Skewed policy on mining

A distorted mining policy that alienates tribals from the forest land while allowing the miners to rake in super profits is the key reason behind skewed development and tribal discontent in backward regions.

The mining scams and the large-scale loot of the country’s natural resources have come into sharp focus now with the spotlight on the nexus between the mining lobby and politicians. In Jharkhand, investigating agencies have been probing the Rs 4,300-crore mining scam involving the former Chief Minister, Madhu Koda. In Karnataka, the spotlight is on the “Bellary billionaires”, the Reddy brothers, who are also ministers in the Yeddyurappa cabinet.

The resignation of Justice N. Santosh Hegde, the Lokayukta of Karnataka, on June 23 over “non-co-operation from the State government in his fight against corruption, has brought to the fore the unholy nexus that exists between the mining lobby and the government, the rampant corruption in the sector, large-scale illegal mining and the total disregard for destruction of forests, loss of traditional livelihoods of tribal people and environmental degradation.

ILLEGAL MINING

Large-scale illegal mining has been going on for decades in almost all the States and more so in the country’s mineral-rich regions. A Parliamentary Committee on illegal mining had identified 14,504 illegal mines in 2003. The figures released recently by the Ministry of Mines put the number of illegal mines for major minerals at 2,496 and for minor minerals at 28,055.

Some time back, the Indian Bureau of Mines had identified 17 States where illegal mining was going on. The worst affected regions were said to be Bellary-Hospet in Karnataka, Obulapuram, Kurnool and Cuddapah in Andhra Pradesh, Keonjhar and Barbil in Orissa, and Jod and West Singhbhum in Jharkhand.

It is a matter of serious concern that the officially reported production and export figures of minerals are gross underestimates. They do not reflect the hundreds of coves of rupees worth of illegal mining that goes on in different regions. What is worse, this is done in connivance with the political bosses and the top-level bureaucrats. The hold of the mining lobby on politics and government is quite strong in many States.

There are reports that about 10 million tonnes of ferrous ore – perhaps more – may have been mined in Bellary district of Karnataka over the last two years alone. A similar quantum is reported to have been removed from Keonjhar in Orissa over a slightly longer period. Similar cases have been reported from other States too.

According to another report, the Government has been losing Rs 1,800 crore annually to the coal mafia that is active in the main coal-producing States of Jharkhand, Orissa and Chattisgarh.

“Thousands of gaugs that are active in the coal-producing belts, including around the mines of Coal India Ltd (CIL), plunder about six million tonnes of coal annually,” an official said.

BLINDED POLICY

While carrying out mining activities, there has been a criminal neglect of ecological destruction, as well as utter indifference to the displacement and loss of traditional livelihood for millions of tribal people.

Vast areas have been denuded of their forest cover and destruction of wildlife because of indiscriminate mining activities by flouting the forest laws. Most of the mineral-rich areas are also the ones with rich forest cover.

Over the years, huge tracts of forest cover have been taken over for mining operations without proper assessment, planning and efforts to rehabilitate the millions of tribal displaced in the process. So far, an estimated 1.64 lakh hectares of forest land has been diverted for mining operations. The cost of ecological destruction is enormous and irreparable.

According to many experts, a skewed mining policy that alienates the tribes from forest lands while allowing the miners and mining conglomerates to rake in super profits is the key reason behind the rise of Maoism in recent years. While economic development is, no doubt, important, it should come with a human face. What is all the more unpardonable is the fact that the displaced persons have not received any compensation for years. In a scathing indictment of the government, a Supreme Court bench has termed the development policies blin- kered. While dealing with a case relating to the acquisition of tribal land by Mahanadi Coalfields Ltd in Surendragarh district of Orissa, a Maoist hotbed, the Court found that those who lost their lands have not been paid any compensation for 23 years.

NEW LEGISLATION

It is a welcome development that the Government is in the process of formulating new mining legislation which proposes that mining companies operating in India – domestic or foreign – may have to take into account the welfare of the local communities. The Bill provides for consultations with the local community before notifying an area for mining-related activities and also prior green clearance under the Forest Conservation Act.

In this regard, the Group of Ministers (GoM) headed by Mr Pranab Mukherjee is debating whether the affected people should be provided 26 per cent equity in the mining companies or a share in the annual revenues of the companies concerned. It will also have consultations with the Environment Ministry about certain reservations expressed by it over the Bill.

While these are progressive moves, it must be emphasised that new legislation alone will not put an end to the large-scale illegal mining that has been going on for decades.

What is needed is strong political will and stringent punishment for violations of mining and forest laws. But this is unlikely to happen unless the new law clearly lays down that mine-owners and others with any stake in mining cannot hold ministerial or Assembly seats in governments at the Centre or the States.
PSUs out of 25% float rule ambit

**OUR SPECIAL CORRESPONDENT**

New Delhi, Aug. 9: State-owned firms need not rush to offload shares as they have been exempted from the rule that makes it mandatory for all listed companies to ensure a minimum 25 per cent public holding.

The easing of the cap for PSUs will prevent too many issues from hitting the market at the same time and help the state-owned firms to get a better valuation when they plan a flotation.

According to a finance ministry notification, state-owned companies are required to divest only 10 per cent over three years, while private players will divest 25 per cent over the same period. At present, the minimum listing norm is 10 per cent.

However, the notification specifies that private players can reach the 25-per cent threshold at one go and need not do it in a phased manner by selling 5 per cent each year.

On June 4, the government amended the Securities Contract (Regulations) Act by ordering all listed companies, including public sector firms, to lower their promoters’ holding in a phased manner till a minimum of 25 per cent was with the public.

The objective was to let investors benefit from India’s economic growth and promote better price discovery.

Under the norms, all listed companies were required to dilute at least 5 per cent every year until public holding reached 25 per cent.

For any new listing, the earlier notification continues, “if the public offer is over Rs 4,000 crore, the company can list with just 10 per cent public holding to start with and reach the 25 per cent requirement with an annual increase of 5 per cent over the next three years”.

The new rules state that in case of a listed PSU whose public holding of 10 per cent falls at any given time, “such a company shall bring the public shareholding to 10 per cent within a maximum period of 12 months from the date of such a fall”.

PSUs account for 30.7 per cent of the market capitalisation of the Bombay Stock Exchange at Rs 18.64 lakh crore, according to www.bsepsu.com, a website dedicated to government-owned listed firms.

The Standing Conference of Public Enterprises (SCOPE) had earlier opposed the mandatory 25 per cent minimum public holding norm, fearing that this would lead to a spate of follow-on public offers by PSUs, which would lower their valuations.

In a market flooded with follow-on public offers, the unrivalled public sector entities may not feel encouraged to list on the bourses, SCOPE had said.

At present, there are 56 listed public sector entities, including 22 banks. Of the 34 non-banking listed public sector enterprises, as many as 21 entities have public holdings of less than 25 per cent. In public sector banks, the number of listed companies where the holding is less than 25 per cent is around five.

“In the short term, the lower divestment levels are good for valuations of the public sector firms planning to list on the bourses,” Alex Mathews, head of research, Geojit BNP Paribas Financial Services, told The Telegraph.

State-run Coal India today filed a draft prospectus for an initial public offering with Sebi. Other government share sales in the pipeline this fiscal include public offerings in Steel Authority of India, Hindustan Copper and Power-Grid.

The norms relating to public holding are specified under the Securities Contract (Regulation) Act, which is administered by the finance ministry.

Currently, the Securities and Exchange Board of India has powers to waive or relax the listing requirements under the act.
Oil majors’ stake sale likely to fetch Rs 24,000 cr

Government looking at divesting MMTC, Shipping Corporation and others

Our Bureau
New Delhi, Aug. 10

If ONGC and Indian Oil Corporation’s stake sale comes through this fiscal, the Government would have raised about Rs 24,000 crore in less than 12 months by offloading equity in companies under the Ministry of Petroleum and Natural Gas.

The Government is likely to further dilute its stake by 5 per cent in ONGC sometime this fiscal.

“At the current share price, the stake sale will generate more than Rs 13,000 crore,” Mr R.S. Sharma, ONGC Chairman and Managing Director, told newsmen at the sidelines of an event here.

The Government holds 74.14 per cent stake in ONGC. Also on radar is 10 per cent dilution in IOC, in which the Government currently holds 78.92 per cent.

Recently, the Petroleum Secretary, Mr S. Sundaresan, was quoted as saying that the dilution of stake in ONGC and IOC would help raise about Rs 21,000 crore this fiscal. The Department of Disinvestment has sent a note to the Petroleum Ministry asking the Finance Ministry to dilute the Government’s stake in ONGC and IOC, he said.

OTHERS ON THE LIST

The Government is also mulling a stake sale in public sector enterprises such as MMTC Ltd and Shipping Corporation of India.

“Government is considering stake sale through public offerings in MMTC Ltd, Coal India Ltd, Steel Authority of India Ltd, Shipping Corporation of India, Power Grid Corporation of India Ltd, Manganese Ore India Ltd and Hindustan Copper India Ltd,” said the Minister of State for Finance, Mr Namo Narain Meena, in a written reply to the Rajya Sabha.

The Cabinet has already given its nod for Government’s stake sale in Coal India, Steel Authority of India Ltd, Power Grid Corporation and Hindustan Copper, while the government has already shortlisted merchant bankers to manage MOIL IPO.

The follow-on public offer of 10 per cent stake sale in Engineers India Ltd mopped up Rs 977.7 crore. In 2009, Oil India Ltd IPO of 11 per cent had raised Rs 2,777 crore.

The Department of Disinvestment will bear the brokerage expenses paid to brokers and sub-brokers in all Government public issues. This decision, which is effective April 2010, is aimed at ensuring wider participation of retail investors in Government public issues, an official release said here on Tuesday.

The disinvestment department has directed the book running lead managers to pay the brokerage as per a specified time schedule. For issue size up to Rs 1,000 crore, the brokerage has to be paid within 30 days from the day of listing. In the case of issue size more than Rs 1000 crore, the brokerage has to be paid within 45 days from the day of listing, the release added.
Govt mulls divestment in MMTC, SCI, MOIL

NEW DELHI, 10 AUG: The government is considering to sell its stake in many companies including MMTC, Shipping Corporation and Manganese Ore India, through public offering. Parliament was informed today.

“The government is considering stake sale through public offerings in MMTC, Coal India, Steel Authority of India Ltd (SAIL), Shipping Corporation of India (SCI), Power Grid Corporation, Manganese Ore India (MOIL) and Hindustan Copper India Ltd,” minister of state for finance, Mr Namo Narain Meena said in a written reply to the Rajya Sabha.

The Cabinet has already given its nod for the government’s stake sale in Coal India, Steel Authority of India Ltd, Power Grid Corporation and Hindustan Copper, while the government has already shortlisted merchant bankers to manage MOIL initial public offer.

Disinvestment secretary, Mr Sumit Bose said recently that divestment in identified companies is likely in the current fiscal.

Aiming to raise Rs 40,000 crore through disinvestment this fiscal, the government has mopped up more than Rs 1,000 crore by divesting stake in Satluj Jal Vidyut Nigam, and around Rs 1,000 crore through Engineers India FPO.

Besides, the government plans to sell five per cent stake in Oil and Natural Gas Corp (ONGC) and 10 per cent in Indian Oil Corp (IOC) to raise about Rs 21,000 crore this fiscal, oil secretary, Mr S Sundareshan said last week.

“We have received a note from the Department of Disinvestment that says they have approval of the finance ministry for divestment of government stake in ONGC and IOC,” the oil secretary had said. pti
NALCO's output

BHUBANESWAR, Aug 9
Despite severe coal shortage, the National Aluminium Company Limited (NALCO) has registered the highest ever metal production of 4.31 lakh tonnes in 2009-10, against the previous best of 3.61 lakh tonnes in 2008-09, an increase of 14.4 per cent, a company release said. -- PTI
सौ फीसद खनन राजस्व के लिए प्रदेश को चार जोन में बांटा जाएगा

उसे, 10 अगस्त (जननारू)। प्रदेश सरकार खनन में जो लक्ष्य निर्देशकों के देने वाला उपयोगकार्य तीन दर्जन जोन पूरा नहीं कर पाते थे तो अन्ततः शासन को नई नीति के तहत अब खनन विभाग को सौ फीसद राजस्व प्राप्त होने की तैयारी पूरी कर ली गई है जिसके तहत प्रदेश को चार जोन में विभाजित करने की योजना तैयार की गई है। इन जोन में प्रदेश के सभी जिलों को शामिल किया गया है। इन जोन के लिए टूकर प्रस्ताव अपनाई जाएगी।

मंडलप्रमाण के समान सभी जिले का राजस्व देने वाले निविदा धारक का चयन किया जाएगा। उनके निविदा पत्र में शासन ने न्यूनतम दर पहले से ही तय कर दी है।

प्रदेश सरकार खनन विभाग में एक बड़ा फैसला करने जा रही है। इसमें जिला खनन अधिकारी को सरकार से दिए जाने वाले तौर पर समझौता जारी बनाकर का काम विभाग में पहले की तरह ही रहेगा।

इसमें टूकरकारों की पहले, एम.एस. 11 जारी करना अवैध खनन रेखा के निर्माण की जिम्मेदारी होगी। नई व्यवस्था के तहत प्रदेश शासन ने जो जोन बनाए इसमें मेठ, निजीपुर, लखनऊ, झांसी है। मंडल के तहत ये बतोली में बंगला, गोपुरमुख, नगर, बाबरपुर, गायकवाड, सहारनपुर, मुक्तापुर, सुलतानपुर, जैंपुर, अगर, भूतपुर, फरीदाबाद, सीतापुर, जैंपुर, फौजीवाला, फतेहपुर, कौशांबी, प्रतापगढ़, फैजाबाद, सुलतानपुर, फेजवाड़, बाराबंकी शामिल किए गए है।

विभागीय मंडल का मुख्यालय मिर्जपुर का निर्माण करना यह नए सदन, संतकबीर नगर, फरीदाबाद, गोपुरमुख, जैंपुर, चंदौली, आजमगढ़, बलिया और अन्य जिलों को निर्माण किया जा रहा है।

इस प्रकार दुनिया भर में इंदिरा की मुख्यालय बनाने को तैयार लगभग पूरी हो चुकी है। इसमें ललितपुर, जलौन, हमीरपुर, राजाबाद, नगर, बाबरपुर, उत्तराधिकारी, बाबरपुर, जैंपुर, अगर, भूतपुर, बाबरपुर, गायकवाड, सहारनपुर, मुक्तापुर, सुलतानपुर, जैंपुर, अगर, भूतपुर, बाबरपुर, गायकवाड, सहारनपुर, मुक्तापुर,
BJP leader battles for Sone river rights

ANAND S.T. DAS
PATNA

Aug. 10: A senior BJP leader has been carrying out an untiring judicial and public crusade for Bihar and Jharkhand’s rights over its share of the Sone river’s water, which gets illegally diverted by neighbouring Uttar Pradesh for an NTPC thermal power plant, endangering farmland irrigation in large parts of undivided Bihar.

Mr Saryu Roy, a former BJP MLC in Bihar who later represented Jamshedpur (west) in the Jharkhand Assembly, has kept his spirit of activism for public benefit alive despite being in the thick of conventional politics. Mr Roy, who had made headlines by releasing incriminatory video CDs soon after the corruption scam involving former Jharkhand chief minister Madhu Koda was unearthed, had filed a PIL in the Patna high court in 1993 highlighting the loss to Bihar’s farmers due to the diversion of the Sone’s waters.

After the high court issued notices to the governments of Bihar, Jharkhand, UP and MP last week seeking their views on allegations of water pilferage, an upbeat Roy and his colleagues in the cause like Sunil Kumar Singh, a BJP national executive member from Jharkhand, are planning a campaign for study and awareness along the Sone’s course. They would embark on an 800-km week-long journey from the Sone’s origin in the Amarkantak in MP to its destination at Haldi-Chapra in Bihar from August 26.

“This is not an issue of inter-state water dispute. The NTPC’s view in the court that the higher courts had no jurisdiction on this issue does not hold any ground because this crisis has already affected millions of farmers and is going to prove worse if Bihar’s share of water is not released regularly from the Rihand dam in UP,” said Mr Roy to this newspaper in an interview. In 1989, Mr Roy began publishing a monthly magazine, Krishi Bihar, to raise public awareness on the this very issue of water.
NALCO registers record production

National Aluminium Company Limited (NALCO), the Navratna PSU and India's largest integrated manufacturer and exporter of alumina and aluminium, recorded the highest ever metal production of 4.31 lakh tonnes in the present financial year against 3.61 lakh tonnes last year.

The company also registered record production of 15.92 lakh tonnes of alumina hydrate with capacity utilisation of 101.05 per cent against 15.77 lakh tonnes last year.
Ministry for iron ore exports

As far as conflicting views of different ministries are concerned, the minister said there are different views expressed by various ministries based on their perception process, it would result in pollution and impede the mining process.

"Therefore, the immediate need is to develop a technology that process the iron ore fines. Sudden stoppage of production of iron ore, as a result of ban on exports, would also give a rise to loss of employment," Mr Handique said.

A Group of Ministers has been constituted to consider the Draft Mines and Minerals (Development and Regulation) Bill, 2010 and is likely to submit its recommendations soon.

As far as conflicting views of different ministries are concerned, the minister said there are different views expressed by various ministries based on their perception.

"My ministry has, however, kept an open mind and whatever decision is taken, we shall abide by it. But our only concern is that there must be a technology to process iron ore fines in the country so that we could create an environment for employment," the mines minister said.

A member had pointed out that the steel and law ministries were in favour of banning the exports of iron ore, while the commerce ministry was for continuing with exports and the finance ministry was neutral on the matter.
सोने का अवैध व्यापार नहीं

नई दिल्ली • रिजर्व बैंक के पास देश में काफ़ी ही पर
चल रहे रोड़ों के अवैध व्यापार के बारे में कोई आकस्मिक नहीं
है। इस आवार्त के साथ साथ वो व्यवसायियों आदि के लिए
विनिर्देश आयोजन कर दिया गया। अवैध व्यवसाय के बारे में
काफ़ी ध्यान दिया जा रहा जिसका प्रभाव इस प्रकार दिखाई
देता है कि बैंक ने उसका निरंतर निरीक्षण कर रहा है।
रिजर्व बैंक ने उस प्रकार के प्रयास के बाद में कहा कि उसके बाये
भारतीय नगरिकों द्वारा विस्तारित बैंकों में किए गए अवैध निवेश के
बारे में अपने निरीक्षण के बारे में भी रिजर्व बैंक ने कहा कि उसके पास
इससे कोई जानकारी नहीं है। रिजर्व बैंक ने उस प्रकार के प्रयास के
बाद में कहा कि वहाँ तक सोने की विक्री और खरीद का निरीक्षण
होता है तो उसके पास इस संबंध में कोई जानकारी नहीं है।
**Hind Copper share sale to be delayed**

Mumbai: Hindustan Copper Ltd, India's sole miner of the metal, may delay its share sale by at least two months until the government completes the public offer of Coal India Ltd, said two people familiar with the matter.

The sale will probably be scheduled for November, the people said, declining to be identified before an official announcement. Hind Copper chairman Sakeel Ahmed had said in June that the sale may raise as much as Rs4,000 crore by September. Bloomberg
अधिक खनन पर कांग्रेस ने भाजपा पर हमला बोला

नई दिल्ली। राष्ट्रपति बैंक को लेकर भाजपा का हमला जूत चल रहा। कंग्रेस ने कर्नाटक में अधिक खनन के लिए कर्तव्य नहीं करने पर भाजपा पर हमला बोला। कंग्रेस ने कहा कि उनके विकास कार्यक्रम निष्क्रिय हो जाने का सबूत है जिसे जानते थे। कंग्रेस प्रवक्ता महान तिकड़ी ने कहा कि वह भाजपा के साथ भाजपा के साथ खुश नहीं। कंग्रेस के अध्यक्ष भाजपा राष्ट्रीय कार्यकर्ता को मुर्मरी नहीं करते। कंग्रेस प्रवक्ता महान तिकड़ी ने कहा कि वह भाजपा के साथ भाजपा के साथ खुश नहीं। कंग्रेस के अध्यक्ष भाजपा राष्ट्रीय कार्यकर्ता को मुर्मरी नहीं करते।
सोने के अवधार, खाराबार के बारे में कोई जानकारी नहीं

नई दिल्ली: (अधिवेश्न)। रिवर्स बैंक के पास देश में जारी लोगों के कटिबंध अवधार खाराबार के बारे में कोई जानकारी नहीं है। सूचना के अधिकारियों के अंतर्गत निःशुल्क गृह सुचारू के कारण में नया बात साभार आई है। सोने के अवधार खाराबार, इकाइयां खाराबार और निदेशक सैद्धांतिक मॉडल में रखे गए थे जब अर्थव्यवस्था तथा बैंकिंग अपरिवर्तित बिक्री (बैंकमाम्पल) के बाद सुधार किया गया। रिवर्स बैंक ने अपने अवधार में नियोजित बात सुचारू के बाहर कहा कि उसे इन मामलों के बारे में कोई जानकारी नहीं है।

सोने के अवधार खाराबार के बारे में अपने जवाब में बैंक ने कहा कि सोने की वित्तीय और राजनीतिक संकेत नसीपर्क अप्रासंगिक बिक्री (बैंकमाम्पल) का सूचना किया है कि वे इस प्रकार की सूचना एक्सेस नहीं करते। मामलों से मिली जानकारी से पता चला कि बैंक ने अपने लोकतन्त्र अभियांत्रिक रिपोर्ट के पारंपरिक में जो रखे दिखा कि 22 अगस्त 2010 को दी जानकारी नहीं है कि उसे इन मामलों में कोई जानकारी नहीं है। निदेशक बैंक ने अवधारित एवं अवधारित अदालत को नसीहत दी है कि इन मामलों के डिटेल ऑफ इस्कॉर्टर इलेक्ट्रॉनिक एंड अपरिवर्तित बिक्री को जानकारी नहीं देता।
सोना ₹ 60 उतरा, चांदी ₹ 225 फिसली ।

नई दिल्ली। अंतरराष्ट्रीय तरंग पर सोना का व्यवस्था के कम पड़ने और ग्राहकों को खरीदने होने से फिसली सरफराज़ बाजार में मंगलवार को सोना 60 रुएं उतर कर 18362 क्रौं प्रति 10 ग्राम बिलाना गया और चांदी 225 रुएं प्रति 29250 क्रौं प्रति किलोग्राम पर आ गई। लंदन से मिले समाचारों के अनुसार अंतरराष्ट्रीय कारोबार के दौरान सोना 1200 होलर प्रति औस के स्तर से नीचे उतर गया और वह 1197.20 होलर प्रति औस पर रहा जबकि फिसली कारोबारी हिस्सा में नया के यह 1200 होलर प्रति औस पर रहा पाया। मंत्रालय स्तर पर बाजार में गतिविधियों का असर रहकर सरफराज़ बाजार पर भी दिखाई सिलकर और फिसली पर दुई और वह 100-100 रुएं प्रति फिसला उतर गया।
मंदी से अछूता रहा भारतीय हीरों और जेवरों का निर्णाय

म्यूनिसिपल और सरकार ने दो साल से चार मंदी के कब्जे के नियामक भारतीय हीरो और जेवरों उद्योग के जबाबदार मजदूरों की है। इस देर देर में मंदी के कब्जे में भारतीय हीरो और जेवरों की मजदूरों के नियामक बांट दूर करने का काम किया है। इसी से हीरों और जेवरों ने अपने गद्दियों का खुलासा किया है। इसी से हीरों और जेवरों के नियामक प्रश्नों का समाधान नहीं होता है।

हीरो और जेवर जीवन में नियामक संबंध विस्तार अनुवाद (डाउनटाइम) की तरह से होने जा रहे हैं इसे जीवन में अपनी तरह का समय से शुरू और आगे बढ़ाने का पहला खतरा यह हो जा रहा है। हीरो के पहले मामले की तरह हीरो और जेवर की मजदूरों का जीवन नया बना होगा। इसलिए हीरो और जेवर के मजदूरों के नियामक में संधी आयेगी विशेष रूप से अपने जीवन की दैनिक कल्याण।

2007-08 में हीरो और जेवर के मजदूरों का नियामक 20,921 मिलियन अमेरिकी डॉलर था, जबकि इसके अन्य साल में उसे 24,894 मिलियन डॉलर हो गया। पिछले वर्ष इसमें और उछली हुई और भारत से हीरो और जेवर का मजदूर 28,415 मिलियन अमेरिकी डॉलर हो गया।

प्रधानमंत्री मोदी ने बताया कि हीरो और जेवर की मजदूरों के नियामक में संधी अथवा अन्य अनुचित में भारत से हीरो और जेवर की मजदूरों का 43 फीसदी हिस्सा हो जाएगा है।
‘BJP fears to take steps on partymen’

AGE CORRESPONDENT

NEW DELHI

Aug. 10: In a counter offensive the Congress on Tuesday accused BJP of “developing cold feet” when it comes to taking action against its own people involved in “corruption and malpractice”. Making Karnataka illegal mining issue a point in case the ruling party said, the main Opposition is behaving like “Draupadi and Girdhari”.

Interestingly, BJP member Kirti Azad had used the names of two epic characters from Mahabharata to depict senior Congress leaders and officials on Monday while initiating a debate in the Lok Sabha on the preparations of Commonwealth Games to held in October.
SC dismisses Reddy petition against HDK

S.S. NEGI

NEW DELHI

Aug. 10: The Supreme Court on Tuesday dismissed a petition by Karnataka tourism minister and leading iron ore mine owner in the state Janardhan Reddy accusing former chief minister H.D. Kumaraswamy of collecting Rs 150 crores from Bellary miners.

Though the petition was filed way back in 2006, the top court had not taken cognisance of it and when it came up for hearing on Tuesday, Mr Reddy’s counsel Mukul Rohatgi during a brief hearing sought to withdraw it.

But a bench of Justices Dalveer Bhandari and M.K. Sharma declared it as “dismissed as withdrawn” while accepting Mr Rohatgi’s plea.

Prior to dictating the one liner order, the bench observed that the petitioner could take up the matter in the Karnataka high court and the opposite parties could raise the objection there itself.

Ever since the filing of the petition in 2006, several attempts were made by Mr Reddy to seek SC notice on it but the court had deferred the same for detailed hearing. Mr Kumaraswamy’s counsel Prashant Kumar, opposing the petition, said that the issue should be left to Karnataka Lokayukta, Justice N. Santosh Hegde.
Novelis profit drops 65% in Q1

BS REPORTER, Mumbai, 10 August

Novelis Inc, the Canadian subsidiary of the country's largest aluminium producer, Hindalco Industries, said its first-quarter net profit fell to $50 million, from $143 million in the year-ago period, due to mismatch in realisation of derivatives.

However, Ebitda (earnings before interest, tax, depreciation and amortisation) rose 112 per cent to $363 million. This was the highest quarterly adjusted Ebitda in the company's history. “These record operating results were primarily due to strong global market demand, as well as effective cost management and efficiency gains,” said the company statement.

“Over the past year, we have built a solid foundation and become a stronger, leaner and more nimble company,” said Phil Martens, president and chief operating officer, Novelis, in the statement.

Shipments of aluminium-rolled products totalled 746 kilo tonnes for the quarter, an increase of 15 per cent over 650 kilo tonnes in the same quarter last year.

The company attributed the growth to stronger end-market conditions. Net sales advanced 29 per cent to $2.5 billion, compared to $2.0 billion in the same period last year, on the back of higher aluminum prices and conversion premiums.

Liquidity for the company improved to approximately $1.1 billion at the end of the first quarter of 2011, an increase of 136 per cent from $446 million in the same period last year.

“As of June 30, our liquidity remained strong,” said Steve Fisher, chief financial officer for Novelis.

Going forward, the company expects continued strength across all of its regions. “The results in the first quarter reflect a rapid increase in demand throughout the quarter. As a result, we are running at capacity in all of our regions,” said Martens. “In addition to our strategic initiatives and expansion plans in South America, we will focus on de-bottlenecking our facilities globally.”
अद्वैध खनन रोकने में सरकार विफल
कांग्रेस का सवाल: जिनके पास कुछ नहीं था, उनके पास हजारों करोड़ कहां से आए

प्रभावी संवादक @ देश-वर्तमान

केंद्रीय स्वस्थ्य मंत्री गुलामनबी आजाद ने कहा कि अद्वैध खनन को रोकने में राज्य सरकार पूरी तरह विफल रहा है और केंद्र सरकार इस मामले में कहीं खामेश नहीं रही गई। आजाद सीमित का जिला खेत्र में आयोजित कांग्रेस प्रदर्शन में रैली का उपाधि अद्वैध खनन के खिलाफ कर रहे थे। उन्होंने कहा कि बेहतरी की खेती के लिए अद्वैध खनन का अवघडता करने तथा करिवार अधिकार नहीं है।

जिनता का 70 वर्ष से चल रहा अद्वैध खनन को कहीं खामेश नहीं रही गई और हजारों करोड़ कहां से आए। जलाहारी कह रहे हैं कि राजस्थान में अद्वैध खनन के लिए अधिकार नहीं है।

केंद्रीय मंत्री एस.एम. कुमार ने कहा कि राज्य में चल रहे अद्वैध खनन का खतरा उचाई गया।
Vedanta gets Orissa Govt nod for expansion

Aug 10

Vedanta Aluminium Ltd won approval from Orissa for a Rs 37,500 crore expansion that will increase its smelter and refinery capacity six-fold each to 1.6 million tonnes and 6 million tonnes respectively, the Senior Vice-President, Mr A.K. Samal, said in a telephone interview. — Bloomberg
Hind Copper FPO likely in November
Govt wants 3 weeks’ time after Coal India IPO

Jayanta Mallick
Kolkata, Aug. 10
The proposed Hindustan Copper Ltd follow-on equity offer is likely to hit the market in November.

According to sources, the company has indicated that the Hindustan Copper issue should come at least three weeks after the closure of the proposed initial public offering of Coal India Ltd.

Sources in the Mines Ministry suggest that a breathing space was required for investors after the Coal India issue, the biggest proposed this year. Sources said that the CIL issue could be completed in October.

A Group of Ministers will take the final call on the exact timing of the Hindustan Copper issue.

The Chairman and Managing Director of the public sector integrated copper company, Mr. Shakeel Ahmed, told Business Line on Tuesday that Hindustan Copper would file the draft red herring prospectus for 10 per cent fresh equity issue and another 10 per cent divestment by the Government in the first week of September.

BOARD MEET THIS WEEK
Declining to comment on the roadshow timing, he said the company’s board would meet this week and some time in the early next month to consider the progress of the work ahead of the issue.

The proposed issues of the State-owned companies, particularly of CIL, have been delayed by a few months.

The Ministry of Mines (the administrative Ministry of Hindustan Copper), the Ministry of Disinvestment and the Group of Ministers will be involved in the decision-making process regarding the timing of the issue as also the price range in the next few weeks.

Meanwhile, the company has hired the law firm Amarchand & Mangaldas as the advisor to the proposed issue. Mr. Ahmed said the selection of registrar and public relations consultant for the issue would be over by August 23.

ICICI Securities is the lead manager. UBS Securities, SBI Capital Markets, Kotak Mahindra and Edelweiss are the issue managers.

The Hindustan Copper stock on Tuesday closed at Rs 457 on the BSE. The low float stock (0.41 per cent) has come down from its 52-week high of Rs 657, recorded on January 20.
Hindustan Copper share sale may be delayed until November

Mumbai: Hindustan Copper, India’s sole miner of the metal, may delay its share sale by at least two months until the government completes the public offer of Coal India, said two persons familiar with the matter. The sale will probably be scheduled for November, they said, declining to be identified before an official announcement. Chairman Shakeel Ahmed said in June the sale may raise as much as ₹40,000 crore (US$63 million) by September. India’s Cabinet in June approved stake sales in Coal India and Hindustan Copper as part of an asset sale programme to raise ₹40,000 crore by March 31. Prime Minister Manmohan Singh’s government had planned to sell shares in one state-owned company almost every month to raise funds for building roads, ports and hospitals and grow the economy 8.5% this fiscal year. The government, which holds 99.6% of Hindustan Copper, will sell a 10% stake, while the Kolkata-based company will sell an equivalent proportion of new shares, according to the company’s website. Company spokeswoman Shampa Lahiri declined to comment on the timing of the share sale.
Gold reacts on global cues

Mumbai, Aug 10

Gold prices reacted downwards on the bullion market on Tuesday on fresh selling from stockists and speculators, triggered by a weakening trend in global markets. Silver too dropped on heavy offerings by stockists. Standard gold (99.5 purity) declined by Rs 60 for ten gm and closed at Rs 18,125. Pure gold (99.9 purity) also fell by a similar margin of Rs 60 for ten gm and closed at Rs 18,215. Silver ready (.999 fineness) tumbled by Rs 250 a kg to conclude at Rs 29,435.

Chennai: Bar silver (a kg): Rs 29,625; retail silver (a gm): Rs 31.70; standard gold: Rs 18,220; retail ornament gold (22 carat): Rs 1,694. —PTI
Gold slips below $1,200/oz

Reuters
London, Aug. 10

Gold prices retreated below $1,200 an ounce in Europe on Tuesday as the dollar strengthened, but direction was weak as traders awaited the outcome of a US Federal Reserve monetary policy meeting later in the day.

Sporadic gold was bid at $1,195.95 an ounce at 11:06 GMT, against $1,200.00 late in New York on Monday. US gold futures for December delivery fell $4.20 an ounce to $1,198.40.

Gold's retreat from the three-week highs it hit last week resulted in a slight uptick in Asian physical demand.

Traders bought more metal in India, the world's largest gold consumer, as prices eased below $1,200 an ounce, but interest was limited by a weaker rupee, which makes the dollar-quoted asset more expensive for local buyers.

"There is buying, but not as much as we saw in the last two weeks," said one Mumbai-based dealer. "(There) is buying below $1,200 (an ounce)."

Among other precious metals, silver was at $18.08 an ounce versus $18.29, platinum was at $1,529.75 an ounce versus $1,540 and palladium was at $471.28 versus $475. The platinum-gold ratio — a measure of how many ounces of gold are needed to buy an ounce of platinum — eased to a 2-1/2 week low of 1.28, showing gold was becoming increasingly expensive compared to platinum.
Copper declines on dollar strength

Reuters, Aug. 10

Copper fell 2 per cent on Tuesday as investors worried that price had over-run fundamentals, while the dollar firmed ahead of a US Federal Reserve meeting later in the day.

By 09:56 GMT, copper for three-month delivery on the London Metal Exchange traded at $7,250 a tonne from $7,425 at the close on Monday and compared with a session low at $7,241.25. Copper hit $7,527 a tonne last week, its highest peak since April 27, as fears of a double dip downturn and European sovereign debt eased, while demand expectations improved.

STOCKS DOWN

Boosting overall sentiment in recent weeks has been a growing trend of falling LME inventories. The latest LME data showed that copper stocks shed 2,100 tonnes to 408,475 tonnes, having fallen from 6-1/2 year highs at 555,075 tonnes in mid-February.

Aluminium traded at $2,150.25 versus $2,182. LME stocks for the metal, used in transport and packaging, slipped 5,175 tonnes to 4.3 million tonnes, down from record levels above 4.6 million tonnes in late January.

A large portion of those aluminium stocks are tied up in finance deals. Worries about near-term supplies have narrowed the contango—the discount between the cash and three-month contracts—to about $9 a tonne from $33 a tonne mid-June.

Nickel traded at $22,250 from $22,800, while battery material lead was at $2,131 from $2,200.

Zinc traded at $2,089.75 a tonne from $2,150 and tin at $20,850 from a last bid price at $21,300 on Monday.
Firm prices jack up Novelis sales by 29%

Mumbai, Aug 10: Novelis, a subsidiary of Hindalco, on Tuesday announced that net income for the first quarter ended June 30, 2010 dipped to $50 million against $143 million in the corresponding quarter last year. Adjusted EBITDA during the quarter grew 112% to $263 million, compared with $124 million in the corresponding period last year. Hindalco is an Aditya Birla Group company.

Net sales stood at $2.5 billion, an increase of 29% from the $2 billion reported in the same period a year ago. This resulted from higher aluminum prices, conversion premiums and strength in the company’s end-markets, Novelis said.

“This was a great quarter for the company for a number of reasons. Over the last year, we have built a solid foundation and become a stronger, leaner and more nimble company,” said Phil Martens, Novelis President and COO.

Shipments of aluminum rolled products grew 15% y-o-y to 746 kilotonnes compared to shipments of 650 kilotonnes in the first quarter of the previous year, driven by stronger end-market conditions across all four regions. This represents the second consecutive quarter since the economic downturn that shipments grew in all regions year-over-year, it said.

The company’s liquidity improved to approximately $1.1 billion at the end of June 2010 from $446 million in liquidity reported for the same period in the previous year. Meanwhile Hindalco Industries last week reported a growth of 11.02% in its standalone net profit to Rs 834 crore for the first quarter ended June 30, 2010 against Rs 481 crore last year. “The growth in net sales was driven by higher volumes, better product/geographic mix and improved realisation,” Deba Battacharya, MD of Hindalco said.

Novelis expects continued strength across all of its regions, which is North America, Europe, Asia, and South America. “The results in the first quarter reflect a rapid increase in demand throughout the quarter. As a result, we are running at capacity in all of our regions. In addition to our strategic initiatives and expansion plans in South America, we will focus on debottlenecking our facilities globally,” said Martens.
Miners will have to give tribals a share

Proposed Bill Will Make It A Must To Give Away Either 26% Equity Or Profit

Nitin Sethi | TNN

New Delhi: Mining companies in tribal areas should shell out 26% of their equity while individual and other operators should share 26% of their profits with the affected people. The Union mines ministry will recommend this to the Empowered Group of Ministers on the new Mines and Minerals (Development and Regulation) Act on Wednesday.

The EGoM will meet for the last time on Wednesday to discuss the bill which the government believes can reduce the rising protest in tribal areas against mining that brings little developmental gains to the region.

Sources said the proposed bill’s provisions for sharing equity and profits besides the mining units paying an environmental levy and other taxes in order to check abnormal super profits as well as run the operation sustainability remain on board despite a spirited attempt by business chamber FICCI against them.

FICCI had written to the PM against the provisions of the bill. It had claimed that sharing their profits with affected people “would be like money earned without any effort” and lead to greater inequalities and cause socio-economic problems besides making the mining industry operations unviable.

But the government, conscious of the geographical overlap of the tribal population, Left-wing extremism and the mining belt in central India, sources suggest, at the moment is sticking to its guns.

The bill also proposes to set up a regulatory authority at the Centre to monitor and implement the Act. The move to set up such an authority comes at a time when the case of illegal mining in Karnataka has become a national issue with a beleaguered BJP government in the state tossing the ball into the Union government’s court. It has asked the Centre to ban iron ore exports which it turn would curb illegal mining too.

While the UPA at the moment seems firm on altering the mining regulations, it is a divided house on the issue of curbing or banning exports. The Union minister of mines B K Handique on Tuesday said a ban on the export of the ore would lead to job loss. The Union steel ministry, on the other hand, has favoured a ban on exports of iron ore fines. The EGoM meeting on Wednesday is expected to resolve this impasse as well.

Handique admitted in Lok Sabha during question hour that there were differing views but said, “My ministry has, however, kept an open mind and whatever decision is taken, we shall abide by it.”
SC allows Reddy to withdraw plea for probe against Kumaraswamy

EXPRESSION NEWS SERVICE
NEW DELHI, AUGUST 10

THE Supreme Court on Tuesday allowed Karnataka Minister and mining baron Janardhana Reddy to withdraw a four-year-old petition seeking CBI enquiry into his allegation that former CM H D Kumaraswamy collected bribes worth Rs 150 crores from mine owners in Bellary district.

A Bench of Justices Dalveer Bhandari and Mukundkam on Tuesday dismissed Reddy's petition after giving liberty to the latter's counsel Mukul Rohatgi to approach the High Court. “He is permitted to withdraw the petition with liberty to move afresh before the Karnataka High Court, if so advised,” the court said.

Reddy, who was at the time suspended from the Bharatiya Janata Party, had campaigned that the state government refer the Rs 150-crore bribery charge levelled by him against Kumaraswamy and ministers MP Prakash and C Chenmigappa to the CBI for investigation. His demand for a CBI enquiry gathered more force after the state government had announced its move to wind up the Justice UL Bhat Commission on inquiry into illegal mining in the state.

Kumaraswamy's counsel Prashant Kumar argued that the enquiry had already been handed over to state Lokayukta and former SC judge Santosh Hegde, who has submitted his first report and was preparing the second one. The counsel further submitted that now it was Reddy himself who was resisting a CBI probe into the illegal mining in the state.

At this point, Justice Sharma brought up the recent controversy of how Hegde had even put in his papers, blaming political interference in his official work. “He wanted to resign and then decided to stay,” Justice Sharma observed. The Supreme Court had on several occasions declined to issue notice in the case.
Monnet Ispat profit up

NEW DELHI: Monnet Ispat and Energy (MIEL) has announced a 20 per cent growth in its sales for the first quarter of the current fiscal ended June 30, 2010, at Rs. 451.41 crore while its net profit stood at Rs. 72.72 crore, up 19 per cent. Recently Blackstone Group invested for 12.5 per cent equity stake in Monnet Power Company Ltd., a subsidiary of MIEL. — Special Correspondent
NEC has accelerated pace of Development

Nestled in the blossom of the mighty Himalayas, drenched by snow and shower, fed by the mighty Brahmaputra and its lesser vassals are the “North Eastern States”. The states of Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura are connected to mainland India by the umbilical cord - a strip of land that is only 21 to 40 km in width, with the countries in Nepal and Bangladesh lying on either side of the corridor.

The seven sisters and Sikkim, are in essence, the real flavor of India, united in their diversity and a model of interdependence and coordination. A true frontier region, it has over 2000 km of border with Bhutan, China, Myanmar and Bangladesh and together constitute what is popularly called the North Eastern Region (NER).

From times immemorial, India’s North East has been the meeting point of myriad communities, faiths and cultures. A place renowned for its magical beauty and bewildering diversity, North East India is the home for more than 166 separate tribes speaking in as many exotic tongues. Some groups have migrated over the centuries from places as far as South East Asia; they retain their cultural traditions and values but are beginning to adapt to contemporary lifestyles.

The range of communities and geographical and ecological diversity makes the North East quite different from other parts of the subcontinent. While the economies, because of natural constraints have not grown in tandem with the plains and there still remains a vast disparity in terms of both economic development and opportunities, the area is fast gearing up to join India’s march across the north south border to become a developed economy.

Shri B. K. Handique, Doner Minister

The pace of development in the hilly areas and plains differ considerably. The valleys are economically active areas of the region, the Brahmaputra valley being the most active. Tribal population forms only one forth of the population of the North East, despite the fact that in four States i.e. Mizoram, Meghalaya, Nagaland and Arunachal Pradesh, tribals are in majority and in Mizoram, they constitute as high as 95% of the population. Though the region is diverse and heterogeneous, it is also homogeneous in the sense that the social stratification found in other parts of the country is not present in the North East. There are differences among the eight states in the North eastern region with respect to their resource endowments, level of industrialization as well as infrastructural facilities. The industrial sector has mainly grown around tea, petroleum (crude), natural gas etc. in Assam and mining, saw mills and steel fabrication units in other parts of the region. The economy of the region is still primarily agrarian but its full potential is yet to be exploited. Since agriculture and industry has not really taken off in spite of the potential in the form of vast unexploited resource base available in the region.

The pressure for employment is on the service sector. The contribution of service sector to state domestic income is much higher in this region, except for Meghalaya and Nagaland. Mining in case of Meghalaya and forestry and logging in case of Arunachal Pradesh and Nagaland are important contributors to NSDP. The contribution of construction is also high in this region. Growth in per capita income almost stagnated in Assam since 90’s, was better than the national average in Meghalaya, an increasing trend in case of

Arunachal Pradesh, Manipur, Nagaland, Sikkim and Tripura. Despite the rich in natural resources, development in the North Eastern region has lagged behind the rest of the country. The region’s economy is generally characterized by low per-capita income, low capital formation, inadequate infra structural facilities, geographical isolation and communication bottleneck, inadequate exploitation of natural resources like mineral resources, hydro power potential, forests etc., low progress in industrial field, lack of private and foreign direct investment and high unemployment rate among the relatively high literate people.

The need of the hour was to accelerate the pace of all round development in the region with an inclusive approach so as to maximize the benefits of growth and ensure that its fruits are distributed in an even and just way. This basic thought led to the formation of the North Eastern Council (NEC) which came into being by an act of Parliament, the North Eastern Council Act, 1971 to act as an advisory body in respect of socio economic development and balanced development in the North Eastern areas. The NEC started functioning in the year 1972.