KHANIJ SAMACHAR

Vol. 8, No-5

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भारतीय खान ब्यूरो
INDIAN BUREAU OF MINES
सतत कार्यरत
ON WITH THE JOB

खनिज समाचार

KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL. 8, NO -5 , 1st-15th MARCH 2024

LOKMAT DATE:1/3/2024 P.NO7

INDIAN BUREAU OF MINES

A Department under

Ministry of Mines, Government of India

Reform - Perform - Transform

COMMITTED TOWARDS SUSTAINABLE DEVELOPMENT OF INDIAN MINERAL SECTOR

EXTENSIVE USE OF DIGITAL TECHNOLOGY

PROACTIVE PERFORMANCE

TRANSFORMING MINING SECTOR

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INDIAN BUREAU OF MINES

ECONOMICS TIMES DATE:1/3/2024 P.NO10

New Coal Transport Plan to Reduce Congestion, Costs

Our Bureau

New Delhi: The government on Thursday announced a logistics plan aimed at transport of coal through network optimization that focuses on enhancing first mile connectivity and encouraging the rail-sea-rail route to bring down the congestion and cost of transport.

The plan entails mechanized loading and evacuation of 90% of coal produced through 'first mile connectivity' by FY30.

It also targets for the completion of coal PSUs funded rail connectivity projects by FY27. The coal logistics plan proposes a strategic shift towards a railway-based system in first mile connectivity projects, aiming for a 14% reduction in rail logistic costs and an annual cost saving of Rs 21,000 crore.

Coal Minister Pralhad Joshi underscored the imperative need for efficient logistics to meet the escalating energy demand projected to surge from 980 million tonnes to 1.5 million tonnes by 2030.

Joshi said that the ministry's initiative is to integrate and focus on rail-sea-rail transportation, which has grown around 50% over the past five years. The coal evacuation through this mode will be expanded to 120 million tonnes by FY 2030, he said.

The implementation of an integrated coal logistics plan would also entail coordination with other ministries for taking up identified coal evacuation infrastructure projects, including the proposed energy corridor of the railway ministry.

ECONOMICS TIMES DATE:1/3/2024 P.NO14

Diamond Traders in a Fix Over G7 Rule

Industry protests move as sending diamonds to Belgium for certification could hit most Indian players

Sutanuka.Ghosal
@timesgroup.com

Kolkata: India's Gem and Jewellery Export Promotion Council (GJEPC) and several global bodies dealing in diamond trade have raised concerns about the G7 bloc's demand to route rough and polished diamonds through Antwerp in Belgium for certification as non-Russian.

The G7 countries — the US, UK, Canada, Germany, France, Italy and Japan — have decided to prohibit imports of Russian-origin diamonds of 1 carat and above starting March 1 (Friday), even if they are cut and polished in a third country like India. The ban, as part of sanctions imposed on Russia since the start of the Ukraine war, will be extended to diamonds weighing 0.5 carats and above from September 1.

This could particularly hurt the diamond industry in India, which processes nine out of every 10 diamonds found in the world. The country exported more than $13 billion worth of cut and polished diamonds in the first ten months of fiscal 2024, nearly 28% lower compared with a year earlier.

The G7 countries have dumped the Kimberley Process Certification, which was in place all these years to ensure that the diamonds for exports are "conflict-free".

Losing Shine

G7 has decided to prohibit imports of Russian-origin diamonds of 1 carat and above starting Mar 1

Rule applies even if they are cut and polished in a third country like India

India processes 9 out of every 10 diamonds found in the world

$13 billion worth of cut and polished diamonds exported in the first 10 months of FY24

BHAVIN G

According to the diamond industry, there is no protocol in place to deduce traceability of diamonds and if everything goes through Antwerp, then it will not meet the objectives of the G7 and may create irreparable damage to the non-Russian diamond industry as well.

India's GJEPC, the World Federation of Diamond Bourses, World Diamond Council and the International Diamond Manufacturers Association have voiced their protest in a letter to the G7 protocol committee and asked it to immediately put in place a mechanism to trace the origin of Russian diamonds so that trade does not suffer.

GJEPC chairman Vipul Shah said all the diamonds that are being shipped to the G7 countries will get stuck at customs as the sanctions on 1-carat diamonds and above of Russian origin become effective on March 1.

The details shared by the EU require all diamonds to be shipped to Antwerp to be certified as non-Russian. Russia's state-owned Alrosa controls 30% of the world's rough diamond production, while the remaining rough diamonds majorly come from Africa.

BUSINESS LINE DATE:2/3/2024 P.NO3

Coal India production soars 10.5% to 685.1 mt during April-February

Mithun Dasgupta
Kolkata

State-owned miner Coal India on Friday said it produced 685.1 million tonnes (mt) of coal during April-February period of the current financial year, posting a 10.5 per cent year-on-year increase in output compared to 619.7 million tonnes (mt) during the same period last year.

In February, the production rose 8.72 per cent y-o-y at 74.8 mt as against 68.8 mt in the year-ago month, according to a stock exchange filing by the coal behemoth. The total offtake of coal during the first 11 months of this fiscal increased to 684.7 mt from 630.5 mt in the corresponding period last fiscal.

Notably, Coal India last month said it may witness a "shortfall" of around 10 mt of output against the production target of 780 mt for this fiscal, adding it will try to "minimise" the output gap.

"780 mt is our target (for FY24). And we are all set to go. Five companies (subsidiaries) are already ahead of the targets. But SECL (South Eastern Coalfields), due to some land shortage there initially, we are lagging behind. We are trying to make up with other two-three companies...so approximately around 770 mt is there for sure..." CIL Chairman PM Prasad said during Q3-FY24 results conference call.

The coal miner had registered the highest-ever coal production of 703.2 mt in the last financial year.

Coal-producing States earned ₹1.52-lakh cr as revenue in the last 9 years: Centre

Press Trust of India
New Delhi

Coal-producing States earned a revenue of ₹1.52-lakh crore in the last nine years from royalty, District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET).

State-wise and year-wise data indicate that the coal mining sector is a very significant contributor to the revenue of States including Jharkhand, Chhattisgarh, Odisha and Madhya Pradesh, the Coal Ministry said in a statement.

"During 2014-2023, total revenue from royalty, DMF & NMET of all coal-producing States through coal mining sector is ₹1,52,696 crore," the ministry said.

The compounded annual growth rate (CAGR) of the revenue from coal mining during 2014-2023 was 13.80 per cent, it said. Coal mining sector has proved to be a big booster for economic growth of the States that produce fossil fuel.

State governments are entitled to receive 14 per cent of royalty on the sale price of coal and 30 per cent of the royalty as contribution towards the proposed district mineral foundations — which is meant to support project-affected people — and 2 per cent of NMET from dry-fuel produced by the coal companies and also the private sector.

In case of captive, commercial mines States are also entitled to receive the revenue share offered by the auction holder in a transparent bidding process.

BUSINESS LINE DATE:2/3/2024 P.NO3

Businessline 2.3.24

10 offshore mineral blocks lined up for auction in June-July: Pralhad Joshi

Abhishek Law
New Delhi

The Mines Ministry has shortlisted 10-odd offshore mineral blocks for possible auction and has begun inter-ministerial consultations seeking necessary clearances.

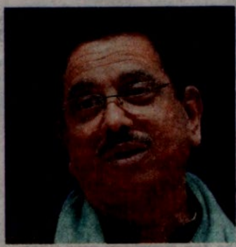
The auctions are likely to take place by June-July 2024, Mines Minister Pralhad Joshi told *businessline*.

"The blocks are located on both the east coast and west coast of India and are not attached with any particular State," the Minister said, adding that the typical minerals would include construction sand and lime mud, among others.

The Mines Ministry has so far identified 35-odd off-shore mineral blocks and if the auctions fructify, this would be the first time that such mining activities will be taking place in the country.

EXCLUSIVE ZONE

The Ministry has identified some blocks in exclusive economic zone of India, i.e., beyond territorial water (12 nautical miles), for the minerals lime-mud & poly metallic nodules. In this regard, it has also sought comments and inputs



Mines Minister Pralhad Joshi

from concerned Ministries/ Department for availability of the offshore blocks for grant of operating rights to avoid any overlapping with the projects.

"Inter-ministerial consultations have begun. We are talking to Ministries like Defence and others to get the necessary NOCs. But June-July you should see some of the auctions take place," Joshi said.

Some years back, the GSI had referred to findings of lime mud deposits in the Arabian Sea. The mineral, primarily imported, finds usage as a raw material in steel, paint, pharma and glass industries.

On the other hand, marine sand deposits (used in construction industry) were reported off the coast of Kerala.

Rules, which are under discussion state, in case of auction of construction grade silica sand and lime mud or calcareous mud, the auction for production in-lease can be made at G3 level of exploration as well.

OFFSHORE MINING

There are four stages of exploration for any mineral deposit: reconnaissance (G4), preliminary exploration (G3), general exploration (G2) and detailed exploration (G1).

Typically, offshore mining or deep-sea mining refers to the process of retrieving mineral deposits from the ocean below 200 metres — the deep seabed.

Submersible crafts equipped with giant suction pipes creep across the seabed in rows, stirring up metallic objects . The poly-metallic nodules are sorted, with unwanted sediment flushed back into the sea. Demand for these metals, to produce technologies like wind turbines, solar panels, batteries and smartphones, is set to soar to meet the growing demand for clean-energy technologies.

The Centre is also in the process of developing standard operating procedures to be followed if a private sector bidder wins the block for exploration

LOKMAT DATE:3/3/2024 P.NO4

आयबीएमचा स्थापना दिन साजरा

नागपूर : भारतीय खाण ब्युरोने १ मार्च रोजी ७७वा स्थापना दिन खनिज दिवस म्हणून साजरा केला. नागपूर येथील. मुख्यालयात अनेक कार्यक्रमांचे आयोजन करण्यात आले. मुख्य पाहुणे आयसीएआर-नॅशनल ब्यूरो ऑफ साईल सर्व्हे ॲण्ड लॅण्ड यूज प्लॅनिंग नागपूरचे संचालक डॉ. एन. जी. पाटील, अध्यक्षस्थानी खाण-एमइएसचे मुख्य नियंत्रक पंकज कुलश्रेष्ठ आणि आयबीएमचे खाण नियंत्रक डॉ. वाय. जी. काळे उपस्थित होते. डॉ. एन. जी. पाटील म्हणाले, देशाच्या आर्थिक भरभराटीसाठी खाण आणि खनिजे महत्त्वांचा कणा आहे. देशाच्या खनिज संपत्तीचे कार्यक्षम व्यवस्थापन करणाऱ्या आयबीएमचे कौतुक केले. कुलश्रेष्ठ यांनी आयबीएममध्ये सेवा देणाऱ्यांना शुभेच्छा दिल्या. प्रास्ताविक डॉ. वाय. जी. काळे यांनी केले. प्रारंभी दीपप्रज्वलन, भक्तिगीत गायन, प्रमुख पाहुण्यांचा परिचय, मान्यवरांच्या सत्काराने कार्यक्रमाची सुरुवात झाली. आयबीएम हिंदी मासिक 'खान भारती'चे प्रकाशन करण्यात आले. खनिज दिवसाच्या पूर्वसंध्येला आयबीएम मुख्यालयावर रोषणाई करण्यात आली. या दिवसाचा कार्यक्रम पंकज कुलश्रेष्ठ आणि प्रांड्या देव यांच्या नेतृत्वाखाली आयोजित करण्यात आला. आभार पराग तडलिंबेकर यांनी मानले.

THE HINDU DATE:2/3/2024 P.NO14

NMDC iron ore output, sales race past 40 million tonnes

State-owned NMDC reported 40.24 million tonne iron ore production and 40.48 MT sales for the 11 months ended February. These are the best ever cumulative volumes for the 11-month period and an almost 13% and a more than 21% increase, respectively, over the year-earlier period, India's largest iron ore producer said on Friday. Output and sales in the corresponding period of FY23 were 35.62 MT and 33.42 MT, respectively. February sales rose almost 6% to 3.99 MT (3.78 MT) and was a record for the month.

BUSINESS LINE DATE:3/3/2024 P.NO12

Govt pushes for coal mining gear to be made-in-India

Our Bureau
Chennai

Amrit Lal Meena, Secretary, Ministry of Coal BIJOY GHOSH

As India's coal sector ramps up production (from about a billion tonnes now to 1.5 billion tonnes by 2030) the sector is going to need a lot of mining equipment, opening a lucrative opportunity for manufacturers to make in India. These are machinery such as rope shovels, dumpers, dozers, motor graders, front end loaders and wheel dozers — all high-capacity equipment for opencast mines.

Underground coal mining offers another compelling opportunity. Because production from underground mines is less environmentally disruptive, the government is keen to raise it from about 25 million tonnes today to about 100 million tonnes in the next few years. These mines too need machinery, mainly 'continuous miners'. Make them in India: This was the message Coal Secretary Amrit Lal Meena, gave a 'stakeholders meeting' of representatives from mining equipment companies here today. Coal India, the country's biggest coal miner, today has 4,747 pieces of major mining equipment; it is going to need 9,361 more, as it ramps up production from 780 million tonnes in 2023-24 to 1,300 mt by 2029-30.

B Veera Reddy, Director (Technical), Coal India, said the country would need 20,155 pieces of equipment by 2030. Prabhat Mittal of Sandvik Mining and Rock Solutions, said that the company was interested in investing in India to make 'continuous miners' for UG mining. Referring to CIL's projected demand of 195 CMs by 2030, Mittal said that these machines called for 15,000-20,000 skilled jobs to operate and maintain them.

THE HITAVADA (CITYLINE) DATE:3/3/2024 P.NO6

MOIL achieves best ever February production

■ **Business Reporter**

CONTINUING with its stellar performance, MOIL achieved best ever February production of 1.51 lakh tonnes Manganese (Mn) ore, higher 15 per cent y-o-y. Production of 15.84 lakh tonnes upto February, 2024, has registered a remarkable growth of 37 per cent y-o-y, surpassing best ever production of any financial year since inception.

On the sales front too, the company has achieved sales of 1.56 lakh tonnes, 18 percent higher than February, 2023. During the year (upto February, 2024) sales of 13.91 lakh tonnes has been achieved, scaling an impressive growth of 32 per cent y-o-y.

The company has been giving utmost thrust to exploration month after month. In the current FY upto February, 2024, MOIL has carried out core drilling of 78,922 meters which is more than double y-o-y.

Ajit Kumar Saxena, CMD of MOIL Ltd., congratulated the team MOIL for their concerted efforts, resulting in this record performance, says a press release.

THE HITAVADA (CITYLINE) DATE:3/3/2024 P.NO6

Coal industry's role crucial in supporting Make in India campaign'

Business Reporter

COAL Secretary Amrit Lal Meena on Saturday emphasised the crucial role of the coal industry in supporting the Government's Make in India campaign.

He stressed the importance of infrastructure development, technological innovation, and investment opportunities within the coal sector in the country.

Meena was addressing a stakeholders' meeting on Make in India initiatives for Mining Machineries in Chennai.

The secretary highlighted the collaborative efforts required from public and private stakeholders to ensure sustainable growth and energy security.

He also stressed the immense potential for Indian and Overseas manufacturers in the country concerning the making of heavy earth-moving machinery and underground mining machinery.

Make in India is an initiative by the central government to create and encourage companies to develop, manufacture and assemble products made in the country and incentivise dedicated investments into manufacturing.

BUSINESS LINE DATE:4/3/2024 P.NO2

Coal India not to miss production target for 2023-24, say officials

M Ramesh
Chennai

Coal India Ltd is "very confident" of meeting the 780 million tonne production target for 2023-24, the company's officials told *businessline* in Chennai on Saturday.

This statement assumes significance against the backdrop of recent reports in the media that the public sector coal miner might miss its target by 10 million tonnes.

DEMAND AND TARGET

The company officials, who were present here for a stakeholders meeting to sensitise mining equipment manufacturers about the emerging demand for their products, said that the company had been misquoted and might miss the target. Also, the target for the next year has been fixed at 838 million tonnes, 7.5 per cent higher than the target for 2023-24.

The target for the next year has been fixed at 838 mt, 7.5 per cent higher than the target for 2023-24

Demand for coal is expected to go up from 1,180 million tonnes in 2023-24 to 1,464 mt in 2029-30. Coal India Ltd is expected to play a pre-eminent role in the supply of fuel.

TALCHER PROJECT

Amrit Lal Meena, Secretary, Ministry of Coal, said the ₹13,277 crore Talcher Fertilizer project is "50-plus per cent" complete and is expected to go on stream by October-November 2025.

The project is for gasifying coal to produce syngas and to produce neem-coated urea from the syngas. (A government press release of January 7, 2023, had said that the project "is expected to start by September 2024.")

When completed, it would be the country's first coal gasification project, gasifying 2.5 million tonnes of coal a year to produce 1.27 million tonnes of urea.

BUSINESS LINE DATE:4/3/2024 P.NO2

As govt pushes for higher production, output of captive, commercial mines likely to surpass 140 mt in FY24

Rishi Ranjan Kala
New Delhi

Coal production by the private sector is expected to surpass 140 million tonnes in FY24, as the Coal Ministry pushes for enhancing output from captive and commercial mines.

The Ministry's strategy is to auction more blocks under commercial mining to private players to enhance coal production in a bid to meet the rising demand for the critical commodity, which is likely to hit 1.5 billion tonnes by FY30.

Speaking to *businessline on the* sidelines of the launch of the integrated logistics policy, Coal Ministry Additional Secretary M Nagaraju said, "We wanted to review the production of captive and commercial mines in the private sector. Now, they are doing very well."

He emphasised that the Ministry in the last few years has focussed on a holistic approach to boost coal output through auctions, mechanisation, and integrated logistics planning, among others.

HIGHER PRODUCTION

"TillFebruary 28, we produced 120 mt (in FY24). We will be expecting to cross 140 mt this year (FY24). It's a big jump, great for the country," Nagaraju said.

Captive and commercial mine production stood at 123 mt in FY23, up from 86 mt in FY22.

Average daily coal production in February 2024 was 5.14 lakh tonnes (lt), which is a first for captive and commercial mines. The daily average dispatch stood at 4.46 LT. The overall production and dispatch from captive and commercial coal mines during April–February in FY24 were 126.80 mt and 128.88 mt, marking an annual growth of 27.06 per cent and 29.14 per cent, respectively.

DISTRIBUTION. As of February, the total number of producing mines stood at 54, of which 35 blocks have been allocated to the power sector, 11 to the non-regulated sector and 8 for the sale of coal REUTERS

As of February, the total number of producing mines stood at 54, of which 35 blocks have been allocated to the power sector, 11 to the non-regulated sector, and 8 for the sale of coal.

A total of 91 mines have been successfully auctioned under commercial coal auctions, out of which 7 blocks have already commenced production. The ministry is focussed on sustaining this growth trajectory, and the aim is to streamline operations and bolster the infrastructure to meet the rising energy demands, Nagaraju noted.

REGULAR MONITORING

The government is constantly reviewing the performance of the captive and commercial mines, which are expected to account for almost one-fifth of India's coal production by 2030. Monthly reviews are conducted with stakeholders on production and dispatch.

Appreciating the increase in production, it was impressed upon the miners to enhance production wherever it is feasible. Allottees were also advised to bring forward constraints in production and dispatch to the notice of the Ministry for timely resolution.

Nagaraju advised the allottees to take the necessary steps to operationalise coal blocks that are in advanced stages and support the sector's growth.

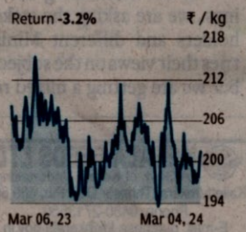
According to the integrated coal logistics plan, which was approved by the Empowered Group of Secretaries on the PM Gati Shakti National Master Plan in December last year, India's total domestic supply is expected to more than double from 691.39 mt in FY21 to 1,500 mt in FY30.

BUSINESS LINE DATE:6/3/2024 P.NO10

Retain longs in aluminium with stop-loss at ₹198

Akhil Nallamuthu
bl. research bureau

Aluminium futures on the Multi Commodity Exchange (MCX) bounced off ₹198 last week. On Monday, it closed at ₹202.05, which has also lifted the contract above the 20-day moving average (DMA). Thus, the bullish bias is retained by aluminium futures.



COMMODITY CALL.

From the current level, the nearest resistance is at ₹205, where the 50-DMA coincides. Nevertheless, we expect aluminium futures to get past this level and touch ₹210 in the near-term.

Notably, since June last year, the continuous futures of aluminium has been trading within the ₹192-210 price band. So, after rallying to ₹210, the contract could see a drop in price.

On the other hand, if aluminium futures decline from the current level itself, it can find support at ₹198 and ₹192. The next major swing in price depends on the direction of the break of the ₹192-210 range.

TRADE STRATEGY

Last week, we suggested going long on aluminium March futures at ₹198. Stop-loss was suggested at ₹190.

Retain this trade but raise the stop-loss from ₹190 to ₹198. Thereafter, when the contract rallies past ₹205, tighten the stop-loss to ₹200. Liquidate the longs at ₹210.

THE HITAVADA (CITYLINE) DATE:6/3/2024 P.NO6

India's coal output rises 12 pc to 881 mn tonnes in Apr-Feb: Govt data

Business Reporter

INDIA'S coal production rose 12 per cent to 880.72 million tonne in April-February this fiscal and is short of nearly 120 million tonnes from achieving its target of 1 billion tonnes for FY25, according to government data.

The country's coal production stood at 785.39 million tonnes in the year-ago period.

During 2022-23, India's total coal output was 893 million tonnes.

The government had set a target to produce 1 billion tonne of coal in the current financial year.

In a statement on Tuesday, the Ministry of Coal said the cumulative coal production in April-February 2024 grew 12 per cent to 880.72 million tonnes (provisional) compared to 785.39 million tonnes during the corresponding period of the previous year.

As per the data, the country's coal production rose 12 per cent in February to 96.60 million tonne compared to 86.38 million tonnes in the same month last year.

In February, the production of state-owned firm Coal India Ltd (CIL) rose 8 per cent to 74.76 million tonnes (provisional) from 68.78 million tonnes in February 2023, the ministry said.

The cumulative coal dispatch during April-February increased over 11 per cent to 882.44 million tonnes from 794.41 million tonnes in the year-ago period.

The coal dispatch grew 13.63 per cent to 84.78 million tonnes in February from 74.61 million tonnes in February 2023.

THE HITAVADA (CITYLINE) DATE:6/3/2024 P.NO6

Continue blending of 6% imported coal till June: Power Min to power plants

Business Reporter

THE power ministry has asked domestic coal-based thermal power plants to continue blending six per cent of imported coal until June 2024 amid the projection of an all-time high peak power demand of 250 GW in summer.

In a direction issued in October 2023, the power ministry had asked all thermal power plants to continue blending imported coal in view of supply issues and rising demand for electricity till March 2024 and also increase the blending proportion of imported coal from four per cent to six per cent in domestic fuel.

In a similar direction issued to power plants on Monday, the ministry noted that the peak power demand is likely to touch 250 GW in the summer season (April to June 2024).

The ministry has also observed that despite the increase in the loading of domestic coal rakes, the supplies of dry fuel will remain constrained due to various logistics issues associated with the railway network.

The ministry pointed out that in order to meet the power demand in crucial summer months and ensure uninterrupted power supply across the country, adequate coal reserves in domestic coal-based plants (DCB) should be maintained by all Central/State GENCOS and IPPs (independent power producers).

"The Ministry of Power, therefore, decided to extend the advisory date October 25, 2023, till June 2024," it stated.

The power ministry on September 1, 2023, issued an advisory for 4 per cent blending of imported coal by weight by DCB plants till March 2024.

But, later it found that there was a gap of 12 million tonnes between coal supplies and consumption from September 1 to October 9, 2023.

Thereafter, the ministry issued an advisory to increase the blending of imported coal to six per cent on October 25, 2023.

During 2023, the peak power demand had touched a time high of 243 GW in September.

Earlier on Monday, a senior official had projected 260GW peak power demand during this summer season.

ECONOMIC TIMES DATE:8/3/2024 P.NO11

Jewellers Report 15% Decline in Gold Demand

Sutanuka.Ghosal
@timesgroup.com

Kolkata: Consumers are starting to feel the pinch of record-high gold prices with jewellers like Joy Alukkas, WHP Jewellers, and Popley Group reporting up to 15% decline in demand since prices spiralled over the last two days. Jewellers in rural markets also confirmed a similar trend.

As things stand, demand is unlikely to recover in March and April due to prevailing firm prices and curbs on cash movement ahead of the upcoming general election, said Baby George, CEO of Joy Alukkas, one of the country's leading retail jewellery chains. Gold prices surged 4.11% in a week, reaching ₹65,400 per 10 gm on March 7, from ₹62,816 on March 1.

BUSINESS LINE
DATE:8/3/2024 P.NO8

COMMODITY CALL.

Copper: Go long, add on declines at ₹726 and ₹722

Gurumurthy K
bl. research bureau

Copper prices have risen well since mid-February. The copper futures contract traded on the Multi Commodity Exchange (MCX) fell to a low of ₹699.50 per kg in February. From there the prices have risen sharply. It is now trading at ₹731.

The price action on the charts indicate that the long-term downtrend is getting broken. Strong support is in the ₹725-715 region. Clusters of moving averages are also poised in this region. That makes the ₹725-715 support very strong, and it would be difficult for the contract to break below it.

We expect the contract to rise to ₹740-745 in the next few weeks. Such a rise will strengthen the bullish picture. It will then keep the doors open for the copper futures contract to target ₹770-780 in the medium-term over the next few months.

TRADING STRATEGY

Traders can go long now at ₹731. Accumulate on dips at ₹726 and ₹722. Keep the stop-loss at ₹718 initially. Trail the stop-loss up to ₹734 as soon as the contract moves up to ₹737.

Move the stop-loss further up to ₹739 when the price touches ₹742. Exit the long positions at ₹745.

THE HITAVADA (CITYLINE) DATE:8/3/2024 P.NO6

India likely to witness slower growth in steel consumption in FY25: ICRA

■ Business Reporter

INDIA'S domestic steel consumption growth is likely to come down to 7-8 per cent in the next financial year against an estimated 12-13 per cent this fiscal due to moderate government spending during the election period, ICRA said in a report on Thursday.

Elevated input costs, import pressures, along with softer steel prices are expected to sequentially pull down the steel industry's operating profit margins by 110-115 basis points in FY2025, the ratings agency said.

The domestic steel consumption could decelerate to 7-8 per cent in FY 2024-25 after three back-to-back years of double-digit growth, it said.

As per Icra, the demand in the ongoing 2023-24 fiscal is estimated to be in the range of 12-13 per cent while the growth of demand was 14.5 per cent in 2022-23 financial year, and 13.3 per cent in the preceding year.

Jayanta Roy, Senior Vice-President & Group Head, Corporate Sector Ratings, Icra said, "In the six-month period between June and November of 2023, as the Government accelerated infrastructure spending ahead of the union elections, domestic steel demand grew at a brisk pace of around 16 per cent over the same period of last fiscal."

However, the prints for December 2023 and January 2024 reveal a marked slowdown in consumption growth.

While these are early trends, these numbers nonetheless hint at demand remaining soft over the next two quarters as the government spending moderates around the election period, he said.

On the cost side, coking coal, which Indian mills largely import, remains the largest cost component for a primary steel producer, accounting for 40-45 per cent of the overall cost, followed by iron ore at 10-15 per cent, ICRA said.

ECONOMIC TIMES DATE:8/3/2024 P.NO10

SECTOR, WHICH has seen average rates decline for fifth month in a row, may benefit from fall in input costs & states' resumption of infra spends

Cement Prices in Free Fall, But Demand Expected to Recover

Rajesh.Naidu@timegroup.com

ET Intelligence Group: Cement prices fell for the fifth consecutive month in February 2024. According to various channel check reports of brokerages, the all-India average cement price dropped by 1.5% to ₹362 per 50 kg bag from a month ago.

Demand for cement has been weak for the past few months. A host of factors impacting construction activities include extreme weather, fog in the northern region, and issues pertaining to availability of sand. In addition, a higher competitive intensity has prompted larger cement companies to focus more on generating higher sales volumes rather than keeping cement prices firm.

Dealers expect demand to recover once states resume spending on infrastructure after general elections. Also, real estate companies have been showing good traction in residential sales. According to analysts, demand for residential properties has been higher than the existing inventory in the market. It is estimated that real estate generates 55% of total cement demand while the remainder is from infrastructure projects.

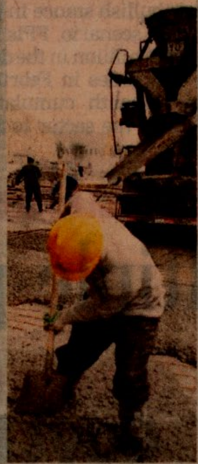
Benign cost of raw materials is another positive for the sector. Domestic and international pet coke prices were 25-31% lower in February compared with the year-ago levels. The power and fuel costs of cement firms are likely to decline by ₹150-200 per tonne year-on-year in the March 2024 quarter.

Analysts estimate that large firms including UltraTech Cement and Ambuja Cements will benefit materially once the demand recovers given their cost-efficiency, lean balance sheet, wide geographical presence and well-calibrated expansion.

Raw Material Costs of Cement Firms

Month	Averag US Petcoke Price ($/tonne)	Domestic Pet Coke (₹/tonne)	South African Coal ($/tonne)
Mar-23	164	17,654	132
Apr-23	144	16,511	131
May-23	127	14,639	114
Jun-23	107	13,230	102
Jul-23	108	11,856	101
Aug-23	122	13,182	112
Sep-23	128	14,329	116
Oct-23	128	13,660	129
Nov-23	132	14,509	113
Dec-23	123	13,546	109
Jan-24	113	13,172	97
Feb-24	117	13,172	94
Mar-24	123	13,237	101

Sources: MOFSL, Bloomberg, Industry



PRAVIN G

BUSINESS LINE DATE:8/3/2024 P.NO9

GMDC unveils ₹663-cr compensation plan for Odisha's Baitarani-West coal mine

Avinash Nair
Ahmedabad

Gujarat Mineral Development Corporation (GMDC) has unveiled a ₹663-crore 'land and resettlement and rehabilitation plan' to operationalise its first coal mine in Odisha. This involves acquisition of 354 hectares of government and private land for the proposed 'Baitarani-West' coal mine.

"This is Phase-1 of land acquisition for the mine that we plan to operationalise by the financial year 2025-26," said Roopwant Singh, MD of the state-owned company that is primarily focused on lignite mining in Gujarat.

The official told *businessline* that the company would begin its rehabilitation plan in the coming financial year, 2024-25. This is GMDC's first project outside Gujarat.

GMDC is the second largest producer of lignite in India. The company has designed an R&R plan for 1,500 affected families living in and around three villages. "We have given each family an option of two packages. They will be compensated for the discomfort and loss of assets.

EASING THE PAIN. The company has designed R&R plan for 1,500 affected families living in and around three villages

REHABILITATION

Our package is an improvement on the compensation offered by NALCO in the region about three years ago," Singh said. The land acquisition plan for this mine in Odisha comprises 154 hectares of government land, and almost 200 hectares of private land.

Under the first compensation package, each family will receive about ₹44 lakh as self-relocation and one-time cash payment. The second package offers a one-time cash payment of ₹20 lakh per family and ₹25,000 per month as annuity for 20 years. In a statement on Wednesday, GMDC said, "Key components of the land and R&R plan are its robust compensation and employment framework, designed to support the long-term financial stability of the affected families and land owners."

BAITARANI MINE

GMDC would move towards opening the mine with a peak rated capacity of 15 million tonnes per annum. This would be achieved in the next 5-6 years singh added.

This will be more than the 9 million tonnes of lignite that GMDC currently produces annually from five to six mines.

"The Baitarani mine will be among the top 20 coal mines of the country," Singh added.

In March 2023, GMDC won two coal blocks in Odisha -- the Baitarani-West block in Angul district, having a geological reserve of 1,152 tonnes, and the Burapahar block in Sundargarh district with a geological reserve of 548 million tonnes.

BUSINESS LINE DATE:8/3/2024 P.NO

Panel for rationalising GST compensation cess on coal

Rishi Ranjan Kala
New Delhi

An Inter Ministerial Committee (IMC) of the Coal Ministry has recommended the imposition of GST compensation cess on an *ad-valorem* basis. This means that the cess would be directly linked to the price and quantity of coal, as opposed to a fixed amount of ₹400 per tonne.

The Ministry constituted the IMC for preparing a strategy paper on import substitution. The aim is to stop coal imports in power sector by FY26.

One of the main reasons for higher import of coal in the country is the nature of GST compensation cess, which is presently being charged at a flat rate of ₹400 per tonne irrespective of quality, price and source (domestic/imported) of coal, the IMC pointed out.

The GST compensation cess is based on tonnage and not on gross calorific value (GCV). Imported coal being of high GCV (5,000-6,000 Kcal) compared with domestically supplied coal (3,000-3,500 Kcal), the tax incidence on imported coal on per Kcal basis is less compared with domestic coal, it added. The panel observed that the situation has resulted in a "regressive taxing regime".

HIGH BILL

The committee observed that the impact of cess, on the same quantity, becomes

An Inter Ministerial Committee, set up by the Coal Ministry, has suggested that GST compensation cess should be imposed on an *ad-valorem* basis instead of a fixed amount of ₹400 per tonne

much higher for coal with lower GCV compared with coal having higher GCV.

"In terms of percentage, total taxes come from 37 per cent to 52 per cent of value of coal in case of higher GCV domestic coal and from 60 per cent to 115 per cent in case of lower grade domestic coal. It has resulted in a kind of regressive taxing regime," it added. For instance, sponge iron associations have been saying that they use two tonnes of domestic coal of 3,500 Kcal for producing one tonne of sponge iron, entailing a coal compensation cess of ₹800. However, if imported coal with higher GCV is used, then one tonne would be required for producing a tonne of sponge iron and the cess would be ₹400.

During FY22, the GST compensation cess collected on import of coal was around ₹8,359.15 crore against the total import value of ₹22,8742.44 crore translating into the GST compensation cess incidence of 3.65 per cent. During the same period, GST compensation cess collected on domestic coal was around ₹29,096.8 crore against ₹11,7251.40 crore, translating into a cess incidence of 24.82 per cent.

The panel said that a ₹100 per tonne increase in coal price makes power costlier by around ₹0.06 per unit. So, the GST compensation cess alone is increasing the price by around ₹0.24 per unit.

"It is thus imperative that rationalising the GST Compensation Cess shall be considered for correcting the market distortion that favours coal imports," the IMC suggested.

On a long-term basis, the panel said that the cess may be imposed on "*ad valorem* basis" wherein the cess would be directly related to the price and quality of coal, instead of the present levy of a fixed amount.

BUSINESS LINE DATE:8/3/2024 P.NO8

Cut and polished diamond exports to hit 5-year low this fiscal: CareEdge Ratings

Our Bureau
Mumbai

The exports of cut and polished diamonds from India are expected to hit a five-year low in this fiscal, experiencing a dip of about 25-30 per cent to $16 billion as demand in the near term remains subdued.

Given the slowing economic growth in the US and China, along with intense competition from lab-grown diamonds, CareEdge Ratings expects no significant recovery in the segment during FY25. Additionally, the rise of alternative discretionary spending options and geopolitical tensions has negatively impacted CPD exports, leading to a 28 per cent year-on-year drop to $13.04 billion in the first 10 months of this fiscal.

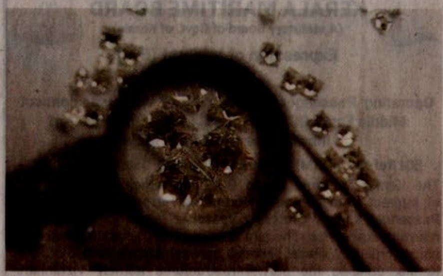
The impending impact of G7 sanctions on Russian-origin diamonds, regarding logistic and operational challenges for Indian CPD players, would remain a key monitorable, said CareEdge Ratings.

In the medium term, it said that CPD exports will be influenced by economic recovery in consumption markets, geopolitical landscape, and customer preference for diamond jewellery. The entities with prudent debtors and inventory management are expected to sail the tough tide.

Yogesh Shah, Senior Director, CareEdge Ratings, said players operating in smaller carat diamonds (below 0.3 carats) to be better placed as they have witnessed lower price erosion and limited impact of LGD diamonds.

Furthermore, the demand-supply imbalance has exerted pressure on the pricing of polished diamonds, resulting in a 5-10 per cent price decline for diamonds below 0.3 carats, a 20-30 per cent drop for 0.3-3 carat diamonds, and a 10-20 per cent decrease for diamonds above 3 carats last year. This imbalance and price correction have affected the export value.

Colin Shah, Managing Director, Kama Jewelry, said the last one and a half year has been a period of constant economic turmoil for the diamonds industry amid constant ongoing geopolitical crises, ranging from Russia-Ukraine war to Israel-Hamas conflict.



LOSING SHEEN. Due to slowing economic growth in the US and China, coupled with fierce competition from lab-grown diamonds, no substantial recovery is seen

Gold glitters on global cues, US Fed comments

Suresh P. Iyengar
Mumbai

Taking cues from global markets, gold prices continued to rally in the domestic market on hopes of sooner than later US Fed rate cuts following comments from the US Federal Reserve Chair Jerome Powell, besides higher purchase of gold by central banks in January.

Gold tends to rise when the US interest rates are low, which reduces the opportunity cost of holding non-yielding bullion. The yellow metal was up ₹462 per 10 grams to ₹64,955 after opening strong at ₹65,049 on Thursday, according to the Indian Bullion and Jewellers Association data.

Gold has rallied by ₹2,938 per 10 grams from ₹62,017 on February 19. In the derivatives market, gold for April delivery on MCX was up by ₹252 to ₹65,430 per 10 grams, while June contract was traded ₹248 higher at ₹65,888.

FED HOLDS THE KEY

Suvankar Sen, Managing Director, Senco Gold and Diamonds, said a financial crisis is brewing in the US with many smaller banks facing the heat. This apart, he said gold prices were driven by the expectations that the US Fed will reduced with the inflation showing signs of stabilisation at the lower end.

Tapan Patel, Fund Manager (commodities), Tata Asset Management, said despite higher interest rates in the US, gold prices have been rallying in the past year due to heightened geo-political risks and macro-economic challenges. Investors should look for optimum asset diversification and may look forward to having some exposure in gold on supportive market environment, he said.

BUSINESS LINE DATE:8/3/2024 P.NO3

Steel exports surge in Feb, but India still a net importer

Abhishek Law
New Delhi

In February, India's steel exports reached 1 million tonnes, a roughly 21 per cent surge compared with January, a report from the Steel Ministry accessed by *businessline* shows. Meanwhile, steel imports remained steady at 0.76 million tonnes. The country was a net exporter for the second straight month this year.

On a year-on-year (y-o-y) basis, outbound shipments increased 78 per cent in February and finished steel shipments coming in went up 29 per cent.

DEFICIT COMES DOWN

Exports stood at 0.8mt in January 2024, while imports was 0.77 mt for the month.

According to a Steel Ministry official, the import situation is "gradually improving" and it is being closely monitored. The fluctuations are seen as a short term phenomenon.

Increase in exports saw the country bring down the deficit (in volume terms) between shipments going out and coming in.

India continued to be a net importer at 0.9 mt for the first 11 months of FY24 (April – February), with the gap narrowing by 0.2 mt. For 11MFY24, imports were at 7.58 mt — up 36 per cent y-o-y, while exports were at 6.65 mt — up 13 per cent.

Imports outpaced exports during the April to Jan period by 1.1 mt, the highest in recent times.

"Exports are witnessing an up-trend over the last few months with Q4 (Jan - Mar) seen as a seasonally strong quarter. Global production glut is down. Imports have stabilised too. So if all things remain constant, the difference (between export and import) should even out soon," an exporter said.

As per the Steel Ministry report, exports of non-alloy steel — which is the key offering — saw an over 100 per cent y-o-y increase in February to 0.98 mt, accounting for majority of shipments made. In February 2023, the exports were at 0.49 mt. On the other hand, alloyed and stainless steel exports saw a 44 per cent increase to 50,000 tonnes. Exports in the segment stood at 90,000 tonnes in the year-ago period.

For imports, non-alloyed steel shipments coming in saw a 42 per cent increase to 0.61 mt last month, while alloyed and stainless steel shipments declined by 4 per cent to 0.155 mt. In the year-ago-period, non alloyed steel imports stood at 0.43 mt while alloyed and stainless steel shipments were at 0.161 mt.

IN SPOTLIGHT. Imports outpaced exports during the April-Jan period by 1.1 mt, the highest in recent times REUTERS

BUSINESS LINE DATE:9/3/2024 P.NO3

Coal production soars past 900 mt; exceeds last year's output

Our Bureau
New Delhi

The country's coal production not just surged past the magical 900 million tonnes (mt) on Wednesday, but also surpassed the FY23 output of 893.19 mt bringing India closer to its 1 billion tonnes (bt) target in FY24, ending March 31.

"Coal production in India has reached an unprecedented milestone, crossing 900 mt as on March 6, 2024, setting the stage to approach the ambitious 1 bt target by March 31, 2024. Notably, during the current fiscal year, India has achieved a remarkable feat by surpassing last year's coal production of 893.19 mt, twenty-seven days in advance," Coal Ministry said.

Last month, coal production surged to 803.79 mt on February 6, showcasing a notable increase from the 717.23 mt recorded during February 6 last year, reflecting an impressive growth of 12.07 per cent. The production figure of 800 mt was achieved on March 8, 2023 (30 days in advance).

AMPLE COAL STOCK

"Additionally, there is ample coal stock of around 85 mt available with coal companies, while domestic coal-based thermal power plants maintain coal stocks of 43.28 mt as of March 5, 2024, ensuring uninterrupted power supply across the country," the Ministry said.

The sufficient coal stock and record-breaking coal production facilitate meeting the escalating electricity demand, especially during peak consumption periods, thereby fostering stability in the energy sector and supporting economic growth, it added.

The coal sector demonstrated the highest growth of 10.2% (provisional) among the eight core industries for January

Besides, the coal sector demonstrated the highest growth of 10.2 per cent (provisional) among the eight core industries for January 2024 as per the Index of Eight Core Industries (ICI) (Base Year 2011-12).

The index of coal industry has reached 218.9 points during January 2024 as compared to 198.6 points during the same period last year and its cumulative index has increased by 12.2 per cent during April to January, 2023-24 over corresponding period of the previous year.

"The driving force behind this remarkable growth can be attributed to a significant surge in coal production during January 2024, with output reaching an impressive 99.73 mt, marking a remarkable increase of 10.20 per cent compared to the same period in the previous year," it said.

BUSINESS LINE DATE:8/3/2024 P.NO6

Metal, FMCG shares help Sensex, Nifty close firm

Press Trust of India
Mumbai

Benchmark Sensex and Nifty edged higher to close at fresh record highs on Thursday driven by gains in metal and FMCG shares amid firm global trends and foreign fund inflows.

In a highly volatile trade, the 30-share BSE Sensex advanced 33.40 points or 0.05 per cent to settle at a new peak of 74,119.39. During the day, it jumped 159.18 points or 0.21 per cent to hit an all-time high of 74,245.17.

The broader Nifty rose by 19.50 points or 0.09 per cent to close at a record 22,493.55. During the day, it climbed 51.6 points or 0.22 per cent to an all-time high of 22,525.65.

"Equity benchmark indices edged higher after hitting a record high amid a firm trend in the US market and FII inflows," Vinod Nair, Head of Research at Geojit Financial Services, said.

Among Sensex firms, Tata Steel rose the most by 3.9 per cent. JSW Steel gained 2.09 per cent, Tata Motors by 2.14 per cent, Bajaj Finserv by 2 per cent and Bajaj Finance by 1.71 per cent. Asian Paints, ITC and Nestle were also among the major gainers.

Mahindra & Mahindra, Reliance Industries, Axis Bank, ICICI Bank and Power Grid were among the laggards.

In the broader market, the BSE smallcap gauge climbed 0.70 per cent and midcap index spurted by 0.39 per cent.

Among the indices, Metal jumped 1.36 per cent, Capital Goods climbed 1.05 per cent. Commodities (1 per cent), FMCG (0.98 per cent), Telecommunication (0.98 per cent) and Industrials (0.93 per cent) also advanced.

Auto, Bankex, Oil & Gas and Realty were the laggards.

BUSINESS LINE DATE:9/3/2024 P.NO9

Rajasthan, Karnataka launch auction for exploration of critical minerals

STAGE SET. Maharashtra, Madhya Pradesh, Chhattisgarh and Andhra Pradesh are expected to follow suit soon

Abhishek Law
New Delhi

In a first, two States — Karnataka and Rajasthan — have launched auctions for exploration licences of critical and deep-seated minerals, while four others — Maharashtra, Madhya Pradesh, Chhattisgarh and Andhra Pradesh — are expected to follow suit soon.

Auctions in Rajasthan and Karnataka were launched on March 6, and covered critical and deep-seated minerals like gold, copper and lithium among others.

ENABLING MECHANISM. According to a Mines Ministry official, Karnataka launched the auction for one block each of gold, copper and lithium and Rajasthan launched auction for three blocks - one each of rare earth element, rare metals and potash REUTERS

OTHER STATES

"So six States were in advanced stages to launch auction for exploration licences. Andhra Pradesh, Chhattisgarh, Madhya Pradesh, and Maharashtra are next in line and are expected to launch the auctions in next few days. This is a first for India," Pralhad Joshi, Union Minister for Mines, told *businessline* during an interaction.

Joshi had previously handed over 20 blocks for exploration to the States of Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Telangana, Uttar Pradesh and Union Territories of Jammu & Kashmir and Ladakh.

According to a Mines Ministry official, Karnataka has launched the auction of one block each of gold, copper and lithium. While Rajasthan launched auction of three blocks — one each ofREE (rare earth element), rare metals and potash.

The other States where discussions are in an "advanced stage" cover mineral blocks such as tin, tungsten, REE, vanadium, copper, lithium, potash, PGE (platinum group of elements), diamond, potash and zirconium.

EXPLORATION DATA

Exploration licences aim to create an enabling mechanism wherein the Junior Mining Companies will bring in expertise from across the world in acquisition, processing and interpretation of exploration data. They leverage the risk-taking ability in discovery of deep-seated mineral deposits through the adoption of expertise and the latest technologies.

The Centre had earlier in March circulated a model tender document for auction for grant of exploration licence.

The exploration licence holder will explore the blocks and identify the areas that can be auctioned for mining lease.

MINING LEASE

The blocks explored by the exploration licence holder can be directly auctioned for mining leases, which are expected to fetch better revenues to the State Governments.

Preferred bidder in the auction of exploration licence shall be selected through reverse bidding.

The bidders will quote the share they will take in auction premium payable by the mining leaseholder of the blocks explored by them. The bidder quoting lowest percentage bid shall be the preferred bidder for an exploration licence, a Mines Ministry official said.

BUSINESS LINE DATE:9/3/2024 P.NO8

Tin prices rebound on supply threats, positive demand outlook

Subramani Ra Mancombu
Chennai

Tin prices have rebounded to a six-month high of $27,700 a tonne over the past fortnight on threats to supplies from key producers, especially Indonesia, and demand outlook turning positive.

"Despite a recent tax policy change in Wa state (Myanmar), the tin mines of the Man Maw mining area remain closed. Indonesian exports are now significantly delayed with still no trading activity on either the ICDX (Indonesia Commodity Derivatives Exchange) or JFX (Jakarta Futures Exchange) since the turn of the year," said Tom Langston, Tom Langston, Senior Market intelligence Analyst, International Tin Association(ITA).

FALLING SHORT. Indonesia's tin exports plummeted by 98 per cent in February even as uncertainty over production in Myanmar Wa State continued

SPECULATIVE INTEREST

Uncertainty over the licensing situation continues further complicated by ongoing police investigations and the recent presidential election in Indonesia, he said.

On Friday, three-month tin futures on the London Metal Exchange (LME) were quoted at $27,720 a tonne. Prices have rebounded from $26,170, a two-week low witnessed a fortnight ago. On the Shanghai Futures Exchange (ShFE), tin April futures ended at 2,21,870 Chinese yuan a tonne ($30,861) on Wednesday.

Langston said speculative positions for tin have surged to 1,116 contracts net long, reaching a peak not seen since the initial speculative support over the mining suspension in Myanmar last July. On ShFE, the open interest was 25,846 for April and 15,856 for May, signifying speculative interests in the metal as the positions rises for the May contracts.

The *Trading Economics* website said delays in approving annual mine work plans in Indonesia led to a near halt in exports in January, down from 6,000 tonnes in December 2023. Indonesia's tin exports plummeted by 98 per cent in February.

Uncertainty over production in Myanmar Wa State continues. In August 2023, the Myanmar *junta* banned mining from the State, which makes up 70 per cent of Yangon's output and is a significant supplier to China.

US research agency BMI, a unit of Fitch Solutions, said Indonesia's tin ingot export ban will continue to ensure the global tin market remains tight in the coming months, and prices do not collapse.

SEMICON, TECH SALES UP

"While mining at the Man Maw mine, accounting for almost all of Myanmar's tin supply, has not been reinstated yet despite the ban being lifted for all other mining operations from January 4, negotiations are ongoing and we expect a decision to be made in the coming weeks," the research agency said.

The developments will likely lead to a 5,000-tonne deficit in 2023 from a 6,000-tonne surplus in 2023. Rising semiconductor and technology sales, particularly in artificial intelligence and automotive chips, are expected to support tin prices in the coming months, *Trading Economics* said.

On the consumption side, BMI said global semiconductor sales data show that the decline in demand for semiconductors since mid-2022 has reached its trough, with sales increasing steadily since July 2023.

Earlier this year, the research agency said it had lowered its tin price forecast for 2024 to an average of $26,000/tonne from $28,000 previously, as prices start the year from a lower base on news of an easing mining ban in Myanmar.

"In the long term, prices will continue on an upward trend as demand remains robust and the market remains tight," said BMI.

BUSINESS LINE DATE:9/3/2024 P.NO8

Gold surges to a fresh high as US jobs data boost bets of an early rate cut

Reuters

Gold prices surged to a fresh record high on Friday as data showing a rise in the US unemployment rate boosted expectations that the Federal Reserve could begin cutting interest rates soon. Spot gold rose 0.5 per cent to $2,169.85 per ounce by 1428 GMT, while US gold futures added 0.6 per cent to $2,177.10. Bullion was on track to post its biggest weekly percentage increase since mid-October.

Gold reached an all-time high of $2,185.19 after a report showed a rise in the US unemployment rate and moderation in wage gains despite job growth acceleration in February. "We still believe the same underlying premise remains, which is the combination of the expectation that the Fed is still going to cut rates later this year and dollar weakness," said David Meger, director of metals trading at High Ridge Futures.

The dollar index was 0.3 per cent lower, making gold cheaper for overseas buyers.

Bear shadow over steel, base metals

MUTED SHEEN. Prices are expected to be under pressure in FY25, with possibility of a recovery in the final quarter

Akhil Nallamuthu
bl. research bureau

Companies using metals as key raw material have been enjoying low input costs in the last few quarters, thanks to the downtrend in metal prices. Steel and important metals such as copper, aluminium etc., hit record highs in early 2022 as the Russia-Ukraine war broke out, on fear of supply disruption that could hit the availability of commodities because of the conflict.

However, prices have tumbled since then due to weak demand and the rate hike cycle initiated by central banks, especially the Fed. S&P/TSX Global Base Metal Index (150.7) is down nearly 30 per cent from its peak of 212.3 hit on April 1, 2022.

Lower commodity prices helped India Inc with margin expansion in the last few quarters. What is the outlook on the metals front for FY25? Here, we look at the key factors that could decide the price trajectory of metals in the coming months.

THE CHINESE ANGLE

China's share of metal consumption accounts for 60 per cent of the global metals demand, according to the World Bank. This signifies the importance of this country.

But the decline in demand from the property sector was largely counter balanced by demand from renewable energy and Electric Vehicles (EVs) segments.

In 2023, China added 301 gigawatts of renewable energy capacity, which is nearly 60 per cent of the global addition of 510 gigawatts for the year. Within the green theme, the sales of EVs grew 38 per cent in 2023 and their share of total sales reached over 30 per cent in December last year. Thus, the demand for metals such as copper, that have green applications, and aluminium, used extensively in the automotive sector, remained steady.

However, going ahead, these may not repeat. While China could add between 200 and 260 gigawatts of green capacity in 2024, this will still be lower compared to 2023. Also, China has already reached its 1,200-gigawatt green capacity target for 2030 and so, the incremental additions will only go down. On the other hand, the growth rate in automobile sales, which stood at nearly 12 per cent last year, could significantly slow to 3 per cent this year. Overall, China, estimated to grow by 5.2 per cent in 2023, has set a lower target of 5 per cent for 2024. The IMF forecasts China to grow at a lower rate of 4.6 per cent.

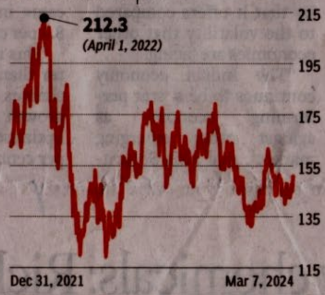
Though the demand from the green sector remained strong in 2023, the prices of key commodities such as copper and

Metal prices under pressure for last two years

Commodity	Price (as on Mar 8, 2024) ($/tonne)	1-year return (%)	2022 peak price ($/tonne)	Fall from peak (%)
Copper	8,579.5	-3	10,845	-21
Aluminium	2,240.0	-4	4,073	-45
Zinc	2,527.5	-15	4,896	-48
Lead	2,104.5	1	2,700	-22
Nickel	17,983	-23	55,000	-67

All prices are of 3-month rolling forward contract on LME
Source: Bloomberg

S&P/TSX Global Base Metal Index slumps



growth this year.

With respect to aluminium, even as China is nearing its self-imposed production cap of 45 million tonnes per year, expansion plans are on in other South-East Asia countries such as Indonesia. Consequently, the supply will continue to flow. Similarly, for nickel, supply growth from Indonesia, which accounts for over 50 per cent of the global supply, can result in more stockpiles of this metal.

Generally, subdued global economic activity and easing of supply constraints are likely to have a negative effect on prices in 2024.

MACROECONOMICS AND GEOPOLITICS

Global GDP growth, according to IMF estimates, is likely to stay flat at 3.1 per cent in 2024. But importantly, large economies such as the US and China are expected to see considerable slowdown. The former could grow at 2.1 per cent this year compared with 2.5 per cent last year and the latter could slow to 4.6 per cent in 2024 as against 5.2 per cent in 2023.

While the Euro area is expected to see a higher growth rate of 0.9 per cent in 2024 versus 0.5 per cent in 2023, higher interest rates could be a dampener. So, the support for commodity prices from this region could be limited. Higher interest rates in the US can also be a drag. Overall,

CONTINUED....

try in the commodity value chain. So, the Chinese demand is crucial for price recovery.

The property sector in China, which has been on a downward spiral since the breakout of Evergrande crisis in 2021, is still ailing. Even as the government is making attempts to revive it by easing financing, cautious approach by banks towards lending to realty firms could drag the revival.

This apart, the huge inventory and the housing stock under construction could take years before they are cleared. According to the International Monetary Fund (IMF), housing starts have now dropped by 60 per cent compared to pre-pandemic levels and real estate investment could drop by 50 per cent in the next decade. Manufacturing too is not encouraging. A Manufacturing PMI (Purchasing Managers Index) level of less than 50 indicates contraction and it remained below that level in China for 8 out of 12 months in 2023.

aluminium rose only 2 and 1 per cent respectively. As the consumption slows in the coming months, prices are less likely to be supportive. This is especially true when supply is forecast to be in excess of the demand in 2024 for most of the metals.

EXCESS SUPPLY

For commodity players, what is probably going to play spoilsport on steel and metal prices is comparatively faster growth in supply than demand.

According to the World Steel Association, the demand in 2024 is set to increase by 1.9 per cent to 1,849 million tonnes. However, because of the overcapacity in China and absence of decarbonisation measures, the production could easily exceed the consumption, weighing on the steel price. In 2023, supply exceeded production by 77 million tonnes, and the gap can go up further.

The International Copper Study Group forecasts that the global copper balance

Source: Bloomberg

could shift from a 27,000 tonnes deficit in 2023 to 4,67,000 tonnes surplus in 2024. While production outages in Chile, China and Indonesia supported prices to some extent in 2023, no major disruptions are expected in 2024. Mining output is expected to grow in Chile, the Democratic Republic of Congo, Indonesia, Peru, Russia, and Uzbekistan.

Likewise, the International Lead and Zinc Study group expects global lead and zinc balance to be at a surplus of 52,000 tonnes and 3,67,000 tonnes respectively. This is nearly a 50 per cent increase compared to 2023. This is because of the increase in primary lead production in countries such as Australia, Canada, China, India, and South Korea. For zinc, a strong rebound in Chinese production and expansion of supply from large projects in the Democratic Republic of Congo, Russia, and South Africa can result in production outpacing demand

it is important to note that, as we have discussed earlier, the recovery in China is key for commodities.

The upside risks for the prices can arise from supply disruption due to reasons such as escalation of conflict in the Middle East and the Russia-Ukraine war. This apart, there are issues on the lines of governments not permitting development of new mines due to environmental concerns, and production outages due to power or water constraint, etc. Adverse developments on these fronts can push the prices up considerably.

That said, at this juncture, the risks are broadly tilted to the downside because of potential weak economic activity, particularly in China, and growing supply of steel and almost all metals. A recovery in prices might be seen in 2025 due to potential improvement in demand but it remains uncertain. So, companies in India with steel and base metals as key inputs are expected to get continued support from the benign prices in FY25.

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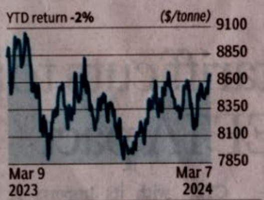
Technical analysis

Excess supply is anticipated to exert downward pressure on the prices. Broadly, the charts do not show indications of a bullish turnaround at present.

LME Copper ($8,579.5)



Copper futures on the London Metal Exchange (LME) has been oscillating between $7,900 and $8,700 since May last year. Resistance above $8,700 are at $9,000 and $9,400. On the other hand, support below $7,900 can be spotted at $7,200. A break below $7,200 can trigger another round of sell-off, possibly dragging the contract to $6,500 and then to $5,800. Going ahead, copper futures could fall to the price region between $7,500 and $7,200 in the coming months and then establish a long-term uptrend. Note that for the contract to turn the trend bullish, it should decisively invalidate the barrier at $9,400.

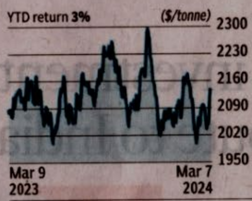
Support: $7,900 and $7,200
Resistance: $8,700 and $9,400

LME Aluminium ($2,240)

Aluminium futures on the LME has been charting a sideways trend since May 2023. It has been fluctuating between $2,100 and $2,385. The chart shows no bias on either side and so, the chances for the consolidation to continue are high. A breakout of $2,385 can lift the contract to $2,500 and $2,650. Note that $2,650 is the critical level and only if aluminium futures surpass this level can it establish a sustainable rally. On the other hand, in case the contract slips below the strong base of $2,100, we are likely to see a quick fall to $1,950, a support. Subsequent support is at $1,830.

Support: $2,100 and $1,950
Resistance: $2,385 and $2,500

LME Lead ($2,104.5)



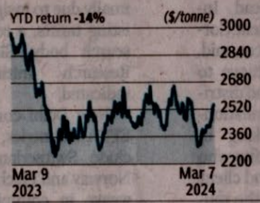
Lead futures on the LME, since the beginning of 2023, is moving horizontally. It has been tracing a broader sideways range of $2,000 and $2,300. Within this price region, there is a resistance at $2,170. But even before 2023, lead futures has not been steadily trending in either direction. So, we can expect the contract to behave that way in the coming months. We anticipate lead futures to stay in the $2,000-2,300 range over the medium term. Even if either of the boundaries of the range is broken, there are resistance and support near-by which can keep movement limited on either side.

Support: $2,000 and $1,915
Resistance: $2,170 and $2,300

LME Zinc ($2,527.5)

Zinc futures, like the other base metals, has been in a sideways crawl. It has been oscillating between $2,270 and $2,650 since May 2023. Immediately above $2,650 is another important hurdle at $2,700. So, the price band of $2,650-2,700 is a resistance band. If this is taken out, zinc futures can rally to $2,900. A breakout of $2,900 can lead to the contract establishing a strong upswing. But if zinc futures decline from here and drop below $2,270, it can fall to $2,040 and $1,800. If the downtrend to $1,800 happens, we can expect zinc futures to see a significant bullish reversal off this support.

Support: $2,270 and $2,040
Resistance: $2,700 and $2,900



LME Nickel ($18,011)

Nickel futures, which was stuck between $15,900 and $17,200 since November 2023, saw a fresh breakout last month. So, there is a chance for the contract to see further upside. However, the rally can be limited as there are resistances at $18,500 and $20,300. If the bulls can push the price above $20,300, then the long-term trend can turn bullish. But as it stands, the probability for that to occur is low. The upswing could be a corrective rally and we might see the price falling after reaching either of the resistance. If the support at $15,900 is breached, nickel futures can witness a fall to $14,280.

Support: $15,900 and $14,280
Resistance: $18,500 and $20,300

BUSINESS LINE DATE:11/3/2024 P.NO3

Assam, Gujarat and AP make strong pitch at coal mine auctions

SEAMLESS OPERATIONS. Tranche-wise reforms make the auctions smooth

Mithun Dasgupta
Richa Mishra
Kolkata/Hyderabad

States have been trying to outdo each other in the coal mine auctions with Assam, Gujarat and Andhra Pradesh bidding aggressively up to the seventh round. In fact, Assam has got three mines under its belt so far.

States and State-owned entities along with a few private sector players are battling it out at the auctions. Meanwhile, West Bengal's West Bengal Power Development Corporation Ltd (WBPDCL), which was disqualified in 2015, is still not eligible to participate. However, other State-owned entities can participate. The Coal Ministry on March 4 had termed any allegations of manipulation by the Ministry to disqualify WBPDCL as baseless.

According to WBPDCL Chairman & MD P B Salim, "We should be eligible to participate in auctions to get additional coal mines. The Centre does auctions in batches—some mines are in Bengal, some mines are in Odisha and some are in Jharkhand. Looking at the mines which are under auctions, if they are suitable for us in terms of economic feasibility, logistics and distance, then we would participate."

INVESTOR-FRIENDLY. The Ministry has simplified and made the terms and conditions flexible to attract investors REUTERS

Elaborating he said, "If the mine concerned is situated far from the State, then the transportation cost would be high and it may not be economically feasible. Purchasing coal from Coal India would be profitable in this case rather than participating in the auction."

AUCTION PROGRESS

On whether WBPDCL is looking at any particular mine through auctions, Salim said, "We will participate once the list is available."

According to a Coal Ministry official, seven rounds of commercial coal mine auctions have been completed and a total of 91 coal mines have been successfully auctioned. The 8th and 9th rounds of the auction are going on. Of the blocks under the hammer, there are 31 mines which were allocated but since have been terminated or surrendered.

REFORM IMPACT

Asked what has worked for a rather smooth auction, the official said, it is because of the tranche-wise reforms which the Ministry has undertaken. The introduction of market-linked transparent allocation mechanism shifts from the notified price regime to the National Coal Index (comprising of three components viz notified price of Coal India Ltd, auction price and imported price channel) has made it attractive. Others include no stipulation of technical or financial eligibility criteria to enable wider participation (domestic and international as 100 per cent FDI under automatic route is permitted for the sale of coal) and create competition. Migration to per cent revenue sharing mechanism instead of fixed ₹/tonne-based auction - floor price for the auction process has been kept reasonable at 4 per cent of revenue share to attract participation (i.e. equivalent to ₹50-85/tonne for G9-G14 grade of coal) as compared to ₹150/tonne of coal in the previous regime.

The requirement of a minimum number of technically qualified bidders for continuing the auction process has been brought down to two, instead of three earlier; reduced/ optimised payments and guarantees.

Besides, these incentives for promoting early production and clean technology along with bringing maximum coal to the market at the earliest possible and promoting the use of clean technology, have also proved to be an attraction. To make it investor-friendly, the Ministry has simplified and made the terms and conditions flexible.

BUSINESS LINE DATE:11/3/2024 P.NO2

'Expecting ₹10,000-cr investment in steel PLI next fisc

NOT A CAUSE FOR CONCERN. The Ministry is looking into the issue of increasing imports, which appears to be a temporary phenomenon

bl.interview

Abhishek Law
New Delhi

The Steel Ministry is expecting ₹10,000 crore of investments in specialty steel-making by PLI short-listed companies next year. Nearly ₹16,000 crore is expected by the FY24-end, Nagendra Nath Singh, Union Steel Secretary said.

The Ministry is looking into the issue of increasing imports, which looks temporary. In an interview to *businessline*, Sinha talks about the PLI scheme, working with the industry to minimise CBAM impact, reworking FTAs, maintaining the consumption momentum, among others. Excerpts:

How has the PLI scheme played out?

Under the PLI scheme, 57 MoUs have been executed for an investment of ₹29,500 crore with an additional capacity addition of 25 mt by FY28.

Our December review showed that selected companies have invested about ₹12,900 crore already, against an investment commitment of ₹21,000 crore up to the current financial year. It is expected that another ₹3,000 crore will be invested by FY24-end.

Thus about ₹16,000 crore of a total of ₹29,500 crore will be invested by FY24.

Another ₹10,000 crore of investment is being envisaged by the PLI companies in FY25. It may also be mentioned that five units have begun production and 9 more units are expected to begin production by March quarter-end.

> Europe is an important destination for Indian steel exports. Our Ministry is in consultation with the Commerce Ministry to take up at the appropriate forum, the concerns of our exporters
>
> **NAGENDRA NATH SINGH**
> Union Steel Secretary

But, green steel is yet to take off?

The first pilot project for use of green hydrogen under stainless steel was launched by the Union Steel Minister, Jyotiraditya Scindia on March 4. Tata Steel has already conducted trials and some other companies have their own plans. The National Mission on Green Hydrogen is supporting pilot projects in the steel sector with a budget of around ₹500 crore until FY30.

The CBAM concerns still loom large.

Europe is an important destination for Indian steel exports. Our Ministry is in consultation with the Commerce Ministry, to take up at the appropriate forum, the concerns of our exporters. Some of the discussions are going on with the European Union and other agencies for mutually beneficial outcomes. We are also looking to have stakeholder feedback during the just commenced implementation phase of reporting obligation.

Are the FTA reviews under-way?

The Government has been negotiating for melt-and-pour norms. The product-specific rules of origin will ensure that only those steel products melted and poured in the country with which we are having the trade agreement will be allowed to be traded. This also means, FTA benefits are available only to genuine manufacturers of another country, rather than those who re-route their products to India.

But imports are up, mostly from China. Is this worrying?

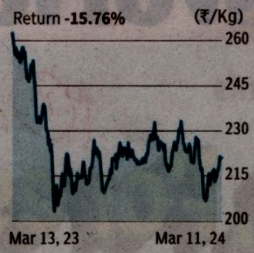
Steel is a deregulated sec Fluctuations in internati trade are influenced by prevailing global ma conditions. We think Inc mature steel industry has capability to weather the:

The steel import situa is gradually improv Shipments coming in being closely monitored its impact on the Inc

BUSINESS LINE DATE:12/3/2024 P.NO10

Zinc futures: Go long above ₹222, stop-loss at ₹219

Gurumurthy K
bl. research bureau



Zinc price has moved up well last week. The zinc futures contract on the Multi Commodity Exchange (MCX) rose over 3 per cent last week. The contract is currently trading at ₹221 per kg.

The weekly chart gives a mixed outlook. However, on the daily chart, a complex inverted head and shoulder is in the making. This leaves the bias positive. The neckline resistance of this pattern is coming around ₹222.

COMMODITY CALL.

A strong break above ₹222 will confirm the pattern breakout. Such a break will boost the bullish momentum. MCX Zinc futures contract can rise towards ₹233 in the coming weeks. Immediate support is at ₹219. Below that ₹217 is the next key support. Any intermediate dips are likely to be limited to ₹217. The price action on the daily chart indicates that there are good chances to get fresh buyers in the markets at lower levels and limit the fall.

The bullish outlook will get negated only if the Zinc futures contract declines below ₹217. In that case, a fall to ₹212-210 can be seen. For this fall to happen, the contract has to remain below ₹222 and break ₹217. But that looks less likely.

Traders can go long on a break above ₹222. Keep a stop-loss at ₹219. Trail the stop-loss up to ₹224 as soon as the contract moves up to ₹226. Move the stop-loss further up to ₹227 when the price touches ₹229. Exit the longs at ₹231.

BUSINESS LINE DATE:13/3/2024 P.NO2

Ambuja Cements to sell 2% stake in Sanghi Industries

Our Bureau
Mumbai

Adani Group-owned Ambuja Cements will offload 2 per cent or 51.66 lakh shares of its subsidiary Sanghi Industries to comply with SEBI's minimum public shareholding norms.

Starting Wednesday, the company expects to complete the share sale before February 6, 2025.

Shares of Sanghi Industries was up 8 per cent at ₹109 a piece on Tuesday.

Last December, Ambuja Cements completed acquisition of Sanghi Industries for ₹5,185 crore, which was funded entirely through internal accrual.

DECEMBER DEAL. Last December, Ambuja Cements completed acquisition of Sanghi Industries for ₹5,185 crore, which was funded entirely through internal accrual REUTERS

CONTINUOUS LISTING

Currently, the promoters own 72.59 per cent of shares while the remaining is held by the public.

As per SEBI norms, all listed companies have to maintain at least 25 per cent shareholding with public for the purpose of continuous listing.

"The promoter of the Company, Ambuja Cements, has conveyed to us, their intention to sell the Equity Shares to enable us to comply with minimum public shareholding norms," said Sanghi Industries in a statement on Tuesday.

BUSINESS LINE DATE:13/3/2024 P.NO10

Aluminium: Go long if futures breach ₹205

Akhil Nallamuthu
bl. research bureau

Aluminium futures on the MCX have been on the rise since the final week of February. Back then, it bounced off the support at ₹198.

COMMODITY CALL.

For the past few sessions, the contract has been moving around ₹203; it closed at ₹203.2 on Monday.

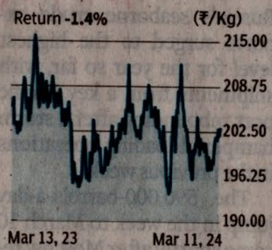
The 50-day moving average now lies at around ₹204, which is resisting the bulls.

In case aluminium futures take a U-turn, it can fall back to the support at ₹198.

If this level is breached, the contract can establish another leg of downtrend, where the price could decline to ₹192, a good base.

On the other hand, if aluminium futures cross over the ₹204-205 barrier, it can see a quick rally to ₹212.

A breakout of ₹212 can turn the medium-trend bullish. As it stands, from the current level of ₹203, the probability of a rally and a fall are similar.



TRADE STRATEGY

A couple of weeks back, we recommended going long on aluminium March futures at ₹198. Liquidate this position at the current level.

Consider fresh longs again if the contract breaches ₹205. Target and stop-loss can be at ₹212 and ₹202.

BUSINESS LINE DATE:13/3/2024 P.NO10

Gold prices down marginally amid weak global cues

Our Bureau
Mumbai

Gold prices were down marginally at ₹65,566 per 10 grams taking the cue from a weak trend in the global markets.

Opening weak at ₹65,615 against ₹65,646, gold prices on Tuesday fell by ₹80 after hitting a new high on Monday, according to data available with the Indian Bullion and Jewellers Association.

In the US market, the yellow metal dropped to $2,180 an ounce after hitting a record high of $2,195 on Monday on expectations of the US Fed cutting rates in June. The focus has now shifted to the all-important US Consumer Price Index inflation data to be released late on Tuesday.

On MCX, gold for April delivery was down by ₹462 at ₹65,573 per 10 gram while the May contract dipped by ₹661 to ₹73,853. Ravindra Rao, Head Commodity Research, Kotak Securities, said COMEX gold prices rose for the eight consecutive day as signs of a slowdown in US economy raised the odds of a Fed pivot this year, weighing down on the dollar index and treasury yields.

SLIPPING DOWN. In the US market, the yellow metal dropped to $2,180 an ounce after hitting an all-time high of $2,195 on Monday on expectations of the US Fed cutting rates in June REUTERS

MAY ADD TO RATE CUT

If the ongoing disinflationary trend continues, it might add to rate cut bets and boost gold prices, he added.

Rahul Kalantri, VP Commodities, Mehta Equities, said hopes for a Federal Reserve rate cut bolstered gold and silver, pushing gold to trade at record highs. Hedge funds have notably increased their long positions in gold to unprecedented levels, he said.

According to US CFTC (Commodity Futures Trading Commission) data, he added net long positions in gold surged by 95 per cent, reaching 109,763 contracts—a significant increase from the previous week.

BUSINESS LINE DATE:13/3/2024 P.NO3

Coal miners to ramp up RE capacity to over 9 GW

Our Bureau
New Delhi

The Coal Ministry in a bid to reduce carbon footprint has directed coal and lignite mining PSUs to increasingly adopt renewable energy with the sector aiming to add 9 gigawatts (GW) of clean energy by the end of the decade.

At present, the combined solar capacity installed by leading coal companies, including Coal India (CIL), NLC India (NLCIL) and Singareni Collieries Company (SCCL) stands at around 1700 megawatt (MW), supplemented by an additional 51 MW from wind mills, the Ministry said.

"Looking towards the future, the coal sector aims to ramp up renewable energy capacity to over 9 GW by the year 2030, signalling a profound commitment to sustainability and environmental stewardship," it added.

Besides, innovative plans are underway to develop solar parks within the reclaimed mining areas as well as other suitable lands, leveraging underutilised land resources for sustainable energy generation.

NEW DIRECTIONS

In order to minimise carbon footprints of mining, the Ministry has issued directives to coal companies to accelerate adoption of solar energy solutions. This includes installation of rooftop solar panels on all government buildings and establishment of solar projects in de-coaled

areas and other suitable lands, effectively harnessing solar potential in previously utilized spaces.

The Ministry has also initiated Pump Storage Projects (PSP) in de-coaled coal mines to diversify energy sources. This aims to utilise solar energy for hydroelectricity, promoting sustainable development in the coal sector.

De-coaled mines offer viable sites for PSPs due to the availability of a lower reservoir, water head and land. CIL and NLCIL are conducting feasibility studies on pump storage projects (PSPs).

CIL has identified 24 abandoned mines and other sites. Stakeholder consultations are ongoing to finalise business models like EPC and PPP, with plans for collaboration with state governments, private players and research institutions.

The Ministry has also joined hands with the Ministry of New and Renewable Energy to take up projects on green ammonia/hydrogen. CIL has identified surplus land parcels for feasibility study.

BUSINESS LINE DATE:13/3/2024 P.NO3

Alloy-steel makers want more items in PLI 2.0

Abhishek Law
New Delhi

Alloy-steel producers have approached the Steel Ministry for extending the ambit of the PLI (productivity-linked incentive) 2.0 scheme to include categories like super-alloys and titanium alloys, among others, which log an annual import bill exceeding ₹5,000 crore. The steel makers also want a higher quota for export to Europe with a parity in tax structures.

Alloying elements such as molybdenum, manganese, nickel, chromium, vanadium, silicon and boron are added in the range of 1-50 per cent to increase the strength, hardness, wear resistance and toughness of steel.

In a letter to the Steel Secretary, the Alloy Steel Producers Association of India sought a relaxation in investment-linked norms and production capacities. It said that "...flexibility should be given to the applicant company to decide on the investment in any upstream or downstream facility as per their requirement".

INCOMING. Manufacturers want inclusion of super-alloys, remelted steel grades, titanium alloys in PLI 2.0 KAMAL NARANG

The manufacturers have requested that all the categories of alloy long steel included in PLI 1.0 should also remain under PLI 2.0, which is currently under review.

"Large number of automotive, speciality alloy grades and defence-related grades have been left out of the PLI... which must be included in PLI 2.0," the letter stated. It called for the inclusion of super-alloys, remelted steel grades, titanium alloys, speciality high alloy steels — used across sectors like nuclear, defence, automotive, aerospace, oil and natural gas, among others, and imported in huge quantities.

For instance, annual import of super-alloys in the last three years averaged ₹1,374 crore, while for titanium alloys it was ₹618 crore and for speciality steel around ₹3,500 crore.

The manufacturers also asked for PLI rate rationalisation baseline price revision.

LEVEL PLAYING FIELD

The steel mills wanted a level playing field across export markets. In a separate letter to Union Steel Minister Jyotiraditya Scindia, the mills pointed to the "discriminatory" import duty in countries like Brazil and Mercosuer (the trade block including Argentina, Brazil, Paraguay and Uruguay) of 12-18 per cent.

They also pointed out that export quotas remained lower than expected, "and get exhausted in the first day of the quarter". Any export beyond the quota attracts punitive action. They also requested the Commerce Ministry to handhold them ahead of the upcoming Carbon Border Adjustment Mechanism (CBAM) and its related challenges.

NAVBHARAT DATE:14/3/2024 P.NO2

23 रेत माफियाओं को दबोचा

■ ब्यूरो, वर्धा. वर्धा नदी के सालफल रेत घाट पर पुलिस ने बड़ी कार्रवाई करते हुए 2 करोड़ 16 लाख का माल जब्त किया. पुलिस ने 23 आरोपियों पर मामला दर्ज कर उन्हें गिरफ्तार किया. यह कार्रवाई के बाद रेत माफियों में खलबली मच गई है. जिले के वर्धा, वना, यशोदा नदी घाट से बडे पैमाने पर रेत की अवैध रूप से चोरी की जाती है. वर्धा, यवतमाल व अमरावती के रेत माफियाओं के हौसले इतने बुलंद है कि दिन व रात नदी घाट से रेत की चोरी की जा रही है. पोकलैंड मशीन व बोट की सहायता से नदी के पात्र से रेत की खुदाई की जाती है. पुलगाव समीप के सातेफल रेत घाट से अवैध रूप से बड़े पैमाने पर रेत तस्करी की जा रही है, ऐसी जानकारी पुलिस को मिली. पुलिस अधीक्षक नुरूल हसन, अप्पर पुलिस अधीक्षक सागर कवड़े, पुलगांव के

उपविभागीय पुलिस अधिकारी राहुल चव्हाण, आयपीएस अधिकारी तृष्टी जैन के मार्गदर्शन में पुलिस निरीक्षक प्रमोद बानबले, पुलिस निरीक्षक दीपक निंबालकर व पुलिस हेड क्वार्टर के दल ने सालफल के घाट पर छापा मारा. इस दौरान जेसीबी की सहायता से टिप्पर में रेत भरते हुए तथा डिपो और दस टिप्पर दिखाई दिये.

THE HITAVADA (CITYLINE)
DATE:14/3/2024 P.NO6

MOIL achieves EMD production of 1328 MT in FY24

MOIL has recorded highest ever production of Electrolytic Manganese Dioxide (EMD) of 1328 MT in the current FY (up to March 10, 2024) which is higher by 30% over the corresponding period of last year. With this, MOIL has also exceeded the previous highest EMD production of 1312 MT achieved in FY 2006-07.

Electrolytic Manganese Dioxide (EMD) is a 100% import substitution product, mostly used in pharmaceuticals and batteries. MOIL has set up a plant based on indigenous technology to manufacture 1500 MT per annum capacity of EMD at Dongri Buzurg mine. This plant, commissioned in 1991, is the only plant producing EMD in India.

THE HITAVADA (CITYLINE) DATE:14/3/2024 P.NO6

'Coal Ministry to ensure 874 mn tonnes coal supply for power sector in FY25'

■ Business Reporter

THE Coal Ministry is geared up to meet 874 million tonnes of anticipated coal demand for the power sector in 2024-25, Union Minister Pralhad Joshi said on Wednesday.

For the financial year ending March 31, the Power Ministry had placed a requirement of 821 million tonnes, Joshi told PTI on the sidelines of the release of the 'PM Gati Shakti National Master Plan in Coal Sector' booklet.

Their (Power Ministry's) demand has been met. They had asked for 821 million tonnes and it has been supplied, the Minister said.

"For FY25, the Power Ministry has asked for 874 million tonnes of coal. We will fulfil this requirement also. We are going to cross 1 billion tonne coal production by this March," he said.

The share of imported coal for blending purposes has gone down this fiscal compared to last financial year, Joshi said.

In FY24, coal import for blending was around 22.20 million tonnes, while it was at 30.80 million tonnes in the financial year 2022-23, he said.

Savings to the tune of Rs 82,264 crores had been made through the reduction of coal imports in just one year, Joshi said. The Government is aiming for zero import of coal by 2026. The Coal Ministry is also engaged with the Ministry of Railways for availability of rakes, Joshi said. The average availability of rakes for the transportation of coal has also improved from 369 rakes per day last fiscal to 392 rakes/a day till date, the Minister said.

The availability of rakes will improve accordingly this year as well, he said.

On the release of the booklet, Joshi said, "It will ensure seamless utilisation of information on PM Gati Shakti projects. It has information related to various projects and cases, needing prompt resolution."

There are also two applications to identify land for development purposes and provide potential coal block information to investors, he said.

BUSINESS LINE DATE:15/3/2024 P.NO7

Seven critical mineral blocks see less than three bids in first round

Abhishek Law
New Delhi

Seven critical mineral blocks, including lithium, that were put up for auction in first round, have received less than three bids. Meanwhile, India's Mines Ministry on Thursday launched the third tranche of e-auction covering these blocks. These blocks have received less than three bids in first round of e-auctions., a Ministry official said.

These blocks pertain to critical minerals such as glauconite, graphite, nickle, PGE (platinum group of elements), potash, lithium, and titanium. They are spread across the States of Bihar, Jharkhand, Tamil Nadu, Uttar Pradesh and the Union Territory of Jammu and Kashmir.

These seven mineral blocks are auctioned under second attempt of auction as per sub-rule 10 and sub-rule 11(b) of rule 9 of Mineral (Auction) Rules 2015, the Ministry said in a statement. The notice inviting tender has been published on MSTC e-auction portal and on the website of Ministry of Mines.

These would be composite licences.

The Central government has launched auction of a total of 38 critical and strategic minerals till date. The first tranche - in November- and second tranche- in February - consisting of 20 and 18 blocks respectively were launched by Union Minister of Mines, Pralhad Joshi. The date for commencement of sale of tender document for the third tranche is March 20, 2024.

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