Nalco third quarter profit plunges 80% at ₹51 crore

Mumbai, Feb 6: Government-owned aluminium maker Nalco on Monday reported 80% plunge in net profit for the third quarter ended December at ₹51.22 crore, although income remained almost stable.

The company had clocked ₹256 crore net profit in the October-December quarter of last fiscal (2016-17). Nalco said in a filing to the Bombay Stock Exchange (BSE).

INCOME, HOWEVER, REMAINED STABLE AT ₹1,449 CR AGAINST ₹1,443 CR IN THE YEAR-AGO PERIOD

Nalco's total income during the reporting quarter stood at ₹1,449 crore against ₹1,443 crore in the year-ago period.

Total expenditure of the company rose to ₹1,508 crore against ₹1,157 crore a year ago.

Power & fuel costs went up to ₹588 crore vis-a-vis ₹440 crore. Raw material consumption during the period was also up at ₹885 crore against ₹808 crore during the same period period of previous fiscal.

Nalco scrip closed at ₹121.90 apiece, down 2.3% over the previous closing at the BSE.
Nalco net profit down 80%

State-owned aluminium maker Nalco on Monday reported an 80 per cent plunge in net profit for the third quarter ended December 31, at ₹51 crore, although income remained almost stable.
briefs

NALCO Q3 PROFIT DOWN 80%

New Delhi: State-owned aluminium maker Nalco on Monday reported an 80 per cent plunge in net profit for the third quarter ended December, at ₹51.22 crore, although income remained almost stable. The company had clocked ₹256 crore net profit in the October-December quarter of last fiscal (2010-11), Nalco said in a filing to the Bombay Stock Exchange (BSE).
Copper falls as Greece bailout talks knock euro

Copper ended on Monday as the dollar rallied on concerns that Greece was yet to agree on the terms of a new bailout to avoid debt default and on continued ladle steel demand from top consumer China. Three-month copper on the London Metal Exchange dropped almost 4 per cent to trade at $8,650 a tonne in official rings, from $8,875 at the close on Friday, when copper hit a one-week high of $8,998.5. The dollar rose versus the euro, making dollar-priced metals costly for European investors, as a deadline loomed for Athens to tell the EU if it would accept the terms of a new €230 billion ($370.6 billion) bailout.  

REUTERS
SC panel recommends cap on Karnataka ore mining

Wants cancellation of 49 iron ore leases, penalties on others

MAMESHI KUMAR
Bangkok, 6 February

The panel appointed a year earlier by the Supreme Court to probe illegal mining in Karnataka has made several recommendations in its final report, with far-reaching implications. The final report was given to the SC on Friday. The Central Empowered Committee (CEC) attached to the forest bench of the SC was given the responsibility. The bench has its own hearing in the case on Friday. The CEC was created by SC order in February 2002. It has six members at present; the chairman is P V Jayakrishnan, a retired Secretary to the Union government.

The panel has recommended cancelling 49 iron ore mining leases, freezing the annual production of ore at 30 million tonnes and a halt on issuance of new mining licences in Karnataka, among others.

Several big-ticket investment proposals in the steel sector may be stalled in Karnataka if the SC accepts the recommendations. While JSW Steel is in the process of expanding its capacity in the state from 10 million tonnes per annum to 16 mtpa, there are about a dozen proposals awaiting allotment of captive mines that include those of ArcelorMittal, Posco, Bharat Steel, Surya Roshni and Tata Metaliks, among others. The state government has already recommended to the Centre on mining leases for ArcelorMittal and Posco. At the state government-organised Global Investors Meet in 2010, memoranda of understanding were signed for investment of $256 million crore in the steel sector alone.

After its appointment in February last year, the CEC gave interim reports in April, July and September. The SC issued orders based on the findings in April, July and May, barring all mining and transportation of ore in the state. In between, the court also asked the Indian Council of Forestry Research and Education (ICFRE), with the help of the Wildlife Institute of India and the Forest Survey of India, to survey the affected area and recommend on what to do; their reports were given in November and December. All this is a sequel to a public interest suit filed in 2009 on illegal mining in the state, based on the state Lokayukta’s report on the subject in late 2008. Chief minister B S Yeddyurappa was forced to quit in July 2011 after the final report on the subject by the Lokayukta.

Highlights

- CEC has accepted a majority of the recommendations made by the ICFRE team, which had found massive illegal mining and transportation of iron ore in the state, by several mine owners. It has classified the mining leases into three categories — A, B and C.
- Survey sketches for leases on the boundary between Karnataka and Andhra Pradesh have not been finalised.
- Category A comprises working leases wherein no or marginal illegality was found and non-working leases wherein no marginal illegalities were found. Their number comes to 21 and 24, respectively. These are owned by NMDC, Coal India, Mysore Minerals Ltd, among others.
- Category B comprises leases wherein illegalities by way of mining of ore outside the sanctioned lease area were found up to 10 per cent of the lease area and overburden waste dumps outside the sanctioned lease areas up to 15 per cent of the latter. The number of such leases is 72 and these, it says, may be permitted to resume mining only after paying a penalty to be fixed by the court. They include those of Goa, MSPL, Sandur Manganese and Iron Ores Ltd, and of Mysore Minerals Ltd.
- Category C comprises leases where, in illegal mining by way of pits outside the sanctioned lease area have been found to be more than 10 per cent of the latter, and overburden waste dumps outside the sanctioned lease areas, of more than 15 per cent of the latter area.

CWC has recommended a cap on iron ore production at 25 mtpa in Bellary and five mtpa in Chitradurga and Tumkur districts combined.

- Also, halt to issue of fresh leases, including those for which notifications have already been issued without issue of SC permit.
- Ore to be sold only via e-auction.
- Penalty of 55 crore for pits outside lease area and 11 crore for overburden waste dumps outside sanctioned lease area.
Karnataka mining may resume on CEC report

Leases divided into three categories based on compliance; 45 mine leases may be allowed to restart operations

BY NIKHIL KANEKAL
nikhil.k@livemint.com

Iron ore mining in Karnataka's three principal mining districts may be resumed, at least in some areas and depending on environmental conditions being met.

The latest and final report of the central empowered committee (CEC) appointed by the apex court's forest bench to look into illegal mining, which was submitted to the court on Monday, divided mining leases into three categories based on the extent of compliance and recommended that 45 leases be allowed to resume mining operations, after following certain conditions.

As many as 49 leases, in which the extent of illegalities were found to be excessive, have been recommended for cancellation.

That leaves 72 leases in category B for which the CEC has proscribed a reclamation and rehabilitation programme based on the ecological impact assessment report prepared by the Indian Council of Forestry Research and Education (ICFRE). Mining may be allowed to resume in category B and C leases after restoration efforts, to be undertaken by the state government through a special purpose vehicle headed by the chief secretary, are completed. The CEC also recommended the payment of 75 crore per hectare for category C and 15 crore per hectare for category B as a penalty by lease holders involved in illegal mining. This could mean about ₹300 crore in revenue for the state government that could be used for rehabilitation.

The Supreme Court's forest bench is expected to take up the report at a hearing on Friday.

In what might amount to a significant step in the mining sector, the CEC has recommended that fresh allotments/assignments of leases should be done at “market value” without any artificial subsidies. The report reasons that most of the lease holders are not adding value to a precious natural resource such as iron ore and therefore the true value of the mineral was not being realized in the domestic market. The report further contends that although the laws governing the mining sector do not prescribe any auction process, no law prevents such a method of allotment. The CEC's suggestion for a mechanism similar to an auction comes within days of the Supreme Court judgement on telecom spectrum that said that all exhaustive natural resources should be distributed in a fair and transparent manner.

The report states that previous figures of the extent of illegal mining could have been underestimated. In 2000-2011, about 8.9 sq. km of forest land was converted into mining lease area, which in turn affected 43.4 sq. km of surrounding forest cover adversely, the report said.

After the court's forest bench, comprising Chief Justice S.H. Kapadia and justices Abhul Abhim, and Swatanter Kumar, temporarily banned all mining activity in Bellary in July and subsequently in Chitradurga and Tumkur districts, the court directed a “joint team” of the CEC and officials from the Karnataka government to survey the area to assess the extent of illegal mining. Since August, the joint team has surveyed 157 (iron ore and manganese) mining leases in Bellary, 24 in Chitradurga and 24 in Tumkur districts.

The joint team provided each of the mining companies and lease holders in the region an opportunity to explain their activities before recording theirith in the report after lawyers representing mining companies had protested that they were being unfairly affected.

The joint team records that it found prima facie 33 lease holders in whose representations there was merit and the assessment was reaffirmed based on these recommendations.

A boundary dispute between Karnataka and Andhra Pradesh prevented the joint team from concluding its findings on seven leases on the border area between Bellary and Anantapur districts. The report says the joint team will wait for the dispute to be resolved before formally de-sanctioning the lease areas.

ICFRE has recommended an annual production cap of 25 million tonnes (mt) for Bellary district and 5 mt for both Tumkur and Chitradurga districts, based on environmental conditions and ore reserves.

ICFRE also recommended that mining be permitted in the ecologically sensitive Western Ghats using “superior underground mining technology” because, of the 10 billion tonnes of magnetite reserves in India, 8 billion tonnes is within the hill territory in Karnataka.

This has been rejected by the CEC on the basis that it was outside the questions the court referred to ICFRE. The CEC has asked the court to delete this part of ICFRE's recommendations.

The CEC has also said that no new mining lease should be sanctioned in Karnataka till the rehabilitation and restoration process is over.
Nalco net down 80% to ₹51 crore

Mumbai: State-owned aluminium maker National Aluminium Co. Ltd (Nalco) on Monday reported an 80% plunge in net profit for the third quarter ended December, at ₹51.22 crore, although income remained almost stable. The company had clocked ₹256 crore net profit in the October-December quarter of last fiscal (2010-11), Nalco said in a filing to BSE. Nalco's total income during the reporting quarter stood at ₹1,449 crore, as against ₹1,443 crore in the year-ago period. PTI
एनएमडीसी को विदेश में मिनरल एसेट्स की तलाश

रूपक

भारत की सबसे बड़ी खानिज उत्पादक कंपनी ने अहमदाबाद, गुजरात में खानिज संस्थान को लेकर विदेश में काम करने की तलाश कर रही है। 

कंपनी के बयान के मुताबिक ब्राजील, यूरोप, उत्तरी अमेरिका तथा दक्षिण अफ्रीका में खानिज संस्थानों की तलाश कर रही है। अपने बयान में कंपनी ने कहा कि यह खुद ही अपने जीवन और उद्योग की शीर्ष व फॉर्मैशन इंडस्ट्रीज के लिए कंपनी भी मात्र की सुरक्षा सुनिश्चित करना चाहती है। इसके बाद कंपनी दो अलग-अलग विदेश में अविरल टिकटों के लिए संस्थानों की तलाश में है। कंपनी ने ब्राजील में एक स्थल-स्थल खानिज की पहचान की है। उसकी अनुमानित क्षमता एक करोड़ टन से ज्यादा है।

कंपनी ने कोई भी फॉर्मैशन केंद्र के लिए भी अनूठे संस्थानों की पहचान की है। इसमें एक रूप भरतीय गौरववादियों में है। अनुमान के मुताबिक ब्राजील के कोई खानिज की शीर्ष कल, खानिज की क्षमता 5 करोड़ टन तथा गौरववादियों की क्षमता 15 करोड़ टन है। एनएमडीसी का उद्योग इंडिया से लोगों को आसान करने का अभिमान किया था।

अब कंपनी ने एक रूप बॉर्डर एसेट्स के अधिवेशन के लिए ब्राजील की विश्वविद्यालय की प्रतिष्ठा में है। कंपनी के बयान के मुताबिक खानिज की तीसरी वातानुभव-दिसंबर, 2011 तिमाही के दौरान शुद्ध मुनाफा में 22 फीसदी के बढ़ती दर की थी। कंपनी का शुद्ध मुनाफा 18.59 अरब रुपये रहा।
लंदन ♦ गुप्ते कर्म संकट जारी स्टार्ट-अप ड्राइविंग के मुकाबले गुप्ते कर्मचारियों पहले से लंदन मेटल एक्सचेंज में कॉर्पोरेट ने सावधान निर्देशन दी थी। एलएमई में तीन महीने हितों की कीमत 1.02 प्रतिशत गिरावट, 8,683.50 डॉलर प्रति टन गिरा था। पिछले साल, कॉर्पोरेट ने कीमत 8,575 डॉलर प्रति टन पर वर्तमान हुआ था। एलएमई बैंक के एमाइजर्स म्यूल्टी प्राइड ने कहा कि लंदन के मामले में हर कमांड वालों ही सूची का सार करने के लिए आमतौर पर देखा है लेकिन अगर डॉलर में कीमत होता है तो इसका प्रभाव मेटल्स पर पहले लागत होगी। उन्होंने कहा कि कॉर्पोरेट के कंडमेन्ट कर्मचारियों हैं। जीवन में कॉर्पोरेट की पारंपरिक कम्पनी है। सीमाना को बीन में कॉर्पोरेट का हासिल बाजार सुलन रहा। (एमई)
कर्नाटक में निरस्त हो सकते हैं 49 खानन

मई दिनहरा | कर्नाटक में 49 खानन पद्धति लिपिन्दर किया जा सकते हैं। सुबह कोटे द्वारा निषिद्ध केंद्रीय उच्च राज्य संस्थान (राजकीय) बैठक में इस प्रस्ताव की हुई। वर्क अधिकारियों के कर्नाटक और आंध्रप्रदेश में खानन निरस्त होने की संख्या के लिए 25 फरवरी 2012 को चीनी जनरल शिष्टाचार को कहा गया था। जनरल शिष्टाचार एवं व्यवसाय के मार्गदर्शन नहीं किए जा सकते हैं। इस प्रस्ताव के अनुसार, नियम और तत्कालीन फिल्टर में भूमिका 49 खाननों के पद्धति निरस्त करने की संभावित है। मैडनी ने संस्थान में कहा, "अग्नि खानन और उसका परिणाम इससे हो रहा है जबकि फिल्टर अधिकारियों द्वारा नियमों का व्यवहार होता है।" अपने मार्ग अधिकारियों के साथ तर्क से चर्चा कर रहे हैं। इसका संकेत यह है कि अद्वितीय के बिना खानन के लिए पद्धति को नहीं होगा। मैडनी ने तीनों श्रेणियों के खानन पद्धति को तीन रेखांशों-पूरी और सी में विभाजित किया। इसके सीतीं के 49 खाननों को फूल तत्कालीन ताजा पानी।
Poor response to auctions of natural resources

NEW DELHI, DHNS: The recent Supreme Court ruling that the first come first served policy is seriously flawed and that all future natural resources should be sold through auction process may have very little appeal to the sectors like minerals, land, energy and water where supply outpaces demand.

Experts are also of the view that if the first come first served (FCFS) policy has to be abandoned, it needs to be scrapped across several sectors, where the government is vigorously following it. For example, in the mining sector, this rule applies for prospecting licences.

A bill to introduce auction and transparency in the mining sector is still lying with the Standing Committee and yet to be passed by Parliament. Even in that Bill certain areas like the ones considered for allocation to a government company, have been exempted from auction. “Going by the ruling, the entire process has to be changed and new laws incorporated,” said an expert.

“The verdict questions the bidding process for other critical natural resources and it is valid for only those resources where the demand is greater than supply,” telecom consultant, Mahesh Uppal said.

According to him, the verdict is not going to yield much benefit where the resources are in abundance.

The propagators of FCFS also believe that the policy protects the weaker sections by giving them an equal chance to economic opportunities. According to them, FCFS need not always arbitrariness and corruption, it can be absolutely transparent if well designed.

“If everything is done by bidding, then it is a policy that favours only the rich,” said an energy expert.

However, those in favour of auction, say that reasonable restrictions can apply even in the auction route.

“The government can specify certain reservations at the entry level itself to fulfil its social obligations,” Pavan Duggal, a telecom and cyber law specialist said.
Nalco Q3 net down 80%

MUMBAI: State-owned aluminium maker Nalco on Monday reported 80 per cent plunge in net profit for the third quarter ended December, at Rs 51.22 crore, although income remained almost stable. The company had clocked Rs 256 crore net profit in the October-December quarter of last fiscal (2010-11), Nalco said in a filing to the Bombay Stock Exchange (BSE). Nalco's total income during the reporting quarter stood at Rs 1,449 crore, as against Rs 1,443 crore in the year-ago period. Total expenditure of the company rose to Rs 1,508 crore compared to Rs 1,157 crore a year ago.
Tummalapalle uranium mine to be commissioned by April

Rahul Wadke
Mumbai, Feb. 6

The Tummalapalle uranium mine located in YSR district of Andhra Pradesh would be commissioned by early April.

The Department of Atomic Energy (DAE) has estimated uranium reserves of the mine at 1.5 lakh tonnes, which are one of the largest in the world.

The DAE Spokesperson, Mr S.K. Malhotra, said that the mine is ready but the uranium processing plants are still under construction, which will take another two months to complete. The mine is a part of the Kadapa basin and has significant reserves of uranium therefore the DAE is concentrating its energies on this area.

Mine development is also being carried out at Lambapur-Peddagatru in Nalgonda district of the State.

Full fledged exploration for new uranium mines is also under way in the Kadapa basin.

Earlier, major thrust was given to the mines around Jharkhand but over the years, the uranium ore got depleted. The ore reserves will only last another 10 years therefore new ones have to be developed, Mr Malhotra said.

A senior official of Uranium Corporation of India Ltd told Business Line that about 1.1 million tonnes of ore be would be mined a year from Tummalapalle, which after processing would yield 250 tonnes of yellowcake (uranium oxide). This oxide would be further processed and then fed into the nuclear reactor as fuel, the official said.

The global spot market for the yellowcake is ruling at about $100 a kg, therefore the yearly production from the mine can be valued at about $25 million. Rough calculations suggest that from the yellowcake about 8,888 million units of power can be produced, the official said.

The island-city area of Mumbai, which houses the main business district, consumes about 4,300 million units of power a year. So 8,888 million units can supply power to this area for two years.

The official added that about Rs 1,100 crore have been invested for developing the mine.

For producing the yellowcake an 'alkaline leaching process' has been devised by Uranium Corporation, which would be used for the first time in the mine, the official said.

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Lacklustre Chinese demand drags copper

Reuters
London, Feb. 6
Copper eased on Monday as the dollar rallied on concerns that Greece had yet to agree on the terms of a new bailout to avoid debt default and on continued lackluster demand from top consumer China.

Three-month copper on the London Metal Exchange dropped 1.02 per cent to $8,483.50 a tonne by 10:48 GMT from $8,575. On Friday, copper hit a one-week high of $8,598.50 and was up for a fourth consecutive week.

Packaging metal aluminium fell 0.89 per cent to $2,227 a tonne from $2,247.

Soldering metal tin fell 1.23 per cent to $24,100 a tonne from $24,400, while zinc, used in galvanizing dropped 0.38 per cent to $2,146.75 from $2,155, battery material lead fell 0.43 per cent to $2,215.50 from $2,225, while stainless-steel ingredient nickel dropped 0.77 per cent to $21,140 from $21,305.
NHRC notice over illegal mining in Jharkhand

Press Trust of India
New Delhi, Feb. 6

Calling Dhanbad district a “hotbed” of gangs indulging in illicit coal trade, the National Human Rights Commission (NHRC) on Monday issued notice to Jharkhand Government over economic hardships faced by tribals and “illegal mining” in the Naxal-affected area.

The Commission said that “abject poverty” was the reason behind spread of Naxalism in the region.

Regarding mining, the NHRC said that gangs were recruiting local tribals to illegally mine coal and pointed out the inadequate response to the threat posed by underground coal fires in the region.

It also shared other findings made by its team about the ground situation prevailing in Dhanbad.

“Gangs recruit tribals to illegally mine coal for them and carry it to distant collection points. While going from Ranchi to Dhanbad, one could see a line of cycles, carrying coal, up steep gradients,” the NHRC said in a press statement.

“In the process of illegal mining many people are killed, but matters are not reported under the influence of the gangsters and due to the economic compulsions faced by the tribals,” the statement added.

The Commission also observed that no action had been taken to either control the coal mafia or bring the illegal trade in the ambit of legal procurement.

The NHRC findings also point to an alarming situation prevailing in the district due to underground coal fires and tardy implementation of rehabilitation plans.
NMDC's registers best 3rd Quarter results
National Mineral Development Corporation (NMDC) Limited achieved commendable performance for the quarter ended December 31, 2011. These are the best results for the 3rd quarter financial results since inception. The Unaudited Financial Results for the 3rd quarter 2011-12 was taken on record by the Board under the chairmanship of N.K. Nanda, CMD ic of NMDC. There is an improvement in its iron ore sales performance by 29.57 lakh tonnes (16.5 per cent).
SC Panel Moots Market Rates for Karnataka Iron Ore, Caps Output

Miners, ore consumers stare at higher costs; smaller players may lose mines

MEERA MOHANTY
NEW DELHI

Iron ore miners and consumers in Karnataka, including NMDC, the country’s largest iron ore producer, and JSW, India’s largest private sector steelmaker, will have to grapple with higher costs and lower production if the Supreme Court accepts the recommendations of a panel set up to probe illegal mining in the state.

NMDC and JSW may have to pay a higher price for iron ore while other smaller and regional players, such as Mysore Minerals and MSPL, may lose some mines.

In a series of sweeping and unprecedented recommendations, the Central Empowered Committee (CEC) has recommended the cancellation of 49 licences and proposed capping the state’s annual production at 30 million tonnes. It has said even captive iron ore will be sold at market rates and called for all ore, from old mines as well as new, to be auctioned.

**Even captive ore will be sold at market rates and ore from all other mines will be auctioned**

NMDC, in addition to being penalised, will lose 10% of its revenue towards a mining infrastructure development fund. MSPL, despite its long public crusade against illegal mining during the Reddy brothers’ raj, will also lose one of its five mines.

Sesa Goa’s plans to enhance capacity to 10 million tonnes per annum in Chitradurga will be curtailed as the limit for the Chitradurga/Tumkur district has been fixed at 6 MTPA.

The Supreme Court, which has accepted all of the CEC’s recommendations so far, is likely to hear the matter again on Friday.
NHRC Notice to Jharkhand Govt over Illegal Mining

NEW DELHI: Calling Dhanbad district a hotbed of gangs indulging in illicit coal trade, the National Human Rights Commission (NHRC) on Monday issued notice to Jharkhand government over economic hardships faced by tribals and illegal mining in Naxal-affected area. It said that abject poverty was the reason behind the spread of Naxalism in the region. Regarding mining, the NHRC said that gangs were recruiting local tribals to illegally mine coal and pointed out the inadequate response to the threat posed by underground coal fires in the region.
First-come, first-served policy to go

SC EFFECT While scrapping 122 licences for 2G spectrum, apex court called it fundamentally flawed

Nagendar Sharma and Gaurav Choudhury
letters@hindustanTimes.com

NEW DELHI: Stung by the Supreme Court order on Thursday to cancel 122 licences for 2G spectrum, issued in 2008 on the basis of first-come, first-served (FCFS) policy, the government is set to scrap the policy for allocation of all natural resources.

Since the policy was at the heart of the scam involving allegations of arbitrary allocation of licences, the apex court judgment termed it as “fundamentally flawed” with inherently dangerous implications.

A senior minister told HT: “Time has come to formulate credible market-linked mechanisms for pricing of natural resources in a transparent and open system, which dispels all doubts.”

Although the government's move to abandon the FCFS policy faced opposition from several ministries — including the mines ministry — and state governments, a nine-member group of ministers (GoM), headed by finance minister Pranab Mukherjee, is already finalising a policy framework to replace it. The GoM has accepted the recommendations of an expert group set up in January last year under former finance secretary Ashok Chawla. The committee concluded, “FCFS is inequitable in that it gives away valuable option rights to the first applicant and is unsustainable…”

In its objections recorded with the Chawla committee, the mines ministry had pointed out that the FCFS ruled out the possibility of discretion by authorities as it was easy and practicable.

THE POLICY FIX

What is the first-come, first-served policy?
FCFS policy means the applicant standing first in the queue is offered the resource.

Why is it being scrapped?
The SC last week came down heavily on the policy and termed it as fundamentally flawed as may sometimes lead to undeserving players getting licences and later selling them off at higher prices.

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Govt to scrap first-come, first serve

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According to the ministry, auctions, on the other hand, can favour large firms with deep pockets, leading to monopolies.
On the land issue, the government is likely to adopt a competitive bidding or e-auctions methodology, especially for commercial and institutional properties.
Cancel 49 Karnataka mining leases, says central panel

The Central Empowered Committee (CEC) on Monday filed its final report on illegal mining in Bellary, Chitradurga and Tumkur districts of Karnataka recommending cancellation of 49 mining leases for "flagrant" violation of the Forest (Conservation) Act and other laws. The CEC has told the court that "these (49) leases should be directed to be cancelled on account of being found to be involved in substantially illegal mining". PTI
NMDC acquires 50 per cent equity in Australian firm

NMDC has gone international by completing the acquisition of 50% equity in the Australia based Legacy Iron Ore Limited and also inducted three Directors in Legacy Board with N.K. Nanda being appointed as Chairman. Legacy will serve as a platform to propel acquisition and development of mineral assets in Australia.
Deccan Herald, Delhi
Tuesday, 7th February 2012, Page: 1

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Cancel 49 mining leases in Karnataka, says SC panel

‘Greed of a few people putting ecology in peril’

NEW DELHI: The Supreme Court-appointed Central Empowered Committee (CEC) on Monday recommended cancellation of 49 mining leases in three districts of Karnataka, including some belonging to both BJP and Congress politicians.

The mining leases facing the axe include that of Associated Mining Company owned and operated by G Janardhana Reddy, former minister in Yeddyurappa-led BJP government, who is now in CBI custody for various offences. Others whose mining leases have been directed to be revoked are Congress leader Allum Veerabhadrappa and V S Lad, relative of Congress MP Anil Lad. The mining firms whose leases have been cancelled include Canara Minerals, Matha Minerals, V S Lad and Sons, Deccan Mining Syndicate and public sector Mysore Minerals Ltd. The leases come under Bellary, Chitradurga and Tumkur districts. The CEC found the firms guilty of massive illegal extraction of iron ore.

The panel under the chairmanship of P V Jayakrishnan also favoured fixing a ceiling of 25 million metric tonnes of total iron ore production under all mining leases in Bellary district and five million metric tonnes under the leases in Chitradurga and Tumkur districts. “The extent and level of rampant unauthorised, unregulated, environmentally unsustainable and illegal mining in its various facets and consequent massive encroachment on forest areas, perhaps, had no other parallel in the country,” the Committee said.

The CEC contended that various rules under different laws like the Forest Act and Environment (Protection) Act were given a “go by” by the miners. “What is more, there has been all round severe degradation of environment with all its attendant problems because of the unsustainable greed of a few. The ecological security and bio-diversity of the region has been gravely affected by the unsustainable mining activities,” the panel said, also holding officials responsible for the illegal mining.

In its final report, the CEC classified the leases into three categories on the basis of the level of illegalities found in them.

The leases falling in ‘A’ category were 45 in number, including the non-working leases where marginal illegality was found. The CEC recommended for the conditional resumption of operation under these mining leases.

The category ‘B’ leases, 72 in all, were found to be involved in illegal mining by way of creating mining pits up to 10 per cent in excess of the sanctioned limit. The panel recommended that these leases could be allowed resumption of operations only after reclamation and rehabilitation works were undertaken and penalty was deposited by the lease holders.

As far as category ‘C’ was concerned, the CEC said, “the leases should be cancelled on account of substantial illegal mining. As penalty/compensation, the entire sale proceeds from e-auction of the existing stocks of iron ore should be retained by the monitoring committee and a reclamation and rehabilitation plan implemented at the cost of lessee.”

DH News Service
SC panel recommends cancellation of 49 mining leases in Karnataka

KRISHNADAS RAJAGOPAL

NEW DELHI, FEBRUARY 6

THE Supreme Court-appointed Central Empowered Committee (CEC) on Monday filed a 61-page final report on illegal iron ore mining in Karnataka, recommending the resumption of operations in 45 mining leases and outright cancellation of 49 others.

A third group of 72 leases, the CEC recommended, should pay a penalty “or exemplary” compensation of a total Rs 6 crore per hectare for operating “mining pits” and “burden dumps” outside sanctioned lease areas. But the CEC said that their mining operations “may be allowed”, provided they pay the penalty and “physically undertake reclamation and rehabilitation plans.”

Calling the environment and after-effects of the illegal mining in Bellary, Chitradurga and Tumkur districts as “depressing”, the joint team, comprising CEC members, state forest department, mines and geology department officials, and a Lokayukta representative, said that “unsustainable mining activities” and resultant ecological damage in the three districts have “no other parallel in the country”.

“The massive illegal mining and transportation had become possible because of the blatant connivance of the officials and public functionaries concerned...What is more there has been an all-round degradation of environment with all its attendant problems because of the unsatisfactory greed of a few,” the CEC said.

The 45 leases, both working and non-working, were found guilty of “no or marginal illegality” in their operations. The iron produced from them will be sold in e-auction conducted by a monitoring panel constituted by the SC, which would supervise strict compliance to environmental clearance and adherence to the approved Mining Plan for the area in the future.

On the group of 72 mining leases, CEC reports that mining pits or dumps were found outside sanctioned lease area. These pits and dumps were as big as 10 or 15 per cent, respectively, of their commissioned lease area. The CEC recommends that they pay penalty of “Rs 5 crore for per hectare of the area found by the joint team to be under illegal mining pit”. The same category were recommended to be made to pay Rs 1 crore for per hectare of the area found to be under “illegal over-burden dump”. The CEC recommended that they pay from their own pockets for the reclamation and rehabilitation plans in the areas.

The 49 leases, recommended to be cancelled outright, are in “flagrant violation of the Forest (Conservation) Act”, the CEC said. In these leases, mining from pits and dumps extended over 10 and 15 per cent, respectively, outside their own original areas.

The Green Bench, led by Chief Justice of India S H Kapadia, will peruse the report on Friday.
कर्नाटक के 49 खानन
लीज रदू करने की
सिफारिश की

नई दिल्ली (रेड)। टॉपल एंडवर्ड
कोंसीड्र (रोही) कर्नाटक के केल्लारी,
भिस्मगुप्त, दुमकुम जिले के अंतर्गत खानन
cे मामले में अलिप्रिपोर्ट सीय दो
जिसमें यहाँ के 49 खानन लीज को रदू
kरने की सिफारिश की गई है। रिपोर्ट में
कहा गया है कि इनमें उन संस्थान कर्मचारी
और अन्य कर्मनालों को अलग-अलग किया
गया। जिन लीज को निराला करने की
सिफारिश की गई है, उनके नाम है-
मैंसू मैंसेंट कंपनी, एसिस्टेंट इंजिनीयर
माइट्रिक, माथा मिन्गला, दुमकुम
मिन्गला लि., और मैंसू मिन्गला लि.
मुख्य है। इनके अतिरिक्त अन्य माइट्रिक
लीज कि़र्स दर करने की बात भी है, जैसे
1914 इंडिया में है।