The Centre will sell its stake in as many as eight state-run firms in 2011-12 to achieve the Rs 40,000 crore target from disinvestment proceeds in the fiscal. Apart from the backlog of four stake sales from the current fiscal, the Centre’s disinvestment roadmap is likely to include MMTC Ltd, National Buildings Construction Corporation (NBCC) and Rashtriya Ispat Nigam Ltd (RINL).

Another probable on the list is oil major Indian Oil Corporation, but its 10 per cent stake sale is likely to be pushed back to the second half of 2011-12.

"As of now, we already have public offers lined up in four firms including ONGC Ltd, Steel Authority of India Ltd, Power Finance Corporation and Hindustan Copper Ltd. We will finalise other public sector firms during the course of the year," disinvestment secretary Samit Bose said.

The Centre is expected to divest up to 10 per cent stake in MMTC Ltd and NBCC each in order to meet the 10 per cent public holding norm. The government holds 99.33 per cent stake in MMTC.

"We have just reached a consensus with the company and commerce ministry on divesting stake. The exact proposal has to be finalised," a person close to the development said.

NBCC and RINL are both fully owned by the government. RINL needs to divest 10 per cent of its stake and list on the bourses in order to keep its navratna tag. But the sell-off parade for 2011-12 is likely to be kicked off with the 5 per cent stake sale in ONGC Ltd.

"The Clause 49 listing norms will be fulfilled by the month end and then we can move ahead with the offer,\," a source close to the development said.

The Rs 12,000 crore public offer of ONGC is slated to open on April 5 and close on April 8.

This would be followed with the Rs 5,000 crore follow on public offer by Power Finance Corporation. The financier is set to file its prospectus with the regulators in the next 10 days. SAIL is likely to be the third firm on the sell off list for 2011-12. The Centre is however likely to postpone the second tranche of disinvestment in the firm to 2012-13. The Cabinet had approved two rounds of disinvestment in SAIL, each comprising of 5 per cent sale of government stake along with issuance of 5 per cent fresh equity by the company.

However, the long awaited stake sale in Hindustan Copper Ltd may be delayed to the later part of the year as the mining company is understood to be reviewing its investment plans. The offer comprising of 10 per cent disinvestment and 10 per cent fresh equity by the firm is likely to raise Rs 4,000 crore.
Hindustan Copper chief sees $10K peak regained soon

Demand from China, ETFs and production issues to keep prices up

Sumit Moitra

Copper, the barometer for industrial activity around the world, is set to continue its uptrend despite recent speed-breakers such as high crude prices and political uncertainties in West Asia, feels Shaksheel Ahmed, chairman and managing director of Hindustan Copper Ltd. “The recent minor dips in prices are all temporary blips. I feel copper would continue its rise in coming months backed by very fundamental reasons,” Ahmed told DNA Money.

Copper has appreciated by about 50% since June, when it ruled around $6,600 a tonne. The metal, which touched the $10,000 per tonne mark on the London Metal Exchange in early February, has come off a tad since then, with sharp price movements.

The volatility, Ahmed feels, would end soon, and the $10,000-mark regained. “Even as we speak, copper has touched $9,910 a tonne, which gives enough hints to which way it is headed,” he said.

Faith in China’s unhampered pace of economic growth is one reason Ahmed is so bullish about copper. “The biggest factor that would drive copper demand is the Chinese consumption story. Unless that story goes horribly wrong, and there is little chance of that happening considering China’s remarkable immunity to the earlier global slowdown, copper would continue to appreciate.”

Demand for copper remains buoyant in the US, Ahmed said, pointing out that Europe, which is still in recession, has little role in influencing global prices.

Supply constraints and sudden interest of the global investor community in copper are the other reasons he believes prices will move up than down.
Hind Copper chief

Supply constraints pulled down the output of Rio Tinto, the world’s fifth-biggest copper miner, 16% in 2010. Other producers too are facing headwinds, he said.

Then there are the copper exchange traded funds (ETFs). “JP Morgan, which was the first to launch a copper ETF, has bought $1.500 crore worth of the metal. Others, like Credit Suisse, are in line. It is quite a positive development for copper and its investors,” Ahmed said.

“All these factors have made copper an ideal investment destination.”

The only party pooper could be crude oil prices touching $150 and staying there long enough, say six months, to start impacting global economic revival and thereby hurting sales of all those machineries and consumer durables that use the red metal, said Ahmed.
Tata Steel signed a binding agreement with Canadian iron ore miner New Millennium Capital Corp to develop the taconite iron ore deposit in Canada, New Millennium said in a statement.

The taconite project, cited as the world's largest undeveloped iron ore project, includes the LabMag and the KeMag iron ore deposits in Labrador and Quebec regions, respectively.

Tata Steel will contribute 64 per cent of the costs of the feasibility study of the project, estimated at $50 million.

Upon the successful completion of the feasibility study, the two companies will enter into a binding joint venture to develop one or both of the deposits.

Tata Steel will own an 80 per cent stake in the joint venture, while New Millennium will hold the remaining 20 per cent stake, with an option to buy an additional 16 per cent equity.

Tata will invest up to C$4.9 billion ($4.99 billion) if both deposits are developed and a relatively smaller amount if only either of the two is taken up.
COAL MIN TO RENEW PRIVATISATION PUSH

Identifies removal of entry barriers as priority

SUDHEER PAL SINGH
New Delhi, 7 March

At a time when severe environmental challenges are impeding the growth of the coal sector, the Union coal ministry has decided to renew a decade-old proposal of opening up the sector for private investors.

“Facilitating the removal of entry barriers in coal mining for opening up the sector” has been identified as a “high priority” area by Coal Minister Sriprakash Jaiswal, in the ministry’s latest “Strategic Plan” formulated for the next five years.

Coal is essential for meeting more than half of India’s commercial energy requirements.

Opening up coal mining to the private sector, along with setting up an independent coal regulator and other such proposals, is a part of the broader “blueprint” for reforms of the United Progressive Alliance (UPA) government wants to bring in the coal sector.

A broader consensus on the move — aimed at bridging the rapidly expanding demand-supply gap of coal in the country by increasing production — was formed earlier in the UPA government for liberalising the sector. This, however, could not take shape owing to stiff opposition from the Left parties.

The move to allow private companies to mine will also help India to reduce its import dependence on coal. While the proposal has already been cleared by the Union Cabinet, a bill in this regard, introduced in the Rajya Sabha by the NDA government in 2000, is still pending. This time, however, the ministry seems to have adopted a determined approach for implementing the proposal. It is building what is being called a “detailed implementation plan” to pursue the clearance of Coal Mines (Nationalisation) Amendment Bill 2000 in Parliament, including a quarterly review of the progress on the proposal at the joint secretary level.

“The ministry fully intends to push this subject. We will definitely like to do it as soon as possible. In fact, a separate Group of Ministers (GoM) has been set up to look into the matter which speaks of the government’s intention,” said a senior official from the coal ministry. The GoM was set up last year to deliberate on various aspects of the controversial proposal of opening up the sector. However, it has not met once so far.

While the ministry is confident of making a breakthrough this time, insiders believe that the path to privatisation in coal mining is still a distant dream. “Allowing private companies to mine coal is not going to be easy. There are major political repercussions associated with the move. The main reason why the government has not been able to do it is because it had Left parties’ support. Even now, with the support gone, there is strong opposition from the unions who think that the move would lead to privatisation of Coal India Ltd and the workers would lose jobs,” said a senior official close to the development. The CPI(M) had withdrawn support from the first UPA in July 2008 over the India-US nuclear deal issue.

The government had divested 10 per cent its equity in Coal India last year to raise ₹15,000 crore as a part of its overall strategy to bridge the burgeoning fiscal deficit by selling stakes in major PSUs. The All India Coal Workers Federation and the Centre of Indian Trade Unions had gone on a three-day strike against the move in October before Coal India was listed in November.

A parliamentary standing committee had earlier recommended the government to have detailed discussions with stakeholders before making a final move. The coal ministry’s latest strategy paper, however, identifies the “opposition from various quarters to the opening up of coal sector to private investment for commercial mining” as a “threat that will impede speedier growth of the sector.”
GOLD-SILVER RATIO FALLS BELOW 40

In the long run, gold looks good; in the near term, silver may go up further

RAJESH BHAYANI
Mumbai, 7 March

The price ratio of gold to silver plummeted below 40 today. While this is much below the average range of 55-60, trade circles say the ratio may fall even further. The price ratio indicates how much ounce of silver can be purchased with an ounce of gold.

In London today, the market gold traded at an all-time high of $1,441 an ounce, while silver was at $36.5. The ratio of gold to silver was at 39.5.

The fall is being attributed to the fast rise of silver prices in the recent past as compared to gold, although the atmosphere for bullion has been bullish.

Since the beginning of the Egypt crisis a month ago, silver prices have gone up by 20 per cent, while gold has increased only eight per cent. The trend has continued for the last three years, as the increase in silver prices compared to gold has been steep.

According to Ajay Kedia, director, Kedia Commodities, “This is because silver has an industrial demand component and when economies do well, the demand of silver for industrial use also goes up, which doesn’t happen for gold.”

Precisely due to this, the gold to silver price ratio was above 80 in the last quarter of 2008, when the financial crisis-related impact on the markets was at its peak. Then gold was rising, while silver was falling.

Now, “Chances of gold prices rising faster are much higher in the coming days, although fundamentals are positive for bullion in general because the long-term average of gold-silver prices is 55-60. This is possible theoretically, even if silver prices fall but that is unlikely, as investment demand is also good in silver,” said Jayant Manglik, president, Religare Commodities.

This is for the long term, however, Kedia says: “In the near-term, the ratio may fall to 36, as internationally there are reports that some hedge funds are said to be covering short positions as the stop-loss they have kept have surpassed. The impacts may remain till shorts are covered.”

Manglik has an advice for investors. He says, “Silver is a high beta commodity and hence returns could be very high and so are the risks.”

Historically, the ratio had dipped to just 17 in early 1980 when the Hunt brothers had taken a speculative position, taking silver prices to nearly $50 an ounce. Silver went up from $11 in September 1979 to $49.45 on January 18, 1980. However, later the regulator took stringent measures and silver prices crashed in the following months.
## Price Card

<table>
<thead>
<tr>
<th>METALS ($/tonne)</th>
<th>International</th>
<th>Domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>2,588.00</td>
<td>2,974.47</td>
</tr>
<tr>
<td>Copper</td>
<td>9,970.50</td>
<td>11,231.96</td>
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<tr>
<td>Nickel</td>
<td>28,950.00</td>
<td>31,187.57</td>
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<tr>
<td>Lead</td>
<td>2,672.00</td>
<td>2,685.90</td>
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<td>Tin</td>
<td>31,905.00</td>
<td>36,625.97</td>
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<tr>
<td>Zinc</td>
<td>2,487.00</td>
<td>2,974.47</td>
</tr>
<tr>
<td>Steel-HRC</td>
<td>772.00</td>
<td>904.50</td>
</tr>
<tr>
<td>Gold ($/ounce)</td>
<td>1,443.85*</td>
<td>1,458.50</td>
</tr>
<tr>
<td>Silver ($/ounce)</td>
<td>36.67*</td>
<td>37.95</td>
</tr>
</tbody>
</table>

**ENERGY**

| Crude Oil ($/bbl) | 117.39* | 112.37 |
| Natural Gas ($/mmBtu) | 3.740* | 3.790  |

**AGRI COMMODITIES ($/tonne)**

| Wheat          | 320.53 | 275.38 |
| Maize          | 322.54*| 256.71 |
| Sugar          | 747.50*| 639.51 |
| Palm oil       | 1,202.50 | 1,338.07 |
| Rubber         | 5,907.43* | 5,032.19 |
| Coffee Robusta | 2,352.00* | 2,053.16 |
| Cotton         | 5,004.49 | 3,710.08 |

Conversion rates: 1) 1 ounce = 31.1032316 gms
2) 1 US dollar = ₹65.05

* As on March 7, 1800 hrs IST

Note:
1) International metal are LME Spot prices and domestic metal are Mumbai local spot prices except for Steel.
2) International Crude oil is Brent crude and Domestic Crude oil is Indian basket.
3) International Natural gas is Nymex near month future & domestic natural gas is MCI near month futures.
5) International Maize is MATIF near month future, Rubber is Tokyo-TOCOM near month futures and Palm oil is Malaysia POB spot price.
6) Domestic Wheat & Maize are NCDEX future prices of near month contract, Palm oil & Rubber are NCDEX spot prices.
7) Domestic Coffee is Kamarata robusta Sugar is MD0 Mumbai local spot price.
8) International Cotton is Cotton no.2-NYBOT near month future & domestic cotton is NCDEX spot prices.
9) International metals, Indian basket crude, Malaysia Palm oil, Wheat IMF and Coffee Kamarata robusta pertain to previous day's prices.

Source: Bloomberg

Compiled by IIS Research Bureau
Gold & silver at new peak

NEW DELHI, 7 MARCH: Both the precious metals surpassed all previous records to hit new highs today. While gold surged by Rs 200 to Rs 21,420 per 10 gm on rising seasonal demand, silver rose by Rs 1,250 to Rs 54,450 per kg on heavy buying by stockists and industrial units, amid firm global cues.

Trading sentiments for the yellow metal turned bullish on heavy buying support, following turmoil in Libya, surging crude oil prices and shifting of funds from weak stock markets to bullion on the domestic front.

Globally, gold gained 0.5 per cent to $1,437.85 and silver increased by 2.3 per cent to $36.40 an ounce, the highest level since February 1980.

Traders said firm trends at futures market also influenced the trading sentiment to some extent. Both the precious metals moving closer to their record levels on the global front, advised domestic investors to enlarge their positions to protect their wealth, they said.

On the domestic front, gold of 99.9 and 99.5 per cent purity surged by Rs 200 each to set their new peaks of Rs 21,420 and Rs 21,300 per 10 gm, respectively.

Silver ready zoomed by Rs 1,250 to Rs 54,450 per kg and silver week-based delivery sky-rocketed by Rs 2,120 to set a new peak of Rs 54,420 per kg on speculative buying support.

Silver coins also soared by Rs 2,900 to their record levels of Rs 58,700 for buying and Rs 59,200 for selling of 100 pieces.

Sovereign, too rose by Rs 100 to Rs 17,500 per piece of eight gm. pti
लीबिया में हिंसा से कॉपर, जिंक के दाम गिरे

अधिकतर के चलते ब्यांसेंट्स में निवेश का जोखिम बढ़ा, खरीद चढ़ी

लीबिया में हिंसा बढ़ने के कारण लॉस एंजिल्स में कॉपर के दाम तुरंत गए। निवेशक आसानी के दौर में कॉपर में निवेश को जोखिमपूर्ण मान रहे हैं। हालांकि अमेरिकी डॉलर बढ़ने के कारण कॉपर में निवेश सीमित ही रहा। एलएमए के तीन ग्रहण वित्तीय कॉपर 45 डॉलर रिकर्क 9850 डॉलर प्रति टन पर रहा।

अमेरिका के वित्तीय दृष्टिकोण में लीबिया में हिंसा के कारण जीतक मुंबई तक होगा 48% और उत्तरी अमेरिका में हिंसा घटनायें बढ़ने के कारण निवेश में जोखिम ज्यादा होने के कारण दर्ज कर गई।

इस समय में, लेकां में लीबिया फोनोमेट्रेक्स में निवेश ही नहीं गई, वरन अन्य देशों में जीतक की दर्ज कर गई। विदेशी निवेशकों द्वारा दबाव बढ़ाया गया जिसमें पर मूलाम गिरने के संभावनाओं के सामने विक्रेता दर्ज कर रहा है। इससे वह दाम की मूल्य दर्ज की जा रही है।

उससे एलएमए के कॉपर का रिकर्क नकारात्मक चढ़ा रहा है। इस समय डॉलर
सोने और चांदी में रिकॉर्ड तोड़ तेजी

सोना अब 21,400 रुपये व चांदी 54,700 रुपये के नए शीर्ष पर

भविष्यवाणी वर्तमान में राजनीतिक अस्थिरता और क्रूड ऑयल की कीमतें में भारी बढ़ोत्तरी के चलते सोने एवं चांदी के दाम आसामन पर पहुँच गए हैं। 

अंतरराष्ट्रीय बाजार में चांदी का मां 31 सप्ताह के उच्चतम स्तर पर पहुँच गया है। इसी तरह सोने का भी धारक 1,441 डॉलर प्रति ऑस्स की छुट गया है। ऐसे में सोने की दिल्ली सरकार बाजार में भी सोने का भाव बढ़कर 21,400 रुपये प्रति दम ग्राम के उच्चतम स्तर पर और चांदी का मां 54,700 रुपये प्रति किलो के रिकॉर्ड स्तर पर पहुँच गया। यूएस डॉलर की कीमतों के कारण सोने और चांदी की कीमतें 20 से 25% बढ़ सकती हैं। लेकिन परिषद पूर्ण के दौरान में यह तक आयत पहुँच नहीं होता है, ताकि भी कीमतों में खरीदार की हो संभावना है।

दिल्ली सरकार वेलेफॉर्म एसिस्टेंट के अध्यक्ष जी ने पता किया कि हिंदी में सरकार संबंध में काम कर रही है। पता किया कि निवेशकों को पैसे निकालने की आवश्यकता है। 

सोने चांदी बाजार में सोने और चांदी की कीमतें बढ़ोत्तरी कर रही हैं। भारत के मार्ग में सोने और चांदी का आवागमन करता है। इसलिए सोने बाजार में सोने और चांदी की कीमतें बढ़ोत्तरी कर रहे हैं। दिल्ली सरकार बाजार में निर्माण के लिए एक मामले में सोने की कीमतें 24 ग्रामों और चांदी की कीमतें 101 रुपये की तेजी का जुगाड़ है।

4 मार्च 2010 को दिल्ली सरकार बाजार में सोने का भाव 17,250 (रुपये प्रति 10 ग्राम)
सोने और चादी में रिकॉर्ड तोड़ तेजी

रुपए प्रति दस ग्राम और चादी का भाव $27,200 रुपए प्रति किलो था। लेकिन, सोमवार को सोने का भाव बढ़कर 21,400 रुपए प्रति 10 ग्राम और चादी का भाव बढ़कर 54,700 रुपए प्रति किलो के स्तर पर पहुंच गया। यहाँ नहीं, पिछले पांच वर्षों में सोने का भाव दोगुना बढ़ गया तो चादी के दमों ने तीन गुना प्रतिशत लगाई है।

संबंधित सूचनाएं दिनांकित द्वारा राजीव जैन ने बताया कि क्रिस्टल अब्सन का भाव $80 डॉलर प्रति बैरल से बढ़कर 106 डॉलर प्रति बैरल के स्तर पर पहुंच गया है। इसका असर सोने और चादी की कीमतों पर पड़ा है। सेवारु तथा विदेशी बाजार में चादी का भाव बढ़कर 36.56 डॉलर प्रति आयुक्त के स्तर पर पहुंच गया। इसलिए, यह स्तर में इस्लामी कीमतों में करीब 121 फीसदी की तेजी आ चुकी है।

1 मार्च 2010 को विदेशी बाजार में चादी का भाव 16.50 डॉलर प्रति आयुक्त था। लेने की कीमतों भी इस दौरान 25.3 फीसदी बढ़कर 1,441 डॉलर प्रति आयुक्त पर पहुंच गई।

शुभवर्धन कुलदित एसोसिएशन के पूर्व अध्यक्ष सुरेन्द्र हुड्डिया ने बताया कि पिछले बाजार में सोने और चादी की कीमतों में तेजी आई है। इसके साथ, बाजार में सोने और चादी की कीमतों में गिरावट आ रही है, लेकिन अभी ऐसी समस्या नहीं है।

इससे बिदेशी बाजारों में लेने और चादी की कीमतों में तेजी का भाव बढ़कर रहने के कारण हैं जिसका असर परिशुद्ध बाजार में इस्लामी कीमतों पर हो रहा है।

उपर, पिछले के सरस्वती बाजार में चादी की कीमत 54,595 रुपए प्रति किलो तक जा पहुंची है। कुलदित कुलदित एसोसिएशन के अध्यक्ष सुरेन्द्र हुड्डिया ने बताया कि अंतरराष्ट्रीय बाजार में लगातार तेजी का रहा रहा है।

सोने के अनुसार सोने और चादी की बढ़ती कीमतों की वजह से ग्राहकों की संख्या में कमी करने का संकेत है।
Gold breaches ₹21,000 mark

Mumbai: Gold surpassed all its record highs and breached the ₹21,000 per 10g mark at the bullion market on Monday on hectic trading and investment-driven buying triggered by bullish trend at the global level.

Relentless rally on the back of speculative demand and strong industrial support pushed silver above another milestone of ₹40,000 per kg.

Standard gold (99.5 purity) rallied by ₹135 per 10g to close at ₹21,125 from Saturday's closing level of ₹20,990. Pure gold (99.9 purity) hardened by ₹125 per 10g to end at ₹21,225 compared with ₹21,100 previously. PTI
NALCO FIXES RECORD DATE FOR STOCK SPLIT

State-owned National Aluminium Company (Nalco) on Monday said it had fixed March 16 as the record date for its stock split and issue of 1:1 bonus shares. “March 16, 2011 has been fixed as the record date for sub-division/split of face value of each equity share of ₹10 fully paid-up into two equity shares of ₹5 each,” Nalco said in a communique to the Bombay Stock Exchange.
Gold price jumps to cross all time record at ₹21,000

Mumbai, March 7: Gold surpassed all its record highs and breached the ₹21,000 per ten grams mark at the bullion market here on Monday on hectic trading by stockists and investment-driven buying triggered by the bullish trend at the global level.

Relentless rally on the back of speculative demand and strong industrial support pushed silver above another milestone of ₹54,000 per kg.

Standard gold (99.5 purity) rallied by ₹135 per 10 grams to close at ₹21,125 from last Saturday’s closing level of ₹20,990.

Gold scaled record peak, while silver touched three decades high. Precious metals continued their upward journey on concerns over escalating unrest in the West Asia and North Africa.

According to analysts, a firm trend in the domestic market on the back of increased demand, on account of the ongoing marriage season, supported the uptrend in the prices.

In Europe, spot gold was bid at $1,437 an ounce in early trade against $1,432 late in New York on Friday.

Silver was bid at $36.40 an ounce from $35.61 previously.

— PPI
In Bellary forests, forged papers for illegal mining

Shamsheer Younas

SANDUR: Even before the controversy over scams involving the denotification of land could die down, a Lokayukta report has revealed the BJP government’s unholy link in aiding illegal mining in the reserved forests of Bellary district.

The report on illegal mining in 2008 points out that mining is being carried out in the forests without the mandatory clearance. The state government has been lending a helping hand to the mining lobby by denotifying forest as revenue land on the basis of forged documents, thereby obviating the need for a clearance by the Union Forests and Environment Ministry.

Documents in the possession of Deccan Herald show that the government denotified nearly 265 acres in the Ramagad reserve forest of Sandur taluk in Bellary. And all this is being done under the guise of a law to protect the rights of forest dwellers.

While the land will be handed over to firms and individuals involved in mining free of cost, at stake is iron ore deposits of the highest quality (62 to 65 per cent iron content) estimated at $2.5 billion.

In May 2010, the assistant commissioner of Bellary, who also doubles up as the forest settlement officer (FSO), recommended denotification of 265 acres of Ramagad forest, which is not to be subjected to the laws governing reserved forests.

When the FSO called for the records of land rights under the Karnataka Forest Act in 2009, instead of the usual claims from forest dwellers or those with prior settlements, he received 33 claims, mostly from firms or individuals involved in mining and trading ore.

Companies such as Adarsh Enterprises and Zeenath Transport Corporation made claims for 22 acres and 80 acres, respectively, while the mine owners include Rajya Sabha MP Anil Lad, former MLC K S L Swamy and S Tawab among others.
In Bellary forests, forged papers for illegal mining

Bellary, from Page 1

The 33 claims received by the FSO covered survey numbers one to 35. But here lies the key: survey numbers 5 to 35 never existed. The matter was first flagged by the then Bellary deputy commissioner B B Shivappa, who, in a series of four letters, pointed out that an authorised map of Ramgad village of 1903 showed that only four survey numbers—1 to 4—existed. A joint survey subsequently conducted in 2010 also established that survey numbers 5 to 35 never existed.

A letter from the Lokayukta’s office to Chief Conservator of Forests U V Singh also referred to this, and requested the FSO to “notify the entire area at Ramgad (except survey No 1 to 4) as reserve forest under Section 17 of the Karnataka Forest Act, 1963”. Besides the fraudulent claims, it turns out that the call for claims by the FSO was a violation of the law. The land in question was declared reserved forest after the Maharaja of Sandur handed over 2,395.4 acres to the state government in 1980. A call for records of rights was made way back in 2000, and no land was denotified. So how, and why, did the government insist on another round of call for records?

The action was clearly done to benefit mining companies. Based on very conservative estimates of iron ore deposits, they stand to make a whopping $2.5 billion at current international prices. Several officials Deccan Herald spoke to peg the amount to be two to three times higher.

The Forest Department has filed an appeal against the FSO’s order at the Karnataka Appellate Tribunal, but the denotification order is yet to be stayed. “The department has come to the conclusion that we do not need to accept the FSO’s order, irrespective of whether the order is stayed or not,” an official said.

DH News Service
Fresh fruit & pond fish erase scars at closed Goa mines

Sesa Goa’s reclamation efforts on mining land have borne fruit in the form of lush vegetation and cash crops

Of late, mining has been a bone of contention and a cause of great controversy in the corridors of power, the industry and media. Mining companies have been damned, crucified and charged with crony capitalism and causing irreparable damage to the environment. Notwithstanding its description as a ‘search-and-destroy mission’, mining is a necessary evil for an economy that aspires to clock double-digit growth on the back of rapid industrialisation and infrastructure development. It’s here to stay and just can’t be wished away. All the focus then comes down to best practices in mining and mine reclamation efforts, to somewhat lighten the ugly footprint and scars of mining. FE travels to some mining areas to make sense of the bridges built and gaps ignored in order to make mining as sustainable as possible.

Sukalp Sharma

Sanquelim (Goa) Mar 7: Whoever associated mining with only controversy and environmental degradation needs to make a trip to Sanquelim in Goa, considered a model for mine reclamation, and where the lush cover of acacia, casuarina and cashew trees completely belies the fact that this area, till the late eighties, was deep open pits with red dust flying around.

The government introduced mine closure plans for reclamation as mandatory requirements for mining companies only in 2003, but at Sesa Goa’s Sanquelim group of mines in Bicholim taluka of north Goa, these efforts have been on since the past two decades. Of the total lease area of 330 hectares, 106 ha has been reclaimed while around 30 ha is still active. It is estimated that around 30 million tonnes of iron ore had been extracted from the mines at the time of cessation of mining.

And as one drives further into reclaimed land, one encounters a small ‘oasis’ of five hectares, which was once a mining pit called Lisboa. The area has been developed with horticulture cash crops and includes a 10-15 metre deep, 200 metre long, rain-fed pond teeming with rohu, catla and carp fish.

The lowermost part of the pit was refilled partially to facilitate afforestation, and pisciculture was launched in 1990 in collaboration with the National Institute of Oceanography. The ground staff urge you to taste the coconut, banana, jackfruit, star apple (jam) and pineapple growing there, as you admire the black pepper, cinnamon and vanilla plantations. This patch also includes a butterfly garden that has nectar producing plants, besides a garden of medicinal plants.

Fresh fruit & pond fish erase scars at closed...

So, how did Sesa Goa manage to convert dead soil into fertile land again? Those working on the project say an exhausted mining pit can be reclaimed in 8-10 years easily if done properly. And the cost of reclamation is surprisingly low—not more than Rs 50,000 per hectare per year, and in horticulture plantation, it costs somewhere in the range of Rs 3-4 lakh per hectare per year. The soil after reclamation, they claim, can support most vegetation, except for food crops like wheat and paddy that require high fertility.

"Mine reject soil is dead soil as it does not have organic matter. That soil can be made alive by either introducing organic matter like manure and cow dung or through the decomposition of leaf-fall and other vegetation," says Mahesh Patil, associate VP, HSEC, Sesa Goa.

Another interesting R&D exercise that has borne fruit has been the development of geotextiles for dump stabilisation, which is facilitating direct plantation of local species. Geotextile mats made of coconut coir are being actively taken up for use in mining reclamation by other mining firms as well now, but it all began with Sesa Goa. For geotextiles, the research started around 1998 and Sesa Goa started using it by 2002. By 2004, it became an accepted norm. The environment and forests ministry is now stipulating the use of geotextiles as a norm for all mines, says Patil.

In fact, Sesa Goa MD PK Mukherjee feels mining is one of the very few modern land uses that can bring back the land and its ecosystem to as much as 70-90% of its original nature if proper reclamation efforts are undertaken. "Can such a thing happen in real estate and the construction business? I would say no. Mining has been perceived unfairly both by the public and the press," he says.

Vedanta Resources acquired majority stake in Sesa Goa around three years ago. But Mukherjee feels that connecting Sesa Goa to the Orissa controversy involving Vedanta would be unfair: "Vedanta is not only about the Orissa controversy and being part of Vedanta would not finish Sesa Goa. Has anyone ever raised any fingers towards its other projects, be it in Rajasthan, Balco or even in Zambia?" he asks.

He adds that Sesa Goa’s environmental ventures have been part of the company’s culture and have run smoothly through various principal ownerships through the decades. "It’s not just about compliance, but about leading the way and going beyond compliance. And environmental stewardship and social stewardship is always good business sense," he sums up aptly.
Nalco fixes March 16 for stock split

National Aluminium Company (Nalco) on Monday said it has fixed March 16 as the record date for its stock-split and issue of 1:1 bonus share. “...March 16, 2011 has been fixed as record date for sub-division/split of face value of each equity share of ₹10 fully paid-up into two equity shares of ₹5 each,” Nalco said in a communiqué to the BSE.
Arcelor, Vale eyeing Mongolia mine

Stoelman ArcelorMittal and miner Vale are among 15 groups that applied to take part in the bidding to develop Mongolia’s Tavan Tolgoi coal mine, a source with knowledge of the matter said on Tuesday. The mine is regarded as one of the world’s biggest untapped reserves with an estimated reserve of 6 billion tonnes. Two groups led by Japanese trading houses, one by Mitsui and another by Itochu, have also applied to be part of the bidding. Among other applicants is India’s International Coal Ventures.
Silver near Rs 55,000/kg

Our Bureau

Mumbai, March 7

Silver rose to near Rs 55,000 a kg on the bullion market on Monday buying for the ongoing marriage season and rates in the global market crossing $36 a pound. Gold, too, gained as global prices soared on Libyan unrest.

Bloomberg reports:

Gold climbed to a record in London and New York as escalating violence in Libya and concern inflation will accelerate boosted demand for the metal as an alternative asset. Silver rose to a 31-year high.

Immediate-delivery bullion rose as much as $12.05, or 0.8 per cent, to $1,442.95 an ounce and traded at $1,440.95 at 11:42 a.m. in London. Gold for April delivery was 0.9 per cent higher at $1,441 an ounce on the COMEX in New York after reaching an all-time high of $1,443.30.

Silver for immediate delivery was up 2.6 per cent at $36.5275 an ounce after climbing to $36.6625, the highest price since Feb. 14, 1980.

Palladium for immediate delivery rose to $816.25 an ounce. Platinum was 0.1 per cent lower at $1,839.50 an ounce.

Bullion rates

Mumbai: Silver spot (999 fineness): Rs 54,970; standard gold (99.5 Purity): Rs 21,125; Pure gold (99.9 purity): Rs 21,725.
Spot iron ore falls; traders see prices bottoming out

Indian rates down to $182-184 a tonne on hopes of duty cut

Reuters
Singapore, March 7
Spot iron ore prices extended losses on Monday, after China's No. 3 steelmaker, Wuhan, said global miners BHP Billiton, Rio Tinto and Vale were capable of setting prices arbitrarily, and port stocks in the top consumer held near historic highs.

Indian ore with 63.5 per cent iron content was quoted in China at $182-184 a tonne, including freight, on Monday, down from $183-185 on Friday, said Chinese consultancy Mysteel.

“The cost of extracting one tonne of iron ore is $20, delivery costs are $56 and it is selling for $180-190 – this is a monopoly in the true sense of the word,” said the Wuhan Iron and Steel President, Mr Deng Qiliu, said at a recent news conference on the sidelines of the National People's Congress in Beijing.

Traders were now asking whether inventories holding near historic highs and China's criticism of high prices could keep prices on their downward trend or whether the market was nearing a bottom.

“The Chinese are a little bit put out about the power they think the miners have. They feel they have to accept the quarterly prices based on the indexes,” said an iron ore derivatives trader.

“But if they wanted to, they could get into these derivatives and take advantage of price anomalies in their favour. We are waiting for more physical direction right now. The mills are hanging back and can see further scope for falls.”

Iron ore prices may soon bottom out, the trader said, a view echoed by Mr Troy Flannery, senior resource analyst at DJ Carmichael.

“I don’t see prices coming off too much. The guys at BHP are very bullish and given their size, they have lot of people doing analysis and so they and Rio are going hard to produce all they can.”

Mr Flannery said rainy weather in Western Australia had disrupted some shipments and risks to transportation would persist for a long time until the cyclone season passed.

INDIAN DUTY ROLLBACK

Falling steel prices, huge stockpiles of iron ore at Chinese ports and tighter liquidity are keeping Chinese steel mills and traders from snapping up ore even as exports from No. 3 supplier India get more costly after the country announced plans to raise export taxes and freight rates.

Stockpiles of imported iron ore at major Chinese ports hit 260,000 tonnes last week, BSS said on Friday, compared with 80,790 million tonnes a year earlier.

The Steel Index's 62 per cent gauge slipped 1.30 to $176.60 and Metal Bulletin's index dropped to $176.63.

The Dalian Commodities Exchange, which predominantly focuses on agricultural commodities, submitted a proposal to the government at the end of last year to launch the world's first metallurgical coke contract, its Vice-President, Mr Li Jun, told Reuters on the sidelines of an industry conference in Malaysia.

"We are still waiting for approval from the China Securities Regulatory Commission, we hope it will be launched this year," he said.

The government raised the export tax on iron ore concentrate to 50 per cent from 30 per cent on Monday, effective from next week.

Stockpiles of imported iron ore at major Chinese ports hit 290,000 tonnes last week, research agency BSS said on Friday, compared with 80,790 million tonnes a year earlier.

The Steel Index's 62 per cent gauge slipped 1.30 to $176.60 and Metal Bulletin's index dropped to $176.63.
Aggressive mining: River sand being offloaded from country boats onto the banks of the Kalong river on the outskirts of Guwahati on Monday. As it is the peak time for construction work in and around the city, labourers are mining the river day and night to meet the demand. – Ritu Raj Konwar
ONGC, SAIL, PFC & Hind Copper Selloff in Q1 of FY12: Bose

Disinvestment is not just about raising funds to meet government expenditure, it is also about transferring ownership of state-run companies to the public at large, says disinvestment secretary Sumit Bose, in an interview with Dheeraj Tiwari, he lists out the agenda of his department and how retail investors will continue to remain his focus. Excerpts:

Is the ₹40,000-crore disinvestment target for next year achievable considering that it could not be reached in the current fiscal?
It is a realistic target and we are fully prepared to meet it. The role of disinvestment is not just to get in more and more receipts. FM’s speech last year listed four pillars of disinvestments: broad-based ownership, better corporate governance, unlocking value for all stakeholders and finally getting the receipts and using them for social sector initiatives. Keeping that in view, we do have some big issues (lined up); but there will be small issues, too, otherwise they will never get listed.

What is the likely road map for the next fiscal?
We have Cabinet approval for four public issues. We are not drawing up a list, though. But, definitely, in the first quarter of the next fiscal we will have ONGC, SAIL, PFC and Hindustan Copper. Then we will look at NBCC or RINL.

What about smaller issues?
The government policy is to list companies and bring them to the level where they meet the listing norms of 16%, and all that has to be simultaneously pursued. So, there are some companies. We’ll also look at turning around PSUs. There are 11 of them.

Will you be looking at strategic sales as well?
Listing of companies and unlocking value of others with government retaining 51% stake—that is disinvestment policy, and anything other than that will be an exception.

There is a concern that oil companies may not fetch a good price because of subsidies involved. Does that concern you?
The government will always ensure that appropriate subsidies are given to oil companies. They have given₹20,000 crore, which was not there in the last budget. But I think that these companies are major companies and (whose performance) doesn’t hinge on subsidy. As about the concerns, we have done pre-marketing for ONGC and there is plenty of demand from all sectors, retail, institutional and foreign. It is one of the best PSUs...

What about Indian Oil Corp? Is the company on the radar?
IOC is not approved by Cabinet so far. Last year, the petroleum ministry said that IOC stake sale will happen in FY12. We were ready to go with the ONGC in the first quarter and if IOC comes that will be in second half of next fiscal...

Could some of the companies that came to market in 2009-10 be on the selloff rolls again?
There may be some issues that will come back. But before that we have to consider things like statutory lock-up of certain shares. It may or may not have been in the prospectus…but what you have told them…and other factors such as valuation, the progress of the company, equity structure, etc...
Surging Gold: To Buy or Not to Buy?

TEAM ET
MUMBAI | PUNE | KOCHI | KOLKATA

Consumer demand for gold appears to be mixed as prices shot past Rs 21,500 a tola on Monday across many parts of the country in response to the simmering tension in the Middle East and Africa.

While some like Lalita Navghare, owner of a beauty parlour in Pune, says high prices won’t hit the marriage season demand, Kolkata’s Suprakash Bose says his budget has been hit by the ever-rising prices.

“No matter how high the gold price may be, one has to buy the agreed quantity of gold in a marriage. There is no escape from that,” said Navghare, who recently purchased gold for her sister’s marriage scheduled for next month.

However, the 67-year-old Bose and his wife Ashoka, chorused, “Only last year, we married off our elder daughter. And now it’s the turn of our younger daughter. Our budget has gone haywire due to rising prices.”

The smarter and luckier ones are those who bought the yellow metal for marriages months in advance. Like Mira S, a software professional based in the south. She said her family purchased 30 grams last November when prices were lower by around Rs 800-1000 per tola. “I’m tying the knot next month but my parents made purchases in November,” said Mira. “However, there are those who prefer to get the latest designs and they would buy during the season irrespective of the price,” she added. Gold has risen over 3% since January with peoples’ protests against rulers from Tunisia and Egypt to Libya and Bahrain.

Gold acts as a safe haven asset during geopolitical crises and is perceived as a hedge against inflation, to combat which emerging markets such as India and China are raising key interest rates. While most in the market are unanimous that demand for the metal would not be thwarted by rising rates, some say demand typically slows down when the metal makes a new high with consumer footfalls rising only when prices stabilise.
Gold prices touch record high at ₹21,420

NEW DELHI, MARCH 7
Precious metal prices continued to rise on Monday and touched new highs. Gold prices surged by Rs 200 to Rs 21,420 per 10 grams on rising seasonal demand, silver rose by Rs 1,250 to Rs 54,450 per kg on heavy buying by stockists and industrial units, amid firm global cues.

Trading sentiments for the yellow metal turned bullish on heavy buying support, following turmoil in Libya, surging crude oil prices and shifting of funds from weak stock markets to bullion on the domestic front. Globally, gold gained 0.5 per cent to $1,437.85 and silver increased 2.3 per cent to $36.40 an ounce, the highest level since February 1980. Traders said firm trends at futures market also influenced the trading sentiment to some extent.

Both the precious metals had moved closer to record price levels. Investors would be well-served advised by enlarging their positions to protect their wealth, they said. On the domestic front, gold of 99.9 and 99.5 per cent purity surged by Rs 200 each to set their new peaks of Rs 21,420 and Rs 21,300 per 10 grams, respectively.

Silver ready zoomed up by Rs 1,250 to Rs 54,450 per kg and silver week-based delivery sky-rocketed by Rs 2,120 to set a new peak of Rs 54,420 per kg on speculative buying support. Silver coins also spurted by Rs 2,900 to their record levels of Rs 58,700 for buying and Rs 59,200 for selling of 100 pieces. Sovereign, too rose by Rs 100 to Rs 17,500 per piece of eight grams. — Agencies