KHANIJ SAMACHAR

Vol. 8, No-6

(As appeared in National/Local Newspapers Received in Central Library, IBM, Nagpur)

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खनिज समाचार

KHANIJ SAMACHAR

A FORTNIGHTLY NEWS CLIPPING SERVICE
FROM
CENTRAL LIBRARY
INDIAN BUREAU OF MINES

VOL. 8, NO –6 , 16th –31st MARCH 2024

THE HITAVADA
DATE:16/3/2024 P.NO3

7 miners killed in coal mine accident

BEIJING, Mar 15 (PTI)

ALL the seven miners who were trapped since Monday in an underground warehouse of a coal mine in north China's Shanxi Province were confirmed dead.

The coal pile in the warehouse collapsed at midnight on Monday when miners were repairing a coal feeder, burying seven people, said Gao Naichun, head of the mine.

The last body was retrieved on Friday morning, marking the end of the rescue mission at the coal mine of the Taoyuan Xinlong coal industrial corporation in Zhongyang County.

LOKMAT
DATE:16/3/2024 P.NO3

सूरजागड खाण प्रकरणी हायकोर्टाने सरकारला फटकारले

लोकमत न्यूज नेटवर्क

नागपूर : सूरजागड येथील लोह खनिज विदर्भाबाहेरील उद्योगांना अवैधरीत्या विकले जात असल्याच्या आरोपाची एक वर्षापासून दखल न घेतल्यामुळे राज्य सरकारला मुंबई उच्च न्यायालयाच्या नागपूर खंडपीठाचा दणका बसला. या मुद्यावरून न्यायालयाने सरकारला चांगलेच फटकारले.

यासंदर्भात प्रकृती फाउंडेशन या सामाजिक संस्थेने उच्च न्यायालयात जनहित याचिका दाखल केली आहे. त्यावर न्यायमूर्तिद्वय नितीन सांबरे व अभय मंत्री यांच्यासमक्ष सुनावणी झाली. दरम्यान, फाउंडेशनचे वकील ॲड. महेश धात्रक यांनी सरकारच्या उदासीन भूमिकेकडे न्यायालयाचे लक्ष वेधले. न्यायालयाने १८ जानेवारी २०२३ रोजी फाउंडेशनच्या निवेदनावर निर्णय घेण्याचा आदेश सरकारला दिला होता. आज हायकोर्टाने संबंधित निवेदनावर निर्णय घेण्याचे व त्याची माहिती येत्या ३ एप्रिलपर्यंत सादर करण्याचे निर्देश दिले.

THE HINDU
DATE:19/3/2024 P.NO11

Tata Steel UK to cease operations of coke ovens at Port Talbot

The Hindu Bureau
MUMBAI

Tata Steel UK said it would cease operations of the coke ovens at the Port Talbot facility, in Wales, following a "deterioration of operational stability."

The company said it would increase coke imports to offset the impact of the coke oven closures.

Tata Steel had previously stated that many of its heavy-end assets in Port Talbot were at their end-of-life capability.

'In talks with unions'

"Tata Steel is currently at an advanced stage of consultations with trade unions... on its proposal for the planned restructuring involving closure of the iron and steelmaking assets at Port Talbot, and subsequent transition to sustainable low-CO_2 steelmaking involving a £1.25 billion investment in Electric Arc Furnace technology in Port Talbot and asset upgrades," the company said in a statement.

BUSINESS LINE DATE:19/3/2024 P.NO2

Govt to handhold private players in acquiring critical mineral blocks overseas

Abhishek Law
New Delhi

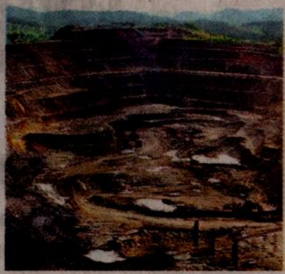
The Mines Ministry is looking to facilitate and handhold Indian companies — including private ones and conglomerates — to acquire or secure offtake agreements for critical minerals overseas. Critical minerals include lithium, cobalt and copper.

The preference would be for minerals used primarily for clean energy that find use in electric vehicles (EVs), energy storage needs like batteries and solar tech, Ministry officials told *businessline*.

The Ministry has also suggested that subsidiaries of CPSEs be allowed to expedite the acquisition process. Several PSUs such as Coal India, NLC India Ltd and NTPC are looking to secure lithium, cobalt and graphite assets overseas. NMDC, a CPSE under the Steel Ministry, is carrying out pre-feasibility studies for lithium in Australia.

ARGENTINA BLOCKS

In January, India made its first-ever acquisition of five lithium blocks in Argentina through the state-owned Khanij India Bidesh Ltd (KABIL). About ₹200 crore is expected to be invested over a five-year period for exploration, commercial offtake and sale of lithium. "This is one initiative by a PSU and with the Minister approving it, things moved fast. But there are other private companies.... They all want to get into this (acquiring critical minerals overseas)....We are encouraging that (across other PSUs)," an official said.



Industry associations have also been asked to explore interest in investing on cobalt and copper resources of Congo REUTERS

The Ministry will facilitate discussions and business meetings at government-levels for acquisition of such critical mineral blocks.

"For instance, there is one Indian company which is getting into EVs and has announced setting up a plant in one of the eastern States. It would be requiring lithium. So it is likely to go abroad for acquisitions, or look around to secure off-take agreements. We are encouraging such activities....and would facilitate meetings as and where required," the official said.

"We are also meeting several of these private companies and trying to understand their requirements and make plans accordingly," another official added.

Apart from Argentina, India had previously tapped Australia and Chile for lithium resources. While on Chile it is "currently going slow", due diligence activities are being carried out in two blocks in Australia.

TAPPING AFRICA

Industry associations are being tapped to bring in their members and explore investment opportunities across African nations too. Mongolia too is being explored for opportunities.

For instance, a major CPSE had agreed to tap Mongolia for copper resources — investment in mining activities and other options including ownership — and has been planning to visit the country.

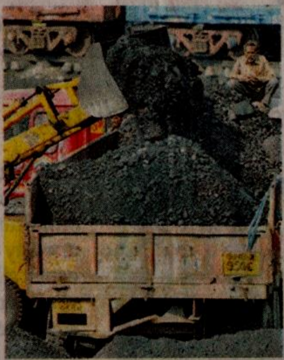
In another case, a private company is looking at the possibility of getting into Zimbabwe.

Industry associations are asked to check out for interest in investment in cobalt and copper resources of Congo too.

BUSINESS LINE DATE:21/3/2024 P.NO5

Purchase of Russian coking coal at all-time high of 6 mt in 11 months of current fiscal

Abhishek Law
New Delhi



India's coking coal purchase from Russia has seen a near three-fold jump over the last seven years, to over 6 million tonnes (mt) for the April–February period of FY24. Average coking coal purchase from Russia has been in the 1.8 mt range over the last few years.

Russia, which emerged as the third largest supplier from the second half of FY24, is increasing its market share at the cost of Australia and other smaller countries such as Canada and Mozambique.

The US is the second largest (buying) source for Indian mills with 7.54 mt of supplies, up 100 per cent over the last seven-year average shipments of 3.7 mt.

Coking coal is a key feedstock material for steel-making, and India, the second largest steel maker, is among the highest importers of the material globally.

According to data compiled by various ministries and trade sources, Russian coking coal shipments grew by 214 per cent YoY from 1.92 mt for 11MFY24. In earlier years, coking coal shipments coming in were at 1.32 mt in 11M FY22, 2.02 mt in FY21, 2.61 mt in FY20, 1.27 mt in FY19 and 1.82 mt in FY18, as per data compiled by market research firm BigMint.

With Europe not buying, Russian coal comes into India at a near 20-30 per cent discount over Australian hard coking coal prices, which currently are around $270-280 per tonne range.

BEYOND AUSTRALIA

"Trends indicate that Russia will continue to remain the third largest supplier of coking coal with shipments being double that of Canada (3 mt for 11MFY24). For one, government-backed steel majors like SAIL are buying more, and then some of the larger private players are settling for Russian coking coal," a Ministry official aware of the numbers told *businessline*.

Alternatively, Indian mills are also looking beyond Australia to secure coal. "Price volatility of Australian coal is higher and as prices have gone up over time, Indian mills increased blending with coal from other sources. Hence, the share of Australia in overall coking coal supplies is going down too," Steel Ministry sources said.

For instance, Australian coal shipments are now 58 per cent of total shipments or 31 mt of 53 mt; down from 67 per cent a year ago (34 mt of 51 mt in 11MFY23).

Over the seven-year period, shipments (from Australia) are down from a high of 78 per cent in 11MFY18 (38 mt of 49 mt) and 77 per cent (37 mt out of 48 mt) in FY19.

Overall coking coal imports stood at 53 mt for 11MFY24, up 4 per cent over the same period last fiscal.

BUSINESS LINE DATE:21/3/2024 P.NO8

Nickel crashes on 2.5x rise in Indonesian output

NEAR 3-YEAR LOWS. Chinese investors behind the metal flooding global market following Jakarta ban on ore exports from 2020

Subramani Ra Mancombu
Chennai

Four years ago, Indonesia decided to permanently ban exports of nickel ore to attract foreign investments so that domestic processing can be encouraged and the raw materials can be used for further downstream industries.

The ban enticed foreign investors, mainly from China, to construct smelters and increase exports so much so that Indonesia's nickel production has increased 250 per cent since 2021. As a result, nickel prices are currently ruling near three-year lows.

On Tuesday, the three-month nickel contract was quoted at $17,670 a tonne. Prices are, however, 8 per cent higher since the beginning of the year.

Nickel, used in electric vehicle batteries, alloys, coins and rocket engines, was the worst performer on the LME in 2023 with prices falling 47 per cent. 2023 was the second worst year for price growth after 2008, said ING Think, the economic and financial analysis wing of Dutch multinational financial services firm ING.

According to Australia's Office of the Chief Economist, from a peak of over $30,000 a tonne in January 2023, the LME nickel price continued to fall during 2023. "After averaging just over $20,000 a tonne in the September quarter 2023, nickel prices declined further in the December quarter 2023, to average around $17,600/t," it said in its quarterly review.

According to ING Think, one of the key drivers of the nickel price has been the supply surge from Indonesia.

PROBLEM OF PLENTY. The supply surge has forced research agency BMI to cut its price forecast for 2024 to $18,000 from $20,000 a tonne

The supply surge has forced research agency BMI, a unit of Fitch Solutions, to cut its price forecast for 2024 to $18,000/tonne from $20,000 "as global nickel production surges, driving up the market surplus".

"We anticipate that a significant increase in supply in 2024 (as seen in 2023), fed by heightened production in Indonesia and China, will be the core driver of price losses," the research agency said.

The supply surge in Indonesia has resulted in a slew of shut downs or production cuts by corporates across the world. On Monday, Australian BHP Group said its nickel division could be "put on ice" due to a severe price slump. The Australian major mining company's officials issued fresh warnings about the difficulties in the nickel sector.

ECONOMIC OUTLOOK

BMI said the decline in nickel price was attributable to an oversaturated market, coupled with lacklustre demand. "We expect similar dynamics to cap price growth in 2024 as production in key producers China and Indonesia surges ahead. At the same time, a subdued global economic outlook across major economies will keep demand tepid, which will contribute to the expanding global surplus," it said.

ING Think said despite the recent mine supply cuts, rising primary nickel output from Indonesia will keep the market in surplus this year, marking the third consecutive year of excess supply.

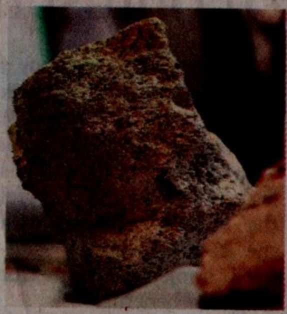
The Australian Office of the Chief Economist said in addition to softening world industrial production and manufacturing activity, the nickel market is watching the surge in output in Indonesian — both current and prospective — for a rise in inventories.

BMI estimates a significant increase in supply in 2024 (as seen in 2023), fed by heightened production in Indonesia and China, will be the core driver of price losses. "We project a surplus of 263,000 tonnes in the global nickel market in 2024, up slightly from a surplus of 209,000 tonnes in 2023," it said.

BUSINESS LINE DATE:22/3/2024 P.NO9

Uranium's 22% price plunge is bottoming out on nuclear future

Bloomberg



Uranium may have lost some sizzle after an electrifying 10-month rally, but analysts and investors aren't losing faith in the long-term prospects of the nuclear fuel.

After a 22 per cent decline over six weeks, industry experts and analysts say that the uranium market has likely set a new floor thanks to a strong demand outlook.

"We have reached a bottom," said Jonathan Hinze, president of UxC, a nuclear industry research firm. "The fundamentals are still strong, with increased demand and supply that hasn't fully responded."

Uranium futures are trading at $88.50 a pound in New York — down from the 16-year high reached in February, but still well above last year's average price of $66.60. There are indicators uranium's new floor is at around current levels, Cantor Fitzgerald analyst Mike Kozak said in an interview, predicting that fundamental buyers will come back into the market and drive up prices again.

CLIMATE CHANGE

Bullish investors are betting on the long-term prospects of the radioactive metal due to a growing supply gap and increased demand as governments worldwide turn to nuclear power to counter climate change.

Such demand comes as Canada's Cameco Corp. and Kazakhstan's Kazatomprom, which together account for half of global supply, warned of supply setbacks in the coming years.

Kazatomprom, the No. 1 producer, said during its March 15 earnings call that it is projecting a 21 million pound supply deficit in 2030 — a shortfall that would multiply to 147 million pounds by 2040.

Geopolitics may also affect the supply outlook.

Still, with other uranium miners looking to dust off mothballed operations in response to higher prices, there are risks a rally could fizzle out quickly, much in the same way that a boom in battery metals markets turned to bust over the past couple years.

DAINIK BHASKAR DATE:22/3/2024 P.NO16

रेत तस्करी: आधा दर्जन पर कसा शिकंजा

दो वाहन, जेसीबी व रेत सहित कुल 50.36 लाख का माल जब्त

अपराध संवाददाता | नागपुर

रेत तस्करों पर पुलिस ने शिकंजा कसा है। कामठी रोड स्थित भिलगांव में छापामार कार्रवाई की गई है। यशोधरा नगर थाने में प्रकरण दर्ज कर आरोपियों के कब्जे से दो टिप्पर, जेसीबी सहित लाखों रुपए का माल जब्त किया गया है। कार्रवाई के दौरान कुछ समय के लिए तनाव का माहौल बना रहा। इस बीच छह लोगों के खिलाफ प्रकरण दर्ज कर उन्हें गिरफ्तार किया गया है। गुरुवार की दोपहर उन्हें अदालत में पेश किया गया था।

बिल्डिंग मटेरियल सप्लाई करता है तस्कर

आरोपियों में मुख्य रेत तस्कर अश्विन उर्फ विक्की अशोक गेडाम (29) कामठी रोड मसाड़ा निवासी है। उसकी बिल्डिंग मटेरियल सप्लाई करने की दुकान है। उसके लिए वह चोरी से रेत लाकर दुकान के पास जमा करता था और वहां से रेत ग्राहकों को सप्लाई करता था। बुधवार की शाम गश्त के दौरान अपराध शाखा के यूनिट क्र. पांच की टीम को रेत से भरा टिप्पर क्र. एमएच 40-6865 कामठी रोड स्थित नाका नंबर 2 से जाते हुए दिखाई दिया।

मिला रेत का भंडार

संदेह होने से पुलिस ने टिप्पर को रोका और तलाशी के दौरान टिप्पर में रेत दिखी। रेत की रॉयल्टी मांगने पर टिप्पर चालक शब्बीर अली शैफ अली (34) मूलतः मध्य प्रदेश के सिवनी जिला वर्तमान में भिलगांव, क्लिनर विशाल पांडुरंग उईके (24) भांडेवाड़ी निवासी संतोषजनक जवाब नहीं दे पाए। सख्ती बरतने पर उसने स्वरा ट्रेडर्स के पीछे से रेत लाने की बात बताई। उसके बाद पुलिस ने छापामरा तो वहां पर बड़े पैमाने पर जमा रेत मिली। जिसे जेसीबी क्र. एमएच 40 सीबी 7665 की मदद से दूसरे टिप्पर क्र. एमएच 31 सीक्यू 1892 में भरा जा रहा था। जिससे टिप्पर चालक कैलाश शंकुलाल उईके (25) सिवनी जिले के ही गणेशगंज वर्तमान में भिलगांव ही, कन्हैयालाल कैलाश प्रसाद यादव (31), जेसीबी चालक सारंग परमानंद कोवे (22) गोंड़ मोहल्ला पारडी निवासी के खिलाफ भी प्रकरण दर्ज कर उन्हें गिरफ्तार किया गया है। उनके कब्जे से दो टिप्पर, जेसीबी और रेत सहित कुल 50 लाख 36 हजार रुपए का माल जब्त किया गया है।

THE HITAVADA (CITYLINE) DATE:22/3/2024 P.NO6

India's coal import rises to 212 MT in Apr-Jan period

■ **Business Reporter**

THE country registered a marginal rise of 1.65 per cent in coal imports to 212.24 Million Tonnes (MT) in the April-January period of the ongoing fiscal, over the year-ago period.

India's coal import was 208.78 MT in the corresponding period of the previous fiscal, according to data compiled by mjunction services ltd.

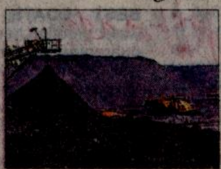
Mjunction services ltd is a B2B e-commerce platform.

During the April-January period of the current fiscal, the volume of non-coking coal imports was 136.47 MT, slightly lower than 136.90 MT imported during the same period last financial year, according to the data.

Coking coal import was at 47.32 MT during the April-January 2023-24, higher than 46.09 MT recorded in the April-January period of FY23.

The coal import in January through the major and non-major ports also increased to 19.81 MT, over 16.97 MT in the corresponding month of the previous fiscal.

Of the total imports in January, non-coking coal import was at 12.10 MT, against 10.01 MT imported in January last financial year. Coking coal imports stood at 4.50 MT, marginally lower than 4.74 MT imported in the corresponding month of previous fiscal.



"The demand for imported coal in India has weakened in recent weeks. We expect this trend to continue in March in view of the ample availability of domestic coal at mine pitheads and thermal power plants," mjunction services MD and CEO Vinaya Varma said.

According to the provisional data of the government, the country's coal production in the April-January period rose to 784.11 MT over 698.99 MT during the same period in 2022-23.

THE HITAVADA
DATE:22/3/2024 P.NO7

12 miners killed in coal mine explosion

QUETTA, Mar 21 (PTI)

TWELVE miners were killed and six rescued after an explosion in a coal mine in the Zardalo area of Balochistan's Harnai district.

The explosion took place on Wednesday due to leakage of methane gas, they said.

As a result of the explosion, 18 miners were trapped inside the mine. A rescue operation was launched but only six of them could be pulled out while the remaining 12 died, according to the officials.

The rescued miners were found unconscious.

Balochistan chief inspector of mines Abdul Ghani Baloch said methane gas accumulated overnight in the mine, leading to the explosion.

"The rescue operation has been completed by the Government mining department and the disaster management agency and all 12 bodies have been recovered and sent to the hospital," he said.

Abdullah Shahwani, the province's Director General of mining, also confirmed the death toll in the mine cave-in some 80 kilometres east of Quetta.

Deaths of miners are frequently reported in the mineral-rich Balochistan province where, according to Shahwani, unregulated mining is a major problem. "In these unregulated mines, there is a dearth of safety measures and working conditions are poor," he said.

LOKMAT DATE:22/3/2024 P.NO3

सोन्याची विक्रमी उसळी; जीएसटीसह भाव ६९,२०० रुपये

आंतरराष्ट्रीय घडामोडींचा परिणाम : २० दिवसात चार हजारांची झळाळी

लोकमत न्यूज नेटवर्क

नागपूर : आता पुन्हा एकदा सोन्याच्या किमतीने विक्रमी उच्चांक गाठला आहे. देशांतर्गत जोरदार खरेदीमुळे नागपूर सराफा बाजारात दहा ग्रॅम शुद्ध सोन्याचा भाव तीन टक्के जीएसटीसह ६९,३०० रुपयांवर पोहोचला आहे. दरम्यान, सोन्याची सततची वाढ इथेच थांबणार नाही. लवकरच ७० हजारांचा आकडा गाठणार असल्याचे मार्केट विश्लेषकांचे म्हणणे आहे. भाववाढीमुळे लोक आवश्यक प्रसंगासाठी सोने खरेदी करीत आहेत.

सोन्याच्या दरात जगभरात अचानक तेजी आली आहे. मार्च महिन्यात सोन्यात कमालीची वाढ झाली आहे. तीन टक्के जीएसटीसह ४,१२० रुपयांनी वाढले. त्यामुळे गुंतवणूक करणाऱ्यांमध्ये उत्साहाचे वातावरण आहे, तर लग्नसराई आणि अन्य कारणांसाठी खरेदी करणाऱ्यांमधून नाराजी व्यक्त करण्यात येत आहे.

दिनांक	सोन्याचे दर (जीएसटीविना)
१ मार्च	६३,२००
२ मार्चला	६३,९००
५ मार्चला	६५,१००
९ मार्चला	६५,९००
१८ मार्च	६५,७००
१८ मार्च	६६,०००
२० मार्च	६६,०००
२१ मार्च	६७,२००

मार्च महिन्यात जीएसटीविना सोन्याच्या किमती पाहिल्यास १ मार्चला दर ६३,२०० रुपये, २ मार्चला ६३,९००, ५ मार्चला ६५,१००, ९ मार्चला ६५,९०० रुपये, त्यानंतर १८ मार्चपर्यंत सोन्याचे दर ६५,५०० ते ६५,७०० रुपयांदरम्यान होते. १८ मार्च रोजी सकाळच्या सत्रातच सोन्याच्या किमतीने ६६ हजारांचा विक्रमी आकडा गाठला होता.

हे भाव २० मार्चपर्यंत कायम होते. मात्र, २१ मार्च रोजी सकाळच्या सत्रात अचानक १,२०० रुपयांनी भाव वाढून ६७,२०० रुपयांवर पोहोचले. त्यानंतर दुपारी पुन्हा १०० रुपयांची वाढ होऊन भावपातळी ६७,३०० रुपयांवर पोहोचली. त्यानंतर १०० रुपयांची घसरण होऊन भाव पुन्हा ६७,२०० रुपयांपर्यंत उतरले. सोने ७० हजारांचा आकडा गाठणार असल्याचा तज्ज्ञांचा अंदाज खरा होताना दिसत आहे.

THE HITAVADA DATE:22/3/2024 P.NO9

STOPPING ILLEGAL MINING HIGH PRIORITY FOR GOVT: COAL SECY

KOLKATA, Mar 21 (PTI)

THE Coal Ministry has reaffirmed its commitment to curbing illegal mining, designating it a top priority for the Government, an official said.

Coal Secretary Amrit Lal Meena said the identification process for permanently closing 69 mines has been finalised and will be executed promptly. Addressing the 17th Indian Coal Markets Conference here, Meena highlighted that out of the 225 mines that have ceased production, efforts are being made to repurpose them for alternative uses, such as renewable energy projects like solar parks and pump storage ventures.

"Stopping illegal mining is a high priority for the government. We have taken stock and conducted surveys of closed and abandoned mines. We are trying to offer these closed mines to the private sector where resources are available. However, where this is not possible, the mines will be permanently closed," said Meena.

Amrit Lal Meena

In terms of logistical support, Meena mentioned that the government will provide assistance to all coal mines, whether public or commercial, through railway connections under PM Gati Shakti.

Approximately 38 projects have been identified for railway evacuation connectivity and are currently at various stages of development, he said.

On coal production, the official said India is poised to achieve one billion tonnes by 2025-26 and surpass 1.5 billion tonnes by 2030, although the coal's share in the energy demand basket may decline over time.

"Coal India is expected to reach the one-billion-tonne milestone by 2025-26, with a target of 780 million tonnes for the current fiscal year," he added.

Meena also highlighted the successful production from several commercial mines auctioned, with significant interest from private sector entities in underground mining.

ECONOMIC TIMES DATE:22/3/2024 P.NO11

FOLLOWING CENTRE'S OBJEC...

Hindustan Zinc may Put off Demerger

THUMBS DOWN Second time in just over a year that HZL's proposals have been shot down by govt

Banikinkar.P@timesgroup.com

New Delhi: Hindustan Zinc Ltd (HZL) could put on hold its restructuring plan to create two separate entities for now after the government, which owns a 29.54% stake in the miner, resisted that bid.

In a letter to the mines ministry this month, HZL said it wouldn't push ahead with any demerger proposal that the government disapproves of and that it would take the Centre on board while adopting such a plan, people aware of the details told ET. "The matter is going to be put off, although the company would take a formal decision in due course," one of them said.

Anil Agarwal-controlled Vedanta Ltd holds 64.92% in HZL.

HZL's letter came in response to the government's rejection of the company's proposal to create only two separate entities—one for zinc/lead and another for silver—while turning the recycling business into a subsidiary, they said. This is for a second time in just over a year that HZL's proposals have been shot down by the government—the last one was about the miner's acquisition of parent Vedanta's global zinc assets in a $2.98-billion cash deal.

Different Strokes

VEDANTA DEAL

HZL decides Jan 2023 to buy parent's global zinc biz for **$2.98 BN**

Govt opposes the cash deal, objects to high valuation

HZL doesn't pursue the deal; govt too had to put off OFS plan

RESTRUCTURING

HZL decides Sept 2023 to explore separate entities for zinc & lead, silver and recycling

Govt says its nod is must for any such recast

HZL proposes to create only two entities and a recycling arm

Govt says demerger complicated, sees no value in it

In a meeting on September 29, 2023, HZL's board had asked the company to explore a corporate restructuring to create three separate legal entities for zinc and lead, silver, and recycling business to unlock shareholder value.

In signs of its discomfort with the plan, the Centre wrote to HZL in October 2023, making it clear that as per rules the approval of the government—the most important minority shareholder—would be required for any such business reorganisation, ET had reported earlier.

Subsequently, HZL presented the government with the plan to create only two separate entities, said the people quoted earlier.

While rejecting this plan, the government cited the integrated nature of HZL's business and argued that any segregation would only complicate the operations without adding any value for the company's shareholders, they said. Also, the government doesn't want any uncertainty around HZL to spook investors ahead of its plan to offload a part of its stake in the miner through an offer for sale in FY25, one of them said.

"The company's proposal to the government also lacked the details as to how any such demerger will actually benefit shareholders. Also, it hasn't presented any other restructuring plan for the government's consideration," said one of the persons quoted above.

Responding to ET's queries, HZL chief executive Arun Misra said: "Based on the report submitted by the reputed consultant, we firmly believe that the exercise of demerging HZL to create a silver and zinc entity separately will help in improving the market cap of the company as a whole, resulting into value unlocking for all the shareholders". The company hasn't shared the consultant's name. Misra added that the mines ministry's response to the demerger proposal "is yet to be discussed in the board along with our observations".

Interestingly, HZL's parent Vedanta had also announced last year its plans for a broad overhaul that would create separately listed entities for aluminium, oil and gas, iron ore and steel.

HZL shares on the BSE inched up 0.77% on Thursday to ₹ 294 apiece, in sync with a 0.75% rally in the broader Sensex. However, the share is trading way below its 52-week high of ₹344.

THE HITAVADA DATE:23/3/2024 P.NO9

INDIA LOOKING AT AFRICA FOR CRITICAL MINERALS, SAYS MINES SECRETARY

NEW DELHI, Mar 22 (PTI)

INDIA is looking at Africa for minerals, including cobalt, and other critical minerals, Mines Secretary V L Kantha Rao said on Friday.

The country is still engaging with Australia for lithium blocks, he said. Talking to reporters on the sidelines of a function here, the Secretary said, "In Africa, we are looking at Zambia, Namibia, Congo, Ghana and Mozambique for critical minerals."

Critical minerals, including lithium and cobalt, are crucial for technology, manufacturing and other industries.

Rao further said the rules for auction of offshore minerals blocks are being readied and that 10 offshore blocks would be put on sale.

The auction of offshore blocks, he said, will take place after the elections. Rao said the result of the first round of auction of critical minerals will be out in 10 days.

He further said the lithium block in Jammu and Kashmir that was put on sale in the first round will now be auctioned in the third tranche as it received only two bids.

The Government had this month launched the third tranche of auction of critical and strategic minerals.

A total of seven critical mineral blocks have been put up for sale in the third round.

"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 Mines Ministry had said in a statement.

ECONOMIC TIMES DATE:23/3/2024 P.NO7

Govt Rejects Hind Zinc's Plan to Split Company

New Delhi: The mines ministry has rejected a proposal by Vedanta group's firm Hindustan Zinc to split the company into different entities, a top official on Friday said.

The government is the largest minority shareholder in Hindustan Zinc, owning a 29.54% stake in the company.

"We have not agreed to the proposal," Mines Secretary VL Kantha Rao told reporters on the sidelines of a function here. Hindustan Zinc had earlier announced its plans of spinning off business into separate entities, including zinc and silver, to increase its market capitalisation.

When asked about the reason for the rejection of the proposal, the Secretary said, "Whatever report we have in front of us we are not convinced as a shareholder."

Hindustan Zinc had earlier said that it has engaged a leading advisory firm to study its plans to spin off the business.

Earlier, Hindustan Zinc had said the company's board has decided to undertake a "comprehensive review of its corporate structure for unlocking potential value". According to a regulatory filing, the move is aimed at creating separate legal entities for zinc, lead, silver, and recycling businesses. **PTI**

BUSINESS LINE DATE:23/3/2024 P.NO7

3 reasons why gold will glitter in 2024

SHINING PROJECTIONS. Research agencies expect the yellow metal to hover above $1,950/oz and top $2,500

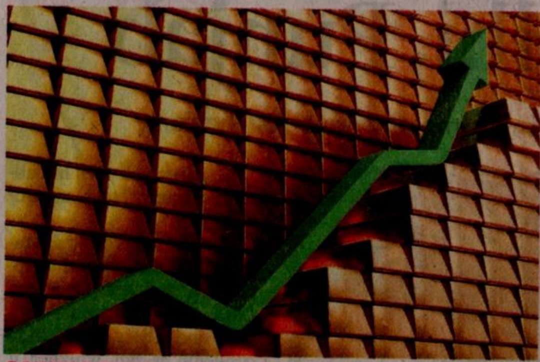
Subramani Ra Mancombu
Chennai

Three factors — the US Fed's likely move to cut interest rates, a weaker dollar and geopolitical tension — will likely keep gold prices elevated in 2024 with research agencies raising their price forecast for the precious metal.

JP Morgan has picked gold as the top pick among commodities this year and has forecast its prices touching $2,500 an ounce. US research agency BMI, a unit of Fitch Solutions, sees gold hovering in the range of $1,950-2,250 in the coming month. It has raised the average price of the yellow metal to $2,100 this year from $1,950 it forecast earlier.

"Gold is set to rise even further in the coming months of 2024, especially when the Fed actually starts to cut," said Sabrin Chowdhury, Head of Commodities, BMI.

"For the second consecutive year, the only structural bullish call we hold is for gold and silver," said JP Morgan in its outlook for the precious metal.



GAINING SHEEN. Investor expectations of rate cut by the US Fed, weaker dollar, geopolitical tensions and inflation risks will lend shine to the precious metal

"...we are bullish towards gold prices in the coming months, strong downside risks are stemming from still strong US economic data, which could result in fewer rate cuts by the US Fed than we currently expect," said BMI in its commentary.

10% RISE YTD

However, ING Think, the economic and financial analysis wing of Dutch multinational financial services firm ING, said, "Whether this strength can be sustained is unclear, particularly since the Fed lowered its estimate for rate cuts next year from four to three, suggesting that rates could settle higher than originally expected."

On Friday, gold futures, which zoomed to a record high of $2,222.49 an ounce, were quoted at $2,168. Spot gold ruled at $2,166.20. The yellow metal is set to end the week with gains, the fourth time in five weeks. The precious metal has gained 10 per cent since January.

In India, MCX June gold futures ruled at ₹66,782 per 10 gm. In Mumbai, gold for jewellery (22 carat) was quoted at ₹6,468 per gram.

Currently, prices have come off the record high as the dollar, which is mainly used for trading in the yellow metal, strengthened on hopes that major global banks could start cutting interest rates before the US Fed. On Thursday, the Swiss National Bank slashed its policy rate, while the Bank of England indicated an imminent rate cut.

Chowdhury told *businessline* that Central bank purchases of gold have been one of many factors supporting gold prices in recent months.

"2022 saw the highest central bank gold purchase in history, and 2023 the second highest. In 2023, China topped the list of buyers, followed by Poland and then Singapore," he said.

DRIVEN BY INVESTORS

The BMI head of commodities said the rally to recent record highs have been driven mostly by investor expectations of the US Fed's rate cuts. Lower bond yields naturally reduce the opportunity cost of holding gold, a non-yielding asset.

JP Morgan also cited geopolitical risks, besides downside risks for the dollar and interest rates for the buoyancy in gold. It said key interest rate cuts are historically a favourable scenario for gold.

BMI said US Fed rate cuts hold the key to interest in gold, as lower bond yields would divert investment into the non-yielding yet haven asset. IT said per its Macro team expectations the first US Fed cut will come in June 2024 and that the funds rate will be lowered by 100 basis points to 4.50 per cent by year-end.

"This will support gold prices, especially in H2 2024. All else equal, the bigger and more frequent the rate cuts, the higher gold prices would rally. However, risks to even this projection are clearly tilted in favour of a more hawkish outcome due to the strength of both incoming activity and inflation data," BMI said.

BUSINESS LINE DATE:24/3/2024 P.NO1

India achieves 'historic' one-billion-tonne coal & lignite production: Pralhad Joshi

Rishi Ranjan Kala
New Delhi

India, the world's second largest coal consumer, on Friday surpassed the milestone of producing one billion tonnes of coal and lignite.

The world's No 2 producer, after China, also surpassed FY23's coal and lignite production of 937.22 million tonnes (mt), 25 days ahead of the time take the previous fiscal year.

Terming it as a "historical high", Coal Minister Pralhad Joshi said the achievement of 1 billion tonnes in coal and lignite production will ensure that lights are on in people's homes as the coal sector continues to power up the economy.

"Mission 1 Billion Tonne was a milestone we had put in action a few years ago considering the burgeoning electricity requirements of our nation. This is a historic milestone in India's quest for energy security under the leadership of Prime Minister Narendra Modi.

"The achievement of 1 billion tonnes in coal and lignite production will ensure the lights are on in citizens' houses even as the coal sector continues to power up the economy," he added.

INCREASING OUTPUT

On March 6, India's coal production not just surged past the milestone 900 mt, but also surpassed the FY23 output of 893.19 mt, 27 days ahead of the time taken last year. It also achieved the output of 700 mt on February 6 — 30 days in advance compared to the last fiscal year.

The country's monthly coal production exceeded 100 mt for the first time in March, totalling 107 mt, so far. In January, the monthly output had hit 99.73 mt.

The Ministry's focus on increasing production, particularly from captive and commercial mines, is to meet the growing demand for coal from the power and industrial sectors. India's power demand is expected to grow at 6-7 per cent per annum and the dry fuel accounts for around 70 per cent of the electricity generated.

The International Energy Agency (IEA), in its December coal report, said that India will be the driving force for the global coal demand till 2026, even if the global trend is decided in China.

SUFFICIENT STOCKS

India currently boasts of a substantial coal stockpile, with around 96 mt available with coal companies. The coal stocks as on March 21 at thermal plants stood at 49.2 mt, which is sufficient for 21 days. Stocks with Coal India (CIL), as on March 22, was 82.3 mt. The Ministry said it has made ample preparations to supply coal to power plants even during the peak summer season.

ECONOMIC TIMES
DATE:24/3/2024 P.NO3

Coal & Lignite Output Up 6.7% So Far in FY24

New Delhi: The coal and lignite production in India crossed 1 billion tonnes as of March 22, in line with the government's target for the ongoing financial year. The production so far in FY24 is 6.7% higher than the coal and lignite production in FY23.

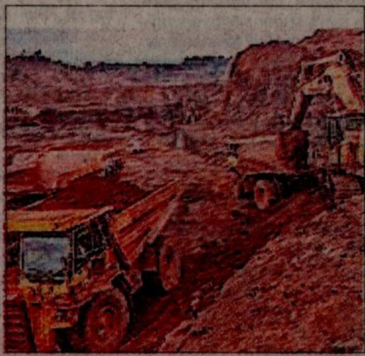
A mission for 1-billion-tonne output was a milestone set a few years back considering the rising electricity requirements, the government said.

Surpassing the 1-billion-tonne mark in coal and lignite production reduces the dependence on import, the government said. India has approximately 96 million tonnes of coal available with companies.

In addition, stocks at domestic coal-based thermal power plants are at 49.5 million tonnes as of March 22. — **Our Bureau**

Miners urge Govt not to impose export duty on low grade iron ore

■ **Business Reporter**



MINERS' body FIMI has urged the government not to impose any export duty on low-grade iron ore, stating that any such move would cause a significant loss of state revenues and employment and also affect foreign exchange earnings.

In a representation to the Government, the Federation of Indian Mineral Industries (FIMI) said the mining sector was adversely impacted when in May 2022 the export duty was imposed on low-grade iron ore fines and pellets. The government, however, withdrew the tax in November same year.

A major share of the mining sector's contribution to the country's GDP is accounted for by iron ore among the non-coal minerals. Iron ore mining also significantly contributes towards creating jobs with employment of about 5 lakh persons --45,000 direct and 4,50,000 indirect, it said. More than 90 per cent of the country's overall iron ore shipments go to China.

"We request that any proposal for banning, restricting exports of iron ore and pellets may kindly not be considered and the status quo of nil export duty on these products be maintained," the miners' body said.

With the opening of new mines and expansion of existing mines the iron ore production capacity is likely to rise to 330 million tonnes in FY'25. But if there is a ban on exports of iron ore or a duty is imposed on its exports, in such a scenario the production will drop to 225 million tonnes, it said.

In the mining of iron ore, lumps are generated to the tune of only 25-30 per cent and the balance of iron ore is in the form of fines.

"The fines below 58 per cent Fe are required to be kept in the mining lease area only as these cannot be utilised by the steel industry specially secondary steel sector," it said.

The non-removal of low grade iron ore from the mines restrict the production of lumps also and becomes an environmental hazard besides limiting scientific mining.

Thus accumulation of iron ore fines in the mines also leads to the restricted availability of lumps in the market which in turn adversely impacts the steel industry, it said.

BUSINESS LINE DATE:25/3/2024 P.NO2

Mines Ministry to appoint consultant for due dilligence on Oz lithium block buy

Abhishek Law
New Delhi

The Mines Ministry is planning to appoint a consultant as it looks to carry out due diligence for the acquisition of lithium blocks in Australia. Talks are on with one of the state agencies there for securing the blocks. Acquisitions are most likely going to be through KABIL yet again. Recently, the Ministry, through its CPSE, KABIL (Khanij Bidesh India Ltd) – a joint venture among NALCO, Hindustan Copper (HCL) and MECL – acquired five lithium blocks in Argentina.

"We are still engaging with Australia and trying to get some lithium blocks there. Australia is one of the largest lithium producers globally, and discussions are on through one of its government offices," Critical Minerals Office, VL Kantha Rao, Secretary, Ministry of Mines, told *businessline*.

Acquisitions are most likely going to be through KABIL yet again

Work has also begun towards engaging a consultant there. PWC was the previous consultant.

"Earlier, in Argentina, it was a G2G agreement, and that worked well. But, in Australia, that may not be the case. We are going with whatever the law of the land is," Rao added.

In Australia, rules state that if a mineral block (in this case) is shortlisted for acquisition or investment, then the foreign company or government enterprise (in this case from India) will have to pick up an equity stake in the Australian company that owns that particular block. Offtake agreements are decided on the proportion of equity picked up in the Australian company, sources said.

Incidentally, some 52 per cent of the world's lithium comes from Australia. In 2023, Australia reported an output of 86,000 tonnes of lithium, higher than the 74,700 tonnes it reported in 2022.

A key use of lithium is in rechargeable batteries for electronic devices such as cell phones, cameras, laptops and electric vehicles (EVs). It is the last of these applications that has investors most excited, and lithium is critical to EV production, as its unique properties help create the lightweight batteries they need to function.

TAPPING INTO AFRICA

This apart, the Ministry has begun consultation with several countries in Africa - Namibia, Ghana, Congo, Zambia, Tanzania and South Africa - for acquisition of critical mineral blocks.

"In some countries like Tanzania, we can look at G2G arrangements," Rao said. African nations would be tapped primarily for copper, cobalt, chromite and other critical minerals.

"We have been present in African nations previously in sectors like coal and some of the private players have also invested there. Now, we are trying to push through government support for critical minerals," Rao said.

NMDC resumes operations at India's only mechanised diamond mines in Panna

Abhishek Law
New Delhi

Operations have resumed at India's first and only mechanised diamond mining project at Majhgawan, some 15 km from Panna town in Madhya Pradesh.

NMDC, the country's largest iron-ore miner and a CPSE under the Ministry of Steel, obtained all the requisite approvals, and operations resumed on March 11, sources told *businessline*.

There was no production in the mines from FY22, as per the annual report of the company. Losses from the diamond mining project for the first nine months stand at close to ₹50 crore.

"The diamond mining project, Panna, has got all the requisite approvals and resumed operations from March 11," a senior Steel Ministry official said. The Panna Diamond Mining Project commenced production first in 1971-72.

The project includes an ore processing plant with a heavy media separation unit, an X-ray sorter for separation and a

disposal system for tailings generated.

PLAN OF OPERATIONS

Officials said that for at least one year, the focus will be on overburden removal, and "producing small amount of diamonds from its stockpiles". After that, work will take place on increasing production. "The project will gradually reach production of 40,000 carats per annum over the next 2-3 years, once the mine pit is sufficiently expanded, and after overburden removal," an official said.

In many mineral industries like coal, in open-cast mines, extraction happens only after removing layers of soil, stone, etc. This soil and stone, etc, are known as overburden. The process of doing away with this is known as overburden removal.

Amitava Mukherjee, Chairman and Managing Director (Additional Charge) and Director (Finance), during a recent analyst call, said: "But now for one year, we have to do waste mining. One year we do not expect any diamond to be found. Because the one-year waste mining in Panna is generally not a very profitable venture for us. But it is our oldest mine, the only mine...., so it is like the diamond on the crown."

"Once we start producing it will come on drastically, but it will not be a money spiller for us," he had said.

In FY21, the mines had achieved a production of 13,681 carats. While there was no production in FY22, diamond sales (from stockpiles) stood at 25,219 carats in FY22 and were valued at ₹62.93 crore. There was no production in FY23 and for over 11 months of FY24. The annual report (FY23) mentions that it has a prospecting license in the Baloda-Belmundi diamond block in Chhattisgarh.

BUSINESS LINE DATE:26/3/2024 P.NO7

Coal, the dirtiest fuel, gets a second life

Bloomberg

More than two years after climate negotiators first attempted to consign coal to history, the dirtiest fossil fuel is having a moment.

Thanks to a combination of China's energy insecurity — pushing Beijing back to trusted power sources — plus rising Indian demand, the continued fallout from the war in Ukraine and faltering international programmes to wean developing economies off fossil fuels, coal is proving remarkably resilient. Output hit a record last year, and producers are preparing for a future where they will be required for decades yet to balance renewable energy.

Even prices are holding up. While thermal coal is trading at just a fraction of the lofty levels reached in 2022, after Russia's invasion of its neighbor, prices are still well above historic norms. Benchmark Newcastle coal futures are changing hands just under $130 a ton, roughly a quarter of the peak but higher than any level between 2011 and 2020.

SECOND WIND

Much of this second wind is down to Asia. In 2000, the International Energy Agency estimated advanced economies accounted for almost half of coal consumption. By 2026, China and India alone will make up more than 70 per cent.

Those two heavyweights and Indonesia started operating new coal power plants amounting to 59 gigawatts last year, and either launched or revived proposals for another 131 gigawatts — about 93 per cent of the world's total, according to Global Energy Monitor.

"You look at Asia, the demand and the build out of coal-fired power plants, particularly in India — coal's not going anywhere anytime soon," Rob Bishop, chief executive officer of Australian miner New Hope Corp., said in an interview.

The extended final act will be a vindication for fossil fuel executives, who have long argued against the feasibility of shifting swiftly out of carbon-intensive power, pointing out benefits in terms of reliability and cost. A mention of coal's buoyancy earned Saudi Aramco CEO Amin Nasser a round of applause at a major energy conference in Houston last week.

It's less good news for efforts to curb carbon emissions and reach global climate goals.

ENERGY SECURITY

For years, analysts expected coal production to plateau after it hit a then-record in 2013. Funding, after all, was drying up. Then came 2021, when power shortages in China set Beijing on a path to order more mining to ensure energy security.

In 2022, Russia's invasion of Ukraine and blackouts during heatwaves in India further bolstered coal demand. By last year, output had risen to a record 8.7 billion tons, according to the IEA.

That figure is expected to drop this year. But the agency expects it to stabilize through 2026 — in line with industry forecasts of a long goodbye.

ECONOMIC TIMES DATE:27/3/2024 P.NO7

G7 BAN ON RUSSIAN ORIGIN STONES

Diamond Workers of Surat Urge Minister to Help Protect Jobs

Sutanuka.Ghosal@timesgroup.com

Kolkata: With the G7 countries prohibiting the import of Russian-origin cut-and-polished diamonds of one carat and above from March 1, diamond workers of Surat have approached Gujarat labour minister Balvantsinh Rajput requesting him to help protect their jobs.

Surat's diamond workers, numbering around 800,000, fear that the cutting-and-polishing units will downsize the workforce by 10-15% and reduce the working hours from 12 to eight per day once the new G7 diktat becomes effective.

India's diamond exports fell 27.58% from a year earlier to just over $13 billion in the first ten months of fiscal 2024. Units in Surat cut and polish nine out of every 10 diamonds found in the world.

"There is a lot of uncertainty now as we do not have any clarity on what is going to happen post March 1. So, we have urged the minister to take steps so that diamond workers do not suffer from a financial crisis," Gujarat Diamond Workers Union president Ramesh Zilariya said.

GETTY IMAGES

They made the representation to the minister last Friday.

As part of the G7 sanctions, the US Department of Treasury issued a notification in the first week of February that the country would stop imports of Russian non-industrial diamonds of one carat and above from March 1, 2024, and 0.5 carats from September 1, 2024. The ban will cover all diamonds of Russian origin, including those that have been substantially transformed in a third country.

Russia's state-owned Alrosa mine, which produces 30% of the world's diamonds, was placed under sanctions last year by the US. Washington banned direct sales of Russian-origin diamonds in the US market after the start of the Russia-Ukraine war.

The G7, a grouping of the world's most developed economies (the US, UK, Canada, France, Italy, Germany and Japan), is on the verge of mandating certificates for the sale of polished diamonds to ensure that diamonds mined by Alrosa do not reach their markets. This is to ensure that all external funding to Russia's war with Ukraine is effectively cut off.

BUSINESS LINE DATE:27/3/2024 P.NO3

Anti-dumping probe into import of aluminium foil from China

Press Trust of India
New Delhi

India has initiated an anti-dumping probe into the import of aluminium foil, used as a packaging material for conservation and preservation of edible and food products, from China following a complaint by domestic players.

The Commerce Ministry's investigation arm, Directorate General of Trade Remedies (DGTR), is probing the alleged dumping of aluminium foil.

Hindalco Industries, Shyam Sel & Power Ltd, Shree Venkateshwara Electrocast, Ravi Raj Foils, GLS Foils Product and LSKB Aluminium Foils have filed the application on behalf of the domestic industry seeking the probe.

They have alleged dumping of the product from China.

The directorate, in a notification, has said that the applicants have provided prima facie evidence with respect to the injury suffered by the domestic industry because of the dumped imports.

"The authority hereby initiates an anti-dumping investigation into the alleged dumping and consequent material injury to the domestic industry," it said.

If it is established that the dumping has caused material injury to domestic players, the DGTR would recommend the imposition of anti-dumping duty on the imports.

The Finance Ministry takes the final decision to impose duties.

Coal supplied for gasification should be priced lower than that for power sector: NITI Aayog

Abhishek Law
Rishi Ranjan Kala
New Delhi

The price of coal supplied for gasification should be kept at a notified price lower than that for coal supplied to the power sector. It can be charged on extraction basis so as to create certainty in the minds of developers of coal gasification projects in the public or private sector, NITI Aayog suggested at a recent meeting called to review the progress of coal gasification projects.

According to those present in the meeting (a copy of the minutes was accessed by *businessline*), NITI Aayog will provide a comfort letter to the Ministry of Coal.

The joint meeting of the steering committee and technical standing group on the Coal Gasification Mission was held under the chairmanship of VK Saraswat, Member, NITI Aayog.

TOPICS COVERED

The discussions covered technologies, ash content suitability for coal gasification, cost estimates on coal gasification projects, the technology readiness level of pilots, preparation of reports of gasification projects, minimum size of plants, and parameters for tariff-based competitive bidding projects, among others.

The meeting also took up the need for a support letter from the NITI Aayog on the supply of coal for gasification projects at low prices.

According to Amrit Lal Meena, Secretary, Ministry of Coal, the Centre wants more coal to be gasified so that syngas-based chemicals can be manufactured and import substitution takes place.

"The government has taken major policy decisions to promote coal gasification," he had previously told *businessline.*

According to the official, the requirements broadly include land, raw materials, finances, technology and market.

The government has approved a land leasing policy for setting up energy related infrastructure on land belonging to coal mining companies. Anyone setting up a coal gasification unit can look for land and lease it.

On raw materials, if the investor in a coal gasification project is a captive or commercial mine owner, then 50 per cent of the revenue share is incentivised, if it is used for gasification.

"For those who do not have captive or commercial mines, Coal India will offer coal on a long-term basis at subsidised prices (a little higher than the notified price)," Meena said, adding:

THE LARGER PLAN. The Centre wants more coal to be gasified so that syngas-based chemicals can be manufactured and import substitution takes place REUTERS

"it will be through a separate window". Institutions such as banks, PFC and REC have shown interest in financing such projects.

"Based on our assessment, (and) keeping in view the global price of finished products, it was noted that there is a certain viability gap. To compensate for the viability gap, the government has approved a scheme to promote coal gasification and allocated ₹8,500 crore for various plants," the official said.

In terms of technology, products such as ammonium nitrate are consumed by the coal miners. These products are consumed by fertiliser and petrochemical companies as well. Over the last one month, since the scheme was approved, inquiries have started to come, the Ministry official said, adding: "We are getting a good response from the private sector. We will be coming out with a draft RFP shortly and seek comments from stakeholders. Thereafter, we will come out with a final RFP." Post that, the Ministry will invite proposals and give three months time to seek responses.

"But responses so far are positive, optimistic and forthcoming. RFP will come in FY25," Meena said.

OTHER DECISIONS

It was also decided at the Steering Committee meeting that all gasification projects, including the fertiliser sector and existing gasification plants, should be treated under the Gasification Mission. They may be made eligible for the same relaxation under the scheme.

"The Ministry of Coal needs to relook the matter for the issuance of a necessary policy directive to promote coal gasification in India," it said.

Also, the minimum size of demonstration projects need to be considered at 100 MT; while discussions also centred around the need "to relook the pricing of lignite in order to reduce the end product price after the coal gasification projects."

"NLCIL needs to review cost estimates in consultation with GAIL/ JSPL for their lignite to gasification project proposed at Neyveli, Cuddalore.

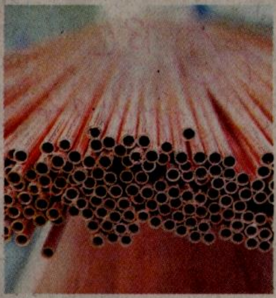
"Accordingly, the decision to re-tender may be taken in order to reduce the end-product price," the minutes of the meeting said.

A committee will also be constituted under the chairmanship of the Department of Science & Technology and representatives from NITI Aayog, Ministry of Coal, Ministry of Steel, IIT-Delhi, IIT-Bombay, CIL, ISC Bengaluru, CIMFR Dhanbad and other industry experts, for an assessment of the tech readiness and maturity of the technology developed through the R&D plants.

BUSINESS LINE DATE:28/3/2024 P.NO9

Copper hits 2-week low as market awaits clarity on smelter cuts

Reuters
London



Copper prices retreated to a two-week low on Wednesday as investors awaited further detail on plans by Chinese smelters to cut production.

Three-month copper on the LME was down 0.7 per cent at $8,804 a tonne in official rings.

LME copper soared to an 11-month high of $9,164.50 on March 18 after top Chinese smelters announced plans for joint production cuts but did not provide detail on the extent or timing of any suspensions.

The smelters will have another meeting on Thursday March 28 on plans to bring forward maintenances and reduce loss-making capacity in the face of a shortage of copper concentrates, industry sources said.

Adding to the uncertainty about smelter cuts, a state-backed research house said copper output from China was expected to grow by 3 per cent this year. Also dampening enthusiasm among speculators was a strong seasonal build-up of copper inventory in China.

Among other metals, zinc was down 1.1 per cent at $2,415.5; aluminium declined 0.8 per cent to $2,286 a tonne. Nickel edged down 0.6 per cent to $16,540; lead lost 0.8 per cent to $2,004 and tin was down 0.4 per cent at $27,350.

BUSINESS LINE DATE:28/3/2024 P.NO9

Lead futures: Stay out for now and buy on a dip

Akhil Nallamuthu
bl. research bureau

Lead futures (April contract) on the Multi Commodity Exchange (MCX), witnessed a price decline over the past couple of weeks.

It fell off the resistance at ₹183, and on Tuesday it closed at ₹177.30.

COMMODITY CALL.

The contract is likely to extend the downswing further, possibly to ₹170, before making a U-turn. After softening to ₹170, we expect lead futures to establish a rally.

The contract can move up to retest ₹183, where the 50-day moving average coincides now.

Note that the price region between ₹166 and ₹170 is crucial support. This base has held true since June 2021. But a breach of this can turn the medium-term trend bearish.

The nearest notable support levels below ₹166 are at ₹158 and ₹150.

TRADE STRATEGY

Stay on the fence. Go long on lead futures if it moderates to ₹172. Add more longs at ₹170. Place stop-loss at ₹165.

When the contract rallies past ₹180, raise the stop-loss to ₹175. Liquidate the longs at ₹183.

BUSINESS LINE DATE:29/3/2024 P.NO9

Gold imports likely to drop 87% this month on high prices, weak demand

Suresh P. Iyengar
Mumbai

India's gold imports are set to fall to the lowest in the last three years in view of soaring prices and sharp fall in demand.

The bullion industry has been reeling under huge inventory as it imported huge quantity of gold in anticipation of higher demand. The industry had imported 110 tonnes of gold in February expecting further rise in prices. The high prices dented demand completely and there are no takers for consignment even at a discount of $25 per ounce, said industry sources.

In the current situation, imports will not be more than 15 tonnes — a drop of 87 per cent — this month given that the international prices have remained firm, he said.

In past month, domestic spot gold prices have rallied by ₹4,436 per 10 grams or 7 per cent. On Thursday, they ruled at ₹67,252 per 10 grams against ₹62,816 logged on March 1, per the Indian Bullion and Jewellers Association of India.

WEAK ECONOMY

Kavita Chacko, Research Head (India), World Gold Council, said international gold prices reached a new record in early March on the back of weaker economic data in the US, a decline in the US dollar, a fall in US Treasury yields and geopolitical tensions.

In India, she said gold prices have also crossed the all-time high though the rise in percentage terms was slower than the US due to rupee strengthening against dollar.

With the slack demand, jewellers are offering discounts and special schemes to attract buyers. This apart, most of the impulsive buyers of gold jewellery from affluent class are attracted by the bullish equity markets.

Suvankar Sen, Managing Director & CEO, Senco Gold and Diamonds, said the demand is hit temporarily whenever gold prices go up steadily as buyers wait for prices to come down. However, with expectation of prices touching ₹70,000 per 10 grams there are sporadic buying for the forthcoming wedding season.

ECONOMIC TIMES DATE:29/3/2024 P.NO11

AMID LACKLUSTRE RESPONSE...

Centre Annuls Auction of 13 Critical Mineral Blocks

Out of 13 mines, two got no bids & 11 attracted less than 3 bids each

Twesh.Mishra
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New Delhi: The Centre has cancelled auction for 13 of 20 blocks on offer in the first round of critical mineral bids following tepid response. Out of the 13 mines, two got no bids and 11 attracted less than three bids each.

"It has been decided to return the bid security to bidders for 11 mineral blocks that got less than three bids each," an official aware of the development said. These blocks which received poor response hold glauconite, nickel, chromium and platinum group elements (PGE), potash, nickel and copper, molybdenum ore, graphite, and lithium, titanium and bauxite (aluminous laterite). They are spread across Bihar, Jharkhand, Odisha, Tamil Nadu, Uttar Pradesh, and Jammu and Kashmir (J&K).

Seven of these mines will be offered for rebidding under a fresh round of auctions launched earlier this month.

A second round of auctions with 18 other critical mineral blocks is also presently underway

Two blocks which got no bids hold molybdenum and are in Tamil Nadu.

A second round of auctions with 18 other critical mineral blocks is also presently underway.

Responding to a query on the seven blocks that did get a good response in the first bid round, a senior government official said, "Blocks holding phosphorite and fertiliser minerals have got 5-6 bids per mine. The lithium block in Chhattisgarh has got more than 10 bids while graphite mines have 4-5 bidders per block."

In June 2023, the government released a list of 30 minerals considered critical for the country. These include antimony, beryllium, bismuth, cobalt, copper, gallium, germanium, graphite, hafnium, indium, lithium, molybdenum, niobium, nickel, platinum group elements (PGE), phosphorous, and potash.

Rare Earth Elements (REE), rhenium, silicon, strontium, tantalum, tellurium, tin, titanium, tungsten, vanadium, zirconium, selenium and cadmium also figure in this list.

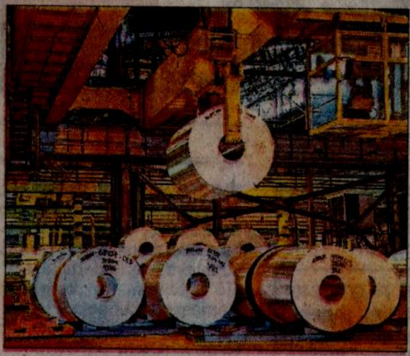
India meets its requirement for most of these minerals from imports. Minerals like lithium, cobalt and nickel, which are crucial for manufacturing electric vehicles, are currently imported.

THE HITAVADA DATE:30/3/2024 P.NO6

Domestic demand growth for non-ferrous metal may remain at 10 pc in FY25: Icra

■ Business Reporter

DOMESTIC demand growth for non-ferrous metals such as aluminium and copper is likely to remain at 10 per cent in the next financial year, Icra said on Friday.



The apparent consumption growth for non-ferrous metals in the domestic market remained at 10-13 per cent in the first nine months of the ongoing fiscal supported by the Government's push on infrastructure development and encouraging demand from renewables sectors and electric vehicles.

"While the demand is expected to remain soft over the next two quarters as Government spending moderates around the general elections, the overall demand growth is expected to remain comfortable at 10 per cent in FY24 and FY25," Icra said in a statement.

The operating margin of domestic players is also likely to remain stable at 17-17.5 per cent in FY25, like the levels estimated in FY24.

Consequently, the rating agency maintains a stable outlook on the sector, it said. "Icra notes that the domestic e-auction premia on coal had eased in recent months to 40 per cent in February 2024... The prices of caustic soda and calcined pet coke also moderated in the current fiscal," it added.

BUSINESS LINE DATE:31/3/2024 P.NO6

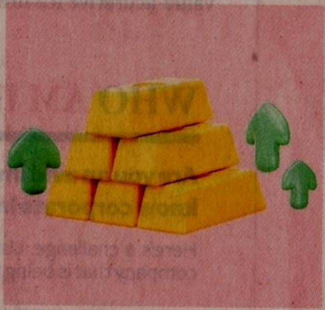
Gold uptrend steady

BULLION CUES. Silver expected to catch up

Akhil Nallamuthu
bl. research bureau

Gold continued the uptrend and hit fresh highs. Although silver gained, it lagged the yellow metal. In terms of dollars, gold and silver were up 3.2 and 1.2 per cent last week and closed at $2,232.4 and $25 per ounce, respectively.

On the MCX, gold futures gained 2 per cent to end at ₹67,701 (per 10 gram). Silver futures was up by a marginal 0.3 per cent to close at ₹75,048 (per kg).



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MCX-GOLD (₹67,701)

Gold futures (June contract) hit a record high of ₹67,859 before moderating to ₹67,701 on Friday. The uptrend is steady, and we expect the contract to gain further.

It has the potential to hit ₹70,000 in the near term. But if the price falls, gold futures will find support at ₹66,200 and ₹65,600. There will be a break in the overall up-move only if the contract falls below ₹65,600.

Trade strategy: Roll over the April futures long (initiated at ₹66,000) to June contract, which closed at ₹67,701 last week. Add longs if the price dips to ₹66,400. Place stop-loss at ₹65,600.

When the contract rises above ₹69,000, tighten the stop-loss to ₹67,800. Book profits at ₹70,000.

MCX-SILVER (₹75,048)

Silver futures (May series) was largely flat last week. But we expect it to gain traction anytime and rally. The bias will be bullish until the price is above ₹73,700.

A breakout of ₹76,000, a resistance, can trigger a leg of upswing to the ₹79,000-80,000 resistance band.

If the silver contract slips below ₹73,700, the near-term trend can turn bearish, potentially dragging the contract to ₹70,600.

Trade strategy: Stay away for now. Buy silver futures if it breaks out of ₹76,000. Place initial stop-loss at ₹74,400. When the contract touches ₹78,000, tighten the stop-loss to ₹76,500. Book profits ₹79,000.

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