

F. No. CDN-03/1/2021-COORD.

Dated:

मासिक सार
MONTHLY SUMMARY

ON

अलौह खनिज एवं धातु
NON-FERROUS MINERALS & METALS

जुलाई, 2021
JULY, 2021

भारत सरकार / GOVERNMENT OF INDIA
खान मंत्रालय / MINISTRY OF MINES

I/3005033/2021

1. Aluminium:**1.1 Global Scenario:**

The world production of Aluminium Metal during April-June, 2021 was about 16.93 million tonnes against world consumption of 17.55 million tonnes, resulting in a deficit of 0.62 million tonnes. It is estimated that during July-September, 2021, world consumption of Aluminium Metal would be 17.21 million tonnes against world production of around 17.15 million tonnes, implying a deficit of 0.06 million tonnes.

Price Outlook:

The average London Metal Exchange (LME) Cash for July, 2021 was US \$2,491.95/tonne as against US \$1,639.35/tonne in July 2020 thereby registering an increase of 52.01%.

1.2 Domestic Scenario:

Production of aluminium metal in the public sector unit i.e. National Aluminium Company Limited (NALCO) and private sector units, namely, Bharat Aluminium Company Limited (BALCO), Hindustan Aluminium Company Ltd. (HINDALCO), and Vedanta Limited in the country, during the month of **July, 2021**, was as follows:

(Unit: Metric Tonne)

| Company | Existing capacity | July, 2021 Production | | Cumulative Production 2021-22 (up to July, 2021) | | Actual Cumulative Production up to July, 2020 |
|---------------------|-------------------|-----------------------|-----------------|--|------------------|---|
| | | Target | Actual | Target | Actual | |
| NALCO | 4,40,000 | 38,086 | 38,312 | 1,45,718 | 1,50,412 | 1,33,092 |
| BALCO | 5,70,000 | 49,152 | 49,218 | 1,93,451 | 1,93,825 | 1,84,658 |
| HINDALCO | 13,46,000 | 1,08,903 | 1,08,317 | 4,28,487 | 4,27,102 | 3,93,872 |
| VEDANTA LTD. | 17,50,000 | 1,44,378 | 1,42,537 | 5,56,666 | 5,46,409 | 4,43,139 |
| Total | 41,06,000 | 3,40,519 | 3,38,384 | 13,24,322 | 13,17,748 | 11,54,761 |

NALCO produced 38,312 metric tonne of Aluminium and sold 22,890 metric tonne of Aluminium in domestic market and exported 13,505 metric tonne during July, 2021.

2. Copper

2.1 Copper Ores:

2.1.1 Domestic Scenario:

Hindustan Copper Limited (**HCL**) is the only domestic producer of Copper Ore. The production of Copper Ore during the month of July, 2021 is 3.37 lakh tonnes. Production during the corresponding period in the previous year was 2.66 lakh tonnes.

2.2 Copper Metal

2.2.1 Domestic Scenario:

The size of Indian copper industry (consumption of refined copper per annum) is around 6.6 lakh tonnes, which as percentage of world copper market is only three percent. Vedanta Limited, Hindalco Industries and Hindustan Copper Limited (**HCL**) are the major producers of refined copper in India. Production in India has declined significantly due to the closure order issued to Vedanta Smelter/ refinery plant by Tamil Nadu Government in May, 2018.

The production of refined copper (cathode) by HCL during July, 2021 was Nil. The production of refined copper (cathode) by HCL during the corresponding period in the previous year was also Nil. HCL is selling Metal in Concentrate (**MIC**) in the market directly. The MIC production of HCL during July, 2021 was 1843 tonnes and it was 1995 tonnes during the corresponding period in the previous year.

As of the end of June, 2021, copper stocks held at the major metal exchanges (LME, COMEX, SHFE) totalled 4,10,820 tonnes, an increase of 1,59,645 tonnes from stocks held at the end of December 2020 and an increase of 27,226 tonnes vis-à-vis stocks held at the end of May, 2021.

2.2.2 Factors influencing Copper Markets:

- Copper prices in India are fixed on the basis of the rates that rule on LME and Rupee & US Dollar exchange rate.
- Economic growth of the major consuming countries such as China, USA, Japan, Germany, India etc.
- Growth and development in the Infrastructure, Real-estate, Telecom and Electrical Industry, Renewable Energy and Electrical Vehicle Sector.
- Depends on Surplus/ Deficit in copper market

I/3005033/2021

2.2.3 Price Outlook:

The average LME price in July, 2021 was US \$9433.59 per tonne compared to average LME of US \$9612.43 per tonne in June, 2021 registering a decrease of 1.86%. The average LME price during the year 2020-21 was US \$6878.71 per tonne.

2.3 Overall Performance of Hindustan Copper Limited:

During the month of July, 2021 production of Metal-in-concentrate, Cathode and CC Wire Rod was 72%, 0% and 45% of the targets respectively. The sale of copper (cathode, cc wire rod and MIC) during the month of July, 2021 was 152% of the target.

Physical Performance of Hindustan Copper Limited

(Unit: Metric Tonne)

| Items | Existing capacity | July, 2021 Production | | Cumulative Production 2021-22 (up to July, 2021) | | Actual Cumulative Production up to July, 2020 |
|------------------------------|-------------------|-----------------------|---------------------------------|--|---------------------------------|---|
| | | Target | Actual | Target | Actual | |
| Copper Cathode | 68,500* | NIL | Operation Temporarily Suspended | NIL | Operation Temporarily Suspended | NIL |
| CC Copper Wire Rods** | 60,000 | 500 | 225 | 2000 | 424 | 949 |
| Metal-in Concentrate | 42970*** | 2,554 | 1,843 | 10,217 | 8,707 | 5,703 |

Note: MIC produced from ore in HCL has been directly sold in the market.

* Installed capacity has been declared on the basis of revised installed capacity of HCL (GCP unit: 50,000 tonne p.a., ICC unit: 18,500 tonne p.a., and KCC unit: Nil)

** CC Wire rods production target FY 2021-22 is only for third party tolling

*** The concentrator plant capacity is expressed in terms of ore milling capacity not in terms of concentrate production capacity. The concentrate/ MIC production varies on grade of ore mined hence it will vary depending on the set of assumptions.

2.4 The production of copper cathode in the organized sector by the public sector unit viz. Hindustan Copper Ltd. (HCL), and private sector units' viz. Hindalco Industries Ltd. (HINDALCO, Unit Birla Copper) and Sesa Sterlite Ltd. (SSL) in the country, during the

I/3005033/2021

month of July, 2021 was as follows:

(Unit: Metric Tonne)

| Company | Existing capacity | July, 2021 Production | | Cumulative Production 2021-22 (up to July, 2021) | | Actual Cumulative Production up to July, 2020 |
|--------------|-------------------|-----------------------|---------------------------------|--|---------------------------------|---|
| | | Target | Actual | Target | Actual | |
| HCL | 68,500* | NIL | Operation Temporarily suspended | NIL | Operation Temporarily suspended | NIL |
| HINDALCO | 5,00,000 | ** | 28,683 | ** | 91,331 | 63,869 |
| SSL | 4,50,000 | 15,750 | 11,278 | 58,052 | 39,413 | 24,996 |
| Total | 10,18,500 | 15,750 | 39,961 | 58,052 | 1,30,744 | 88,865 |

Note: Metal in concentrate (MIC) produced from ore in HCL is partially converted into refined copper & balance is directly sold in the market.

* Installed capacity has been declared on the basis of revised installed capacity of HCL (GCP unit: 50,000 tonnes p.a.; ICC unit: 18,500 tonnes p.a.; and KCC unit is NIL)

** Depends upon various economic factors (w.r.t copper cathode figures of Hindalco)

3. Zinc

Domestic Scenario

In India, the main producers of Zinc are Hindustan Zinc Limited (HZL) (Government of India holds 29.54% of equity share).

Production details of the HZL are as below:

(Unit: Metric Tonne)

| Company | Existing capacity | July, 2021 Production | | Cumulative Production 2021-22 (up to July, 2021) | | Actual Cumulative Production up to July, 2020 |
|---------|-------------------|-----------------------|--------|--|----------|---|
| | | Target | Actual | Target | Actual | |
| HZL | 8,43,000 | 80,057 | 59,811 | 3,02,035 | 2,47,811 | 2,20,681 |

4. Lead

The production details of Hindustan Zinc Limited (HZL) is given below:

(Unit: Metric Tonne)

| Company | Existing | July, 2021 Production | Cumulative Production 2021-22 (up to July, 2021) | Actual Cumulative Production |
|---------|----------|-----------------------|--|------------------------------|
|---------|----------|-----------------------|--|------------------------------|

I/3005033/2021

| | capacity | Target | Actual | Target | Actual | up to July, 2020 |
|------------|----------|--------|--------|--------|--------|------------------|
| HZL | 2,01,000 | 19,880 | 17,600 | 67,424 | 66,070 | 64,681 |

5. Silver

The production details of Hindustan Zinc Limited (HZL) is given below:

(Unit: Kg)

| Company | Existing capacity | July, 2021 Production | | Cumulative Production 2021-22 (up to July, 2021) | | Actual Cumulative Production up to July, 2020 |
|------------|-------------------|-----------------------|--------|--|----------|---|
| | | Target | Actual | Target | Actual | |
| HZL | 9,66,000 | 70,200 | 54,710 | 2,44,800 | 2,15,370 | 1,81,541 |

6. Gold

The total production details of gold produced by Hutti Gold Mines Limited (HGML) and HINDALCO during the month of July, 2021 are given below:

(Unit: Kg)

| Name of the Company | Production in July, 2021 |
|---------------------------------|--------------------------|
| Hutti Gold Mines of HGML | 91.310 |
| UTI Gold Mine of HGML | 5.974 |
| Hira-Buddinni Gold Mine of HGML | 5.014 |
| HINDALCO | 401.080 |
| Total | 503.378 |

7. Survey, Exploration & Production of Minerals:

In the Ministry of Mines, GSI and MECL carry out regional exploration and detailed exploration respectively:-

7.1 Geological Survey of India:

Minerals Investigation: During the month of July, 2021, **54.5 sq.km.** of Large Scale Mapping (LSM), **2.63 sq.km.** of Detailed Mapping (DM) and **18956.52 m** of Drilling (including spill over) were carried out against monthly pro-rata targets of (*) **0 sq.km., 0 sq.km. and 10,400 m** respectively.

(*) Target based on outcome budget of 2021-22

7.2 Mineral Exploration Corporation Limited

During July, 2021, MECL achieved **11,327 Meter** of drilling against the target of **16,500 Meter**.

7.3 Production of Minerals

The estimated value of mineral production covering metallic ferrous and industrial minerals but excluding fuel minerals, minor minerals and atomic minerals is Rs.14,020 crore in July, 2021. The value of Mineral Production during corresponding month of previous year i.e July,

I/3005033/2021

2020 was Rs.4,144 crore, registering a growth of 238%.

The Production of metallic minerals in July 2021 is Rs.13,183 crore as compared to Rs.3,382 crore in July, 2020, registering a growth of 289%. The Production of Non-Metallic minerals in July, 2021 is Rs.837 crore as compared to Rs 762 crore in July, 2020, registering a growth of 9.8%.

The total value of MCDR minerals for June, 2021 is Rs.14,341 crore (Provisional) out of which value of Metallic and Non-metallic minerals is Rs.13,485 crore and Rs.856 crore respectively. Iron ore alone accounted for 83% of total value of mineral production in June, 2021. Along with Iron ore, minerals like Bauxite, chromite, copper concentrate, lead and zinc concentrate and manganese ore account for 94% of total value of mineral production in June, 2021.

7.4 The Iron Ore production for the month of July 2021 is 19.77 Million Tonnes (MT) (Provisional) as compared to 14.13 MT in July 2020. The cumulative production of iron ore for the period Apr- July 2021-22 is 88.89 MT (P) as compared to 50.06 MT in Apr-July 2020-2021.

Signed by Ajay Kadian
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