Trove site to be dug after school exams

NMDC finds an object 20 ft under hill

DC CORRESPONDENT
HYDERABAD, MARCH 5

Ending more than two weeks of suspense about the "treasure issue", the National Mineral Development Corporation has reported to the archaeology department the presence of an "anomaly" in the form of a magnetic object, construction or iron sheet at a depth of 20 feet near the Naubat Pahad.

The state is setting up a technical panel comprising experts to begin exploration and trenching to figure out the exact nature of the structures underneath. Digging will start after the school exams end at Vidyaranya School, within the premises of which lies the trove site.

Treasure trove:
The next steps

- 'Iron sheet' or construction structure round
- Birla temple will not be affected by digging
- Not interested in jewellery, says archaeology department chief

Prof P. Chenna Reddy, director, archaeology and museums, who got the report from Mr. Narendra Kumar Nanda, chairman and managing director of NMDC, said, "The department is happy to find that there are some structures of archaeological importance. This is what matters to us. We aren't interested in jewellery. The excavation will take roughly two months but we will commence only after the school exams get over."

Page 3: Expert panel to decide on action
Iron ore scarcity set to worsen in Karnataka

Steel industry says its operations may come to a halt within two months if SC does not approve resumption of regular mining

M A H E S H K U L K A R N I
Bangalore, 6 March

The scarcity of iron ore is set to worsen in Karnataka in the next one or two months, as the ore sold through electronic auctions (e-auctions) is depleting fast. Of the 25 million tonnes (mt) of stockpile earmarked for auctioning, the monitoring committee supervising the auctions has so far released only 15 mt.

Till now, 33 rounds of auctions have been conducted. In March, another two are going to be auctioned, sources in the state department of mines and geology said.

The steel industry is of the opinion that it might have to shut operations if the Supreme Court does not allow resumption of regular mining immediately. With a majority of the remaining 10 mt being low-grade (around 52-54 per cent Fe content), iron and steel manufacturers may find it difficult to continue production. Left with no option to maintain regular production, steelmakers like JSW Steel and Kalyani Steels have approached the Supreme Court for an early approval for regular mining by Category A mines, cleared by the Central Empowered Committee (CEC).

Steel mills, sponge iron and pig iron units in Karnataka require about three mt per month for full production. Steel mills in the state produce about 14 mt of steel annually.

“Even after paying higher prices in e-auctions, the availability of quality iron ore is a challenge, threatening the continuation of steel production efficiently. The steel industry in Karnataka is not only facing shortage of iron ore but poor quality of iron ore is impacting the equipment, productivity and efficiency,” Seshagiri Rao, joint managing director and group chief financial officer, JSW Steel, said.

He said their crude steel production during February was severely affected due to usage of inferior grades of iron ore. Certain iron ore in e-auctions contained high alumina, silica, manganese and low Fe, which led to poor sinter quality, high slag formation and low productivity in blast furnaces, he said.

Many units in the state are not in a position to make use of the low-grade ore due to non-availability of technology to beneficiate such ore, except JSW Steel.

“We are largely using calibrated ore in our steel plant and already the stocks are over. We have very limited quantity available with us and we cannot use the low-grade ore. It is the end of the road for us if the Supreme Court does not permit resumption of mining in the near future,” said R K Goyal, managing director (MD), Kalyani Steels.

However, the mining industry feels even if the apex court approves mining by the Category A mines, it would take at least two to three months for these to restart. “We do not know at what stage the conditions the court will impose on mines. As it is, we have to put in place a rehabilitation and resettlement (R&R) plan. We have been asking the court to give permission for Category A mines to restart immediately,” D V Pichamuthu, director, south, Federation of Indian Mineral Industries, said.

The preparation of an R&R plan as recommended by CEC is likely to take more time and unless this is done the court will not approve mining, industry sources said.

“No mine can restart mining unless the R&R plan is put in place. Once the R&R plan is done, mining companies will have to take approval from the monitoring committee and then start the mining. In our opinion, it would take at least three months after the court gives permission to restart mining and bring ore to the market,” an MSPL spokesperson said.

Basant Poddar, MD, Mineral Enterprises Ltd, said, “Some miners are ready with the R&R plan and they can start mining immediately. We have all the infrastructure and logistics in place to restart mining immediately once the court approves. We can ensure at least five-six mt of ore is made available per annum from such mines.”

Out of the remaining 10 mt, hardly four mt is high-grade ore (63 Fe and above) and the balance is 52-53 Fe grade, which is not suitable for use by many mills, he said.

“The ore made available through e-auctions in Karnataka is hardly sufficient for a few more days and we fear that we may have to close our steel production if there is no early decision on resuming regular mining,” Goyal said.

He has written to the chief secretary of Karnataka, the director of mines and geology, and the CEC, urging them to help restart regular mining in the state.

“We are living on expectations of regular mining. We hope the Supreme Court would give clearance soon to restart mining in their next hearing on March 16,” Goyal added.
OPERTATIONAL RISKS IN VEDANTA'S INDIAN BUSINESSES RISING:

S&P

London-listed Vedanta's operational risks in India-based metals and mining businesses, which are proposed to be put under a new entity, Sesa Sterlite, are rising, said global rating agency Standard and Poor's. Assigning a negative outlook to the Anil Agarwal-led firm, S&P said, Operational risks in Vedanta's metals and mining businesses in India.
Parrikar’s moment

IITIAN PROMISES HANDING OVER PAC REPORT ON ILLEGAL MINING TO LOKAYUKTA

PANAJI, 6 MARCH: Catching-in on the anti-incumbency factor in a big way, the BJP-MGP combine today rode to power in Goa, outing the Congress and securing majority in a House of 40 members, nearly half of whom will be new faces.

The Congress, which had 16 seats last time, was reduced to nine seats with many of its stalwarts facing defeat.

Goa Pradesh Congress Committee Manohar Parrikar, who spearheaded the BJP’s charge on the illegal mining issue and is tipped to be the next chief minister, won from Panaji, defeating Congress’ Yatin Parekh by over 5,000 votes. Mr Parrikar, who is tipped to be the next chief minister, said today the party will hand over the Public Accounts Committee report on illegal mining to the Lokayukta within 100 days.

All the findings in the PAC report are based on documents. The state government can hand over the document to Lokayukta for investigation,” Parrikar, who headed the PAC, said.

“Once Lokayukta is formed, we will submit the report to them to investigate,” Mr Parrikar said. “We will not use the police machinery as Lokayukta will handle all those cases,” he added.

Several ministers including Manohar Aggaonkar, Nilkanth Halarnkar, Jose Philip D’Souza, Filip Nery Rodrigues, Alexio Secura and Ravi Naik lost the elections. So pronounced was the wind of change, that 19 new faces were elected this time. Goa Vikas Party managed to win on two seats including Nurem, where party supremo Mickey Pacheco emerged victorious. Four of the five independents Benjamin Silva (Velim), Avertan Furtado (Navelim), Naresh Saval (Bicholim) and Rohan Khaunte (Porvorim), wrested seats held by Congress, while Vijay Sardesai (Fatorda) snatched it from BJP. BJP spokesman Vishnu Surya Wagh, who won in St Andre constituency, said that people have voted for change. Vishwajit Rane, former health minister from Congress, said that it is collective responsibility of the party. In Salcette, which is a Congress bastion, the Congress won two seats out of eight. The BJP, which had fielded several Catholic candidates, managed to get a hold in Salcette. Catholic candidates like Mananthi Salcette, Michael Lobo, Glen Ticio, Carluse Almeida defeated stalwarts. pti
'खनन विशेषक ठीक हो' नई दिल्ली, (भाषा): कारोबार चर्या विभाग ने नए खनन विशेषक को 'ठीक' करने का सुझाव दिया है। इस प्रशासनिक कार्य के तहत कोपला खनन कंपनियों के लिए अपने शुद्ध सुधार का 26 विभिन्न परिसरों का प्रभावित क्षेत्र में समाज कल्याण कार्यक्रमों पर वर्चस्व करना होगा।
‘Mines Bill needs fine-tuning’

Press Trust of India

NEW DELHI, 6 MARCH: The corporate affairs ministry has suggested some ‘fine-tuning’ of the new mines Bill, which is being examined by a parliamentary panel and provides for profit sharing by mining firms with the project-affected people, among other provisions.

Questioning a clause in the new Bill that provides for issuing at least one share of the mining company to each affected family that will be non-transferable, the corporate affairs ministry, in a letter to the panel, has said that under the Companies Act, shares of Public Ltd., Private Ltd and listed companies are transferable.

"Under the Companies Act, 1956, a window for transfer of shares ought to be provided to the shareholders, with adequate safeguards for protecting the rights of affected families," it said to the Parliamentary Standing Committee on Coal and Steel which is vetting the Mines and Mineral Development and Regulation (MMDR) Bill.

"Thus, the clause 43(3) needs to be fine-tuned in accordance with the provisions of the Companies Act, 1956," it added.

The clause in the new mines Bill provides that "where a holder of mining lease is a company, at least one share will be issued for consideration other than cash to each affected family by mining related operations and such shares shall be non-transferable."

The MMDR Bill, which was introduced in the Lok Sabha on 12 December, was referred to the committee for in-depth scrutiny, and the government is hopeful that once the committee gives its report by March-end, the new Bill will be passed in the upcoming Budget session.
Goa illegal mining report will be submitted soon: Justice Shah

The findings of the probe may shape the govt’s mining policies and help in plugging the existing loopholes

By Ruchira Singh
rchira.spellsemitat.com

NEW DELHI

Justice M.B. Shah, who is heading the commission that’s probing illegal mining cases across India, is set to submit its first report on Goa, the findings of which may shape the government’s mining policies.

“The report on Goa will be submitted as early as possible,” the former Supreme Court judge said in a phone interview from Ahmedabad. “The work is in progress.”

Justice Shah’s investigation will study all aspects of illegal mining, including the environmental impact and exports of iron ore, and is likely to play a crucial role in plugging loopholes in existing policies.

“If justice Shah says government should ban exports and the government acts on it, all the mining companies will get affected. They will have to sell iron ore in the domestic market at a much lower price,” said Sanjay Jain, senior vice-president (research) at Motilal Oswal Securities Ltd. “I don’t expect the commission to make recommendations that are not sound. After all, this exercise has been undertaken so that the industry gets streamlined.”

In Goa, the opposition Bharatiya Janata Party (BJP) is set to form the government after defeating the ruling Congress party in assembly elections that were held on 3 March. The BJP had used the illegal mining issue to attack the Congress party and had several times demanded that Justice Shah’s report be made public.

The Shah Commission was set up by the mines ministry in November 2010 after reports of illegal mining and environmental degradation were published in the media and non-governmental organizations filed petitions in courts.

“The value of the 20.4 million tonnes illegally extracted and exported (iron ore) amounts to $4.5 billion at the rate of $50 per tonne, or $10.8 billion at the rate of $120 per tonne,” according to a petition filed by Goa Foundation in the Bombay high court last year against illegal mining in the state. Justice Shah said many representations have been made from different sections of the mining industry in Goa and Orissa and the commission is verifying them.

“There are a number of representations,” he said. “We can’t rely on the representations. They have to be checked.”

A senior official in the mines ministry, who declined to be named, said myriad representations from affected parties was slowing down the work of the commission.

“Various stakeholders, such as truckers’ associations and state governments have made representations,” the person in the mines ministry said.

An official in Justice Shah’s office said that the judge started his investigation in January 2011, about one-and-a-half months after the commission was formed. That would make June the deadline month for the commission, given that he was asked to conclude the probe in 18 months.

“It should be 18 months from the time work was started,” the official at the commission said. He didn’t want to be named.

However, the mines ministry official said 18 May was the deadline for the commission’s reports to be received.

Justice Shah is yet to visit Jharkhand. But he has not asked for any extension of his deadline,” the official said.

In an interim report, submitted in July, the commission recommended banning exports of iron ore, but the mines ministry did not act on it and had instead passed on the matter to the commerce ministry, an “action taken report” submitted to Parliament shows.

“The commission in its interim report has stated that the main cause and incentive for illegal mining of iron and manganese ore is the huge profit possible due to exports,” the mines ministry said in the action taken report. “For this reason, the commission has recommended a total ban on export of iron ore and manganese ore.”

“The ministry of mines is of the opinion that while demand for iron ore due to exports is a reality it cannot be held that exports are the reason for illegal mining, rather it is lack of governance at state government levels which has largely contributed to illegal mining,” the report said. “The ministry is of the view that a ban on export of iron ore may not be feasible.”

India is the world’s third largest supplier of iron ore, exporting mainly to China that houses the world’s largest steel industry. Since the controversy started, the export market slowed down with China cutting its dependence on India.

The interim report also recommended amendment of sections of Mineral Concessions Rules, Indian Bureau of Mines guidelines and the Mines and Minerals (Development and Regulation) Act to ensure boundary walls are demarcated clearly, inspection by regulators be held once a year, and miners engaged in illegal mining are barred from getting future leases. The Supreme Court, hearing a case against miners in Karnataka, had banned mining in the state in July and August last year, saying that mining should not resume until the environment is restored. Hearings in this case are currently on.

In Karnataka’s mining districts of Bellary, Chitrardurga and Tumkur districts, the economy has come to a standstill since mining was stopped and the steel industry is complaining of a shortage of iron ore.
$2 bn investment not new: Rio Tinto
New Delhi: Rio Tinto India Pvt. Ltd's $2 billion investment plan for an iron ore project in Orissa, was announced four years ago and would go through only if it gets the necessary approvals from the state government that will help it to build mines, Nik Serapati, managing director of Rio Tinto India, told 'Mint'.

"Should the project (in Orissa) go
MINT, Delhi
Wednesday, 7th March 2012, Page: 21

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ahead, then it would be Australia's largest investment in India," Senapati said.
"It is waiting for the state's approval to progress the project as well as get a mining lease."

Sam Walsh, head of Rio Tinto's Australia-based iron ore division, was quoted on Monday in various publications saying will invest $2 billion in eastern India to supply clients in India and overseas with iron ore and would create large-scale jobs. RUCHIRA SINGH
Rlys hikes freight rates by up to 20%

Cuts charges on iron ore for exports

Mamuni Das
Vishwanath Kulkarni
New Delhi, March 6

In what is likely to fan inflation, the Railways has hiked freight charges for most commodities including coal, foodgrains and fertiliser.

‘RATIONALISATION’
The late evening revision, which the Railways dubbed a “rationalisation”, caught users unawares, since the Railway Budget is round the corner.
The new rates came into effect from Tuesday.
The charges have gone by up to 20 per cent for most of the commodities, say sources in the know, based on initial calculations.

In a small concession, rates for iron ore exports for which the Railways had been charging the highest have been reduced by up to 31 per cent.

EARNINGS IMPACT
For the Railways, which is expected to garner about Rs 70,000 crore from freight earnings in the current fiscal, this hike would mean a potential to increase annual earnings by up to Rs 18,000 crore.

Railway officials maintained that the hike in freight charges is less than the hike in the Railways input costs over the last few years.

Another highly placed source told Business Line that for most of the commodities, the impact would be 8-18 paise per kg of commodity.

This translates to a hike of Rs 80-180 per tonne. ‘A further effective increase has been added by reworking the distance slabs.

IRON ORE EXPORTS
“The freight rate cut of Rs 475 per tonne does not mean much for the iron ore exporters as there are hardly any shipments happening now,” said Mr. R.K. Sharma, Secretary General, Federation of Indian Mineral Industries (FIMI).

“Some exports are taking place from Goa.
“It is still unviable to export from the eastern belt of Odisha and Jharkhand. Only the ores stocked at ports are being exported now,” Mr. Sharma added.

Fertiliser producers see no impact on them as the Government reimburses actual freight charges.

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Baba Amte’s Maharashtra ashram faces coal mine threat

Priscilla Jebraj

NEW DELHI: Anandwan, the ashram founded by the late Gandhi and social activist Baba Amte in the Chandrapur district of Maharashtra, could soon be facing an environmental threat.

Concerned that a coal mine proposed to be developed nearby could hurt their community of disabled people and leprosy patients, the ashram authorities have refused to give their consent to the mine project and are considering commissioning an independent assessment of environmental and social impacts.

Over 70 MMT reserves

The Warora West coal block, lying about 5 km away from Anandwan, has coal reserves of more than 70 million metric tonnes (MMT) and has been allotted to the Maharashtra State Mining Corporation (MSMC), which is developing it in collaboration with Gupta Coal India Ltd.

In fact, the MSMC was pulled up by the Coal Ministry for delays in development of the block and threats that the allotment could be cancelled if the process is not expedited.

Accordingly, the MSMC held the requisite public hearing in the region on February 12.

Strong objections

However, sources at Anandwan say that the village was unaware of the hearing or the specific details of the mine project until just two days before the hearing and registered strong objections.

Alarmed by the possibility of harmful consequences to its unique population, the Anandwan Gram Panchayat has refused to issue the required No Objection Certificate to the mine’s promoters, despite corporate lobbying.

The neighbouring panchayat of Bordha has also refused to issue an NOC.

While the official Environment Impact Assessment report needed for an environmental clearance is prepared by a consultant hired by the promoter, Anandwan has decided to commission its own independent studies, the sources say.

The National Environmental Engineering Research Institute and the Tata Institute of Social Sciences are reportedly on the shortlist of independent agencies who could be asked to conduct the assessments.

There are also fears that a large commercial mine could rip apart the area’s social fabric.

High HIV/AIDS rates

A local doctor pointed out that Chandrapur district — which calls itself Black Gold City due to its vast reserves of coal — has one of the highest rates of HIV/AIDS incidence in the State.

With mining comes heavy truck traffic, leading to the sad consequence that “mining and prostitution go hand in hand... That kind of human pollution is also possible, and is so often overlooked in any assessment,” said the doctor.

“That’s why a comprehensive social impact assessment is also needed,” Anandwan’s disabled population could be particularly vulnerable.

Until it has an independent, unbiased opinion in hand, Anandwan is not prepared to give its nod to the mine at the risk of its half-century-old way of life.
Mines Bill needs ‘fine-tuning’

New Delhi, March 6

The Corporate Affairs Ministry has suggested some “fine-tuning” of the new Mines Bill, which is being examined by a Parliamentary panel and provides for profit sharing by mining firms with the project-affected people, among other provisions. Questioning a clause in the new Bill that provides for issuing at least one share of the mining company to each affected family that will be non-transferable, the MCA in a letter to the panel has said that under the Companies Act, shares of Public Ltd., Private Ltd and listed companies are transferable. “Under the Companies Act, 1956, a window for transfer/sale of shares ought to be provided to the shareholders, with adequate safeguards for protecting the rights of affected families,” it said to the Parliamentary Standing Committee on Coal and Steel which is vetting the Mines and Mineral Development and Regulation (MMDR) Bill.

“Thus, the clause 43 (3) needs to be fine-tuned in accordance with the provisions of the Companies Act, 1956,” it added. The clause in the new Mines Bill provides that “where a holder of mining lease is a company, at least one share will be issued for consideration other than cash to each affected family by mining related operations and such shares shall be non-transferable.” The MMDR Bill, which was introduced in the Lok Sabha on December 12, was referred to the Committee for in-depth scrutiny and the government is hopeful that once the Committee gives its report by March-end, the new bill will be passed in the upcoming Budget session.— PTI
Mines Bill Provisions Need Fine-Tuning: Corp Affairs Min

NEW DELHI: The Corporate Affairs Ministry has suggested some 'fine-tuning' of the new mines bill, which is being examined by a parliamentary panel and provides for profit sharing by mining firms with the project-affected people among other provisions. Questioning a clause in the new bill that provides for issuing at least one share of the mining company to each affected family that will be non-transferable, the MCA in a letter to the panel has said that under the Companies Act, shares of Public, Private and listed companies are transferable. "Under the Companies Act, 1956, a window for transfer/sale of shares ought to be provided to the shareholders, with adequate safeguards for protecting the rights of affected families," it said to the Parliamentary Standing Committee on Coal and Steel which is vetting the Mines and Mineral Development and Regulation (MMDR) Bill. "Thus, the clause 43 (3) needs to be fine-tuned in accordance with the provisions of the Companies Act, 1956," it added.