains in both cases are added to your income and taxed at the slab applicable to you.

SGB EDGES OUT ETF

If you aren't keen on holding physical gold, but hold it in electronic or paper form via exchange traded funds (ETFs), the recent Budget has made any sale of units taxing.

Starting April 1, when you buy ETFs and sell them after any holding period, short-term or long term, there is no differentiation in tax treatment. The gains are added to your income and taxed at your slab.

Earlier, if you sold ETFs after holding for three years, the gains were treated as long-term and taxed at 20 per cent after indexation.

● POPULAR CHOICE

Sovereign gold bonds enjoy the best tax treatment by far across the various modes of holding gold

Along with debt mutual funds, gold ETFs and international funds faced the taxman's brunt after Budget 2023, as indexation and any classification of long and short term were removed.

Sovereign gold bonds enjoy the best tax treatment by far across the various modes of holding gold.

The 2.5 per cent coupon that is given is added to your income and taxed at your slab.

But capital gains tax varies and depends on the holding period.

When bonds are purchased in the primary issue and sold at maturity: When you buy any SGB series during the time of its issue and hold it till the eight-year maturity period, capital gains are fully exempt. Even if the RBI redeems these bonds after a five-year period, and you tender the SGBs, the gains are tax free.

When bonds are bought in the exchanges and sold at maturity: The gains made by buying in the secondary markets and selling it at maturity back to the RBI are fully exempt.

When SGBs are bought and sold in the secondary market: The gains are considered long term after a holding period of one year, since these are listed bonds. Long-term gains are taxed at 20 per cent (plus cess) with indexation. Short-term gains are taxed at your slab.

When SGBs are bought in the primary issue and sold in the exchanges: Here again, gains made after a holding period of one year are taxed at 20 per cent (plus cess) with indexation benefit. Short-term gains are taxed at your slab.

NAVBHARAT DATE:28/5/2023 P.No6

MOIL का दोहरे अंकों में वृद्धि का लक्ष्य

पहले ही लागू की जा चुकीं विशिष्ट योजनाएं

कंपनी ने वित्त वर्ष 23 के दौरान कर पूर्व लाभ और कर पश्चात लाभ (पीएटी) क्रमश: 334.45 करोड़ रुपये और 250.59 करोड़ रुपये अर्जित किया है. क्रमश: 39% और 38% कम हो गया है. बाजार की स्थितियों और जनशक्ति लागत में वृद्धि के कारण कम एनएसआर के कारण मुनाफा प्रभावित हुआ है. मॉयल द्वारा वर्ष के लिए अनुशंसित कुल लाभांश 3.69 रु. प्रति शेयर है. इस अवसर पर सीएमडी मॉयल अजीत कुमार सक्सेना ने दोहराया कि कंपनी उच्च वृद्धि दर हासिल करने के लिए पूरी तरह से प्रतिबद्ध है और इसके लिए विशिष्ट योजनाएं पहले ही लागू की जा चुकी हैं. कंपनी वित्त वर्ष 24 में दो अंकों की उत्पादन वृद्धि को लक्षित करते हुए अपने विकास की गति को जारी रखने के प्रति आश्वस्त है.

■ नागपुर, बिजनेस कनेक्ट. मॉयल के निदेशक मंडल ने 31 मार्च को समाप्त चौथी तिमाही और वर्ष के लिए वित्तीय परिणामों को मंजूरी दी. वित्तीय वर्ष 23 की चौथी तिमाही में मॉयल ने 4.02 लाख टन मैंगनीज अयस्क का उत्पादन किया जो पिछले वर्ष की इसी अवधि की तुलना में 7% की वृद्धि दर्ज कर रहा है. तिमाही के दौरान बिक्री भी बढ़कर 3.91 लाख टन हो गई जो पिछले साल की इसी अवधि की तुलना में 3% अधिक है. तिमाही के दौरान ईएमडी बिक्री से राजस्व में 48% की वृद्धि हुई है. कंपनी की स्थापना के बाद से किसी वित्तीय वर्ष के लिए कंपनी ने अब तक का दूसरा सबसे अधिक उत्पादन दर्ज किया. संदर्भित वर्ष में मैंगनीज अयस्क की बिक्री 11.78 लाख टन थी जो बाजार की स्थितियों के कारण वित्त वर्ष 22 की तुलना में थोड़ी कम हुई है. वित्त वर्ष 23 के दौरान ईएमडी की बिक्री कारोबार सीपीएलवाई से 100% से अधिक की वृद्धि दर्ज करते हुए एक नए उच्च स्तर पर पहुंचा है. कंपनी ने वित्तीय वर्ष 23 में 245 करोड़ रुपये का रिकॉर्ड पूंजीगत व्यय हासिल किया है जो वर्ष के शुद्ध लाभ के लगभग बराबर है. मॉयल ने वित्त वर्ष 23 में 41,762 मीटर की अब तक की सर्वश्रेष्ठ अन्वेषण कोर ड्रिलिंग की है जो पिछले 5 वर्षों में प्राप्त औसत अन्वेषण का 2.7 गुना है.

THE HITAVADA DATE:29/5/2023 P.No 6

MOIL targets double-digit production growth in FY'24

■ **Business Bureau**

WHILE approving the financial results for the fourth quarter and year ended on March 31, 2023 at the recently held meeting of board of directors of MOIL, Ajit Kumar Saxena, CMD of the company, reiterated that the MOIL was fully committed towards achieving higher growth and specific plans for the same had already been put in place. It was confident of continuing its growth trend, targeting double-digit production growth in FY'24.

In the fourth quarter of FY'23, MOIL produced 4.02 lakh tonnes of manganese ore, achieving a growth of 7 per cent over corresponding period last year (CPLY). Sales during the quarter has also improved to 3.91 lakh tonnes, up by 3 per cent over CPLY. EMD sales revenue during the quarter improved by 48 per cent y-o-y.

For the financial year, the company recorded second highest ever production since inception of the company. Sales of manganese ore in the year was 11.78 lakh tonnes, slightly lower than FY'22 on account of market conditions. Sales turnover of Electrolytic Manganese Dioxide (EMD) during FY'23 reached a new high, registering more than 100 per cent growth from CPLY.

The company achieved a record capital expenditure (CAPEX) of Rs 245 crore in FY'23, which is almost equal to the net profit (PAT) of the year. MOIL has carried out best ever exploration core drilling of 41,762 meters in FY'23 which is 2.7 times of the average exploration achieved in last 5 years.

BUSINESS LINE DATE:29/5/2023 P.No2

Europe, West Asia key buyers as steel exports up 13% in April

NEW MARKET. Spain emerged 2nd highest export market with a 155% jump in shipments

Abhishek Law
New Delhi

Indian steel mills tapped into new overseas markets like Spain in Europe, while shipments to West Asia more than doubled in April as finished steel exports increased by nearly 13 per cent on a year-on-year basis to 0.9 million tonnes last month. Exports in the year ago period was 0.76 mt.

Finished steel includes non-alloyed offerings, alloyed ones, and stainless steel.

In value terms, steel exports were to the tune of $901.3 million, up 1.3 per cent y-o-y. Exports last year in April were at $890 million (approximately).

For Indian steel mills, Spain emerged as the second-highest export market with a 155 per cent jump in shipments to 0.11 mt, as against 0.043 mt in April 2022. In value terms, exports increased by over 100 per cent to $110 million. This is the first time the European nation has made it among the top five in over 12 months, a report of the Union Steel Ministry, accessed by *businessline, shows.*

ROBUST DEMAND. Italy remained one of the top buyers of Indian steel at 0.21 mt, up 59 per cent y-o-y

TOP BUYERS

Italy remained one of the top buyers of Indian steel at 0.21 mt, up 59 per cent y-o-y or $183.2 million worth of exports. Shipments there were 0.13 mt in the year-ago period and were valued at $163.5 million. Meanwhile, the UAE saw shipments jump 298 per cent in volume and 144 per cent in value during April, to 0.06 mt and $51.3 million, respectively. "UAE has been buying steel to process and sell to Turkey, and some of the increase is also due to a low base effect," a trade source explained.

Vietnam, one of the key buyers of Indian steel, saw a 9 per cent yoy drop in orders to 0.061 mt, while Belgium saw 0.044 mt of orders being placed as it dropped from the list of the top 5 export markets for Indian steel mills.

CATEGORY WISE

"Volume-wise, HR Coil/Strip (0.331 mt) was the item most exported (accounting for 39 per cent share in total finished steel)," the Ministry report noted.

Flat product exports, like steel plates, hot-rolled coils and sheets, cold-rolled coils and sheets, electrical sheets, and tin plates, accounted for a 92 per cent share (up by 23 per cent). The other 8 per cent came from non-flats, like bars, rods, and railway structures. Exports in the segment were down 43.8 per cent.

Semi-finished steel shipments (which are not part of finished steel offerings) dropped 66 per cent, YoY, the report mentioned.

THE ECONOMIC TIMES DATE: 30/5/2023 P.No 6

Street Cheers SAIL's Capex Plans, Growth Guidance

Debt levels to fall on volume uptick, benign input costs; only some analysts raise targets as positives factored in

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Mumbai: Shares of Steel Authority of India (SAIL) saw their sharpest jump in three months Monday after its management guided for a 15% growth in sales volumes and lower costs for FY24 and set a target of nearly doubling annual output in eight years.

Shares rose more than 3% intraday before closing at ₹84.35 on the National Stock Exchange, up 2.7% from the previous close. Most analysts, though, have retained their 'hold' or 'neutral' rating for the shares as they believe that the current valuations factor in most positives for the company.

State-owned SAIL is among the largest steelmakers in India with the capacity to produce 19 million tonnes of steel each year. It has five integrated and three special steel plants in the country. Both its steel output of 18.3 million tonnes and sales volume of 16.3 million tonnes for FY23, were at an all-time high.

The management sees sales volumes for FY24 at 18.7 million tonnes, a growth of 15% on-year. It also sees the benefits of lower prices of coking coal flowing in from the September quarter onwards, even though this cost is likely to rise by ₹2,500 to ₹28,000 in the June quarter because of the company's inventory.

The state-run steelmaker's earnings fell short of analysts' estimates largely on weaker realisations

SAIL will also spend ₹1 lakh crore for debottlenecking and growth capital expenditure to reach 35 million tonnes, of which ₹6,500 crore will be spent in FY24, and ₹5,000-5,500 crore will be spent in FY25.

While the capital expenditure is expected to keep the debt cycle at an elevated level, analysts believe that the debt is likely to moderate this year with a release in working capital and softer coking coal prices, and can be used to fund the company's next leg of expansion.

"While we are cautious on SAIL's aggressive capacity expansion plan to reach 35 MT per annum by FY32, in the near term, the company is expected to benefit from lower coking coal price and volume uptick," said ICICI Securities, wh upgraded its rating to 'add' fr 'reduce' earlier, raising target pr by over 19% to ₹92.

Antique Stock Broking, which so has a target price of ₹92 for shares but with a 'hold' rating, s that the rising demand for steel the domestic market and a stea sales volume could help in offs ting the temporary rise in coal co in the June quarter.

SAIL reported its earnings l week, and its sales, operating pr and profit fell short of analysts' timates, largely on account of w ker realisations. The company r de an operating profit of ₹6,200 every tonne of steel sold in March quarter.

Kotak Institutional Equities s this falling to ₹5,009 per tonne FY24 and has cut its target price the shares by 9% to ₹50, main ning its 'sell' rating.

BUSINESS LINE DATE:30/5/2023 P.No9

NMDC Steel commissioning pushed back to June-end

Abhishek Law
New Delhi

NMDC, the country's largest iron ore miner, has pushed back the commissioning date of its recently demerged steel plant — NMDC Steel — to June-end. The commissioning of the plant, at Nagarnar in Chhattisgarh and with an annual capacity of three million tonnes (mt), has already slipped a number of deadlines, with the last one set by the Steel Ministry being March 31.

NMDC's investment in the steel plant is around ₹23,000 crore.

According to Amitava Mukherjee, CMD (Additional Charge), NMDC, the company is "more than confident" of commissioning the steel plant by June-end since all ancillary units are already producing. The coke oven batteries, central plant, power blowing unit, oxygen plant, among others all have been commissioned. "And the coke oven batteries are producing and selling coke," he told analysts during a call.

"Blast furnace refurbishment is on. And we should be able to blow-in by June 15. Then we process the hot metal and should get hot rolled coils (HRCs) by June-end," Mukherjee added.

NMDC has set a production and dispatch target of 46-50 mt (of iron ore) for FY24; with the capex target for the fiscal being ₹2,000 crore.

According to Mukherjee, nearly ₹7,000 crore worth of capex projects are in various stages of implementation, sanctioning, tendering and approval.

"From FY25 we should look at an annual capex of ₹3,000 crore, every year, for at least the next few years, failing which it would be very difficult for us to ramp up production," he said.

JSW, AMNS India and RINL are the key buyers. The company is yet to start exports.

While NMDC has not ruled out the probability of exports, it "does not see an economic case" in going ahead currently. In most cases, domestic realisations continue to be better, with higher margins over exports. Factoring in logistics costs, duties, and other charges, costs go up, Mukherjee said.

BUSINESS LINE
DATE:30/5/2023 P.No9

Zinc: Buy June expiry futures at current level

Akhil Nallamuthu
bl. Research Bureau

Zinc futures on the Multi Commodity Exchange (MCX) fell sharply last week as well. The continuous contract of the metal made a fresh low of ₹201.65 last Thursday, before closing the week at ₹209.3.

While the overall trend remains bearish, there is a strong support band between ₹200 and ₹204. While this does not guarantee a bullish trend reversal, the contract could bank on this support to perform a corrective rally, possibly towards the ₹230-240 region. A breakout of ₹240 can turn the near-term outlook positive. Resistance above ₹240 is at ₹250.

COMMODITY CALL.

On the other hand, if the contract slips below the support at ₹200, it will open the door for another leg of downtrend, which can drag the contract to ₹180 – a support. Subsequent support is at ₹170. Nevertheless, as mentioned above, zinc futures could see a corrective rally, providing us a trading opportunity. However, note that this is a high-risk trade as the broader trend stays bearish and the upside potential appears limited.

TRADE STRATEGY

Since the May contract is nearing expiry, traders can consider June futures for trading. Buy June expiry zinc futures at the current level of ₹212. Considering that the contract made a low of ₹204.15 last week, apt stop-loss can be at ₹200.

When the price touches ₹228, tighten the stop-loss to ₹222. Book profits at ₹235.

BUSINESS LINE DATE: 31/5/2023 P.No8

India is net copper importer for 5th year in a row owing to infra push, demand

Narayanan V
Chennai

India's copper imports increased 15 per cent year-on-year during the 2022-23 fiscal. The government's thrust on infrastructure coupled with a strong rebound in economic activities in sectors ranging from real estate to consumer durables and electric vehicle manufacturing have pushed the demand for the red metal.

As per Commerce Ministry data, India imported 2,75,341 tonnes of copper in the previous financial year. These include both refined and finished copper. Refined copper is the end product where impurities are removed from copper ore. Finished copper, on the other hand, refers to copper that has been processed and shaped into its final form such as wires, tubes, pipes, sheets etc.

Manish Gupta, Senior Director, CRISIL Ratings Ltd., said strong domestic demand for copper and supply challenges due to nil capacity additions in the domestic market are the two factors that pushed copper imports in FY23.

He said in fiscal 2023, domestic demand for copper grew at 18-20 per cent year-on-year mainly on account of weak base since demand for the previous two fiscals was impacted due to Covid pandemic. He said, post Covid, strong growth was witnessed in key sectors such as power, automobile, infrastructure and construction, which have spiked the demand for copper. "Usage of copper in EVs manufacturing is 2-3 times higher as compared to fuel-based vehicles," Gupta pointed out.

Spiking imports

Values in tonnes

Year	Exports	Imports	Net
FY18	4,19,138	2,38,874	1,80,264
FY19	61,516	3,44,748	(2,83,233)
FY20	42,293	3,57,423	(3,15,130)
FY21	93,900	2,38,483	(1,44,583)
FY22	1,20,302	2,38,694	(1,18,392)
FY23	61,057	2,75,341	(2,14,284)

Source: Ministry of Commerce #Figures include refined and finished copper

IMPORT

India's copper import in fiscal 2021 and 2022 stood at 2,38,483 tonnes and 2,38,694 tonnes, respectively. However, copper imports in FY23 were still lower than the pre-Covid high of 3,57,423 tonnes recorded in FY20.

Copper is the third most used industrial metal after steel and aluminum. Gupta said while the demand for copper increased in the previous fiscal, there has been no capacity addition in the country.

India used to be a net exporter of copper until FY18. In May, 2018 Tamil Nadu government ordered the State pollution control board to seal and "permanently" close Vedanta's Sterlite copper smelter plant at Tuticorin in Tamil Nadu citing pollution concerns and following violent public protests. Sterlite Copper plant was catering 40 per cent of the domestic demand until its closure.

According to estimates India's total refined copper production capacity is about 7.85-lakh tonnes, out of which Hindalco has about 5-lakh tonne capacity. Sterlite Copper has four lakh tonnes per annum (LTPA) capacity but it is not operational since 2018. Hindustan Copper roughly has a capacity of about 70,000 tonnes.

While the production has come down sharply since 2018, domestic demand has been going up consistently every year due to increase in annual capacity of renewable energy, rising use of copper in smart home appliances, rapid growth in the construction industry. According to the International Copper Association India, demand for red metal rose to 12.5-lakh tonnes in FY22 compared to 9.78-lakh tonnes in FY21. This is further set to go up in FY23

500 GW TARGET

India has set a target of 500 GW of renewable energy capacity by 2030. According to estimates, 3,000 kg of copper is required for generating 1 MW of power via the solar photovoltaic and onshore wind platforms. Power generation via offshore wind is even more copper-intensive, requiring over 8,000 kg of copper per MW.

BUSINESS LINE DATE: 31/5/2023 P.No8

Copper futures: Traders with high risk appetite can go short

Gurumurthy K
bl. Research Bureau

Copper price tumbled last week in line with our expectation before recovering. The copper futures (May) contract on the MCX fell to a low of ₹688.50 per kg on Thursday. Thereafter, it has recovered well and is currently trading around ₹703 per kg. We had expected a fall to ₹685 on a break below

COMMODITY CALL.

BL 31/5/23

₹700. Our targets of ₹710 and ₹700 on the short positions taken at ₹747 has been hit.

The copper June futures contract has a strong resistance at ₹717.

A trendline and the 200-day moving average resistances are poised around this level. Failure to breach ₹717 decisively can take the contract down to ₹700 again this week. A break below ₹700 will increase the downside pressure. Such a break can drag it down to ₹680.

Traders with high-risk appetite can go short on the copper June futures contract now. Accumulate on a rise at ₹715. Keep the stop-loss at ₹718. Trail the stop-loss down to ₹707 as soon as the contract falls to ₹705. Move the stop-loss further down to ₹706 when the price touches ₹704. Exit the shorts at ₹702.

MCX Copper

P8

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