Locals to fast against mining project

Akshay Deshmucj

Even as the rest of the state celebrates Maharashtra Day, about 500 kilometres from Mumbai, villagers in Konkan’s mining hotbed Sindhudurg district will mark the historic occasion with a day-long collective fast in protest against a controversial Rs1000 crore proposal to mine iron ore from a mountain rich with fresh water springs.

Here, a 150-year-old natural drinking water project satiates the thirst of over 25,000 citizens of Sawantwadi, apart from serving as the habitat of a fragile ecosystem.

Close to a hundred local residents from at least eight villages in the 20km radius of the mountain – including Kesari Fansavde, Amboli, Verie, Kalmast, Markol, Kalivde, Danoli – are expected to participate in the agitation. Organised by the Sindhudurg-based Lok Shikshan Samiti, the protest will see the villagers gather around the statue of widely-regarded former administrator Bapusaheb Maharaj, and fast for the entire day.

Nakul Parsekar of the Lok Shikshan Samiti said that the fast was an effort to bring the attention of the administration to the local opposition for the project, which has been kept in cold storage due to the Gadgil Committee report, but is likely to be revived in October.

“This project is one of the 49 proposed for the entire district. If the project is revived, at least 75,000 trees will have to be felled and the rich bio-diversity of the region will be lost, apart from the damage to the historic natural drinking water project,” explained Parsekar.

The illegal Kaine iron ore mines 30km away have contributed to several deaths due to reckless driving by dumper drivers.

“We are opposed to all projects that damage the environment and affect locals adversely. Our hope is that on Maharashtra Day, the administration will pay heed to us,” he added.
नेवेली लिम्नाइट कार्यालय
में मजूरों की हड्डियाल जारी

कुवाल, 1 मई (भाषा)। नेवेली लिम्नाइट कार्यालय (पुनाबाई) में तेजी के कारण 14000 मजूरों को केबियादी हड्डियाल मंगलकार को 11वे दिन भी जारी रखती। कंपनी के आधार और विवश विवेकानंद बाबू अंबाई ने हड्डियाल वापस लेने के अनुरोध की है पर उसका अंश कौन सी है। कंपनी के जन सूचना अधिकारी श्रीभर ने कहा कि हड्डियाल को फाज से 1050 मेगावाट विश्लेषी उत्पादन का नुकसान है। कंपनी के विज्ञापन की तस्वीर श्रम बनाने अधिक 2400 मेगावाट है पर 2340 मेगावाट विश्लेषी का ही उत्पादन ही रखा है।
No deadline for uranium sale to India, says Australia

Sujay Mehndia

PERTH (AUSTRALIA): No timeframe or deadline could be set for Australia to start uranium exports to India. But Australia's decision to export to India is firmly in place, despite opposition in some quarters, and both nations are discussing the issue to seal a deal, Australia's Resources and Energy Minister Martin Ferguson said on Monday.

"There are some groups, including the Green Party, which are opposed to the sale of uranium to India. The [ruling] Labor Party and the present government have decided to allow uranium exports to India only for peaceful use and generation of clean energy. The uranium is strictly for civilian use and not any other purpose," he told a delegation of South Asian journalists here.

The exports would come about only after the formalities in respect of issues pertaining to the International Atomic Energy Agency (IAEA) and the Nuclear Supplies Group (NSG) were fulfilled by India, he said.

On December 4 last year, the Labor Party of Prime Minister Julia Gillard decided to end the ban on uranium sales to India.

Officials say India and Australia are negotiating a bilateral safeguards treaty. Ms. Gillard has made it clear that Australia will apply the same standards to India as it does to all countries to which it exports uranium. These are strict adherence to the IAEA's arrangements, strong bilateral undertakings and measures to ensure that the uranium will be used only for peaceful purposes.

Interestingly, India and Australia are also negotiating a Free Trade Agreement, which is expected to boost trade and services. India has refused to sign the NPT, arguing that the treaty is discriminatory, allowing a handful of countries to retain nuclear weapons.

Officials say that lifting of the curbs will help to bring in big investments in the uranium sector, as India is seen as a major power attaching importance to nuclear energy. India proposes to generate 20,000 MW of nuclear energy by 2022, so it needs uranium imports.

It will take some time before uranium starts flowing into India, officials say.

The move to export to India has been welcomed by Australia's uranium mining industry, which has come under great pressure after the Fukushima disaster last year. The demand has fallen, and the news of Australia agreeing to sell to India led to a 10 per cent increase in uranium prices in global markets.

Australia is the world's third largest producer and exporter of uranium, after Kazakhstan and Canada. Over the past 10 years, Australia's production has averaged out at 8,500 tonnes a year, around 20 per cent of the world's production from 2000 to 2010.

Australia has the world's largest known reserves of uranium, amounting to 23 per cent of the world's total reserves.

Mr. Ferguson said the United Arab Emirates had hinted at setting up three nuclear power reactors, for which it would require uranium, and the Chinese were also going ahead with nuclear power generation.
Copper drops despite Chinese data, soft $\\$

Reuters

London/Singapore, May 1

Copper dipped on Tuesday as brisk manufacturing data in top metal consumer China and a softer dollar failed to offset concerns about the fragile US economy and the euro zone crisis.

Three-month copper on the London Metal Exchange was $8,391 in official rings, after hitting a session high of $8,450. It closed at $8,400 on Monday.

China's official purchasing managers' index (PMI) rose to a 12-month high of 53.3 in April, signalling the world's No. 2 economy may be recovering from a first-quarter trough.

With copper inventories in warehouses monitored by the LME at their lowest since 2008, Chinese copper smelters and trading firms are ready to export the metal to LME sheds over the next two months to help ease tight global supplies and trim near record stockpiles at home. Copper stocks fell another 7,000 tonnes to 241,550 tonnes, according to data from the LME on Tuesday.

Lead bucked the negative trend among base metals, with LME three-month lead at $2,155 a tonne in rings, up from $2,148 at the close on Monday. LME data shows that in lead, cancelled warrants or material booked to leave warehouses have risen from around 11,000 tonnes in early April to nearly 86,850 tonnes, with some 12,050 tonnes booked to leave Genoa and Leghorn in Italy.

The benchmark cash-to-three-months backwardation - the premium for cash lead against three-month delivery - reached $5 on Monday, its highest in around three weeks. Tin was $22,750 in rings from $22,775 at Monday's close, zinc was $3,056 from $3,062, aluminium was $2,107 from $2,119 and nickel was $17,625 from $17,995.
Mining for lessons
Govt has already petitioned SC on auctions vs FCFS

With over 400 mining lease licences pending execution at a fairly advanced stage and over 40,000 applications to prospect for various minerals at a very basic level, it is not surprising the government should want to take legal advice, from the Attorney General, on how to proceed with the case. If these are dealt with in the old first-come-first-served (FCFS) manner, the government fears this could attract adverse attention from the CAG and others including the Supreme Court—the CAG’s draft report which reportedly talks of ₹10.7 lakh crores losses in allocating coal mines is expected to be finalised soon, and the SC had cancelled A Raja’s 122 telecom licences primarily because they were not auctioned but given out on a FCFS basis. If, on the other hand, the government waits for Parliament to pass the amended mining bill which allows for auctions, this could be a long wait—while the amendment to the Mines and Minerals (Development and Regulation) Act of 1957 that was passed in 2010 allowed states to grant a prospecting licence or a mining lease through auction, this was only for coal and lignite and only for captive users of these minerals.

While the Attorney General has cleared this saying the Supreme Court had not been called upon to consider the statutory provisions of the MMDR Act while cancelling the 2G licences, the fact of the matter is the government has put this before the Supreme Court while sending it the 2G Presidential Reference. The last question asked in the Reference, question 8, is quite clear when it asks “whether the Judgment lays down auction as mandatory for allocation of all natural resources across all sectors and in all circumstances”. In its review petition on the same 2G matter, the government invokes the MMDR Act when it says Section 11 of the Act gives the first person to apply a preferential right over a mining lease—in other words, the government’s review petition arguing the Supreme Court’s direction to auction all resources was contrary to the MMDR Act passed by Parliament. As it puts it, “It is respectfully submitted that if the impugned judgement is correct, a necessary consequence would be that the grant of mining rights under the Mines and Minerals (Development and Regulation) Act, which was enacted as far back as 1957, after due deliberations in Parliament qua a most valuable natural resource, would be liable to be held illegal”. In this context, instead of pushing ahead with granting mining resources on an FCFS basis, now that the government has brought the matter to the SC, it would be better served by simply approaching SC again and ask for a quick resolution of both its review petition as well as the Presidential Reference.
Mines ministry can allocate leases on first come, first served basis, says AG

Ashish Sinha & Rishi Raj
New Delhi, May 1

The government can go ahead and allocate mining leases on a first come, first served (FCFS) basis, attorney general GE Vahanvati has told the government. The AG’s advice, sought by the mines ministry where around 400 requests for mining leases are pending, comes at a time when the larger issue of allocating natural resources through auctions is being heard in the Supreme Court as part of the presidential reference made by the government.

In tendering the advice, the AG has gone by the context of the Supreme Court ruling on February 2, which cancelled 122 licences granted by former telecom minister A Raja through a skewed FCFS policy. Calling for their cancellation, the SC had said that all natural resources should be allocated through auctions alone. Though the government did not challenge the cancellation of the licences, it has made a presidential reference to the SC seeking to know if the auction criteria would apply to all natural resources in all circumstances or only telecom spectrum.

However, the AG has told the mines ministry that the SC ruling was in the context of telecom licences/spectrum and did not pertain to the mines sector. “The observations of the SC in the judgment dated February 2, 2012, with regard to transfer of natural resources were genuinely made in order to justify the cancellation of the telecom licences,” Vahanvati has said. “The SC was not called upon to consider other statutory provisions, particularly the provisions under the MMDR Act, 1957, and the rules made thereunder; the AG has added.

Vahanvati has concluded that the existing practice (of granting mining leases) can be continued. “In the event of any challenge to the existing practice, the matter may be considered at that stage,” he added.

In coming to this conclusion, the AG also stated that the grant of mineral concessions by way of mining leases on an FCFS basis is rare and on the basis of statutory provisions and none of these provisions are before the SC.

THE OBSERVATIONS IN THE SC JUDGMENT ON TRANSFER OF NATURAL RESOURCES WERE GENUINELY MADE IN ORDER TO JUSTIFY THE CANCELLATION OF THE TELECOM LICENCES


The AG has also stated that the grant of mineral concessions by way of mining leases on an FCFS basis is rare and on the basis of statutory provisions and none of these provisions are before the SC.

As reported by FE in its May 1 edition, the mines ministry had referred the matter to the AG on April 19 fearing possible strictures from the SC after its February 2 judgment.

The context of the reference was that the government can’t put the sector on hold, as it will take a while before Parliament clears the MMDR Bill, which will set the stage for auctions.

The AG’s advice favouring FCFS may insulate the mines ministry from any potential adverse comments by the comptroller and auditor general of India (CAG) in future. This is important considering that a leaked draft report on coal by the CAG has stated that the exchequer lost around Rs 16,700 crore by not auctioning captive coal blocks in the past.

In his opinion, Vahanvati has also said that the position of persons who have been given reconnaissance permits and prospecting licences will stand on a different footing because such persons invest time and effort in exploration.

Centre’s plea against auction of resources opposed in SC, Page 3