KHANIJ SAMACHAR

Vol. 8, No-19

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

The Central Library, IBM, Nagpur is providing the Classified Mineral News Service since many years on monthly basis in print form. To expand this service to the IBM Offices all over India i.e. H.Q., Zonal & Regional Offices and to take a call of time, the Controller General, IBM desired to make this service online on fortnightly basis. The library officials made sincere efforts to make it successful. This is the 19th issue of Volume 8 for the service named Khanij Samachar for the period from 1st – 15th October, 2024.The previous issue of Khanij Samachar Vol. 8, No.18, 15th – 30th September 2024 were already uploaded on IBM Website www.ibm.gov.in .

In continuation of this it is requested that the mineral related news appeared in the Local News Papers of different areas can be sent to Central Library via email library@ibm.gov.in (scanned copy) so that it can be incorporated in the future issues to give the maximum coverage of mining and mineral related information on Pan India basis.

All are requested to give wide publicity to it and it will be highly appreciated if the valuable feedback is reciprocated to above email.

Mrs. R. S. Wakode
Assistant Library & Information Officer
Central Library
library@ibm.gov.in
0712-2562847
Ext. 1210, 1206

खनिज समाचार

KHANIJ SAMACHAR

A FORTNIGHTLY NEWS CLIPPING SERVICE

FROM

CENTRAL LIBRARY

INDIAN BUREAU OF MINES

VOL. 8, NO – 19, 1st - 15th OCTOBER 2024

Buy aluminium at ₹238, accumulate on dips

Akhil Nallamuthu
bl. research bureau

Aluminium futures (October) on the Multi Commodity Exchange (MCX) have been on a rally over the past three months. They bounced off the support at ₹218.

The contract rose above both 20- and 50-day moving averages by mid-September, a positive indication.

COMMODITY CALL.

However, aluminium futures faced a barrier at ₹235. While they did not see a bearish reversal, the contract was oscillating within ₹230 and ₹235.

Last week, it broke out ₹235, hinting that the bulls have regained traction. From the current level, aluminium futures is likely to scale further heights.If the contract declines from the current level, it can find support between ₹230 and ₹235. Nearest support below ₹230 is at ₹225.

Buy aluminium October futures now at ₹238 and accumulate if the price dips to ₹233. Place initial stop-loss at ₹228 at first. When the contract touches ₹245, trail the stop-loss to ₹238. Tighten the stop-loss further to ₹245 when the price touches ₹250. Book profits at ₹255.

Amid heavy rain, Coal India's production falls marginally to 50.9 mt in September

Our Bureau
Kolkata

State-run miner Coal India on Tuesday said its production fell marginally by 1 per cent year-on-year to 50.9 million tonnes (mt) in September. The world's largest coal producer, witnessed a 1.4 per cent year-on-year (y-o-y) drop in coal off-take to 54.4 mt in the last month, according to a stock exchange filing.

SOME RESPITE. In the first half of the current fiscal, CIL's output stood at 341.3 mt, up 2.5 % in the same period last year PTI

SEVERAL REASONS

Heavy rainfall affected coal production for Bharat Coking Coal (BCCL), Central Coalfields (CCL) and Northern Coalfields (NCL) for the month of September. For South Eastern Coalfields (SECL), production was impacted due to land, industry sources told *businessline*.

In the first half of the current financial year, Coal India's output stood at 341.3 mt, which was up 2.5 per cent y-o-y over the same period last year. Coal off-take during this period witnessed a growth of 1.7 per cent y-o-y at 366.6 mt.

For BCCL, CCL and NCL, production during September was down by 15.2 per cent, 8.3 per cent and 5.7 per cent y-o-y respectively. NCL's output for the first half of the fiscal declined by 2.8 y-o-y as well.

OUTPUT HIT

Production for Northern Coalfields was hit as rainfall was almost double during this monsoon season compared to last year, the sources informed.

The coal behemoth's total production fell 11.9 per cent y-o-y to 46.1 mt in August, also due to heavy rainfall.

Notably, Coal India's production target for FY25 is 838 mt. The company's scrip ended the day at ₹508.40 apiece on BSE, which was down 0.33 per cent from the previous close.

LOKMAT DATE:3/10/2024 P.NO.2

दुर्गापूर खुल्या कोळसा खाणीच्या विस्ताराला हायकोर्टात आव्हान

पर्यावरण, वन्यजीव संरक्षणाकरिता प्रकल्प रद्द करण्याची मागणी

लोकमत न्यूज नेटवर्क

नागपूर : चंद्रपूरजवळ असलेल्या दुर्गापूर खुल्या कोळसा खाणीच्या विस्तारीकरणाविरुद्ध प्रकृती फाऊंडेशनचे अध्यक्ष दीपक दीक्षित यांनी मुंबई उच्च न्यायालयाच्या नागपूर खंडपीठात जनहित याचिका दाखल केली आहे. पर्यावरण व वन्यजीवांचे संरक्षण करण्यासाठी हा प्रकल्प रद्द करण्याची मागणी त्यांनी न्यायालयाला केली आहे.

कोळसा उत्पादन वाढविण्यासाठी वेकोलिच्या दुर्गापूर खाणीचा तब्बल १२१.५८ हेक्टर वनजमिनीवर विस्तार केला जाणार आहे. या प्रकल्पाला मंजुरी मिळाली आहे. परंतु, हा निर्णय घेताना या प्रकल्पाचा पर्यावरणावर किती वाईट परिणाम होईल, याचा सखोल अभ्यास करण्यात आला नाही. खाण विस्तारीकरणासाठी वापरण्यात येणार असलेल्या वनजमिनीवर वाघ, बिबटे, अस्वली इत्यादी अनेक वन्यप्राण्यांचा अधिवास आहे. पर्यावरणाला समृद्ध करणारी वनसंपदा आहे. हा परिसर ताडोबा-अंधारी व्याघ्र संरक्षण प्रकल्पाच्या कोअर क्षेत्रापासून १२ किलोमीटर आणि बफर क्षेत्रापासू केवळ १.२५ किलोमीटर दूर आ खाणीचे विस्तारीकरण झाल्यास सुमा ६० हजार झाडे तोडली जातील. त्यामु वन्यजीवांचा अधिवास बाधित होईल. शहराकडे धाव घेतील आणि मानव प्राणी संघर्षाला चिथावणी मिळेल. ह परिसर आधीच खूप संवेदनशील आहे

मूलभूत अधिकारांची पायमल्ली

राज्यघटनेने नागरिकांना जगण्याचा मूलभूत अधिकार दिला आहे. त्यामुळे नागरिकांना शुद्ध वायू व पाणी मिळणे आवश्यक आहे. परंतु, वेकोलिच्या कोळसा खाणींमुळे चंद्रपूर जिल्ह्यातील नागरिकांचे जगणे कठीण झाले आहे. कोळसा खाणी वायू व पाणी प्रदूषणासाठी कारणीभूत ठरत आहेत. कोळशाच्या धुळीमुळे नागरिकांना विविध गंभीर आजार होत आहेत. ही बाब लक्षात घेता पर्यावरण संरक्षणासाठी गांभीर्याने प्रयत्न करणे गरजेचे आहे. याकडेदेखील याचिकाकर्त्याने लक्ष वेधले आहे.

याचिकेवर २० नोव्हेंबरला सुनावणी

या जनहित याचिकेवर येत्या २० नोव्हेंबर रोजी सुनावणी होणार आहे. याचिकेत केंद्रीय पर्यावरण व वन विभागाचे सचिव, वेकोलि, राज्याच्या महसूल व वन विभागाचे सचिव, प्रधान मुख्य वन संरक्षक, महाराष्ट्र प्रदूषण नियंत्रण मंडळाचे प्रादेशिक अधिकारी, राष्ट्रीय व्याघ्र संवर्धन प्राधिकरणचे सदस्य सचिव व चंद्रपूर जिल्हाधिकारी यांना प्रतिवादी करण्यात आले आहे. याचिकाकर्त्यांतर्फे ॲड. महेश धात्रक कामकाज पाहतील.

THE ECONOMIC TIMES DATE:4/10/2024 P.NO.9

STEEL PRODUCERS BUCK OVERALL WEAKNESS IN THE MARKET ON THURSDAY

Indian Steel Stocks Get a Chinese Stimulus

Stability in Chinese economy to support demand, and boost raw materials market

Our Bureau

Mumbai: Shares of domestic steel producers are set to reverse their recent underperformance to the broader market as an expected pick-up in demand in China is likely to have a ripple effect on pricing, imports and margins of steel-makers, said analysts.

Brokerage Morgan Stanley has upgraded shares of JSW Steel and Jindal Steel and Power to 'overweight' from 'equal-weight', while Tata Steel is now rated 'equal-weight' as compared to 'underweight' earlier. Nomura India has also initiated coverage on both JSW Steel and Jindal Steel with a 'buy' rating.

This optimism from analysts helped steel producers buck the overall weakness in the market, with shares of JSW Steel, Jindal Steel and Tata Steel ending flat to 1% higher, compared to the benchmark indices falling over 2% each.

China, last week, announced measures to prop up demand for real estate in the country. These include lowering existing interest rates for home loans and easing restrictions for buying property. China is the world's largest consumer of steel and a slowdown in its real estate sector had led to the country selling its surplus steel across the world at discounted rates.

"Potential stabilisation of the economy, especially the property market, may support steel demand in China, thereby boosting not just sentiment but also steel/steelmaking raw material markets, we believe," Rahul Gupta of Morgan Stanley said in a report on Tuesday.

As compared to a 4% gain in the Nifty 50 over a three-month period, shares of Tata Steel and Steel Authority of India are in the red, while Jindal Steel and Power has been flat. Shares of JSW Steel have gained more than 9% in the same period.

Ready for Surge

Company	Rating	Target Price (₹)
Morgan Stanley		
Jindal Steel	Overweight	1,200
JSW Steel	Overweight	1,150
Tata Steel	Equalweight	175
Nomura India		
Jindal Steel	Buy	1,220
JSW Steel	Buy	1,200

While imports of steel into India could remain elevated over the next few months, there are green shoots visible for the near term, as local steel prices are similar to import prices, he said.

Earnings of steel companies are expected to remain weak in the September quarter weighed down by both weaker prices and demand.

"Preliminary data suggests some weakness in 2QFY25, but it was more seasonal than structural," Jashandeep Singh Chadha of Nomura India said. He expects the strong consumption of steel in the country to continue through 2026-27 (Apr-Mar).

Even through 23 million tonne of capacity will be added in the country between 2023-27, the industry is set to remain in a "sweet spot" because the addition in capacity will lag the growth in demand, he said. The next phase of growth for Indian steelmakers is set to come from the brownfield route, which can boost return ratios, he said.

BUSINESS LINES DATE:4/10/2024 P.NO.10

Gold may sustain its current rally to top $3,000/oz, say analysts

Subramani Ra Mancombu
Chennai

A weaker US dollar, lower bond yields and increasing geopolitical tensions in the Middle East are behind gold soaring to a new high daily. The rally in the yellow metal prices will likely be sustained and it may exceed $3,000 per ounce before the end of 2024, say analysts and industry leaders.

"We note that the US Fed rate cut comes against myriad geopolitical tensions, with conflict in the Middle East and the upcoming presidential elections in the US at the forefront. Our gold price forecast of $2,375/ounce for 2024 and $2,500/ounce for 2025 assumes prices will be well supported in the coming months but with limited further upside," said research agency BMI, a unit of Fitch Solutions.

PRICE FORECASTS

Last week, BMI raised its 2024 price forecast from $2,250/oz to $2,375/oz, expecting prices to trade within $2,500-2,800 in the coming months. This marks a departure from the average $1,943/oz in 2023.

The Citigroup forecast that gold prices are set to hit $3,000 per ounce due to significant expansion in financial flows. It attributes its bullish gold price prediction to the weakening US labour market, disinflation and the Federal Reserve's dovish pivot.

Goldman Sachs, too, raised its 2024 average gold price forecast to $2,395 from $2,357 and 2025 outlook to $2,973 from $2,686 an ounce.

Colin Shah, MD, Kama Jewellery, in a podcast with *businessline* said with expectations of further cuts in the US Fed interest rates before

the year ends, gold could reach $2,900, or even $3,000.

DEMAND MAY DROP

"Gold is seen as a haven, particularly amid geopolitical tensions and uncertainties surrounding the global economy," he said.

According to Joni Teves, precious metals strategist at UBS, while the escalating conflict between Iran and its proxies and Israel could cause short-term spikes in the gold price, the reason gold and silver will continue to rally higher has nothing to do with geopolitics. He said this in an interview with *Bloomberg Television* before the current Middle East tension escalated.

According to Australia's Office of the Chief Economist, gold prices are forecast to remain elevated throughout the forecast period to 2028. However, it expects demand in 2024 and 2025 to reduce due to high prices.

ING Think, the economic and financial analysis wing of Dutch multinational financial services firm ING, said money managers increased their net longs in gold to 2,54,842 lots last week. BMI said gold prices have averaged $2,295 year-to-date as of September 26. On Thursday, the precious metal ruled at $2,648.49 dropping from a peak of $2,685 an ounce. "...we expect higher highs for gold in the coming months," the research agency said.

BUSINESS LINES DATE:4/10/2024 P.NO.3

Steel Ministry pushes for stricter norms on non-standard imports

Abhishek Law
New Delhi

Alarmed over increasing requests for the import of steel, especially in some auto-grade and capital goods categories not covered under Indian standards, the Steel Ministry is looking at specific "intervention" on such non-standardised products and check shipments of the metal.

A meeting has been called on October 4 where discussions on products being imported and currently outside the purview of quality control orders (QCO) will be taken up.

The Ministry is already in favour of doubling customs duty on imported steel, including from China, while it is in discussion with the Commerce Ministry to review FTAs with ASEAN, Ministry sources told *businessline*.

PUSH FOR REVIEW

In a recent letter to the Department of Revenue, the Steel Ministry, citing an internal assessment, mentioned that they would look at "reducing NOC granted for imports from non-BIS licensed manufacturers".

It also pointed out the need for "review of Bureau of Indian Standards (BIS) licences granted to foreign manufacturers and discretion to be exercised at the time of renewal of existing licences."

The Ministry is also in favour of no new BIS licences being issued for next one year.

"It has been observed that a significant number of NOC requests are being received for the import of steel grades currently not covered by the Indian Standards notified under the QCO. To minimise non-BIS imports, there is an urgent need for interventions," stated an official from the technical division of the Steel Ministry in an email sent to various stakeholders, including automobile manufacturers, steel mills, importers, and exporters.

Communications have also been sent to the Director General of Indian Standards and the Chairman of the CBIC, Department of Revenue (*businessline* has reviewed a copy of the email).

A Steel Ministry official stated that some of the import requests pertain to CRGO steel (cold rolled grain oriented). Additionally, several auto-grade steels used in car manufacturing and certain alloy steels required for capital goods are also under review.

As of October 2023, the regulations state that all steel imports not cleared by the Bureau of Indian Standards (BIS) must obtain approval from the Steel Ministry.

IMPORTS SURGE

Incidentally, India has already seen an increase in Chinese imports of the metal – up to a five-year high (for the five month period) of 1.14 million tonnes (mt) for April – August period. Imports were up 32 per cent year-on-year.

DAINIK BHASKAR DATE:5/10/2024 P.NO.8

पुनर्विचार याचिका 8:1 के बहुमत से खारिज

खनिज रॉयल्टीः राज्यों को सुप्रीम कोर्ट की बड़ी राहत

भास्कर न्यूज़ | नई दिल्ली

राज्यों का खनिजयुक्त भूमि पर टैक्स का अधिकार बरकरार रहेगा। इस बारे में केंद्र और खनन कंपनियों को राहत नहीं मिली है। सुप्रीम कोर्ट ने 25 जुलाई के फैसले के खिलाफ पुनर्विचार याचिका खारिज कर दी है। सुप्रीम कोर्ट की 9 जजों की संविधान पीठ का राज्यों को खनिज अधिकारों पर टैक्स लगाने का अधिकार देने का फैसला बरकरार रहेगा। गत 25 जुलाई को सुप्रीम कोर्ट की 9 जजों की पीठ ने 8:1 के बहुमत से यह फैसला सुनाया था कि रॉयल्टी टैक्स की प्रकृति में नहीं है और खनिज अधिकारों पर टैक्स लगाने की विधायी शक्ति राज्यों में निहित है। यह बहुमत का फैसला सुप्रीम कोर्ट के चीफ जस्टिस डीवाई चंद्रचूड़, जस्टिस हृषिकेश रॉय, जस्टिस ए ओक, जस्टिस जेबी पारदीवाला, जस्टिस मनोज मिश्रा, जस्टिस उज्जल भुयान, जस्टिस एससी शर्मा और जस्टिस एजी मसीह का था, जस्टिस बीवी नागरत्ना ने इस पर असहमति जताई थी।

• खनिज समृद्ध राज्यों को राहतः सुप्रीम कोर्ट के 25 जुलाई के ऐतिहासिक फैसले से खनिज समृद्ध राज्यों की बड़ी जीत हुई थी। कोर्ट ने खनिज-युक्त भूमि पर रॉयल्टी लगाने के राज्य सरकारों के अधिकार को बरकरार रखा था। कोर्ट की बेंच ने फैसले में कहा था कि राज्यों के पास खनिज युक्त भूमि पर टैक्स लगाने की क्षमता और शक्ति है। कोर्ट ने कहा था कि रॉयल्टी कोई टैक्स नहीं है। सीजेआई की अध्यक्षता वाली बेंच ने कहा था कि रॉयल्टी टैक्स नहीं है।

THE ECONOMIC TIMES DATE:6/10/2024 P.NO.3

Govt Defends Iron Ore Auction Policy, Methodology

Mines ministry says Vedanta boss Anil Agarwal's claims 'completely misleading'; backs mineral auction regime for iron ore blocks

Our Bureau

New Delhi: The mines ministry has put out a strong defence of its iron ore auction policy and methodology, refuting Vedanta chief Anil Agarwal's claim that auction of iron ore mines pushed up costs for manufacturers.

In statement issued late Friday, the ministry termed Agarwal's comments as 'completely misleading.'

"No mining company in India shares 100% of company revenue with the government. The auction premium paid by a company is a percentage of the average of the ex-mine prices of iron ore produced by all the mines in a state, excluding the expenditure made by the company outside lease boundary and on value addition for steel production," the ministry said in a late-night tweet on Friday.

It said the auction premium is not paid out of the total revenue of the company. Earlier in the day, Agarwal had posted on social media, "Could you run a business successfully if you have to share more than 100% of your revenue with another party?... The bid is based on how much revenue you will share with the government. Since auctions were introduced, the average for iron ore is 118%."

He also said there are limited blocks on offer. "Many steel manufacturers seek raw material security, there is a huge demand-supply mismatch and bid prices become massive," Agarwal said.

Responding to this statement, the ministry said, "Contribution of iron ore in the cost of steel produced is about 15%. So, in the case of a steel firm which uses iron ore produced from its own mine, it pays only a small percentage of total value of steel produced as auction premium to secure assured supply of iron ore for running its steel plant."

ISTOCK

> No mining company in India shares 100% of company revenue with the government. The auction premium paid by a firm is a percentage of the average of the ex-mine prices of iron ore produced by all the mines in a state
>
> A MINES MINISTRY STATEMENT

It added that prices of iron ore produced in India are lower than the prices in the international market. "Even after payment of royalty and auction premium, the iron ore prices in India are competitive as compared to the international market. Royalty and premium are part of the cost of production for the company and not something shared out of revenue/profit!," the ministry added.

Sharing details of mines auctioned till date, the ministry said, "Since the introduction of auction in the Mines and Minerals (Development and Regulation) Act, 1957 in 2015, 417 blocks have been successfully auctioned. Out of 417 auctioned blocks, 119 are iron ore blocks. 34 auctioned iron ore blocks have already been operationalised."

According to the centre, another 21 blocks are expected to become operational in near future. Besides, 17 iron ore blocks are under auction process and 60 iron blocks handed over by the ministry of mines are available with the state governments for auction.

BUSINESS LINES DATE:6/10/2024 P.NO.6

No threat to bulls

BULLION CUES. Traders can retain the longs

Akhil Nallamuthu
bl. research bureau

Gold remained largely flat last week whereas silver appreciated. In terms of dollars, gold was down 0.2 per cent as it closed at $2,653 per ounce. Silver gained 1.9 per cent and ended the week at $32.2 an ounce.

In the domestic market, gold futures (₹76,143 per 10 gm) was up 0.6 per cent and silver futures (₹93,349 per kg) rallied 2.1 per cent.

MCX-GOLD (₹76,143)

Gold futures (December) was stuck in the range of ₹75,400-76,650 through the last week. However, it remains above the support at ₹75,000.

We expect the contract to resume the rally, surpass ₹76,650 and touch ₹78,000. Resistance above ₹78,000 is at ₹80,000.

If the contract falls below ₹75,400, it can find support at ₹75,000. A fall below the latter is less likely. Nearest support below ₹75,000 is at ₹74,500.

Trade strategy: Retain the longs that we recommended at ₹74,820 a couple of weeks ago. Maintain the stop-loss at ₹74,800. When the contract touches ₹77,000, revise the stop-loss to ₹75,800. Exit at ₹78,000.

MCX-SILVER (₹93,349)

Silver futures (December), after beginning the week on the back foot, recovered in the second half.

The price action is positive, and we anticipate further rally. The nearest barriers can be spotted at ₹96,500 and ₹1,00,000.

That said, if the contract drops from the current level, it can find a strong base at ₹90,000. Below this is the support at ₹88,000.

Trade strategy: Two weeks ago, we suggested buying silver futures at ₹90,800 with a stop-loss at ₹88,000. Hold this trade. But revise the stop-loss up to ₹90,000. Book profits at ₹96,200.

THE HINDU DATE:8/10/2024 P.NO.7

Nations with mineral reserves needed for energy transition

Reserves are known and assessed mineral deposits that can be mined economically

DATA POINT

Our World In Data

The world's energy system is mainly powered by fossil fuels. The transition to a low-carbon one will shift its underpinnings away from coal, oil, and gas to the minerals needed for solar, wind, nuclear, and other technologies. Which countries have such mineral reserves that can be mined? Below we explain the importance of each mineral. The graphic shows the share of the world's reserves in each country.

Bauxite: Primary source of aluminum. Essential for wind turbines, solar panels, batteries, electrolyzers, and transmission cables.

Chromium: Key for geothermal and concentrated solar power. Used in wind turbines, and for radiation shielding in nuclear power plants.

Cobalt: Used in consumer electronics, catalysts for the oil industry, resistant metal alloys, critical components in many lithium-ion battery technologies.

Copper: Critical element in solar photovoltaics, wind power, battery storage, and electricity grids.

Graphite: Key component of battery anodes and therefore important for the transition to electric vehicles, and stationary batteries for balancing electricity grids.

Lithium: Core component of lithium-ion batteries.

Manganese: Widely used in solar and wind power, and in lithium-ion batteries for electric cars.

Molybdenum: Has a very high electrical conductivity but expands little when exposed to heat.

Nickel: Key component in the cathodes of lithium-ion batteries in electric cars.

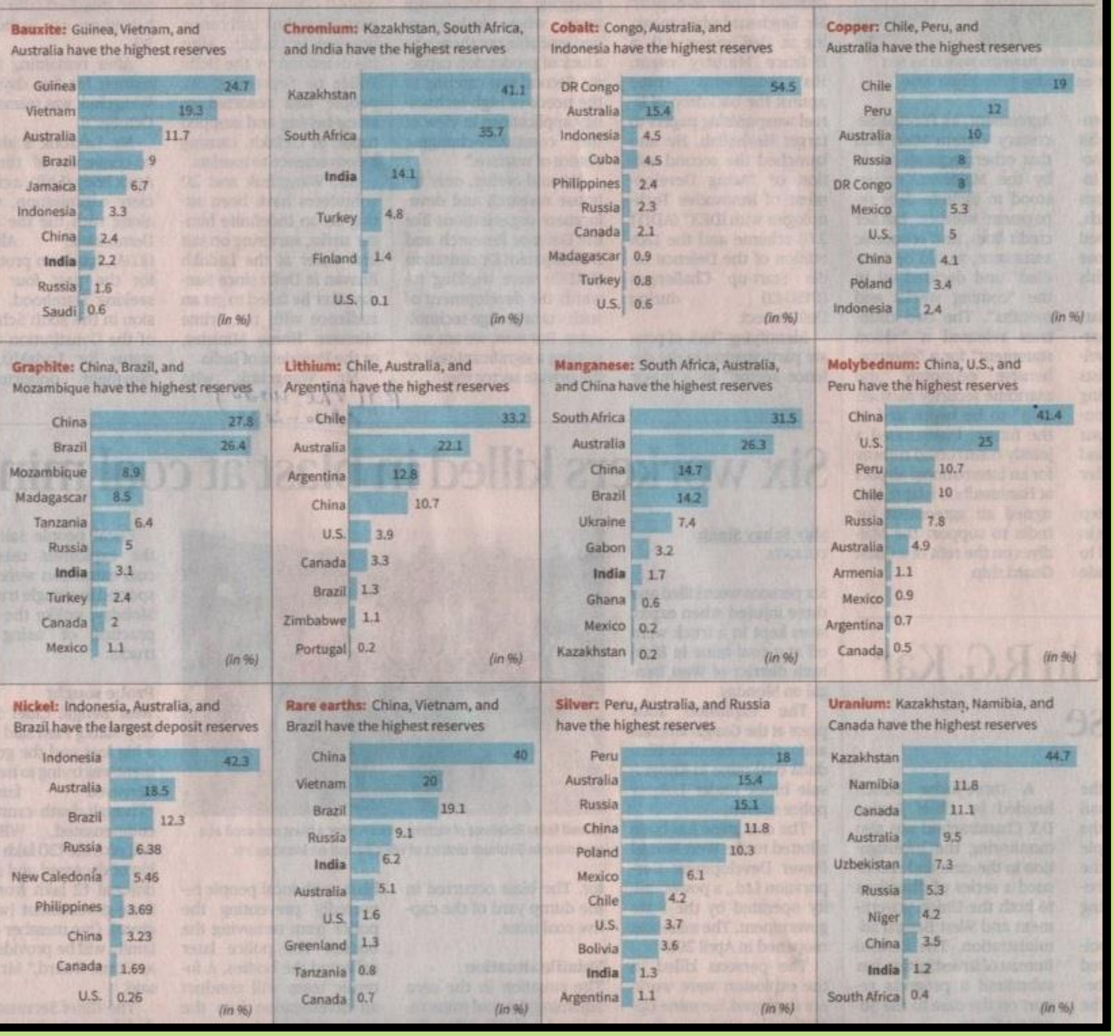
Rare earths: Used in wind power for permanent magnets.

Silver: It's most important role in clean energy is in solar photovoltaics and electric vehicles.

Uranium: Primary fuel for nu-

Minerals for a clean and green future

The data for the charts were sourced from Our World in Data. The data shows the reserves as a share of the global total as of 2023



THE TIMES OF INDIA
DATE:8/10/2024 P.NO.7

Coal minister visits IBM's mineral lab

TIMES NEWS NETWORK

Nagpur: Union minister of coal and mines G Kishan Reddy visited the Modern Mineral Processing Laboratory, Indian Bureau of Mines (IBM), on Hingna Road, Nagpur, on Monday. The minister was welcomed by Sanjay Lohiya, additional secretary, Union ministry of mines & controller general, IBM. The minister inaugurated the state-of-the-art facilities. Pankaj Kulshrestha, CCOM, and DR Kanungo, director (OD)-in-charge, was also present during the occasion.


Coal minister G Kishan Reddy at the Indian Bureau of Mines (IBM)

The minister did an overview of the facilities available and the ongoing projects and appreciated the work done by MMPL & PP, IBM, Nagpur. Subsequently the Union minister addressed the officers. VAJ Aruna, suptdg officer (OD) & LB Toal, suptdg officer (OD) and head of office worked to make the event successful.

BUSINESS LINES DATE:8/10/2024 P.NO.3

At 4.7 mt, steel imports up 41% in first-half as exports decline 36% to 2.3 mt

Abhishek Law
New Delhi

India was a net importer of steel for the first half of FY25 with imports of the metal at 4.7 million tonnes (mt), up 41 per cent y-o-y, while exports dipped to 2.3 mt, down 36 per cent. Imports more than doubled that of exports by 2.4 mt, per an internal report of the Union Steel Ministry, accessed by *businessline.*

The country was a net exporter of steel at 3.6 mt in the year-ago period (6 months of FY24) while imports were at 3.3 mt.


There is pressure of imports, especially from China and Korea

SUBSTANTIAL RISE

"There is pressure of imports, especially from China and Korea. But on a sequential or month-on-month basis, the rate of growth of imports is manageable. It is in low single-digit numbers. On the positive side, there has been a substantial improvement in exports sequentially. Some price firm up in China is being seen which, if it plays out in the long-run, is a positive," a Ministry official said.

In September, finished steel imports were around 1 mt, up 78 per cent y-o-y, but staying at the August level (flattish at 1 mt). Exports for the month stood at 0.4 mt, up 16 per cent over the previous month (0.34 mt) but down 8 per cent over the same month last year (September 2023 exports were at 0.43 mt).

Finished steel includes hot rolled coils, cold rolled coils, coated steel, non-alloyed offerings, alloy steels and stainless steel.

Market participants said prices of Chinese HRC (SS400) improved post the stimulus announcement and ahead of the Golden Week holidays. The assessed prices of Chinese HRC (SS400) stood at $510/t FOB Rizhao, and $540/t CFR India as on October 2. Prices from China (freight exclusions) stood at $410 per tonne, averaging out for the July-September period.

According to BigMint data, Chinese steel prices were at ₹42,800 per tonne (exclusive of freight) while metal coming in from ASEAN FTA nations were priced at ₹41,500 per tonne. In comparison, domestic steel was priced higher at ₹47,700 per tonne.

Per the Ministry report, non-alloyed steel (which include HRC, CRC and others) — used mostly in automobiles, electrical and capital goods, etc — witnessed an over 55 per cent y-o-y increase for the first six months of the fiscal to 3.5 mt while in September there was a 95 per cent y-o-y increase at 0.7 mt but it declined sequentially by 3 per cent.

On the other hand, alloy and stainless-steel imports were at 1.2 mt, up 13 per cent y-o-y for the first half of the fiscal. In September, category imports stood at 0.3 mt, up 44 per cent y-o-y and up 20 per cent sequentially (vs August).

DEMAND INTACT

Domestic steel demand, however, remained strong at 73 mt, a rise of 14 per cent y-o-y. Consumption in the year-ago-period was 64 mt.

Finished steel production saw a 5 per cent y-o-y growth for the first six months of the current fiscal at 71 mt.

THE ECONOMIC TIMES DATE:8/10/2024 P.NO.13

Ministries Meet on Friday to Finalise Transport of Coal for Power Plants

Shilpa Samant

New Delhi: The inter-ministerial committee comprising coal, power and railways officials will meet on October 11 to discuss and finalise rake supply plan for transporting coal to power plants for the second half of the financial year.

Based on the discussion, a decision on coal blending and mandate for imported coal based power plants to run on optimum capacity could be made.

In the wake of anticipated rise in electricity demand and requirement of thermal capacities to be available for the same, the government had in April mandated imported coal-based power plants to run under section 11 of the Electricity Act till October 15.

The government had also asked all thermal power plants to import 4% of their coal requirement till October 15.

While power demand rose between 11% and 15% in April-June on account of sweltering heat, July onwards demand has been flat to a rise of 3.5%.

The coal stock at power plants as on October 4 was around 36 million tonnes, including 3.6 million tonnes at imported coal-based power plants.

The depletion of coal stocks in the last quarter was around 23%, which is mainly on account of seasonal drop in coal evacuation and transport and also because of a drop in wind power generation for some time in the period, which increased the use of coal-based power, according to government data and industry officials.

Whereas, the depletion of coal stocks in the first quarter, which also saw high summer demand was around 7.8%.

While power demand rose 11-15% in April-June due to sweltering heat, July onwards demand has been flat to a rise of 3.5%

Former coal secretary Amrit Lal Meena had told **ET** in August that the ministry was expecting 34 million tonnes of coal stocks at domestic coal-based power plants by September-end. The same was 32.8 million tonnes as on September 30.

Dispatch of coal to power plants has risen so far over the last year. The government attributed it to efficient logistical arrangements from all three ministries - coal, railway , and power- for maintaining an efficient supply chain.

THE ECONOMIC TIMES DATE:8/10/2024 P.NO.8

LONG-TERM BULL MARKET INTACT: ANALYSTS

Gold Prices Likely to be Volatile, Avoid Lumpsum Purchases

Shining Bright

Gold Fund	1-year Rtn (%)	AUM (₹ cr)
Nippon India ETF Gold Bees	32.55	12,737
HDFC Gold ETF	32.77	5,502
SBI Gold ETF	32.96	5,002
ICICI Pru Gold ETF	32.72	4,742
Kotak Gold ETF	32.67	4,542

NOTE: Top 5 schemes by AUM consider

SOURCE: Value Research

Prashant Mahesh

Mumbai: Investors would be better off staggering their purchases of gold over the next few months than buying lumpsum, said analysts. This is because the prices of the precious metal could witness some sharp pullbacks following the recent run-up in their value, they said. The longer-term bull market in gold however remains intact.

"We expect gold to correct by 5-7% before the next leg up and a buy on dips is recommended," says Manav Modi, bullion analyst at Motilal Oswal Financial Services.

Over the last one month, gold price in dollar terms has moved up by 6.3%, while in rupee terms it is up 7.1%. The Nifty has shed 0.7%. In this calendar year, gold gained 28.8% in dollar terms, while in rupee terms it gained 21.2%, compared to the Nifty's gains of 15.3%.

"Despite tailwinds, gold prices may remain volatile in the near term as any severe volatility in risk assets may feed into gold prices," said Vikram Dhawan, head commodities and fund manager, Nippon India Mutual Fund. "A large open interest in COMEX may also weigh on the gold prices in the very near term."

In the past 20 years, gold has usually performed well in the lead-up to US elections, and the stakes are higher than ever as the next election approaches, said Dhawan.

"Central bank buying has been robust so far this year and physical demand has held up despite steep rise in prices," he said.

Financial planners are asking investors not to rush and buy the yellow metal. They are recommending stagger their bets over the next 3-6 months. "Investors could buy gold to diversify financial portfolios, take a staggered approach and allocate 10% of their portfolio assets to gold," said Amol Joshi, founder, Plan Rupee.

Gold prices could touch ₹86,000 per 10 grams over the next two years, though there will be sharp moves, said Modi.

"The bullish trend in gold remains intact over a longer period in the wake of the escalating geopolitical tensions and expectations of more interest rate cuts by the US Federal Reserve," he said.

BUSINESS LINE DATE:9/10/2024 P.NO.2

Trent, Senco Gold venture into lab-grown diamond biz

ADDING SPARKLE. Market will expand as large corporates offer affordable alternatives

Suresh P Iyengar
Mumbai

With gold and diamond prices touching new highs, large corporates are exploring lab grown diamond jewellery as a more affordable alternative for consumers.

Tata Group's fashion retail company Trent has launched a lab-grown diamond (LGD) brand, Pome, while Senco Gold and Diamonds unveiled a luxury brand, Sennes, on the global stage at the Milan Fashion Week Spring/Summer 2025.

Trent has introduced Pome in select Westside stores in Mumbai, Bengaluru, Hyderabad and Gurgaon, and expects to carve out an LGD jewellery brand through the roll-out of exclusive brand outlets.

Calling Pome as the Zudio of the jewellery segment, Kotak Equities in a report said a one-carat solitaire engagement ring is priced between ₹24,000 and ₹29,000 while the same in Pome LGD jewellery will be priced about ₹13,000-17,000 a carat.

SET IN STONE. The diamonds are certified by trusted bodies, such as GIA, IGI and SGL, across the globe

PRICING ADVANTAGE

On average, the report said, Pome's pricing could be at a 30 per cent discount to natural diamond studded jewellery and at an 80-85 per cent discount to high-value natural diamond studded jewellery of ₹5 lakh.

Senco Gold plans to create a separate business vertical by launching a suite of products, including LGD and silver jewellery, luxury leather handbags and perfumes.

REAL DEAL

Sennes will offer new-age luxury with an eco-conscious approach. LGDs match mined diamonds in all properties at a much lesser pocket pinch. All the physical and chemical properties of LGDs are identical to that of mined diamonds, and these are certified by trusted bodies, such as GIA, IGI and SGL, across the globe.

Suvankar Sen, MD and CEO, Senco Gold, said the response to the four Sennes stores launched in Kolkata had been very encouraging, and the company plans to invest ₹20 crore in the new line of business under the new brand.

"We do not expect Sennes' LGD jewellery to eat into real diamond sales, as Senco and the new brand cater to different audiences. All the products under Sennes will be made in India, and will contribute about 3-5 per cent of our overall sales in 5 years," he said.

The Indian market for LGD jewellery is expected to expand significantly with the entry of large corporates offering products at affordable price points. Their presence is likely to accelerate the adoption of LGD jewellery.

THE HITAVADA (CITY LINES) DATE:10/10/2024 P.NO.6

MOIL registers best Sept production and sales

- Giving utmost thrust to exploration, MOIL has carried out exploratory core drilling of 50,222 metres up to September, 2024 which is 1.4 times more than the previous year

■ Business Reporter

MOIL continued its growth momentum with best ever September production of 1.46 lakh tonne in September, 2024.

MOIL has achieved production of 8.70 lakh tonne during first six months of the current financial year (April to September 2024), registering a growth of 7 per cent over corresponding period last year (CPLY).

The company has also achieved best September sales of 1.59 lakh tonnes in September, 2024. Sales of 7.51 lakh tonnes during April-September 2024, is almost at the same level as that during corresponding period last year, despite challenging market conditions.

Giving utmost thrust to exploration, MOIL has carried out exploratory core drilling of 50,222 metres up to September, 2024 which is 1.4 times than the previous year.

Ajit Kumar Saxena, Chairman cum Managing Director (CMD) Of MOIL, mentioned that in spite of continued rainfall, the upward trend in production during first six months has been heartening, informs a press release.

He further mentioned that MOIL team is geared up to achieve higher levels of production and sales in the coming months. MOIL is one of the leading public sector units (PSUs) in the country.

BUSINESS LINES DATE:10/10/2024 P.NO.10

Buy Zinc futures when price softens to ₹275

Akhil Nallamuthu
bl. research bureau

Zinc futures on the Multi Commodity Exchange (MCX), which began its latest leg of rally a month ago, has been falling over the past few sessions. The October contract registered a high of ₹289.65 last week. It then moderated and is currently hovering around ₹278.

COMMODITY CALL.

The chart shows that the downswing is likely to extend. The nearest support is at ₹275 where a trendline and 20-day moving average coincides. So, this can arrest the fall. A potential rebound on the back of ₹275 can lift the contract to ₹290. A breach of this can lift the price to ₹300, a strong resistance.

On the other hand, if zinc futures breach the support at ₹275, bears can gain more strength. This can possibly lead to the contract falling to ₹265, a support. Subsequent support is at ₹252.

Buy zinc futures when its price softens to ₹275. Target and stop-loss can be ₹290 and ₹268. After initiating the trade, when the contract rises to ₹285, trail the stop-loss to ₹280.

BUSINESS LINES DATE:11/10/2024 P.NO.10

Singareni Collieries' output, despatch fell for 6th consecutive month in September

Rishi Ranjan Kala
New Delhi

The annual growth rate in coal production and despatch by Singareni Collieries Company (SCCL) has been in the negative territory for the sixth consecutive month in September 2024.

According to provisional Coal Ministry data, coal production by SCCL, which accounts for more than 5 per cent of the coal mines in India, declined by 23.63 per cent y-o-y to 3.75 million tonnes last month. It was largely flat on a monthly basis.

Despatch of the critical commodity, mainstay of India's power generation, also fell by 15.06 per cent Y-o-Y to 4.23 mt last month. The supply was flat on a monthly basis.

Coal Ministry data shows that September is the sixth consecutive month of decline in annual growth rate for the PSU in terms of both production and despatch. March was the only month where the growth in output and supply was positive.

Between December 2023 and February 2024, the coal miner's annual growth rate for production and despatch was consistently in the negative zone. In February, SCCL's despatch fell by 1 per cent Y-o-Y, while production grew by 6.54 per cent.

During April-September in FY25, SCCL's coal production fell by 9.19 per cent Y-o-Y (28.45 mt), while despatch declined by 11.03 per cent (29.35 mt) on an annual basis.

In contrast, production grew by 7.15 per cent Y-o-Y during April-September in FY24, whereas despatch was higher by 12 per cent on an annual basis during the same period.

Annual growth rate

(Growth Y-o-Y (%))

	Coal India Growth		Singareni Collieries Company Growth	
	Production	Despatch	Production	Despatch
September 2024	-0.96	-0.48	-23.63	-15.06
August 2024	-11.94	-11.06	-25.10	-21.63
July 2024	2.54	1.39	-1.63	-6
June 2024	8.85	6.77	-2.67	-4.65
May 2024	7.46	8.50	-2.40	-8.28
April 2024	7.32	3.18	-1.69	-4.50
March 2024	6.08	7.20	4.14	1.58
February 2024	8.69	12.05	6.54	-1
January 2024	9.09	4.83	-3.36	-9.23
December 2023	8.23	6.14	-3.83	-6.04
November 2023	8.77	6.23	0.50	0.00
October 2023	15.36	14.83	10.86	12.44
September 2023	12.63	12.57	-0.49	4.10

Source: Coal Ministry

COAL PRODUCTION

SCCL, jointly owned by Centre and Telangana government on 49:51 equity basis, has reserves across 350 km of the Pranahita-Godavari valley in Telangana with proven geological reserves of around 8,791 mt.

Currently, the PSU is operating 17 opencast and 22 underground mines in 6 districts employing around 42,000 people.

On the other hand, production and despatch of the dry fuel by Coal India (CIL), which produces and despatches more than 80 per cent of coal in the country, fell for the second consecutive month in September 2024.

However, the decline in growth rate last month was marginal.

CIL PRODUCTION

Coal production by CIL fell by 0.96 per cent Y-o-Y to 50.95 mt. On a monthly basis, output was higher by 10.62 per cent. Despatch of the key resource fell 0.48 per cent Y-o-Y to 54.85 mt. It rose by 4.32 per cent M-o-M.

However, the decline in growth rate in production and despatch for the coal mining behemoth during August and September 2024 is a first in the last 12 months.

CIL's coal production during April-September in FY25 rose by 2.54 per cent Y-o-Y to 341.34 MT. Despatch of the commodity grew 1.54 per cent Y-o-Y to 366.21 mtin the same period.

POSITIVE GROWTH

Cumulatively, India's coal production rose by 2.51 per cent Y-o-Y to 68.96 mt during September 2024. Captives/ Others also registered a positive growth of 30.61 per cent Y-o-Y producing 14.26 mtcoal.

Despatch of the dry fuel increased by 5.32 per cent to 73.99 mtin September 2024.

Captives/ others too registered a positive growth of 46.72 per cent on an annual basis by despatching 14.91 mt.

THE ECONOMIC TIMES DATE:14/10/2024 P.NO.7

NALCO AND VEDANTA HOLD PROMISE: EMKAY

Demand Drivers in Place for Aluminium Producers to Shine

AI GENERATED

Emkay Global has initiated coverage on aluminium producers, highlighting that firm demand drivers are in place for the metal to head higher. The firm said the rapid growth in the solar sector, battery industry, and Chinese consumption have led to demand outstripping supply. It has given 'buy' calls on Nalco and Vedanta, while maintaining a 'reduce' on Hindalco.

Emkay's Top Picks Among Aluminium Producers

Stock	Rating	Target Price (₹)	CMP (₹)	Upside/ Downside (%)
Vedanta	Buy	600	497	20.72
Reasons: Investment case premised on 4Ds: Demerger, Delivery of Project, Dividend, Deleveraging • Dermerger in final stage; pure plays trade at a premium to diversified miners				
Nalco	Buy	275	222	23.87
Reasons: Market is under-appreciating the earnings potential and project delivery • Market sentiment on Nalco would start turning positive as the company delivers on profitability				
Hindalco	Reduce	650	747	-12.99
Reasons: Stock pricing-in all positives, part of which was optimism around the planned Novelis IPO, later called off • See modest incremental downside; maturing earnings momentum and a lack of sufficient near-term levers				

SOURCE: Emkay Research Report

THE ECONOMIC TIMES DATE:14/10/2024 P.NO.1

ANTI-DUMPING MOVE: AMBIT OF QUALITY NORMS LIKELY TO BE WIDENED

India may Raise the Bar to Block Entry of Cheap Steel

Inbound shipment permits will be allowed only for grades of steel not available locally

Suryash Kumar

New Delhi: The government could soon expand the ambit of its stringent quality norms amid an increase in large-scale dumping of substandard steel, largely from China, said officials.

It comes after a comprehensive review of local production and imports by the steel ministry in early October which revealed the sector's increased vulnerability to global trade diversions, they said.

India was a net importer of steel in the first five months of this financial year. According to official estimates, the country exported 1.92 million tonnes (mt) of the metal but imported 3.45 mt during this period.

Stringent quality checks can stem the tide of imports as producers scour for markets amid sluggish demand and steep duties imposed by the US and the EU, which has increased risk of dumping into India. At present, import of multiple grades of steel is permitted despite quality control orders on the basis of a no-objection certificate (NOC) from the steel ministry. The ministry will now issue permits only for grades of steel not available locally, according to the officials.

Filtering Out

Currently, import of multiple grades of steel is permitted despite quality control orders

This is done on basis of an NOC from steel ministry

STEEL SHIPMENTS (MT)

	2023-24	2024-25
Exports	3.17	1.92
Imports	2.78	3.45

Source: Ministry of Steel

GOVT LOOKING TO

- Widen scope of quality control
- Curb non-compliant steel import
- Strengthen duty regime