Hindustan Copper to sell non-core assets
Co expects to earn ₹3,000 cr from sale of reserves of such products

M V Ramsurya
Mumbai

Hindustan Copper, India’s largest miner of the ore, plans to sell its non-core assets, including reserves of granite and copper ore, over an extended period. Chairman Shakeel Ahmed said in an interview, “We have large reserves and stocks of these products. They are non-core for us and we intend to sell them to users such as infrastructure companies and agriculture units, as the prices are very robust,” Mr. Ahmed told ET recently. “It will happen slowly and spread out over five to 10 years,” he added.

Gravel rock, a by-product in copper manufacture, is used to lay highways and in making railway ballast. Hindustan Copper has reserves of about 215 million tonnes, which at the current price of ₹45 per tonne, can imply earnings of about ₹968 crore.

The company also has stocks of copper ore, tailings material left over after separating valuable elements from ores that are used as crop nutrients. At ₹225 per tonne, Hindustan Copper’s stocks of 95 million tonnes would bring in ₹21.158 crore.

“This isn’t something that would be done overnight,” said Mr. Ahmed. “It may take a long period of over 10 years as the logistics of moving these products is very complicated.”

Hindustan Copper is scheduled to tap the capital market in the second week of December to sell up to 20% equity stake in a follow-on public offer. The company has filed initial papers with market regulator SEBI for the public offer that is targeted to raise up to ₹1.8 billion.

Shares of Hindustan Copper on Tuesday closed down 1.2% at ₹277.40 on the BSE.

Hindustan Copper is planning to increase its mine capacity to meet growing demand for the red metal which is used in the power, construction and automobile industries. “We intend to take the capacity to 12.4 million tonnes by 2017 and this will be done in phases,” said Mr. Ahmed. “First the mining output would be taken to 4.7 million tonnes by 2013 and later to 7.7 million tonnes by 2014 and finally to 12.4 million tonnes.”

Copper prices have been soaring due to tight supplies and due to constraints in copper mining, a weak dollar and potential exchange traded fund flows into copper as an asset class. Copper for delivery in three months climbed $1.10, or 1.3% on Monday to $8,310 on the London Metal Exchange. It is the only metal to be inching to a pre-liquidity crisis price of $8,900 per tonne.

Hindustan Copper has also applied for 20 prospecting leases in mining near its existing mines at Khetri and Malanjkhand. It has already received a prospecting lease at Baniwali ki Dhami. These are greenfield plans of Hindustan Copper and not part of the 12.4-million-tonne expansion programme, said Mr. Ahmed.
NALCO profit up 40%

BHUBANESWAR, Oct 31 (PTI): National Aluminium Company Limited (NALCO) has registered a 40 per cent growth in its net profit at Rs 224.04 crore for the second quarter ended September 30, over the same period previous fiscal.

During the corresponding quarter a year ago the company had a net profit of Rs 159.50 crore in, company sources said here today.

Similarly, the sales turnover of the Navaratna PSU surged by about 30 per cent to Rs 1548.75 crore over the comparative quarter last fiscal, they said.

The net profit and sales turnover for the half year ended September 2010 were also higher at Rs 508.09 crore and Rs 2936.91 crore, respectively, as against the corresponding year-ago period figures of Rs 285.94 crore and Rs 2169.70 crore, respectively.

During the first half, Nalco also witnessed a record production of 221,963 MT of metal compared to 207,794 MT in the corresponding period previous fiscal, registering a growth of 6.8 per cent, they said.
ALL THAT GLITTERS IS ONLY GOLD

Gold has made people’s eyes gleam since time immemorial. Even today, it makes for one of the best investment options in your portfolio.

Women in love with gold stand vindicated — year after year. For, not only is the warm yellow metal one of the most coveted when it comes to jewellery, it also makes for an excellent investment opportunity. After all, it is an exhaustible metal. Also, it is probably the only primary asset that is not someone else’s liability. After all, the metal is almost indestructible and does not tarnish or corrode by acid, except by a mixture of nitric acid and hydrochloric acids.

Thus, instead of questioning the efficacy of gold as an investment, what you really need to understand is how and when it makes sense to invest in gold. It is worth mentioning here that India is the world’s largest consumer of gold jewellery and contributed to as much as 20 per cent to the global demand for physical gold. For times immemorial, when there were no bonds and stocks to invest in, people looked upon putting their hard-earned money into buying gold for times when they might need that money.

Here, too, Indian steals the show — it is the largest purchaser of coins and bars for investment. There are numbers to show how the love for gold has never faded. In the last financial year, the price for gold has increased by more than 30 per cent. According to the World Gold Council, gold jewellery demand increased from 208 tonnes in 1991, to 586 tonnes in 2002. It may be noted that roughly 30 per cent of gold jewellery is made from recycled pieces.

For investment purposes, investors buy the metal as a hedge against any crises in their own lives or any negative news from the economic, political or social arenas. Some researchers even feel that gold has features of money. Although gold may not have given really great returns to its investors, it has beaten inflation, time and again. After all, it is the only legal tender one can use to trade commodity in the market. Experts also feel that gold investment should mostly be used as a term over and as a hedge.

In the Indian scenario, gold is also purchased at auspicious occasions such as Akshaya Tritiya, Dhanteras, birth of a day, a dear one’s wedding and so on. And thanks to the rise in buying power of the Indian middle class, gold shopping in the country is only set to grow. In fact, the current downturn in the global economy could mean a surge in gold sales and prices.

The story will be continued on Pg. 3.
All that glitters is only Gold

continued from Pg 1...

economy didn’t dampen gold shopping spirit last Diwali – a surge of nearly 50 per cent was observed during this festive season. A woman’s delight, gold jewellery, has remained equally attractive. In our country, gold ornaments make for 80 per cent of the jewellery market. Of the 800 tonnes of gold consumed in India, 600 tonnes is for gold jewellery. As per a KPMG study, the Indian jewellery market, worth about $13.5 billion in 2006-07, makes for 8.3 per cent of sales of gold jewellery the world over.

For those looking for long-term investment, gold makes for a good option. It also helps you balance your investment portfolio.

Let’s talk about investment options in gold. Most specialist advise you to buy gold in the form of exchange traded funds. For those who want to capitalize on price movements, bullion coins are a good option. In fact, bullion coins and bars are the oldest form of investment in the metal. A variety of carat, weight and sizes are offered by jewellery house, banks and several financial institutions. Then there are the numismatic coins, whose value also depends on its rarity and vintage. It makes sense to buy gold when the prices are low, however, getting a good price is not always that easy. While selling, too, you need to exercise caution and liquidate it when the prices are high. Then there are gold bars. Commonly, smaller bars cost more as the premium is low on larger bars. However, it may be remembered that resale of big bars in not easy.

Also becoming attractive to investors are gold certificates for a given amount of gold. One can get physical delivery of the gold or trade it through certificates. There are gold accumulation plans too, in which you are allowed to buy gold for a fixed sum every month. The benefit being that you get it at market average price rather than the price at that time.

You can also start gold accounts with most major banks; those who deal in gold speculation usually have such accounts with private bankers or commodity brokers. Gold mining shares are another option. Simply put, an increase in gold bullion prices leads to an increase in gold mining share prices. A word of caution, though. Gold mining investment is more volatile than the gold price.

The other reason trend in the gold market is gold loans, wherein you get almost instant cash loans. Mostly available within one working day, these loans only need identity and residence proof. The interest rate here depends on the margin of safety you leave for the lender – which essentially means that the more jewelry you keep with the lender for the same loan, the lower is the interest rate. Usually, these rates vary between 10 and 17 per cent.

With expert lenders in the India coming up all of the country, these loans make for easy local availability and at reasonable rates. And although these loans are also available with private and public sector banks, they might not be quite as speedy. A tip: Keeping your loan amount to 50 per cent of the market value of the jewellery gives you the most reasonable interest rate. All you have to do is let the bank’s designated jeweler value and assess your jewellery, which is then sealed in your presence and the money handed over to you.

Having said that, however, one should always compare different loan schemes against gold on the internet and then choose the one that suits you best.

You need to keep in mind, however, that if for some reason the loan is not repaid, the lender can sell it to get back his money.
कम मांग से चांदी की चमक फीकी

स्टोलेत पर तेजी के बावजूद घरेलू बाजार में चांदी 700 रुपये टूटी

विश्वसनीय साक्ष्य बताते हैं कि बाजार में तेजी के बावजूद घरेलू बाजार में चांदी 700 रुपये प्रति किलोग्राम की दर में बिकने लगी है। दरसे 700 रुपये के साथ 37,000 रुपये प्रति किलोग्रामके साथ दर्ज की गई।

19,930 रुपये प्रति टन की दर पर चांदी 700 रुपये की दर पर बिकने लगी है।

अल्लहूदर बाजार में तेजी के बावजूद घरेलू बाजार में चांदी की दर 700 रुपये प्रति किलोग्राम की दर से चढ़ी है जबकि बाजार में चांदी की दर 36,926 रुपये प्रति किलोग्राम पर कम रही है।
I-T dept scans through mining firm accounts

BELLARY: A five-member team of IT department officials on Tuesday probed transaction of bank accounts of a private mining firm at Hospet, whose owners are said to be close to mining magnate and Karnataka Tourism Minister G Janardhana Reddy, official sources said.
NALCO achieves 501st Alumina Shipment

National Aluminium Company Limited (NALCO) achieved yet another milestone by completing its 501st shipment of Alumina from Visakhapatnam Port. To mark this occasion A.K. Srivastava, CMD, NALCO, along with the senior executives of the company including Ansuman Das, Dir-
चीन में बढ़ती कॉफ़े की खपत

मिन्सो (चीन) * सर्वनाश में कॉफ़े के समस्त एवं उपदेश के दौरान कॉफ़े को खपत बढ़ाने 85 लाख टन तक पहुँचने की रणनीति है। चीन के इंडस्ट्री एवं 
उद्योगनिष्ठ भवनारोही प्रवर्तन में नॉन फिशिंग में सेवा निर्माण के निदेशक जी. फेनगुइंग ने एक कॉफ़े का कार्यक्रम कहा कि फायर, 
अब्दिमोहबिल्ड और मलवु उपक्रम प्रदर्शन से कॉफ़े की खपत 
बढ़ेगी। इससे चीन टुड़ना का सबसे बड़ा उपनिषद बना रहेगा। 
परिस्थिति करों में यह भाग कॉफ़े की खपत का सबसे बड़ा 
अनुभव नहीं है। परिस्थिति सरकारी रिपोर्ट ने 
भविष्यवाणी की है कि इस साल कॉफ़े की चीन में कुल 
खपत 68 लाख टन तक पहुँच जाएगी। पिछले साल चीन में 
61 लाख टन की खपत रही थी।
खनिज का उत्पादन 7% बढ़ा

नई दिल्ली • भारत में इमाम के कारण अगस्त में खनिज उत्पादन 7 प्रतिशत लगभग गया है। खनिज मंत्रालय को और से जानी जाने में कहा गया है कि अगस्त 2010 में खनिज का उत्पादन बढ़ते रहने की समस्या अधीक्षण उपकरण के मुद्दे पर 7.05 प्रतिशत अधिक हो रहा है। लागू होने के मुद्दे को मंत्रालय को और से खनिज उत्पादन की मात्र के फुटर्स अपमेय में जारी जानी की कीमत है। कीमतों के लिहाज से देश में अगस्त में खनिज का कुल उत्पादन 13,450 करोड़ रुपये रहा है। कीमतों के लिहाज से ठ플ेंटिलिम उत्पादों का उत्पादन 5,337 करोड़ रुपये रहा है। कीमतों का उत्पादन 3,481 करोड़ रुपये का रहा है। अपने लिए अयथम का उत्पादन 2,187 करोड़ रुपये का रहा है। प्रायुक्तिक ग्रीस का उत्पादन 1,326 करोड़ रुपये का रहा है जबकि ट्रांजाइट का उत्पादन 303 करोड़ और पल्सर का उत्पादन 235 करोड़ रुपये का रहा है।
Nobody in GoM objected to the mining Bill’s profit-share clause

BY AMAN MALIK

A group of ministers (GoM) headed by finance minister Pranab Mukherjee is likely to take up the draft mines and minerals development and regulation Bill before the winter session of Parliament begins. In an interview, Union minister for mines B.K. Handique discusses various aspects of the proposed law, including a clause obliging miners to share 26% of their profits with local people. Edited excerpts:

The mining industry claims sharing one-fourth of the profits would be economically unviable as mining is a capital-intensive business with a long gestation period.

Iron ore certainly does not have long gestation periods; it’s a quick business. The question again pertains to providing justice to those who are deprived of their lands. We want these people to have a regular stream of income, so that they can get two square meals and provide for health and education.

But the mining industry claims sharing one-fourth of the profits would be economically unviable as mining is a capital-intensive business with a long gestation period.

Improving transparency: Handique says the draft Bill allows seamless transition from exploration to mining leases.

But they never expressed their opposition in the meetings of the GoM. No one opposed the 26% clause in the GoM, not even the steel minister.

What is the rationale behind introducing go and no-go areas? Won’t this hurt long-term mining prospects in the country?

This is a proposal that came from the environment ministry. We are however looking to modify the same. You cannot strictly demarcate go and no-go areas. Minerals are place-specific, unlike forests, and any other land use of areas bearing minerals would necessarily have to consider the fact that minerals as a national resource, are equally important.

Can you explain how the proposed mining Act would bring transparency and expediency to the process of awarding mining blocks?

The existing Act has a highly discretionary concession system. A state government can give anyone a mining lease, even if he applies late. Applicants can be selected without stating any clear reasons. As per the new draft, state governments shall be required to notify areas where mineralization is known, for prospecting, exploratory and mining. The draft Bill allows seamless transition from exploration to mining leases.

Two members of the Niyaz-Gupta panel, which looked into environmental clearances for Posco’s Orissa steel plant, supported that the best compensation for land losers is equivalent land in another location. Does your proposed Bill have a clause along these lines?

Where do we have so much land? You cannot give them land 50-100 km away from where the industries are. How will they live there? How many people have actually been settled by the Narmada Bachao Andolan (committee)? So, a one-time price compensation is the best method. In rural India, people get a pittance for their land. I would therefore again ask, does “good economics” have an answer to such a situation?

Can you explain the mechanisms that will be employed to share profits with local people?

The mechanisms to share the benefits of mining operations have been worked out in terms of the National Mineral Policy, 2000, and the recommendations of the Hoshi committee. Speaking broadly, the money will be channelled directly via a District Mineral Foundation since we do not want the money to go via the state government.

This will be on the lines of the MPLADS (member of Parliament local area development scheme) fund. The district magistrate will be the chairman of the foundation and will deal directly with the affected people.

When is the GoM likely to give its final ascent to the draft mining Bill?

The GoM will meet before the coming session of Parliament.

We need just one more sitting and are hopeful that the GoM will clear the Bill. Once that happens, it will be sent to the cabinet, after whose approval, it will be tabled in Parliament.
20 लाख में सिक्का, दो लाख में संसद

अधिक खर्च करने वालों के लिए बाजार में खास है तैयारी, सोने के नोट भी उपलब्ध

इस बार बजट के लिए बाजार भी अपने नए अंदाज में खेला है। जहां शरण के तौर पर सिक्के बाजार करने वालों के लिए आम चूहारे बाजार में मौजूद है, वहां खास लोगों के लिए बाजार में कई विशेष बाजारों खरीददारों को भी तक्क रहा है। यह जताया तो आपके हाथ जाता ज्यादा खर्च करने की खपत है।

भारत में दिन दिन सिक्के-चांदी की खरीददारी मात्र मात्र में जारी है। इतिहास के मेहनतवर सहायता के तहत आमूल व्यापारियों ने ब्रह्म खास तैयारियां की है। इसकी व्यवस्था में उनों के लिए भी गरीबों की तल-टल की मदद आमूल दोहें अंतुतों के पूजा के प्रवरण की भावना, दीपक रंगड़ व बहस सहित नया लाभ पर तत्काल ज्यादा सहित खरीदने मौजूद है। इसकी लार्ड कम खरीददारी हो रही है। इलेक्ट्रॉन इस बार ब्रह्म विशेष वर्ग के लिए कुछ विशेष तैयारियां है। बाजार में इस बार एक 'विशेष सिक्का नीला भूमि' है। यह सिक्का वो मामले नहीं ब्रह्मा 24 कैरेट जोते से बना हुआ है। इसकी कीमत पर भी एक नव उल्लंघन है। सिक्का 20 लाख रुपये की कीमत रखता है। इसकी जगत पर भी एक नव उन्नयन है।

इसताल बांदे के एक चीली ही रुपये में खरीदे के बांटने के बने नोट। (दाएं) एक चीली ही रुपये से दाता इसकी दीवार के लिए चढ़ा है। इसने जीवन तक एक खास की खरीददारी करने की भरोसा आमूल व्यवस्था की खरीददारी करती महिला।

आपके खर्च करने होने दो न्यूयॉर्क एक बाजार रुपये। अगर आपने बाजार सुनिश्चित आपकी अपनी लागे हो आपके लिए कम दाम पर भी कुछ विशेष है। लोगों को इस सप्ताह अवसर पर खरीददारी के लिए कुछ सोने के नोट भी बाजार में मौजूद है। इन नोटों को आप 21 सी से लेकर 11 इजारा तक में खरीद सकते हैं। आमूल व्यवस्था अलग गुप्ता बाजार है। इतनी रात्रियों बाजार भी पसंद श्रेणी के खरीददारों को ध्यान में रखकर उनके बाद के अनुपात तैयार बनाई गई है। अगर व्यवस्था बजट तालाब गर्मी का कहना है कि उनके पास 500 रुपये से लेकर 20 लाख तक के आइटम मौजूद हैं।
Gold offers refuge from default risk

Why invest? Gold is a foundation asset within any long term savings or investment portfolio. For centuries, particularly during times of financial stress and the resulting “flight to quality”, investors have sought to protect their capital in assets that offer safer stores of value. A potent wealth preserver, gold’s stability remains as compelling as ever for today’s investor.

As one of the few financial assets that do not rely on an issuer’s promise to pay, gold offers refuge from widespread default risk. It offers investors insurance against extreme movements in the value of other asset classes.

A number of compelling reasons underpin the widespread renewal of interest in gold as an asset class:

- Portfolio diversification. Most investment portfolios primarily hold traditional financial assets such as stocks and bonds. Diversifying your portfolio can offer added protection against fluctuations in the value of any single asset or group of assets.

- Risk factors that may affect the gold price are quite different in nature from those that affect other assets. Statistically, portfolios containing gold are generally more robust and less volatile than those that do not.

- Inflation hedge. Market cycles come and go, but over the long term, gold retains its purchasing power. Gold’s value, in terms of the real goods and services that it can buy, has remained remarkably stable for centuries. In contrast, the purchasing power of many currencies has generally declined, due for the most part to the rising price of goods and services. Hence investors often rely on gold to counter the effects of inflation and currency fluctuations.

- Currency hedge. Gold is employed as a hedge against fluctuations in currencies, and particularly the US dollar. If the world’s main trading currency appreciates, the dollar gold price falls. On the other hand, a fall in the dollar relative to the other main currencies produces a rise in the gold price. For this reason, gold has consistently proved to be one of the most effective assets in protecting against dollar weakness.

- Risk management. Gold is significantly less volatile than most commodities and many equity indices. It tends to behave more like a currency. Including assets with low volatility in your portfolio will help to reduce overall risk, adding a beneficial effect on expected returns.

Gold is significantly less volatile than most commodities and many equity indices. It tends to behave more like a currency. Including assets with low volatility in your portfolio will help to reduce overall risk, adding a beneficial effect on expected returns. At least in part to rising income levels in key markets. These supply and demand factors have laid foundations for gold’s most positive outlook in over a quarter of a century.

How to invest in gold

- A growing range of institutions now allows investors to either buy gold, or simply gain exposure to gold price movements. From gold coins, online accounts, exchange traded funds and complex financial products, to mining stocks, the most appropriate gold investments will depend upon the requirements and outlook of the individual investor.

- Gold mining stocks
- Coins and bullion
- Exchange-Traded Fund Information

- Gold accounts, which can be allocated or unallocated, plus a range of options for individual investors

- Gold certificates
- Gold orientated funds
- Structured products, including forwards, gold-linked bonds and structured notes

The distinction is not always clear between the purchase of physical gold and other investments that offer exposure to movements in gold price. This is especially so as it has always been possible to invest in bullion without actually taking physical delivery.

If you are considering an investment in gold, it’s important to appraise yourself of the best options for your specific needs. The following questions are designed to help you decide on the channel or channels of gold investment that are most appropriate for you.

- Why did you decide to buy gold?
- Do you want a real asset that is physically available at all times or do you simply want exposure to the gold price?
- Will you want the gold delivered to you or would you prefer it to be stored in a vault?
- Do you have information about all the costs that may be involved? These include: taxes, commissions, premiums, storage and insurance.
- Is the counterparty (i.e. the person or company from or through whom you will be making the purchase) reliable and trustworthy?
- How does gold fit in with your other investments?
Nalco zeroes in on 2 coal suppliers for Indonesian project

SHUBHASHISH
Mumbai, 2 November

National Aluminium Company, or Nalco, has shortlisted MEC Coal and Bumi Murau Coal for supplying coal to its $4-billion Indonesia aluminium smelter project, according to a senior company official.

The state-owned company had floated a tender in September and four companies — MEC Coal, Bumi Murau Coal, Energy Indonesia and Pram Dwi Jaya — had submitted their bids.

B L Bagra, director (finance), Nalco, told Business Standard that while MEC fully qualified for the deal, Bumi qualified on most of the critical criteria. According to him, the benchmark criteria to bid for the Indonesian project included minimum coal reserves of 500 million tonnes, infrastructural approvals, land must have been acquired and mining experience.

Nalco plans to set up a 0.5-million tonne per annum aluminium smelter and a 1,230 megawatt power plant in Indonesia. Bagra said the company had sought more information from Bumi. “Once they do that, we will begin the discussion on commercial terms with the two and finally choose one for the coal supply.”

Nalco is also looking to offer some stake in the project to the final partner, provided the coal supplier offers stake in the coal mine to it, according to him.

“One of the options for stake offer, which is part of the commercial negotiations, is that how much stake these coal companies can offer us in their coal mines? If they offer us ‘x’ percentage, we are ready to offer the same percentage in our power plant also. It depends upon how the commercial negotiations pan out,” he said.
सरकारी कर्मियों को 6 फीसदी कम दाम पर सोने का सिक्का

संतोष ठकुर, नई दिल्ली

डाक विभाग ने दिल्ली के अल्फार पर अपने साथ सी से अधिक डाकाधिकारी में सोने के लिए बेचने का फैसला किया है। विभाग का वातावरण यह है कि इन डाकाधिकारी में बेंजी, सरकार और सभी राज्य सरकारों के कर्मचारियों को ये सिक्के खुदी घुन से इस प्रतिलिपि कम दाम पर बेचे जाएंगे। इस योजना का लाभ सभी सेवानिवृत्त कर्मचारी भी हासिल कर पाएंगे। डाक विभाग के एक वरिष्ठ अधिकारी ने कहा कि सरकारी कर्मचारियों के साथ ही आम खरीदारों के लिए भी एक योजना शुरू की गई है। इसके तहत डाकाधिकारी से खरीद लगे प्रति 10 ग्राम जलन के निर्मक के साथ आधा ग्राम सोने का सिक्का मुताबिक बेचा जाएगा। एक अन्य अधिकारी के मुताबिक डाक विभाग ने आधा ग्राम, एक ग्राम, पाँच ग्राम, आठ ग्राम व 20 ग्राम के आधार-आधार सिक्के बेचने के लिए रखे हैं। खरीदार निर्मक भी बजाने के 10 ग्राम सिक्कों की खरीदारी पर आधा ग्राम का सिक्का मुताबिक बेचा जाएगा। इस अधिकारी ने कहा कि वे निर्मकों के 24 करोड़ के हैं। इन पर डाक विभाग का लेगे होगा। स्वर्णभूमि नई दिल्ली की एक कंपनी द्वारा बनाए गए ये सिक्के अलग-अलग मात्राओं पर खरीदे आए हैं और इसका स्वाक्षरित ग्राहक पर भी जारी किया जाता है। एक अभ्यास के मुताबिक भारतीयों के पास निम्न लिखित पर परिकर 15 हजार टन सोना है और भारतीय हर साल कमजोर सात से टन नया सोना खरीदते हैं। एक अधिकारी ने कहा कि डाक विभाग का उम्मीद है कि खरीदारों और स्वतंत्र पर डाक विभाग रिकॉर्डेड सिक्के बेचेंगे ।
Mineral output up 7.05% in August

New Delhi, Nov 2

Mineral production in August went up by 7.05 per cent in value terms due to a steady increase in demand, the Mines Ministry has said. "The mineral production in August was higher by 7.05 per cent, compared to that of the corresponding month of previous year," the Ministry said in a statement. However, the comparative figures in terms of the quantum of production were not given. In value terms, the mineral production (excluding atomic and minor minerals) during August stood at Rs 13,450 crore. Crude petroleum production was the highest in value terms at Rs 5,337 crore, coal output stood at Rs 3,481 crore followed by iron ore production at Rs 2,187 crore. While value of natural gas (utilised) produced was at Rs 1,326 crore, that of lignite was at Rs 303 crore and limestone at Rs 235 crore. — PTI
Dollar’s retreat lifts gold

Reuters
London, Nov. 2

Gold firmed in Europe on Tuesday, climbing back towards the previous session’s near two-week high, as the dollar retreated ahead of a hotly anticipated policy meeting of the US Federal Reserve starting later in the day.

At the two-day meet in Washington, the Fed will consider the prospect of further quantitative easing. Markets are pricing in a commitment to buy at least $500 billion in Treasury debt over the coming months to spur a flagging economy. Spot gold was bid at $1,354.56 an ounce at 11:50 GMT, against $1,350.35 late in New York on Monday. US gold futures for December delivery rose $4.10 an ounce to $1,354.70.

“A further rise in gold seems inevitable given that QE2 is across the road,” said Mr Pradeep Unni, senior analyst at Richcom Global Services in Dubai. “Any further increase in this asset purchase or any sustained deterioration in the economic status of key economies led by the US may result in gold surpassing the $1,400 mark.”

Platinum was at $1,705.99 an ounce against $1,706, while palladium was at $646.50 against $649.

Bullion rate

Mumbai: Silver spot (.999 fineness): Rs 38,015; standard gold (99.5 purity): Rs 19,655; pure gold (99.9 purity): Rs 19,750.

Chennai: Bar silver (a kg): Rs 37,490; retail silver (a gram): Rs 40.10; standard gold: Rs 19,720; retail ornament gold (22 carat): Rs 1,834.

Kolkata: Silver ready: Rs 37,300; gold ready: Rs 19,980.
Copper improves on demand prospects

Reuters

London, Nov. 2

Copper rose on Tuesday as the dollar fell and on signs demand could be improving in top metals consumer China and in the US, but investors were cautious ahead of US elections and a Federal Reserve meeting.

Three-month copper on the London Metal Exchange traded at $8,358.25 a tonne at 10:23 GMT, versus a close of $8,300 on Monday.

Aluminium traded at $2,407.50 a tonne from $2,372 a tonne. Zinc was at $3,467.75 from $3,499.

Stocks of zinc at LME warehouses last rose by 4,225 tonnes to 632,225 tonnes, their highest since January 2005.

Lead was at $2,465 a tonne from $2,487 a tonne. LME lead inventories jumped 2,725 tonnes to their highest in more than ten years, above 200,000.

Tin traded at $25,960 a tonne from $25,600 a tonne and nickel was at $23,525 a tonne from $23,245 a tonne.
Neyveli Lignite Q2 net up 12.3% at Rs 273 crore

State-owned Neyveli Lignite Corp reported net profit of Rs 273.71 crore for quarter ended September 30, 2010 over Rs 243.59 crore for the same period last fiscal, an increase of 12.3%. The net sales of the PSU for Q2 2010-11 stood at Rs 1,663.20 crore over Rs 881.55 crore in the corresponding period last financial year, the company stated.
Malabar Gold opens new showroom

SALEM: Malabar group has recently opened its 43rd showroom in Salem. It was inaugurated by the brand ambassador, Ilaiyaraaja. Veerapandi S. Arumugham was the chief guest. This is the third showroom in Tamil Nadu, besides Coimbatore and Erode. The group also launched Malabar Gold Charitable Trust in Salem.
THE CONCERN for environment has become germane to our existence...drawing inspiration from Indira Gandhi, we have to protect our unique biodiversity. A NEW MINES AND MINERALS ACT is being finalised which will secure for local people & communities a direct stake in projects in their area. A law is also on the anvil to improve the terms of resettlement & rehabilitation...
Storm over diamond mining in Panna belt

LALIT SHASTRI

Nov. 2: Environmentalists and conservationists are raising serious objections about the Madhya Pradesh government giving full support to global diamond giant Rio Tinto’s Indian subsidiary planning commercial mining of diamonds in an eco-sensitive zone close to the Panna tiger reserve.

Tiger expert Valmik Thapar, asked about Rio Tinto’s Bunder diamond project in Chhatarpur district, a few kilometers from the Panna reserve’s western border, said: “It’s an example of a completely dysfunctional system of government from top to bottom.” He said that if Panna were to recover (the loss of all its tigers), it would need at least another 10 years of complete protection of surrounding forests and (their) connecting corridors. Asked about Rio Tinto’s plan to start commercial diamond mining in an area which is also the watershed for the Panna reserve and the Shyamri river, considered one of the cleanest in the country, Mr Thapar said the water regime was also essential for life and no water resource should be negated by those bent on commercial exploitation of mineral resources in forest areas.

Almost 99 per cent of the Bunder diamondiferous block is inside a forest which is the northernmost tip of the best corridor of teak forests south of the Gangetic plain. “It is an established law that mining is non-forestry activity — if pitting is involved, prospecting is also mining activity,” a senior state forest officer said, adding that a probe was needed to determine on what grounds clearance to prospect in this area was given in the first place.

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'Permission for mining lease must'

AGE CORRESPONDENT

Bhopal

Nov 2: Commenting on Madhya Pradesh government’s full support to the Indian arm of the global diamond giant Rio Tinto for commercial mining of diamonds in an eco-sensitive zone close to the Panna Tiger Reserve, a senior state forest department officer said Supreme Court has ruled on several occasions that granting prospecting license or a mining lease is tantamount to the acquisition of new rights in forest areas. Hence prior approval of the Central Government under Forest Conservation Act is mandatory, he pointed out citing many landmark apex court judgments and said that this is one issue that needs to be addressed most discerningly by the Union ministry of environment and forests (MoEF) while considering Rio Tinto’s application for a mining lease in Chhatarpur district of Madhya Pradesh.

According to Stefanie Loader, Project Director, Bunder Project, their first Reconnaissance Permit for Madhya Pradesh was granted in 2002. The Prospecting Licenses in the Bunder Project area were granted in 2006 and 2007. Subsequently, they applied for Mining Lease. Rio Tinto’s State Support Agreement (MoU) with the Government of Madhya Pradesh focuses on the development of the Bunder diamond project.

Rio Tinto is a leading international mining group headquartered in the UK. Rio Tinto Exploration India Private Limited is the operator for Rio Tinto’s mineral exploration activities in India. Rio Tinto is one of the world’s major diamond producers through its 100 per cent control of the Argyle mine in Australia, 60 per cent of the Diavik mine in Canada, and 78 per cent interest in the Murowa mine in Zimbabwe.
17 booked by CBI for cheating Mineral Scrap Trading Corporation

A nominated agency for gold exports under the Foreign Trade Policy

Staff Reporter

NEW DELHI: Gold exporters, chairman and unknown officials of Pen Cooperative Urban Bank Limited and unknown officials of Mineral Scrap Trading Corporation have been booked by the Central Bureau of Investigation on charges of entering into a conspiracy to cheat MSTC of about Rs.480 crore.

In all, 17 people have been named in the First Information Report so far. MSTC having its corporate office in Kolkata is a trading corporation involved in imports and exports and is a nominated agency for gold exports under the Foreign Trade Policy.

It is alleged that in 2008-09, accused exporters fraudulently exported gold jewellery worth Rs.600 crore to various buyers in the United Arab Emirates. In lieu of the export, MSTC gave advances worth 80 per cent of the value of the invoice amounting to Rs.480 crore to the associate suppliers through real time gross settlement in their nominated bank accounts.

"However, as stipulated, the proceeds of exports that were to be received within 170 days from the date of export have not been received till date," said a CBI official.

According to the CBI, the accused conspired to cheat MSTC and allegedly exported gold to their own companies in UAE. The gold was supposed to be exported to the Export Credit Guarantee Corporation authorised importers in UAE against the letter of credit. However, in order to cheat MSTC the exporters in connivance with the importers, allegedly sold the gold in the UAE open market fraudulently at a commission of 2 per cent and brought back the proceeds of sales to India through the hawala channel.

The CBI official said the export proceeds were to be routed through MSTC to the exporters. As the money was allegedly brought in through the hawala channel, MSTC was unable to recover Rs.480 crore, causing loss to the exchequer.

The CBI sleuths conducted searches at 15 places in Mumbai, Ahmedabad and Kolkata and seized documents that are being scrutinised.